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Senate

(Legislative day of Friday, September 22, 2000)

The Senate met at 12 noon, on the expiration of the recess, when called to order by the President pro tempore [Mr. THURMOND].

PRAYER

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

Almighty God, source of enabling strength, we thank You that You have promised, ''As your days, so shall your strength be.''

As we begin a new week, it is a source of both comfort and courage that You will be with us to provide the power to finish the work to be accomplished before the recess. Help us to trust You each step of the way, hour by hour, issue after issue. Free us to live each moment to the fullest. We commit to Your care any personal worries that might cripple our effectiveness. Bless the negotiations on the budget. We ask that agreement may be reached.

Father, be with the Senators. Replace rivalry with resilience, party prejudice with patriotism, weariness with well-being, anxiety with assurance, and caution with courage. Reclaim that magnificent promise through Isaiah, ''But those who wait on the Lord shall renew their strength; they shall mount up with wings like eagles; they shall run and not be weary; they shall walk and not faint.'' Is. 40:31. May it be so for the Senators all through this week. You are our Lord and Saviour. Amen.

PLEDGE OF ALLEGIANCE

The honorable JEFF SESSIONS, a Senator from the State of Alabama, 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 MAJORITY LEADER

The PRESIDENT pro tempore. The able majority leader is recognized.

Mr. LOTT. I thank the Chair.

THE PRESIDENT PRO TEMPORE

Mr. LOTT. Mr. President, we note with great pleasure that the distinguished President pro tempore, Senator THURMOND of South Carolina, is present and accounted for, as always. We are truly blessed and thankful for the indomitable spirit and the magnificent personality and the leadership of Senator THURMOND. It is good to see him here looking great this morning.

Mr. THURMOND. Thank you very much.

SCHEDULE

Mr. LOTT. Mr. President, today the Senate will be in a period of morning business until 2 p.m. with Senators THOMAS and BYRD in control of the time.

Following morning business, the Senate will resume consideration of the motion to proceed to S. 2557, the bill regarding America's dependency on foreign oil. At 5:30 p.m. the Senate will proceed to a vote on the conference report accompanying the energy and water appropriations bill unless some other agreement is reached. As a reminder, on Tuesday morning the Senate will begin final debate on the H–1B visa bill with a vote scheduled to occur at 10 a.m. Therefore, Senators can expect votes at 5:30 p.m. this evening and 10 a.m. tomorrow.

I thank my colleagues for their attention.

I might also note that we could have a vote or votes on the Executive Calendar this afternoon. So there could be at least two votes beginning sometime around 5:30, maybe as many as three. And then, of course, there will be the other vote at 10 a.m.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. SESSIONS). The Senator from West Virginia is recognized now for 60 minutes.

Mr. BYRD. I do not expect to take 60 minutes, but I thank our floor staff for arranging for me to use that time.

A CATSKILL EAGLE

Mr. BYRD. Mr. President, on a cold winter afternoon in 1941, a young boy of fourteen went about his daily business, engaged in his humble profession. I can imagine that to many of the pedestrians who made their way down Central Park West that day, this youngster perhaps was nothing extraordinary, just another shoeshine boy. However, this was not just another winter day; it was December 7, 1941. It marked the beginning of America's active participation in the greatest struggle of the twentieth century, a war that would take this boy and make him a man. And it was, perhaps, the last time DANIEL PATRICK MOYNIHAN was left standing on the sidelines as the controversies and events that would affect our Nation unfolded. So this was not just another boy. Today, I honor this man and commemorate his transformation from a humble shoeshine boy to the senior Senator from the State of New York. It is with a heavy heart, a heart that is filled with admiration, that I bid Senator MOYNIHAN farewell and thank him for his ceaseless efforts on behalf of the people of New York and this Nation.

He will not be leaving this afternoon or tomorrow or the next day, but this is his final year, by his own choice, in which he will serve the Nation and his State of New York from his position in this Chamber.

Raised by a journalist and a bar-keep in Manhattan's melting pot, Senator

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

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MOYNIHAN climbed the ladder of academia with the callused hands of a blue-collar day laborer to become a man of accomplishment and great learning, the embodiment of the American Dream. He once arrived for an examination at City College of New York with a dockworker's loading hook tucked into his back pocket next to his pencils, as if it were a study in contrasting worlds.

It was this unrelenting desire, this hunger, this thirst for knowledge that led this former shoeshine boy from the sidewalks of New York, that led this longshoreman who had worked out in the cold with the swirling snow and the wintry winds about him, to his improbable destiny in the life of our Nation.

Having served honorably in the U.S. Navy during World War II as a gunnery officer aboard the U.S.S. *Quirinus*, he earned a doctorate from the Fletcher School of Law and Diplomacy in 1961. He taught briefly at both Harvard University and Tufts University and then worked in a series of high positions in the Kennedy, Johnson, Nixon, and Ford administrations. Now get that, high positions in four administrations—the Kennedy, the Johnson, the Nixon, and the Ford administrations. He became the first and only man ever to serve in the Cabinets or subcabinets of four successive Presidents.

What an outstanding career. What an outstanding man for that career. However, this was only the beginning, for this great thinker among politicians. He was also to become one of the finest politicians among thinkers.

A true visionary, Senator MOYNIHAN is the kind of philosopher-politician who the Founding Fathers had fervently hoped would populate the Senate. Men, who, like Socrates' philosopher-kings described in Plato's Republic, ''are awake rather than dreaming''—men who have broken the bonds of ignorance and have sought the truth of fine and just and good things, not simply the shapes and the half-defined shadows of the unthinking world; men who have shared the light of their learning, illuminating the path for others—some of whom always seem to be left in the dark.

If there is, in fact, one man among those of us in the Senate who truly epitomizes Socrates' philosopher-king, it is surely, indubitably, and without question, the senior Senator from the State of New York, Mr. MOYNIHAN.

With a pragmatic eye and a unique talent for seeing the issues that face our Nation on a larger scale—on a grand scale—Senator MOYNIHAN has spent most of his life breaking through the partisan politics inside this beltway. He possesses both a startling ability to foresee future problems, far beyond the ken of most men, and the courage to address these problems before they become apparent to common men. Issues that few others tackle with insight, such as Social Security, health care, and welfare reform, he has passionately addressed for many years—crossing party lines, challenging every administration—and all without personal concern for political backlash. Simply put, Senator MOYNIHAN states facts, the cold, hard truths that many others in high places refuse to face and that some are unable to see. His conscience is his compass, and his heart is steadied by his unfaltering belief in the power of knowledge and the possibilities of government.

As Senator MOYNIHAN steps away from his desk on the Senate floor for the final time—he will never step away from it in my memory. I will always see him at that desk. I will always see his face—that unkempt hair, the bow tie, the spectacles which he frequently readjusts. I can hear him say: ''sir; sir.''

As he steps away from his desk on the Senate floor for the final time, he will walk away with his head held high, with his legacy intact, and with a distinguished and singular place in our Nation's history well secured. He will always be looked to as a leader of men, as an author of many books—more books than most Senators have read—and as a compassionate intellectual who has no peer in this Senate, who has used his considerable talents to become one of the principal architects of our Nation's foreign policy and our Nation's social security safety net. He will be remembered thusly, for these and more.

U.S. Permanent Representative to the United Nations, author of the Welfare Reform Act of 1988 and the Intermodal Surface Transportation Efficiency Act of 1991, chairman of the Senate Committee on the Environment and Public Works from 1992 to 1993, chairman of the Senate Committee on Finance from 1993 to 1994, DANIEL PATRICK MOYNIHAN has left his indelible mark on this country.

He served as the chairman of that Finance Committee, one of the oldest of the few committees that sprang into being early, I believe it was in 1816. It was from that Committee on Finance that the Appropriations Committee was carved in 1867, a half century later. In the beginning, the Finance Committee handled both the finance and the appropriations business of the Senate. The Finance Committee was well led when DANIEL PATRICK MOYNIHAN sat in the chair.

I certainly will never forget the role that Senator MOYNIHAN played in our battle against the line-item veto. Like Socrates' quoting the shade of the dead Achilles in Homer's epic, the ''Odyssey,'' Senator MOYNIHAN would rather, '' 'work the Earth as a serf to another, one without possessions,' and go through any sufferings, than share their opinions and live as they do.''

Incapable of indifference and unable to sit by as others were paralyzed by ignorance, Senator MOYNIHAN rose up and fought the good fight—the just fight—and he won, sir. He won.

In the 24 years that Senator MOYNIHAN has walked the marble halls of the Capitol, he has graced us all with intellectual vigor and a stellar level of scholarship. He has helped us all to ascend the path of true knowledge and reach for wisdom. Each of us, Democrat and Republican alike, recognizes that when Senator MOYNIHAN speaks, we should listen for we may learn something that could fundamentally shift our thinking on a given matter. Senator MOYNIHAN has been a guiding light, a sage of sages, the best of colleagues, and always, always a gentleman—always a gentleman.

On this day, when I state this encomium in my feeble way—feeble because I cannot meet the challenge, strive though I must, I cannot meet the challenge to gropingly find the appropriate words to express my true and deep abiding admiration and love. I cannot find it for this man.

I have served with many men and women in this Senate. Everyone here knows of my great admiration for some of those men—I say ''men'' because, for the most part, of these more than two centuries, only men served in this body. Every colleague of mine knows of my deep admiration for certain former Senators—Senator Richard Russell, Senator Russell Long, Senator Lister Hill, Senator Everett Dirksen, and others—and yet Senator MOYNIHAN is uniquely unique. He is not the keeper of the rules as was Senator Russell. He is not the great orator that was Senator Dirksen, but this man is unique in his knowledge, in his grasp of great issues, in his ability to foresee the future and to point the way, always unassuming, always courteous, always a gentleman. Ah, that we could all be like this man!

I wish I could have been so fortunate as to sit in Senator MOYNIHAN's classes at Harvard or, to paraphrase Garfield, on a log in the West Virginia hills with PAT MOYNIHAN on one end and me on the other. That is the picture I have of one to whom I look up, one whom I admire and at whose feet I would gladly sit to learn the lessons, the philosophy, the chemistry of the times.

Erma and I offer our best wishes to his lovely and gracious wife Elizabeth as our esteemed colleague, Senator MOYNIHAN, embarks on yet another adventure—retirement. I thank him for being this special man, always a philosopher-Senator. He will be sorely missed here. Whence cometh another like him?

Herman Melville, in his classic work, Moby Dick, said this:

> There is a Catskill Eagle in some souls that can alike dive down into the blackest gorges and soar out of them again and become invisible in the sunny spaces. And even if he forever flies within the gorge, that gorge is in the mountains; so that even in his lowest swoop, the Mountain Eagle is still higher than the other birds upon the plain, even though they soar.

Many who have passed through these halls have soared, but very, very few could ever truly be likened to a Catskill Eagle.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. When I arrived at the Senate near 25 years ago, it was very clear to me that I would look to ROBERT C. BYRD as my mentor; and he has been. I have sat at the foot of this Gamaliel for a quarter century. As I leave, sir, he is my mentor still. I am profoundly grateful.

If I have met with your approval, sir, it is all I have hoped for. I thank you beyond words. And I thank you for your kind remarks about Elizabeth. And my great respect and regard to Erma.

Thank you, Mr. President.

Mr. BYRD. Mr. President, I thank the Senator.

REMEMBERING CARL ROWAN

Mr. BYRD. Mr. President, recently, a great voice was silenced when Carl Thomas Rowan passed away. As a newspaper columnist, he articulated the problems and predicaments of working Americans. As a Presidential advisor, Mr. Rowan spoke for the rights not only of minorities but also for all Americans who were getting the short end of the stick, as we say back in the West Virginia hills.

Carl Rowan and I came from similar backgrounds. We both grew up in poor coal-mining communities and we never forgot our roots. Carl often talked about growing up without running water, without electricity, without those basic amenities that so many people take for granted today. As they did for me, those humble beginnings provided Carl Rowan with the burning desire to make a difference in his community and in his country. And make a difference he did.

The only thing stronger than Carl Rowan's voice was his conviction. He stood for basic principles—equality and freedom—and those principles guided him at every step in his life. Earlier this year, Carl Rowan wrote:

> Men and women do not live only by what is attainable; they are driven more by what they dream of and aspire to that which might be forever beyond their grasp.

That ideal resonated not only in his columns but also in his life. Instead of simply bemoaning the fact that a college education was too expensive for many underprivileged children, Mr. Rowan in 1987 created the Project Excellence Foundation, which has made nearly $80 million available to students for academic scholarships. Instead of allowing the amputation of part of his right leg to slow him down, Mr. Rowan walked—and even danced; even danced—faster than doctors expected, and he then pushed for greater opportunities for the disabled. When others saw obstacles, Carl Rowan saw challenges. When others saw impossibilities, Carl Rowan saw opportunities. Instead of cursing the darkness, Carl Rowan lighted the candles.

Mr. Rowan wrote:

> Wise people will remember that the Declaration of Independence and the Preamble to our Constitution are mostly unattainable wishful thinking or make-believe assertions that were horizons beyond the reality of life at the time they were written.

Carl Rowan always reached beyond the horizon—he always went beyond the horizon—and he helped others to aspire to do the same. With the passing of Carl Rowan, journalism has lost one of its best, the underprivileged have lost a friend, and the Nation has lost a part of its social conscience.

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

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

JOSEPH A. BALL

Mr. SPECTER. Mr. President, I have sought recognition to comment upon the death of one of America's great lawyers, Joseph A. Ball. On Saturday, the New York Times carried an extensive account of his background and history and accomplishments. I ask unanimous consent that at the conclusion of my remarks the copy of the New York Times article be printed in the RECORD.

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

(See Exhibit 1.)

Mr. SPECTER. The Times article details the specifics on the positions held by Mr. Ball in the lawyers associations, his professorial associations as a teacher, his experience as a criminal lawyer, and his experience, most pointedly, as one of the senior counsel to the Warren Commission, the President's commission which investigated the assassination of President Kennedy. It was on the Warren Commission staff that I came to know Joe Ball.

The original complexion of the Warren Commission on staffing was that there were six senior counsel who were appointed and six junior counsel. That distinction was replaced by putting all of the lawyers under the category of assistant counsel. But if there was a senior counsel, it was Joe Ball.

Then, in his early sixties, he was a tower of strength for the younger lawyers. When the commission began its work, I was 33. Most of the junior lawyers were about the same age. We looked to Joe Ball for his experience and for his guidance. He had a special relationship with Chief Justice Earl Warren, which was also helpful because Joe Ball could find out what Chief Justice Warren had in mind in his capacity as chairman and provide some valuable insights that some of the younger lawyers were unable to attain.

Joe Ball worked on what was called area two, along with the very distinguished younger lawyer, David Belin from Des Moines, IA. Area two was the area which was structured to identify the assassin. Although the initial reports had identified Lee Harvey Oswald as the assassin, and on television, on November 24, America saw Jack Ruby walk into the Dallas police station, put a gun in Oswald's stomach and kill him, the Warren Commission started off its investigation without any presumptions but looking at the evidence to make that determination as to who the assassin was.

My area was area one, which involved the activities of the President on November 22, 1963. There was substantial interaction between the work that Joe Ball and Dave Belin did and the work which was assigned to me and Francis W.H. Adams, who was senior counsel on area one.

Frank Adams had been New York City police commissioner and had been asked to join the Warren Commission staff when Mayor Wagner sat next to Chief Justice Warren at the funeral of former Governor and former Senator, Herbert Lehman. Mayor Wagner told Chief Justice Warren that Frank Adams, the police commissioner, knew a lot about Presidential protection and had designed protection for motorcades in New York City, with dangers from tall buildings, which was an analogy to what happened to President Kennedy.

There was question as to how we would coordinate our work, and it was sort of decided that Joe Ball and Dave Belin would investigate matters when the bullet left the rifle of the assassin in flight, which was no man's land, and when it struck the President. That came into area one, which was my area: the bullet wounds on President Kennedy, the bullet wounds on Governor Connally, what happened with the doctors at Parkland Hospital, what happened with the autopsy, all matters related to what had happened with President Kennedy.

We had scheduled the autopsy surgeons for a Monday in early March. They were Lieutenant Commander Boswell, Lieutenant Commander Humes and Lieutenant Colonel Pierre Finck. The autopsy was done at Bethesda, where President Kennedy was taken, because of the family's preference that he go to a naval installation because he was a Navy man, so to speak, who had served in the Navy.

The testimony was to be taken on this Monday in March. There was quite a debate going on with the Warren Commission staff as to whether we should talk to witnesses in advance. It seemed to many of us that we should talk to witnesses in advance so we would have an idea as to what they would testify to so we could have an orderly presentation, which is the way any lawyer talks to a witness whom he is about to call. The distinguished Presiding Officer has been a trial lawyer and knows very well to what I am referring. There was a segment on the Warren Commission staff which thought we should not talk to any witnesses in advance, lest there be some overtone of influencing their testimony. Finally, this debate had to come

to a head, and it came to a head the week before the autopsy searchers were to testify.

And on Friday afternoon, Joe Ball and I went out to Bethesda to talk to the autopsy surgeons. It was a Friday afternoon, much like a Friday afternoon in the Senate. Nobody else was around. It was my area, but I was looking for some company, so I asked Joe Ball to accompany me—the autopsy surgeons falling in my area. We took the ride out to Bethesda and met the commanding admiral and introduced ourselves. We didn't have any credentials. The only thing we had to identify ourselves as working on the Warren Commission was a building pass for the VFW. My building pass had my name typed crooked on the line, obviously having been typed in after it was signed. They sign them all and then type them in. It didn't look very official at all.

So when Commander Humes and Commander Bozwell came down to be interviewed, Commander Humes was very leery about talking to anybody. He had gone through some travail with having burned his notes and having been subjected to a lot of comment and criticism about what happened at the autopsy, and there were FBI agents present when the autopsy was conducted. A report had come out that the bullet that had entered the base of the President's neck had been dislodged during the autopsy by massage. It had fallen out backward as opposed to having gone through the President's body, which was what the medical evidence had shown.

That FBI report that the bullet had entered partially into the President's body and then been forced out had caused a lot of controversy before the whole facts were known. Later, it was determined that the first shot which hit the President—he was hit by two bullets—well, the second shot, which hit him in the base of the skull, was fatal, entering the base of the skull and exiting at the top at 13 centimeters, 5 inches—the fatal wound. The first bullet which hit the President passed between two large strap muscles, sliced the pleural cavity, hit nothing solid and came out, and Governor Connally was seated right in front of the President and the bullet would have to have hit either Governor Connally or someone in the limousine.

After extensive tests were conducted, it was concluded that the bullet hit Governor Connally. There has been a lot of controversy about the single bullet theory, but time has shown that it is correct. A lot of tests were conducted on the muzzle velocity of the Oswald rifle. It was identified as having been Oswald's, purchased from a Chicago mail order store. He came into the building with a large package which could have contained the rifle. He said they were curtain rods for an apartment which already had curtains. The muzzle velocity was about 2,200 feet per second, and the velocity after traveling about 275 feet was about 1,900 feet per second.

At any rate, as Joe Ball and I went through it with the autopsy surgeons, we found for the first time—because we had only seen the FBI reports—that the bullet did go through President Kennedy and decreased very little in velocity. It was at that moment when we talked to Dr. Humes and Dr. Finck that we came to hypothesize that that bullet might have gone through Governor Connally. We didn't come to a conclusion on that until we had reviewed very extensive additional notes, but it was on that occasion that Joe Ball and I had interviewed the autopsy surgeons. It was a marvel to watch Joe Ball work with his extensive experience as a lawyer and as a fact finder.

He lived to the ripe old age of 97. The New York Times obituary had very extensive compliments about a great deal of his work and focused on his contribution to the Warren Commission, where he had written an extensive portion of the Warren Report, as he was assigned to area two which compiled a fair amount of the report.

America has lost a great patriot in Joe Ball, a great citizen, a great lawyer, and a great contributor. I had the pleasure of knowing him and working with him on the Warren Commission staff and have had occasion to reminisce with him about his work. I noted that on his office wall in California is his elegantly framed building pass.

In the absence of any other Senator seeking recognition, 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.

EXHIBIT 1

[From the New York Times, Sept. 30]

J.A. BALL, 97, COUNSEL TO WARREN COMMISSION

(By Eric Pace)

Joseph A. Ball, a California trial attorney who was a senior counsel to the Warren Commission, which investigated the assassination of President John F. Kennedy, died on Sept. 21 in Long Beach, Calif. He was 97 and a longtime resident of Long Beach.

At his death, Mr. Ball was a partner in the Los Angeles office of the Hawaii-based law firm Carlsmith Ball. He had been a partner in that firm and its predecessor in Los Angeles for five decades.

Mr. Ball, who wrote crucial portions of the commission's report, was selected for the commission by United States Chief Justice Earl Warren, who had come to know him in California's political world.

At that time, Mr. Ball was 61, a leading criminal lawyer, a member of the Supreme Court's Advisory Committee on the Federal Rules of Criminal Procedure and a professor at the University of Southern California Law School.

In January 1964, he was appointed as one of six senior lawyers who, each assisted by a younger colleague, were to handle one of six broad areas of inquiry.

Mr. Ball and David W. Belin, a lawyer from Des Moines who was chosen to assist him, concentrated on the area they called "the determination of who was the assassin of President Kennedy."

"About 10,000 pieces of paper were then rolled into my office; the written reports of various investigative agencies, including the F.B.I., the Dallas Police and the Central Intelligence Agency," Mr. Ball wrote in 1993. "During the first month of the investigation, we classified the information found in the reports by means of a card index system. This permitted the immediate retrieval of this information." Witnesses were also questioned during the inquiry.

Mr. Belin wrote in 1971, after the Commission's report had been criticized, that "despite the success of the assassination sensationalists in deceiving a large body of world opinion, the Warren Commission Report will stand the test of history for one simple reason: The ultimate truth beyond a reasonable doubt is that Lee Harvey Oswald killed both John F. Kennedy and J.D. Tippit on that tragic afternoon of Nov. 22, 1963."

Office Tippit was a Dallas police officer whom Oswald shot shortly before shooting Kennedy.

The commission's final report was sent to President Lyndon B. Johnson in September 1964.

Mr. Ball was a president of the American College of Trial Lawyers and of the State Bar of California.

The Joseph A. Ball Fund to benefit American Bar Association programs of public service and education and to honor excellent attorneys was named in his honor.

He was born in Stuart, Iowa, and received a bachelor's decree in 1925 from Creighton University in Nebraska and his law degree in 1927 from the University of Southern California.

He married Elinor Thon in 1931. After her death, he remarried. He also outlived his second wife, Sybil.

He is survived by a daughter JoEllen; two grandchildren; and two great-grandchildren.

Mr. Ball recalled in 1993: "In 1965, I called Chief Justice Warren on the telephone. I said, 'Chief, these critics of the report are guilty of misrepresentation and dishonest reporting.' He replied, 'Be patient; history will prove that we are right.'"

The PRESIDING OFFICER (Mr. KYL). The Senator from Iowa is recognized.

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

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

DRUG FIGHTING AGENCIES

Mr. GRASSLEY. Mr. President, I am often critical of this Administration's happy-go-lucky ways when it comes to drug policy. The administration is like the grasshopper in the old fable. It's out there fiddling around when it ought to be working. That said, I do not mean this criticism to detract from the fine work done by the many men and women in our law enforcement agencies. These fine people risk their lives every day to do important and difficult work on behalf of the public.

I want to take a moment to highlight some of the achievements and invaluable service provided to this nation by the men and women of the Drug Enforcement Administration (DEA), the U.S. Customs Service, and the U.S. Coast Guard. As chairman of the Senate Caucus on International Narcotics Control, I would like to express my

thanks and make known the tremendous pride that I think we should all have in the good people in these agencies.

The men and women of the DEA, Customs, and the Coast Guard are dedicated to the protection of the United States and to ensuring the safety of our children and our lives from the devastating effects of the drug trade. They are called on daily to place their lives in harm's way in an effort to keep our nation secure. When they are boarding smugglers' vessels on the seas. When they stop terrorists at the border. When they investigate narcotics trafficking organizations around the globe. When they dismantle clandestine methamphetamine labs, engage in undercover operations, safeguard our ports of entry, or shut down ecstasy peddling night clubs, these fine people risk their lives and well being for all of us.

DEA efforts this year include Operation Mountain Express, which arrested 140 individuals in 8 cities, seized $8 million and 10 metric tons of pseudoephedrine tablets, which could have produced approximately 18,000 pounds of methamphetamine. In addition, DEA's Operation Tar Pit, in cooperation with the FBI, resulted in nearly 200 arrests in 12 cities and the seizure of 41 pounds of heroin. The heroin ring they busted was peddling dope to kids, many of whom died. DEA, in conjunction with State and local law enforcement, has also aggressively dismantled hundreds of clandestine methamphetamine labs that poison our urban streets and rural communities.

The United States Customs Service has seized over 9,000,000 Ecstasy tablets in the last 10 months. Ecstasy is an emerging problem that affects not only our large cities but many rural areas, including my home State of Iowa. In addition, their Miami River operations have resulted in the seizure of 18 vessels, mostly arriving from Haiti, and over 7,000 pounds of cocaine—a small portion of the over 122,000 pounds of cocaine seized this fiscal year. Finally, the Customs Service has seized over 1 million pounds of marijuana and over 2,000 pounds of heroin as well, often in very risky situations.

Coast Guard successes this year include a record-breaking seizure total of over 123,000 pounds of cocaine, including many major cases in the Eastern Pacific. This effort went forward even while still interdicting over 4,000 illegal alien migrants bound for U.S. shores. In addition, the deployment of two specially equipped interdiction helicopters in Operation New Frontier had an unprecedented success rate of six seized go-fast vessels in six attempts.

Finally, as announced last month, a joint DEA and Customs investigation—supported by the Coast Guard and Department of Defense—concluded a 2 year multinational case against a Colombian drug transportation organization. The result was the arrest of 43 suspects and the seizure of nearly 25 tons of cocaine, with a retail street value of $1 billion. Operation Journey targeted an organization that used large commercial vessels to haul multi-ton loads of cocaine. This organization may have shipped a total of 68 tons of cocaine to 12 countries in Europe and North America.

I believe we should all be proud of the jobs these folks do on our behalf.

FAST PITCH IS FOUL BALL

Mr. GRASSLEY. Mr. President, the administration is at it again. Late last month, it issued its findings from the latest Household Survey on drug use in America. You would have to look fast to find anything about it. As usual, the administration chose to release the information when no one was looking. And as usual, they did this hoping no one would notice. Given that the majority of the press did not bother to do more than rephrase the press release from the Department of Health and Human Services, it would be hard to figure out just what the 300-odd page report actually said anyway. But neither the press release nor the news accounts do justice to what is not happening. What is not happening is the fact that the drug use picture is not getting any better.

When it comes to drugs, the administration just can't say it straight.

It continues the trend of its incumbency of labeling bad news or good news and counting on the press to not look beyond the hype. In releasing the latest data, Secretary Shalala says that the report shows the continuing downward trend in drug use. She remarked at the press conference that, ''We've not only turned the corner—we're heading for home plate,''—suggesting that the report shows that the administration has hit a home run.

I'm not sure at which game Secretary Shalala is playing, but the most generous interpretation is that she clearly is not reading her own reports or her staff is not telling her what's in them. She needs new glasses or new staff. Despite this happy talk, even HHS's own press release notes that, ''Illicit drug use among the overall population 12 and older remained flat.'' That may be a home run down at HHS but in plain English that means ''no change.'' In my book, ''flat'' does not mean continuing a downward trend.

I suppose in an election year ''no change'' in how many people are using drugs is a sign of success. Least ways, that's how this administration sees it. Or, wants you and me to see it. But when you actually get down into the numbers, this ''success'' is not all it appears to be. It shares something with the Cheshire cat—it disappears when you look at it. In true Alice in Wonderland logic, down is not always not up. To follow Shalala's analogy with baseball, what we have here is not a home run but the runner rounding the bases on a foul ball.

Before I get to actual numbers, let me say something on background about this year's report. The thing to note is that the administration has changed the methodology for how it collects data for the report. Why is that important? Here's what the report says: ''Because of the differences in methodology and impact of the new survey design on data collection, only limited comparisons can be made between data from the 1999 survey and data from surveys prior to 1999.''

Now, in those years since 1993, that data show dramatic increases in drug use on this administration's watch. During each of those years, however, the administration tried to put a ''spin'' on the information, calling bad news good news. Instead of doing that any more, they have decided to play hide and seek with the information. Don't like the results? Well . . . Change the way you figure them and declare success. As with the Cheshire cat, pretty soon all you're left with is the smile. Even this little bit of sleight of hand, however, does not wholly work.

It's really very simple. There has been no significant change for the better in the rate of past month drug use on this administration's watch. More seniors graduating from high school today report using drugs than in any year since 1975. Almost 55 percent of high school seniors now report using an illegal drug before graduation.

Use of heroin among young people is on the rise. We are in the midst of a methamphetamine epidemic. If reports are accurate, we are awash in Ecstasy and its use among the young is accelerating. The rate of illicit drug use has increased in six out of the last seven years.

The administration tries to hide this fact by reporting on a decline of use among 12–17-year-olds in hopes no one will notice an increase among 18–25-year-olds. But this is a statistical game. Although there is an unfortunate trend in the onset of drug use at earlier ages, onset begins most typically among 15–18-year-olds. By including the earlier years in the count, you disguise the true rate of increase.

Even allowing for the moment that the administration spin is true, however, does not change the fact that youthful use of drugs continues spiraling upwards.

Today's use levels are 70 percent higher than when this administration took office. The numbers are not getting better. Yet, we have another report and another press release touting victory. This is shameful and to call it anything else is a sham.

And just as bad, fewer kids are reporting that using illicit drugs is dangerous—a sure sign of future problems. Especially at a time when we have a well-monied, aggressive legalization campaign that this administration has done little to counter. And this despite a $200 million-a-year ad campaign aimed at exactly these age groups that

this administration touts as a success. The most optimistic thing a recent GAO report had to say about this much-troubled effort is the hope that it might do better.

The administration also continues the game of trying to hide its record by lumping the increasing use figures on its watch with the decreasing use figures in earlier administrations. I have complained repeatedly about this gimmick. This is just plain deception.

Mr. President, I am often critical of this administration's happy-go-lucky ways when it comes to drug policy. The administration is like the grasshopper in the old fable. It's out there fiddling around when it ought to be working. That said, I do not mean this criticism to detract from the fine work done by the many men and women in our law enforcement agencies. These fine people risk their lives every day to do important and difficult work on behalf of the public.

I want to take a moment to highlight some of the achievements and invaluable service provided to this nation by the men and women of the Drug Enforcement Administration (DEA), the U.S. Customs Service, and the U.S. Coast Guard. As chairman of the Senate Caucus on International Narcotics Control, I would like to express my thanks and make known the tremendous pride that I think we should all have in the good people in these agencies.

The men and women of the DEA, Customs, and the Coast Guard are dedicated to the protection of the United States and to ensuring the safety of our children and our lives from the devastating affects of the drug trade. They are called on daily to place their lives in harm's way in an effort to keep our nation secure. When they are boarding smuggler's vessels on the seas. When they stop terrorists at the border. When they investigate narcotics trafficking organizations around the globe. When they dismantle clandestine methamphetamine labs, engage in undercover operations, safeguard our ports of entry, or shut down ecstasy peddling night clubs, these fine people risk their lives and well being for all of us.

DEA efforts this year include Operation Mountain Express, which arrested 140 individuals in 8 cities, seized $8 million and 10 metric tons of pseudoephedrine tablets, which could have produced approximately 18,000 pounds of methamphetamine. In addition, DEA's Operation Tar Pit, in cooperation with the FBI, resulted in nearly 200 arrests in 12 cities and the seizure of 41 pounds of heroin. The heroin ring they busted was peddling dope to kids, many of these kids died. DEA, in conjunction with State and local law enforcement, has also aggressively dismantled hundreds of clandestine methamphetamine labs that poison our urban and rural communities.

The United States Customs Service has seized over 9,000,000 Ecstasy tablets in the last 10 months. Ecstasy is an emerging problem that affects not only our large cities but many rural areas, including my home State of Iowa. In addition, their Miami River operations have resulted in the seizure of 18 vessels, mostly arriving from Haiti, and over 7,000 pounds of cocaine—a small portion of the over 122,000 pounds of cocaine seized this fiscal year. Finally, the Customs Service has seized over 1 million pounds of marijuana and over 2,000 pounds of heroin as well, often in very risky situations.

Coast Guard successes this year include a record-breaking seizure total of over 123,000 pounds of cocaine, including many major cases in the Eastern Pacific. This effort went forward even while still interdicting over 4,000 illegal alien migrants bound for U.S. shores. In addition, the deployment of two specially equipped interdiction helicopters in Operation New Frontier had an unprecedented success rate of six seized go-fast vessels in six attempts.

Finally, as announced last month, a joint DEA and Customs investigation—supported by the Coast Guard and Department of Defense—concluded a 2-year multinational case against a Colombian drug transportation organization. The result was the arrest of 43 suspects and the seizure of nearly 25 tons of cocaine, with a retail street value of $1 billion. Operation Journey targeted an organization that used large commercial vessels to haul multi-ton loads of cocaine. This organization may have shipped a total of 68 tons of cocaine to 12 countries in Europe and North America.

I believe we should all be proud of the jobs these folks do on our behalf.

Mr. SESSIONS. Will the Senator yield for a comment on his previous remarks?

Mr. GRASSLEY. I am happy to yield to the Senator.

Mr. SESSIONS. I thank Senator GRASSLEY for speaking forthrightly and with integrity. He chairs our drug caucus in the Senate. He personally travels his State and has led efforts against methamphetamines, Ecstacy, and other drugs. He understands those issues clearly.

He is correct; there is too much spin. These drugs do not justify the positive spin being put on them. During the administrations of Presidents Bush and Reagan, I served as a Federal prosecutor. According to the University of Michigan Authoritative Study of Drug Use Among High School Students, drug use fell every single year for 12 consecutive years; it jumped after this administration took office. They have, in fact, made a number of mistakes that have undermined the progress made.

I appreciate serving with Senator GRASSLEY on the drug caucus and in the Judiciary Committee where we have discussed these issues.

Mr. GRASSLEY. I thank the Senator from Alabama for the support he has given to the drug caucus. Most importantly, he is a regular attender of our meetings and hearings. His support and interest in this issue, particularly coming from his background as a U.S. attorney, have been very helpful to the work of the drug caucus as well. I thank him for that.

ENERGY POLICY

Mr. GRASSLEY. Mr. President, I indicate to my colleagues I will take a few minutes to speak about the administration's energy policy; however, as I think about it, it is better to entitle it the administration's ''no energy'' policy.

Mr. President, I rise today to express my frustration and anger with the Clinton/Gore administration's lack of an energy policy.

Each weekend I travel back to my home state of Iowa. In recent weeks I have spent many hours explaining to my constituents why fuel prices are so high, and unfortunately, explaining why prices will likely rise past current levels. I've continually had the displeasure of looking truckers and farmers in the eye and telling them there is no relief in sight.

In my home state we are experiencing price levels not seen in a decade, but all I can tell my farmers and truckers is that it is likely going to get worse.

In recent weeks, the price of crude oil reached more than $37 a barrel, the highest price in 10 years. Natural gas is $5.10 per million Btu's, double over a year ago. Heating oil in Iowa is around $1.25 a gallon, up 40 cents from this time last year. And propane, a critical fuel which farmers use to dry grain, is up 55 percent since last year.

These increases are simply unacceptable. Iowans and the rest of the nation should not have been subjected to these price spikes.

Unfortunately, it is the Clinton/Gore administration's lack of an energy policy over the past 7½ years that have directly led to the situation we are facing today. Mr. President, two weeks ago, Vice President GORE stated, and I quote: ''I will work toward the day when we are free forever from the dominance of big oil and foreign oil.''

Yet, since 1992, U.S. oil production is down 18 percent—the lowest level since 1954. At the same time, U.S. oil consumption has risen 14 percent.

The result: U.S. dependence on foreign oil under the Clinton/Gore administration has increased 34 percent. We now depend on foreign oil cartels for 58 percent of our crude oil, compared to just 36 percent during the Arab oil embargo of 1973.

Some may be wondering how we got here. The answer is clear. This administration is opposed to the use of coal. Opposed to nuclear energy production. Opposed to hydroelectric dams. Opposed to new oil refineries; 36 have been closed, but none has been built in the past eight years. And, this administration is opposed to domestic oil and gas exploration and production.

This administration opposes nearly every form of domestic energy production.

They do, however, support the use of clean, efficient, and domestically produced natural gas. Currently, 50 percent of American homes are heated with natural gas. In addition, 15 percent of our nation's electric power is generated by natural gas. And while demand for natural gas is expected to increase by 30 percent over the next decade, the administration has not provided the land access necessary to increase supply.

As this map demonstrates, federal lands in the Rocky Mountains and the Gulf of Mexico, along with offshore areas in the Atlantic and the Pacific, contain over 200 trillion cubic feet of natural gas. Access to this land could provide the resources necessary to meet current demand for nearly ten years.

Unfortunately, this land and millions of acres of forest are either closed to exploration or effectively off limits. Simply put, our nation's producers can't meet demand without greater access to the resources God gave us.

I am a strong supporter of alternative and renewable energy. I have been a leader in the Senate in promoting alternative energy sources as a way of protecting our environment and increasing our energy independence.

My support for expanding the production of ethanol, wind and biomass energy has directly led to the increased use of these abundant renewable energy resources. But right now, these are only part of the solution, and President Clinton and Vice President GORE know that.

The administration does not have a plan to deal with our current energy needs. I believe the solution is clear.

It is time to support and encourage responsible resource development—using our best technology to protect our environment—to increase domestic energy production. It is time to make use of the vast resources this great country has to offer. Only then will we be free from so much dependence on foreign sources of energy.

I yield the floor.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SESSIONS. Mr. President, I express my appreciation to Senator GRASSLEY for his wise remarks about our energy policy. Certainly natural gas is the cleanest burning of our fossil fuels. We will need it more and more because every electric powerplant that is being built is a natural gas plant. The Senator makes an outstanding and valuable point that we have to do a better job of producing more.

(The remarks of Mr. SESSIONS and Mr. HUTCHINSON pertaining to the introduction of S. 3143 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

The PRESIDING OFFICER. The Senator from Arkansas.

AN ATTACK ANSWERED

Mr. HUTCHINSON. Mr. President, when I was elected to the House of Representatives back in 1992, I spent 2 years serving in the minority—2 years; in 1993 and 1994—before the Republican victories in the 1994 elections brought about the first Republican majority in the House of Representatives in 40 years.

Having now been on the majority side for 5½ years, I am very appreciative of the 2 years I served in the minority. Having had the experience of knowing what it is to be in the minority, to have the agenda set by the majority side, to have the frustration of having vote after vote in which you come up on the short end, is important. I think it helps me in understanding the frustrations the other side has experienced. It also helps me understand now, being in the majority, how hard it is to lead and to govern.

I remember in those first 2 years, we were pretty organized in lobbing criticisms and lobbing objections and in presenting our agenda to the American people. We didn't have to worry about legislating. We didn't have to worry about passing anything. We didn't have the votes to do that. But we could do a lot in framing the debate.

As we approach the end of this session, it is much easier to criticize in the minority than to govern in the majority. It is easy to say no; it is easy to find even the slightest flaw with a legislative proposal as a rationale for opposing it and blocking it. When you are in the majority, the job of calling up tough bills, debating the very tough issues, taking the very tough votes, that is what governing is about.

That is why I have come to the floor this afternoon. I believe an attack unanswered is an attack assumed.

Last week, Senator BYRD, for whom I have the greatest admiration, came to the floor and noted that few Members in this body have ever witnessed how the Senate is really supposed to function. I concur with that; I agree entirely. I believe it takes a commitment, a commitment from both sides of the aisle to complete our appropriations obligations in a timely fashion and to ensure the Senate is governing and functioning the way it is supposed to.

The fact is, there are a number of Senators who don't seem to want bills signed into law but who want issues. Why? Because it is easier to demagogue an issue than it is to legislate an issue. So who gets left holding the buck? Who gets the blame if legislation, for any reason, does not pass? It is clearly the majority in the Congress who will get blamed if the Government shuts down, as we have already found out. It is those who are in the majority in Congress, clearly, who get the blame.

In terms of another Government shutdown, I assure the American people and my colleagues that despite any dispute over issues pending, the Government will not shut down if we have anything to say about it or anything to do about it, if it can be prevented in any way. Social Security checks will be delivered, health care services under Medicare will be funded, and our Nation's veterans will not be left out in the cold.

That being said, we still have 11 appropriations bills unsigned and multiple unrelated issues on the table. The education of our kids, prescription drugs, and a Patients' Bill of Rights are all there, still on the table. Since these unrelated issues seem to get tossed around a great deal, let me talk about them plainly for a few minutes and why the minority continues to insist on their passage by holding up our Nation's spending bills.

First of all, in the area of education, the other side maintains that we are not having a debate on education in the 106th Congress. I suggest that the other side of the aisle doesn't really want a bill; they want an issue. They say that unless we vote for their few education proposals, which, by the way, would concentrate even more power in the Department of Education, we are not having a debate on education. I think that is not fair, and it is not accurate.

During the 106th Congress, we have already voted six times on the class size reduction initiative. Six times we have all been called upon to cast our vote, to go on the record, even though that has been misconstrued and misrepresented to the American people. We have been willing to debate it. We have been willing to cast votes a half dozen times during this Congress alone.

As my distinguished colleague from Alabama pointed out, the Department of Education has failed to pass an audit for 3 years in a row. They can't even account for how the money is being spent currently. So it is not unreasonable that many of us have reservations in giving them more power and more authority in the area of school construction and the hiring of 100,000 new teachers.

According to the Congressional Daily Monitor, a press conference was held recently with Treasury Secretary Larry Summers and Education Secretary Dick Riley, ''demanding that Republicans accept their positions.'' So after voting six times against the class size reduction initiative in the Senate, you would think the attitude would not be their way is the only way. Our side of the aisle has been more than accommodating in providing funding that was reserved for class size reduction. In the fiscal year 2001 Labor-HHS appropriations bill, Republicans have appropriated the $1.3 billion for class size reduction in the title VI State grant so that schools who want to use the funding for this initiative are able to do so. But schools that have already achieved the goal of class size reduction or have more pressing problems can use the funding for other priority items such as professional development or new textbooks.

One would think that is a reasonable, acceptable compromise, a middle ground. But instead, we hear the other side saying: It is our way or no way. We are going to block the appropriations bills unless you do it exactly the way we want it. They contend, again, unless we are voting for class size reduction, we are avoiding the issue of education, even though we have already voted on class size reduction six times in this Congress.

The Democrats considered bringing this issue up again in the HELP Committee just last week as an amendment to a bipartisan bill to fully fund the IDEA program. If a debate on education is what the other side really wants, then why did they object to multiple unanimous consent requests on the reauthorization of the Elementary and Secondary Education Act to keep the debate on education?

The ESEA debate was moving along very well on the Senate floor. There was a consensus that only a few amendments should be offered and they should be germane. They should relate to education. But then on the other side of the aisle there were those who objected to those agreements to keep the debate limited to education. I know that I and my colleagues on this side of aisle would be more than willing to return to S. 2, the reauthorization of this critical elementary and secondary education bill, to debate education, if we would simply have that agreement to limit the amendments not to everything under the sun, not to prescription drugs and a Patients' Bill of Rights and minimum wage and everything else, but to limit that debate to education.

I am not going to allow Members on the other side of the aisle to have it both ways. You claim that we are not dealing with education and then object to agreements to keep education debates on education bills. I suggest you are looking for an issue, not the passage of legislation.

Then on the issue of prescription drugs, my distinguished colleague from Illinois, Senator DURBIN, last week—I had the opportunity to preside as he made this speech, but I want to quote him—said:

> On the other side, they make a proposal which sounds good but just will not work. Under Governor Bush's proposal on prescription drugs, he asserts for 4 years we will let the States handle it. There are fewer than 20 States that have any drug benefits. Illinois is one of them, I might say. His home State of Texas has none. But he says let the States handle it for 4 years. Let them work it out. In my home State of Illinois, I am glad we have it, but it certainly is not a system that one would recommend for the country. Our system of helping to pay for prescription drugs for seniors applies to certain illnesses and certain drugs. If you happen to be an unfortunate person without that kind of coverage and protection, you are on your own.

The PRESIDING OFFICER (Mr. BUNNING). The Senator's time has expired.

Mr. HUTCHINSON. I ask unanimous consent for 5 additional minutes.

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

Mr. HUTCHINSON. I know Senator MCCAIN is waiting. I appreciate very much his graciousness.

The fact is, while Senator DURBIN made that comment, every State does have a Medicaid program that offers prescription drugs today. In addition, they have State employee drug programs already in existence. These programs are separate from the State pharmaceutical assistance programs, of which 25 currently exist. So Senator DURBIN's argument is unfair and unjustified because the money given to the States is not required to be used to only start a new pharmaceutical assistance program.

They can be used to expand the existing Medicaid drug programs. So Governor Bush's helping hand drug plan provides greater assistance to low-income seniors, and provides it now, while Vice President GORE's plan requires an 8-year phase-in for those drug benefits. So I suggest that we are getting a lot of demagogy.

The Patients' Bill of Rights is the final issue I wanted to talk about, but I will reserve that for another time. I will say this, and say it clearly: We have an active conference that has been working, and working hard. We had numerous votes on the Patients' Bill of Rights. We had endless amendments in the committee on the Patients' Bill of Rights. To suggest this isn't a deliberative body, as the Democratic leader suggested last week, is unfair. This issue has been debated, and debated thoroughly. It is the Democrats who stifled the debate by walking out on the conference in the spring. We can still have a Patients' Bill of Rights enacted if we have cooperation. There are two sides to every story, and both should be told. Let's not allow two competing agendas to prevent us from getting our work done on the spending bills. They are too important.

I yield the floor.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. MCCAIN. Mr. President, I ask unanimous consent to speak as in morning business.

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

MOTOR VEHICLE AND MOTOR VEHICLE EQUIPMENT DEFECT NOTIFICATION IMPROVEMENT ACT

Mr. MCCAIN. Mr. President, first I want to discuss an issue that is of sometimes importance, the Motor Vehicle and Motor Vehicle Equipment Defect Notification Improvement Act.

Last week, the Commerce Committee reported S. 3059, the Motor Vehicle and Motor Vehicle Equipment Defect Notification Improvement Act. The bill is in response to the systemic failure of the National Highway Traffic Safety Administration and the motor vehicle industry to share information that could have prevented the fatalities that resulted in the recent recall of millions of Bridgestone/Firestone tires.

The key provisions of the bill would insure that NHTSA has the information that it needs from manufacturers to make sound decisions, including information about recalls in foreign countries. This legislation would increase penalties to deter manufacturers from withholding valuable information about recalls and establish appropriate penalties for the most egregious actions that place consumers in danger. It would also require NHTSA to upgrade the Federal motor vehicle safety standard for tires, which has not been updated since its adoption more than 30 years ago.

It is my understanding that a few Members have placed holds on this bill for various reasons—I think there are two—including opposition to the inclusion of criminal penalties for violating motor vehicle safety standards. Clearly, each member is entitled to place a hold on measures to which they object, but I hope that members can understand the importance of acting on the key provisions of this bill before Congress adjourns.

The criminal penalties provision in this bill have been the subject of much discussion. The provision is intended to allow for the assessment of criminal penalties in instances where a manufacturer's conduct is so egregious as to render civil penalties meaningless. An article in this week's Business Week, addresses the application of criminal penalties to such conduct. It reports that "prosecutors have been waking up to the fact that criminal sanctions may be a more effective deterrent and punishment than the worst civil penalties." Furthermore, a criminal penalties provision is not a novel inclusion. Multiple agencies are authorized to assess criminal penalties, including, among others, the Department of Labor, the Consumer Product Safety Commission, and the Environmental Protection Agency.

Already, NHTSA has linked more than 100 deaths to these tire failures. Last week, NHTSA announced that other models of Bridgestone/Firestone tires may be defective as well. We must act quickly to correct the problems that could lead to further loss of life. As I have repeated throughout the process, I am willing to work with my colleagues to address their concerns so that this vital legislation may be passed prior to the adjournment of this Congress.

In summary, more than 100 people have died. It is clear that we need this legislation. It is supported by the administration and by every consumer group in America. It passed through the Commerce Committee unanimously. I intend to come to the floor and ask that we consider this piece of legislation.

I expect those who are putting a hold on this bill to come forward and give their reasons for putting a hold on this

very important safety bill. We are talking about the lives of our citizens. This is a serious issue. That is why I intend to come to the floor again and ask that we move the bill. I hope those Senators who object will come forward and state their objections or remove their so-called holds on the bill.

CONFERENCE REPORT FOR ENERGY AND WATER APPROPRIATIONS FOR FISCAL YEAR 2001

Mr. McCAIN. Mr. President, this year's energy and water appropriations bill is very critical, particularly at a time when our Nation is facing rising gas and energy prices, national security disasters at federal facilities, and massive backlogs to complete multimillion projects for water infrastructure. That is why I am utterly disappointed that the final agreement for this bill blatantly disregards these national priorities in favor of special interests giveaways.

Mr. President, approving the annual budget is among our most serious responsibilities. We are the trustees of billions of taxpayer dollars, and we should evaluate every spending decision with great deliberation and without prejudice.

Unfortunately, each year, I am constantly amazed how the appropriators find new ways to violate budget policy. Appropriators have employed every sidestepping method in the book to circumvent Senate rules and common budget principles that are supposed to strictly guide the appropriations process. The excessive fodder and trickery have never been greater, resulting in the shameless waste of millions of taxpayer dollars. This final report is no exception.

This year's final agreement for the energy and water appropriations bill is only a minor reflection of the previous Senate-passed bill.

A grand total of $1.2 billion is added in pork-barrel spending, a figure that is three times the amount from the Senate-passed bill and about $400 million more than the amount of last year's total. I have twenty-one pages of pork-barrel spending found in this report.

An additional $214 million is provided for designated ''emergency'' spending.

The latest epidemic here as we approach the appropriations issue, in order to avoid any budget restraints that may be remaining—and there are few—is the designation of ''emergency spending.''

Explicit directives are included for favorable consideration of special interest projects; and more than 30 policy riders are added in to conveniently sidestep a fair and deliberative legislative review.

I rise today to tell my colleagues that I object.

I object to the $1.2 billion in directed earmarks for special interest projects in this bill. I object to sidestepping the legislative process by attaching erroneous riders to an appropriations bill. I object to speeding through appropriations bills without adequate review by all Members. I object to the callous fashion which we disregard our national interests in favor of pet projects.

Some of my colleagues have said that the pork doesn't really matter much in these spending bills because it's not a lot of money. But, Mr. President, adding billions more in pork barrel spending is a lot of money to me and to the millions of American taxpayers who are footing the bill for this spending free-for-all.

While America's attention has been focused on the Olympic games in Sydney, Australia, our constituents back home may be interested to know that a gold medal performance is taking place in their own government. If gold medals were awarded for pork-barrel spending, then the budget negotiators would all be gleaming in gold from their award-winning spending spree.

However, I doubt many Americans would be appreciative if they knew that this spending spree will be at their expense with money that should be set aside to provide tax relief to American families, shore up Social Security and Medicare, or pay down the federal debt.

The figures speak for themselves. Again, this year's grand pork total is close to $400 million more than the amount from last year's bill and more than three times the amount included in the recent Senate passed bill.

Unless I am grievously mistaken, I was under the distinct and very clear understanding that the purpose of Senate-House appropriations conferences are to resolve differences only between the two versions and make tough decisions to determine what stays in the final agreement. As a rule, no new spending could be added.

The rules are flung out the window once again. The overall total budget for this year's conference agreement has been fattened up by as much as $2 billion more than the House bill, and about a billion more than both the amount included in the Senate-passed bill and the amount requested by the administration.

Let me give this to you straight. You have a certain amount passed by the Senate and a certain amount by the House. They are supposed to go to conference and reconcile their differences. Instead of that, we add billions of dollars in conference, and neither Senate nor House Members, nor members of the Appropriations Committee have a voice or a vote. That is disgraceful—disgraceful.

Each year, appropriators employ new spending tricks to avoid sticking to allocations in the budget resolution. It has become quite clear that these closed-door conferences, which no other Member can participate in or have any voting privileges, is simply another opportunity for members to take another trip to the trough to add in millions previously unconsidered for individual member projects.

What was described earlier in the Senate this year as a ''modest'' bill has now become a largesse take-home prize for many Members. Numerous earmarks are provided for such projects that, while on its own merit may not be objectionable, were not included in the budget request or tacked on without any review by either the Senate or the House.

For example, within this final agreement, nearly 250 earmarks are added for individual Army Corps projects which are clearly not included in the budget request, and, more than 150 Army Corps projects were given additional amounts about the budget request.

The inconsistency between the administration's request, which is responsible for carrying out these projects, and the views of the appropriators on just how much funding should be dedicated to a project, is troubling. As a result, various other projects that may be equally deserving or higher in priority do not receive an appropriate amount of funding, or none at all.

This year's budget for Army Corps has been inflated to $4.5 billion in funding for local projects. Yet, we have no way of knowing whether, at best, all or part of this $4.5 billion should have been spent on different projects with greater national need or, at worst, should not have been spent at all. There's no doubt we should end the practice of earmarking projects for funding based on political clout and focus our resources in a more practical way, instead, on those areas with the greatest need nation-wide.

Other earmarks are rampant in this bill that appear that are clearly demonstrative of wasteful spending at the expense of taxpayers:

An earmark of $20 million was added in during conference, without previous consideration by either the House or Senate, for an unauthorized project in California, the CALFED Bay-Delta restoration project. Certainly, I have no objections to restoring the ecological health of the Bay Delta area, however, any amount of funding for unauthorized projects flies in the face of comments by the managers who pledged not to fund unauthorized projects.

Also, $400,000 is earmarked for aquatic weed control in Lake Champlain, Vermont. This particular earmark has resurfaced in appropriations bills for at least the past three years and it appears a bit preposterous that we continually fund a project such as this on an annual basis which has nebulous impacts on our nation's energy and security needs.

An earmark of $800,000 is provided to continue work on ''a detailed project report'' for a project in Buchanan County, Virginia. Government spending is truly getting out of control if nearly a million dollars is necessary simply to compile a report.

Another earmark of $250,000 is included for a 'study' of drainage problems in the Winchester, Kentucky area. Granted, I do not object to trying to fix any water problems facing any local

community, but is a quarter of a million really necessary to only study the problem and not fix it?

More padded spending includes $150,000 to determine what the ''federal interest'' is for a project in southeastern Pennsylvania. Why is $150,000 necessary to determine if the federal government should care about a specific project? Dozens of earmarks like this one, in the hundreds of thousands each, are riddled throughout this conference report without any explanation as to why such high amounts of funding are justifiable.

Among the worst pork in this bill are earmarks that will benefit the ethanol industry, a fiscal boondoggle industry that already reaps substantial benefits from existing federal subsidies at the expense of taxpayers. It is a blatant insult to taxpayers to ask them to supplement the ethanol industry even more by spending $600,000 for ethanol production at the University of Louisville, and $2,000,000 for the design and construction of a demonstration facility for regional biomass ethanol manufacturing in southeast Alaska.

My colleagues will note that each of these earmarks have a specific geographic location or institution associated with them. Is there another organization besides the one proposed in southeast Alaska that could design and construct a demonstration facility for regional biomass ethanol manufacturing?

A similar earmark of $2 million is included for this specific Alaskan ethanol manufacturing facility in the Interior appropriations bill this year. So they have $4 million for one specific spot without any authorization and without any discussion.

There is $4.5 million for the removal of aquatic growth in Florida, which is about $1.2 million higher than the budget request;

An additional $250,000 for the Texas Investigations Program, for which no explanation is provided as to what constitutes an ''investigations'' program;

$2,000,000 for the multi-year demonstration of an underground mining locomotive and an earth loader powered by hydrogen in Nevada;

And, $3,000,000 to establish a program the University of Nevada-Las Vegas for Department-wide management of electronic records.

Get this, all of my colleageus who have a college or university in their State: $3 million at the University of Nevada Las Vegas for department-wide management of electronic records;

$2,000,000 for the Discovery Science Center in Orange County, California;

$2,000,000 for the Livingston Digital Millennium Center at Tulane University; and

$2,000,000 for modernization upgrades at the University of South Carolina.

How are any of these earmarks directly related to the national security and energy interests of our nation?

Also, the tactic of using the ''emergency funding'' stigma returns strongly in this bill. I am very disappointed to see that the Appalachian Regional Commission will not only be funded again this year, but it is also the recipient of an ''emergency appropriation'' of $11 million.

My dear friends, the Appalachian Commission was established as a temporary commission in 1965. Somehow this year it needs to be the recipient of $11 million for ''emergency appropriations.'' My curiosity is aroused as to what the emergency is at the Appalachian Regional Commission. This commission was established as a temporary commission in 1965, but has managed to hook itself into the annual appropriations spending spree to extend its so-called temporary life to 35 years. This program singles out one region for special economic development grants when the rest of the nation has to rely on their share of community development block grant and loans.

Certainly, the Appalachian region does not have a monopoly on poor, depressed communities in need of assistance. I know that in my own state, despite the high standard of living enjoyed in many areas, some communities are extremely poor and have long been without running water or sanitation. It would be more cost-beneficial to provide direct assistance to impacted communities, again based on national priority, rather than spending millions each year for a commission which may have outlived its purpose.

Again, I remind my colleagues that I do not object to these projects based on their merit nor do I intend to belittle the importance of specific projects to local communities. However, it is no surprise that many of these earmarks are included for political glamour rather than practical purposes. Members can go back to their districts to rally in public parades, trying to win favor by bringing home the bacon.

The House of Representatives passed this conference report last Friday by a majority margin, despite the fact that most of the voting Members did not have adequate time, if any at all, to review the contents of this report. This is another appalling demonstration to the American public of the egregious violation of one of our most sacred duties—ensuring the proper use of taxpayer dollars. How can we make sound policy and budget decisions with this type of budget steam-rolling?

I know I speak for many hardworking Americans when I express my hope for reform in the way the Congress conducts the business of the people so that we might reclaim the faith and confidence of those we are sworn to serve. Yet, we are mired in another yearly ritual of budget chaos. Sadly, the only message that we send to the American public is that our budgetary process is at an all-time low.

Unfortunately, this may be only a foreboding of what is to come at this end of year final budget negotiations. The end-of-year rush to complete the fiscal year 2001 budget is outpaced only by the rush to drain the taxpayers' pockets and deplete the budget surplus.

At the end of the day, special interests win and the taxpayers lose. It's a broken record that the American people are tired of listening to.

I will vote against this bill and any other appropriations bill that so flagrantly disregards our fiscal responsibility and violates the trust of the American people.

Today's Wall Street Journal article by David Rogers is a very enlightening one, in case some of my colleagues and friends have not read it.

In the scramble to wrap up budget negotiations, Congress could overshoot the Republicans' spending target for this fiscal year by $35 billion to $45 billion.

The willingness to spend reflects a new synergy between President Clinton, eager to cement his legacy, and the GOP leadership, increasingly worried about losing seats in November and more disposed to use government dollars to shore up candidates. While the largest increases are in areas popular with voters—education, medical and science research, land conservation, veterans' care and the military—the bargaining invites pork-barrel politics on a grand scale, with top Republicans leading the way.

Just this weekend, for example, a bidding war escalated over highway and transit projects that are part of the transportation budget to be negotiated this week. House Speaker Dennis Hastert of Illinois opened the door by asking to add legislative language to expedite the distribution of about $850 million for Chicago-area transit projects. While the Hastert amendment wouldn't add directly to next year's costs, it became an excuse for others to pile on.

The Virginia delegation jumped in early, winning the promise of $600 million to help pay for a bridge over the Potomac River. By late Friday night, dozens of projects for both political parties were being added. House Transportation Committee Chairman Bud Shuster laid claim to millions for his home state of Pennsylvania. Mississippi, home of Senate Majority Leader Trent Lott, is in the running for funds in the range of $100 million. In all, the price tag for the extras tops $1.6 billion.

The whole enterprise, which could yet collapse under its own weight, dramatizes a breakdown in discipline in these last weeks before the November elections. In the spring, the GOP set a spending cap of $600 billion for the fiscal year that began yesterday—a number that was never considered realistic politically.

After devoting long summer nights to debating cuts from Mr. Clinton's $626 billion budget, Republicans will end up appropriating significantly more than that. If total appropriations rise to between $635 billion and $645 billion or even higher, as the numbers indicate, the ripple effect will pare surplus estimates by hundreds of billions of dollars over the next 10 years.

I cannot overemphasize the importance of this. We have the rosy scenario of a multitrillion dollar surplus in the years ahead, and if we keep spending this kind of money, everybody knows that the surplus will disappear. There is an open and honest debate as to whether we should have tax cuts or whether we should save Social Security, Medicare, or pay down the debt. We are not going to be able to do any of it if we are spending this kind of money. I was told by a Member not

long ago that if we agree to what is presently the overspending in this budget, it could mean as much as $430 billion out of the surplus in the next few years.

Both an $18.9 billion natural-resources bill and a $23.6 billion measure that funds energy and water programs are expected to be sent to the White House, and the transportation bill soon could follow. The Republican leadership believes it has reached a compromise to free up the measure funding the Treasury and the operations of the White House and Capitol.

That still leaves the heart of the domestic budget—massive bills funding education, health, housing and environmental programs. Negotiations on those bills are hovering near or even above the president's spending requests.

The natural-resources bill agreed to last week illustrates the steady cost escalation: The $18.9 billion price tag is about $4 billion over the bill passed by the House in June.

In a landmark commitment to conservation, the legislation would devote as much as $12 billion during the next six years, mainly to buy lands and wildlife habitat threatened by development. As the annual commitment grows from $1.6 billion to $2.4 billion in 2006, more and more dollars would go for sorely needed maintenance work in the nation's parks.

Regarding the national parks, that is something with which I don't disagree.

I have suggested from time to time when my colleagues say there is nothing we can do because the President has the leverage over us in order to shut down the Government for which we would get the blame, if just once, with one appropriations bill, just one, we could send to the President a bill that doesn't have a single earmark, have a single legislative rider on it, then we would go into negotiations of the issue with the President with clean hands. When we add billions in pork barrel spending on our appropriations bills and then go into negotiations with the President, there is no difference except in priorities. It is wrong.

I have been spending a lot of time campaigning around the country for candidates for the House and for the Senate, and for our candidate for President, my party's candidate for President and Vice President of the United States. I can tell my colleagues, clearly the American people have it figured out. They don't like it. They want this practice to stop. They want us to fulfill a promise we made in 1994 when we asked them and they gave us the majorities in both Houses of Congress.

Mr. President, this appropriations pork barreling has got to stop. I intend to come to the floor with every bill, and if it keeps on, I will then take additional measures. We all know what is coming up: The train wreck. If it is as much as $45 billion more then our original $600 billion spending cap, I am not sure how such action is justified.

I yield the floor.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

NATIONAL ENERGY SECURITY ACT OF 2000—MOTION TO PROCEED—Resumed

The PRESIDING OFFICER. The clerk will report the motion to proceed.

The assistant legislative clerk read as follows:

A bill (S. 2557) to protect the energy security of the United States and decrease America's dependence on the foreign oil source to 50 percent by the year 2010 by enhancing the use of renewable energy resources, conserving energy resources, improving energy efficiencies, and increasing domestic energy supplies, mitigating the effect of increases in energy prices on the American consumer, including the poor and the elderly, and for other purposes.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Has there been a time agreement on the legislation just proposed?

The PRESIDING OFFICER. We have until 5:30 when we have a scheduled vote on another matter.

Mr. CRAIG. Mr. President, I will consume up to 15 minutes of time in relation to the energy issue.

The PRESIDING OFFICER. The Senator is recognized.

Mr. CRAIG. Mr. President, I came to the floor to speak on this important issue before the Senate and to talk once again to my colleagues about what I believe to be the dark cloud of a national emergency. The American consumer has begun to detect a problem because the price of gasoline at the pump has gone up 25 or 30 percent in the last year. When they begin to pay their home heating bills this winter, I think they will recognize where the problem lies.

We have had the President and the Vice President trying to position themselves politically over the last month and a half on energy because of the spike in prices, but frankly they have articulated little. Now just in the last week we have had the Vice President present an energy policy for the country, and we have had Governor George Bush talking about an energy policy that he would propose.

Here is why these things are happening. Finally, I hope, the American people are beginning to focus on the very critical state of the availability of energy in this country, to run the economy, to make the country work, turn the lights on, move our cars, and do all that it takes to run an economy based on a heavy use of energy.

We are now importing between 56 to 58 percent of our crude oil needs. Some will remember that during the era of the oil embargo of the mid-1970s we were only importing 35 percent of our needs. Even at that time there were gas lines and fighting at the gas pumps because American consumers were frustrated over the cost of gas. What I am saying, America, is we no longer control our energy availability, our energy supplies, our energy needs.

Is it any wonder why prices have more than tripled in the last 2 years from a low of about $11 per barrel of crude oil to a high late last month of $38? The reason is somebody else is setting the price by creating either a scarcity of supply or by the appearance that there would be a scarcity of supply. It is not American producers controlling prices and supply, it is foreign producer countries.

The items we do control in the marketplace are demand and supplies we might be able to produce from our own resources. Natural was selling for $2 per 1,000 cubic feet last year, just a year ago, and on Friday of last week natural gas was selling for $5.20 for every 1,000 cubic feet. That is better than a doubling of that price.

As winter approaches, Americans likely will face the highest energy prices ever. Let me say that again. As the winter approaches, Americans are going to awaken to the highest energy prices they have ever paid. If the winter is colder than usual, energy prices will be even higher.

Electricity prices will move right along with gas and oil because many of the electrical-generating facilities of our country are fueled by natural gas. While petroleum and natural gas supplies appear to be adequate, no one can doubt that the supply and demand for crude oil, natural gas, and other energy sources is very tight, resulting in increased prices for these commodities. While many observers believe supplies of oil and natural gas will be sufficient to meet our needs in the coming months, I am concerned these important resources will likely remain in very short supply and, therefore, will be very costly to the American consumer.

I believe, and I mean this most sincerely, as a member of the Senate Energy Committee who for the last 10 years has tried to move policy and has seen this administration either say ''no'' by the veto or ''no'' by the budget, I sincerely believe the Clinton-Gore administration, by its failure to produce a national energy policy, is risking a slowdown, perhaps even a downturn, in this economy.

Some expect energy prices to remain high throughout the first quarter of 2001, above $30 a barrel for oil and as high as $4 per thousand cubic feet for natural gas. If this is true and that cost ripples through the economy, then they—and by ''they'' I mean the Clinton administration—are truly risking a slowdown in the economy. This means Americans will be paying more than $1.50 per gallon of gas and perhaps twice as much as they paid for residential natural gas use last year. Driving, heating homes, providing services and manufacturing goods will be much, much more expensive under this new high-cost energy economy.

It is not only the price at the pump you worry about anymore; it is the plastics; it is the supply of goods; it is everything within our economy that is made of the hydrocarbons that will go up in price. Since energy costs are

factored into the cost of all goods and services, we can expect food, appliances, clothing—essentially everything—to become more expensive. As these costs rise, the amount of capital available for investment automatically begins to decline, pulling the economy down along with it. As we devote more of our money to the daily need for energy, we have less to spend on the goods and services that we need, the goods and services that have fired our economy. As budgets shrink, consumers will be forced to make hard choices. If we have to spend 10 or 15 percent more of our income to fill up the tank or to buy the services and goods that are energy intensive, then, of course, we will have less money to spend elsewhere.

We are in this undesirable position not because we are short on energy resources such as oil, natural gas, or coal; we are here because this administration, in my opinion, has deliberately tried to drive us away from these energy sources. Look at their budgets and look at their policy over the last 8 years. AL GORE himself has spoken openly about how much he hates fossil fuels, how he wants to force the U.S. off fossil fuels no matter the cost. He has proposed many times to do so. Twice in the last 8 years the Clinton-Gore administration has tried to drive up the cost of conventional fuels. Isn't that interesting? Just in the last few weeks they have been trying to drive down the costs by releasing crude oil from the Strategic Petroleum Reserve into our market, but for the last 8 years it has been quite the opposite. America, are you listening? Are you observing? Why this change of heart? Why this change of personality?

First, Clinton and GORE proposed a Btu tax, which the Republican Congress defeated. They had to settle for a 4.3-cent gas tax. The Republicans in every way tried to resolve that and to eliminate it, but that was how they spread it into the market. They took that and said: We are not going to use it for highway transportation as we have historically done. We want it for deficit reduction.

During debate on the Btu tax, the administration admitted that its intent was to encourage conservation, or discourage use, and therefore cause us to move more toward renewable energy sources by dramatically increasing the cost of conventional fuels. In other words, tax America away from gasoline and oil.

Next, the Clinton-Gore administration designed the Kyoto Protocol. We all know about that. That is the great international agreement that will cool the country, cool the world down because the Administration asserts that the world is warming due to the use of fossil fuels. They said it is necessary that we do it, critically important that we do it. But if implemented, it would substantially penalize the nations that use fossil fuels by forcing reductions in fossil fuel usage. The Vice President has publicly taken credit for negotiating this document.

I don't think you hear him talking much about it today. He is a bit of a born-again gas and oil user of in last couple of weeks. But clearly for the last 8 years that is all he has talked about, his Kyoto Protocol, penalizing the user nations to try to get them to use less energy, all in the name of the environment. The protocol could result in a cost of nearly $240 per ton of carbon emissions reduction.

What does that mean to the average consumer out there who might be listening? This results in a higher cost of oil and gas and coal. What would it mean? About a 4-percent reduction in the gross domestic product of this country. If we raise the cost of those three items—oil, gas, and coal then we will drive down the economy 4-percent. Simply translated, that means thousands and thousands of U.S. jobs would be lost and our strong economy weakened. Yet the Vice President takes credit for flying to Tokyo and getting directly involved in the negotiations of the Kyoto Protocol. This is AL GORE's document. Yet he talks very little bit about it today.

Why is this administration so wholeheartedly committed to forcing us to stop using fossil fuels at almost any cost? Because they buy into the notion that our economic success has been at the expense of the world's environment. I do not buy into that argument. I think quite the opposite is true. I believe our success has benefited the world. Our technology is the technology that the rest of the world wants today to clean up their environment, to make their air cleaner, to make their water more pure. It is not in spite of us; it is because of us that the world has an opportunity today, through the use of our technology, to make the world a cleaner place to live.

The challenge now is to ensure we go on in the production of these technologies through the growth and the strength of our economy so we can pass these technologies through to developing nations so they can use them, whether it be for their energy resources or whether it is simply to create greater levels of efficiency, and a cleaner economy for their people.

The message to Vice President GORE is don't shut us down. Let us work. Let us develop. Let us use the technologies we have and expand upon them. You don't do that through the absence of energy. You don't do that with 2,300 windmills spread across the Rocky Mountain front. You do that by the use of what you have, to be used wisely and hopefully efficiently at the least cost to provide the greatest amount of energy that you can to the economy.

To ensure that we all succeed, we must pay attention to our strengths. The United States has an abundant supply of oil, natural gas, and coal, and we must, if we wish to have an influence on the price of these commodities, develop our own resources in an intelligent, responsible, and environmentally sound way.

Were we to produce oil from the Arctic National Wildlife Refuge, we could produce up to 1.5 million barrels of oil a day. Some say that will destroy the refuge. Envision the refuge in your mind as a spot on a map, and compare it to putting a pencil point down on the map of the United States. The impact of that pencil point on the map of the United States is the same impact as drilling for oil in the Arctic National Wildlife Refuge.

Shame on you, Mr. President, for vetoing that legislation a few years ago. If you had not, we might have 1.5 million barrels of additional crude oil a day flowing into our markets for 30-some years. We would not have to beg at the throne of OPEC. We would not have to go to them with our tin cup, saying: Would you please give us a little more oil? Your high prices are hurting our economy.

The President was not listening in 1995 when he vetoed that legislation. Other oil and gas resources can come from production from the Federal Outer Continental Shelf and from onshore Federal lands in the Rocky Mountain front. The abundance of our crude oil and the abundance of our gas is phenomenal. Yet, a year ago, in the northeastern part of the United States in New Hampshire, AL GORE, now a candidate for President of the United States, said he would stop all drilling. He does not want us to drill anywhere, and he would do it in the name of the environment.

These resources can be obtained today, under the new technologies we have, with little to no environmental impact. When we have finished, if any damage has occurred, we clean it up, we rehabilitate it, and the footprint that was made at the time of development is hardly noticeable. That is what we can do today.

There is no question that the road to less reliance on oil, natural gas, and coal is a responsible one, but it is a long one. You do not shut it off overnight without damaging an economy and frustrating a people.

We have these resources, and they are in abundance. We ought to be producing them at relatively inexpensive cost to the American consumer while we are investing in better photovoltaic and solar technologies and biomass, wind, and all of the other things that can help in the total package for energy.

The problem is simply this: This administration stopped us from producing additional energy supplies at a time of unprecedented growth in our economy. Of course, that economy has been based on the abundance and relatively low costs of energy.

Creating punitive regulatory demands, such as the Btu tax and the Kyoto Protocol, is not the way to go if you want an economy to prosper and you want the opportunities of that economy to be affordable and benefit

all of our citizens. Such policies create—the policies of which I have spoken, Btu tax and Kyoto Protocol—winners and losers. The great tragedy is that the American consumer ultimately becomes the loser.

The path to stable energy prices is through a free market that rewards efficiency and productivity and does not punish economies for favoring one form of energy over another. The American consumer will make that decision ultimately if he or she has an adequate number of choices in the marketplace.

The Vice President, in his recent speech on energy, simply repeated the tired, old rhetoric of the Carter administration and every Democrat candidate in past presidential elections. Each placed reliance on solar, wind, and other renewables and on energy conservation—all admirable goals that Presidents Reagan and Bush also encouraged, but Presidents Reagan and Bush supported renewables with the clear understanding that renewables could not be relied upon to replace fossil-fuel-fired electrical generating capacity that currently supplies our baseload of electricity. And that baseload demand will continue to rise as our economy grows.

Presidents Reagan and Bush also recognized that somehow the automobile was not just going to disappear overnight and that it was not going to be replaced by electric cars within the near future. They understood that. They rewarded production and encouraged production. For 8 years now, domestic oil and gas production has been discouraged and restricted, and the American consumer is paying the price at the pump. This winter the American consumer will also pay a dramatic price as their furnaces turn on.

Can it be turned around overnight? Absolutely not. We must begin to invest in the business of producing, whether it be electricity or whether it be oil from domestic reserves or gas. It is there. It awaits us. We simply have to reward the marketplace, and the marketplace will produce. We cannot continue to squeeze it, penalize it, and refuse access to the supplies the American consumer needs.

It is a simple message but a complicated one, especially complicated by an administration that says: No, no, no, let the wind and the Sun make up the difference. Probably not in my lifetime or in the lifetime of any of the youngest people listening today can and will that be possible. But a combination of all of those elements of energy coming together—hydro, nuclear, or the production of crude oil and gas from our own reserves, supplies from abroad, and renewables and conservation—will be necessary to carry us through a crisis that clearly could spell a major hit to our economy.

Mr. President, I yield the floor, and 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. THOMAS. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Ms. COLLINS). Without objection, it is so ordered.

Mr. THOMAS. I understand the order of business is the energy bill.

The PRESIDING OFFICER. The Senator is correct. We are on the motion to proceed.

Mr. THOMAS. I thank the Chair.

As I have said before, energy is terribly important to all of us. It is particularly important to those of us who come from producer States. But perhaps if you come from a part of the country where there is no production and the cost continues to go up, you are even more concerned. In New England, that is pretty much the case.

In any event, we do have a problem in energy and we have to find solutions. We have two very different points of view in terms of what our needs are and how we meet them.

Many wonder, of course, why gas and diesel prices are so high. Heating oil will be very expensive. I come from a production State, and it wasn't long ago that oil in our oil fields was bringing less than $10 a barrel. Now, of course, in the world price, we are up in the thirties. Part of that, of course—I think the major part—is that we have relatively little impact on the price. We have allowed ourselves, over a period of time, to become dependent upon importation of oil. We have not had, in my view, an energy policy. We have had 8 years of an administration that really has not wanted to deal with the idea of having a policy in terms of where we are going.

I have become more and more convinced—it is not a brand new idea, but I think it doesn't often get applied—that we have to set policies and goals for where we need to be over a period of time. And then, as we work toward that, we can measure the various things we do with respect to attaining that goal. If our goal is—and I think it should be—that we become less dependent upon imported oil, then we have to make some arrangements to be there. That has not been the case.

This administration, on the other hand, has basically gone the other way and has indicated that we ought to reduce our domestic production. In fact, our consumption requirements have gone up substantially over the last couple of years—about 14 percent. During the same period of time, domestic production has gone down approximately 17 percent.

In 1990, U.S. jobs in exploring and producing oil and gas were about 400,000 or 500,000 people. In 1999, the number of people doing the same thing was about 293,000—a 27-percent decline.

Why is this? Part of it is because we haven't really had this goal of how we were going to meet our energy demands and then measure some of the things that have brought us to where we are. On the contrary, the policy pursued from this administration has been one that has made domestic production even more difficult than it was in the beginning—and more difficult than it needs to be, as a matter of fact.

So I guess you can talk about releasing oil from our strategic storage. I don't make as big a thing out of it as some, but that is not a long-term answer. It is a relatively small amount of oil compared to our usage—about a day and a half's usage—and it is not going to make a big difference in terms and no difference to where we are in being able to have domestic production in the future. I set that aside. I only warn that that can't be offered as a solution to the energy problem. That seems to be about all this administration is prepared to do.

On the contrary, going back over some time, in 1993 the first Btu tax increased the cost of a gallon of gas about 8 cents. The compromise was about 3 cents, with the Vice President casting the deciding vote. Now, of course, the effort is to manipulate the price of the storage oil, but it won't do that. As I said, it is only about 1 and a half day's supply.

We find our refineries now producing at about 95-percent capacity, partly because of some of the restrictions placed on these facilities. Some have gone out of business, and practically none has been built. We find natural gas, of course, becoming increasingly important. Fifty percent of U.S. homes and 56 million people rely on natural gas for heating. It provides 15 percent of our power. It will provide more in that this administration has also moved basically against the use of coal, which is our largest producer of electric energy, instead of finding ways to make coal more acceptable. The coal industry has been working hard on that. We have low-sulfur coal in my State. This administration has pushed against that, and we have therefore had less use than we had before.

So what do we do? I think certainly there are a number of things we can do. There does need to be a policy. A policy is being talked about by George Bush, which is supported generally here in the Senate—that would be No. 1—to help low-income households with their energy bills and put some more money in as a short-term solution to help with the low-income energy assistance program. We can do that. We can direct a portion of all the gas royalty payments to that program and offset some of the costs over time. We are always going to have the need, it seems to me, regardless of the price, for low-income assistance. We can do that. And we can establish a Northeast management home heating reserve to make sure home heating is available for the Northeast. We should use the Strategic Petroleum Reserve only in times of real crises—not price, but crises such as the wars of several years ago.

We need to make energy security a priority of U.S. foreign policy. We can

do a great deal with Canada and Mexico. It seems we ought to be able to exercise a little more influence with the Middle East. Certainly, we have had a lot to do with those countries in the past—being helpful there. I think we can make more of an impact in Venezuela than we have. I think we can support meetings of the G–8 energy ministers, or their equivalent, more often.

Maybe most importantly, we have lots of resources domestically, and instead of making them more difficult to reach, we ought to make it easier. I come from a State that is 50-percent owned by the Federal Government. Of course, there are places such as Yellowstone Park and Teton Park where you are never going to do minerals and should not. Much of that land is Bureau of Land Management land that is not set aside for any particular purpose. It was there when the homestead stopped and was simply residual and became public land. It is more multiple use. We can protect the environment and continue to use it—whether it is for hiking, hunting, grazing, or whether indeed for mineral exploration and production, as we now do.

This administration has made it difficult to do that. We can improve the regulatory process. I not only serve on the Energy Committee, but on the Environment and Public Works Committee. Constantly we are faced with new regulations that make it more difficult, particularly for small refineries, to live within the rules. Many times they just give it up and close those. We can change that. It depends on what we want to do with the policy. It depends on our goals and what we want to do with domestic production and whether or not these kinds of things contribute to the attainment of those goals. It is pretty clear that they don't.

I think we can find ways to establish clear rules to have some nuclear plants that are safe, so they indeed can operate. They are very efficient. We talk about the environment. They are friendly to the environment. We need to do something. Of course, if we are going to do that, as they do in France and the Scandinavian countries, we can recycle the waste, or at least after a number of years we can have a waste storage at Yucca Mountain, NV. This administration has resisted that entirely, as have many Members on the other side of the aisle.

So these are all things that could be done and are being talked about. We are talking about breaching dams. I think everybody wants to look for alternative sources. We ought to use wind and solar. But the fact is that those really generate now about 2 percent of the total usage that we have. Maybe they will do more one of these days. I hope they do. We have some of that in my State as well. As a matter of fact, my business built a building about 20 years ago, and we fixed it up with solar power. I have to admit it didn't work very well. It works better now, and we can continue to make it work better, but it is not the short-term answer to our energy problems.

We can do something with ANWR. I have gone up to the North Slope of Alaska. You can see how they do the very careful extraction. You have to get the caribou out of the way. But you can see what is going on. That can be done. I am confident it can be done.

Those are some of the things that are suggested and which I think ought to have real consideration. It is difficult sometimes to try to reconcile environmental issues. I don't know of anyone who doesn't want to do that. Environmental protection has to be considered, but it doesn't mean you have to do away with access.

Quite frankly, one of the real problems we have in some States is how to use open spaces. We are doing something in my State about protecting the environment and protecting public land. Too many people say you just shouldn't use it for anything at all. When some States, such as Nevada and others, are up as high as 85 percent in Federal ownership, I can tell you it is impossible to have an economy in those States and take that attitude. On the other hand, I am persuaded that we can have reasonable kinds of programs that allow multiple use and at the same time protect the future use of those lands. It seems to me those are the kinds of things we ought to be doing.

It is very difficult. It is certainly easy to set energy policy back, particularly when the price has gone up as it has. I think all of us remember a year or so ago when the price at the gas pump was down as low as 86 cents a gallon. Now in my State it is as high as $1.60. You think about it a lot more when it is $1.60 than when it is 86 cents. We didn't complain much about the producers then. But now we are pretty critical. We need a policy.

That is the opportunity we have in this Congress—to really establish some of the byways and roadways to help us achieve a reduction on our dependency on foreign oil. We need to move toward changes in consumption and in the way we travel. I have no objection to that. The fact is, that is going to take time. The economy, the prosperity, and the security of this country depends a great deal on an ample and available energy source. It requires an energy policy. It requires the administration to step up to the plate and work with this Congress to continue to work to establish an energy policy.

That is our task. That is our challenge. I think it is a necessary movement in order to continue to have freedom and economic prosperity.

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

The PRESIDING OFFICER (Mrs. HUTCHISON). Without objection, it is so ordered.

ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 2001—CONFERENCE REPORT

Mr. DASCHLE. Madam President, we are about to cast a vote at 5:30. I think in many ways this is a very difficult situation. I come to the floor this afternoon expressing my gratitude to the distinguished chair of the Energy and Water Subcommittee and certainly to the ranking member, the Senator from Nevada, our extraordinary assistant Democratic leader, for the great work they have done in responding to many of the issues and concerns that our colleagues have raised. I think in large measure it is a very balanced bill.

Unfortunately, we were unable to resolve what is a very significant matter relating to the Missouri River and the precedent that it sets for all rivers. The Corps of Engineers must, from time to time, update the master manual for the rivers that it manages. Unfortunately, some of our colleagues on the other side of the aisle have indicated that they were unwilling to compromise with regard to finding a way they could address their concerns without calling a complete halt to a multiyear process that has been underway to revise and update a master manual that is now over 40 years old. That is the issue: a manual that affects thousands of miles of river, hundreds of thousands, if not billions, of dollars of revenue generated from hydroelectric power, navigation, irrigation, municipal water, and bank stabilization.

There is perhaps no more complicated management challenge than the one affecting the Missouri and, for that matter, the Mississippi Rivers.

So our challenge has been to address the concerns of the two Senators from Missouri in a way that recognizes their legitimate questions regarding the Corps' intent on management, and also to recognize that there are stretches of the river both affecting the Mississippi in downstream States as well as all of the upstream States that also must be addressed, that also have to be worked out, that have to be recognized and achieved in some way.

We have gone to our distinguished colleagues on the other side on a number of occasions indicating a willingness to compromise, indicating a willingness to sit down to try to find a way to resolve this matter. I must say, we have been rebuffed at every one of those efforts. So we are left today with no choice.

What I hope will happen is that we can vote in opposition to the bill in numbers sufficient enough to indicate our ability to sustain a veto; the President will then veto this legislation, as he has now noted publicly and privately on several occasions; and that we come down together to the White House, or anywhere else, work out a

compromise, work out some suitable solution that accommodates the Senators from Missouri as well as all other Senators on the river. That is all we are asking.

It is unfortunate that it has to come to this, to a veto. I warned that it would if we were not able to resolve it. I am disappointed we are now at a point where that appears to be the only option available to us.

Before he came to the floor, I publicly commended the chair of the Energy and Water Subcommittee for his work. And I will say so privately to my colleagues that what he has done and what the ranking member has done is laudable and ought to be supported. But the overriding concern is a concern that has been addressed now on several occasions. It was my hope that it was a concern that could have been addressed in a way that would have avoided the need for a veto. Unfortunately, that is not the case. So we are left with no choice, Madam President. I regret that fact.

I hope that my colleagues will understand that this legislation is important. I hope after the veto, after it is sustained—if that is required—we can go back, get to work, and find the compromise that I have been seeking now for weeks, and find a way with which to move this legislation along.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Could I make a parliamentary inquiry?

Are we scheduled by unanimous consent to vote at 5:30 on the conference report?

The PRESIDING OFFICER. The Senator is correct.

Mr. DASCHLE. Madam President, will the Senator from New Mexico yield?

Mr. DOMENICI. I am pleased to yield.

Mr. DASCHLE. As I understand it, the senior Senator from Montana would like a minute or two to talk on this subject. Perhaps it would be better for him to do it now, and then you could close the debate, if that would be appropriate.

Mr. DOMENICI. I was just going to ask. I saw him on the floor and he mentioned he might want to speak. I need about 6 minutes, so could you take the intervening time before the 6 minutes?

Mr. BAUCUS. I say to my colleague, I need only 5 or 6 minutes.

Mr. DOMENICI. I only need about 6 minutes. I will yield the rest to the Senator.

Mr. BAUCUS. I inquire of the minority leader and the Senator from New Mexico if we could get perhaps an extra 5 minutes before the vote.

Mr. DASCHLE. Madam President, it appears we have 10 minutes remaining before the vote.

I ask unanimous consent that the vote occur at 5:32 and the time be equally divided.

Mr. DOMENICI. Thank you.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator from Montana is recognized.

Mr. BAUCUS. Madam President, I strongly urge my colleagues to vote against adoption of the Conference Report for the Energy and Water Appropriations. Section 103 is an anti-environmental rider that prevents the sound management of the Missouri River.

As my colleagues will recall, during Senate consideration of this bill last month, Senator DASCHLE and I proposed to delete this provision. Unfortunately we were not successful.

Now, rather than attempting to work out a compromise, the conferees have included the very same language in the conference report before us tonight.

I will not repeat all of the arguments made in the earlier debate about why this amendment is bad for the river and the people of my state. The important point is, nothing has changed from that debate and the need to remove this rider remains as true today as it did then.

First, the Army Corps of Engineers is managing the Missouri River on the basis of a master manual that was written in 1960 and hasn't changed much since then.

Today, conditions are much different. Priorities are different.

Under the current master manual—40 years old—water levels in Ft. Peck lake are often drawn down in the summer months, largely to support barge traffic downstream, which is an industry that is dying and, according to the Corps' own analysis, has much less economic value than the recreation value upstream.

These drawdowns have occurred time and time again. Their effect is devastating: Moving ramps to put boats in the lake a mile away, severely curtail boating and fishing that are enjoyed by thousands of Montanans and tourists alike. They also reduce the numbers of walleye, sturgeon, and other fish.

The drawdowns are the big reason why eastern Montana has been getting an economic raw deal for years. More balanced management of the Missouri River, which takes better account of upstream economic benefits, is absolutely critical to reviving the economy in that part of our State.

Now there has been some talk that the proposed split season will affect hydropower production. While detailed studies are not yet complete, in fact, the Corps estimates that the split season will have ''essentially no impact to the total hydropower benefits.'' So there really should be no doubt. The split season is a better deal for Montana. It is a better deal for the whole river.

Of course, this rider is about more than just Ft. Peck.

It also prevents the Corps of Engineers from obeying the law of the land. Specifically, the Endangered Species Act.

If we create a loophole here, there will be pressure to create another loophole somewhere else. And then another. Before you know it, the law will be shredded into tatters.

We all know the Endangered Species Act is not perfect. I believe we need to reform it so it will work better for landowners and for species.

We are working hard to pass returns, but those reforms haven't passed. So the Endangered Species Act remains the law of the land, and we have to respect it. And so should the Corps.

Forget about the species for a minute. Think about basic fairness. We require private landowners to comply with the Endangered Species Act.

Why should the Federal Government get a free pass?

The answer is, they should not. The Army Corps of Engineers should be held to the same standard as everybody else, and the Corps agrees.

We have a public process in place, to carefully revise the master manual. It's been underway for 10 years.

Now, at the last minute, when the end is in sight, a rider in an appropriations bill would derail the process by taking one of the alternatives right off the table.

That's not fair. It's not right. It's not the way we ought to make this decision.

Instead, we should give the open process that we began ten years ago a chance to work.

We should give people an opportunity to comment on the biological opinion and the environmental impact statement.

So the final decision will not be made in a vacuum.

But this rider makes a mockery of that process. The rider allows for an extensive period for public comment. But then it prohibits the public agencies from acting on those comments.

A better way is to allow the agencies and the affected parties to continue to work together to strike a balance to manage this mighty and beautiful river: for upstream states, for downstream states, and for the protection of endangered species; that is, for all of us.

Mrs. BOXER. Madam President, along with many of my colleagues, I voted in support of an amendment to the energy and water appropriations bill when it moved through the Senate to strike an anti-environment rider from that bill. Unfortunately, that amendment failed and the rider remains in the conference report we consider today.

For that reason, I must vote against this legislation. I understand that the President has indicated that he will veto this legislation because of this antienvironment provision.

The antienvironment rider included in this bill stops changes in the management of the Missouri River called for by existing law. Those changes would ensure that the river is managed not only for navigation, but also for

the benefit of the fish and wildlife that depend on the river for survival.

It is critical that those changes go into effect promptly because without them several endangered species may become extinct.

The Missouri River management changes that this antienvironment rider blocks are called for by a 600-page Fish and Wildlife Service study. The study is itself based upon hundreds of published peer-reviewed studies, and would modify the 40-year-old Corps of Engineers policy of managing the flows of the Missouri River primarily to benefit a $7 million downstream barge industry.

That old Corps policy is largely responsible for the endangerment of three species—the piping plover, the least interior tern, and the pallid sturgeon—that depend upon the river for survival. Two other fish species are also headed toward extinction.

It is very unfortunate that this provision was included in a bill that otherwise has much to commend it.

I appreciate the conferees' hard work in crafting a bill that funds several important California priorities. The Hamilton Wetlands Project funded in this bill would restore approximately 1,000 acres to wetlands and wildlife habitat at Hamilton Army Airfield. The American River Common Elements funded in this bill would result in 24 miles of levee improvements along the American River and 12 miles of improvements along the Sacramento River levees, flood gauges upstream of Folsom Dam, and improvements to the flood warning system along the lower American River. Finally, the Solana Beach-Encinitas Shoreline Feasibility Study funded in this bill would assist both cities in their efforts to battle beach erosion, and would provide needed data for the restoration of these beaches. Projects such as these are extremely important to California.

Because of these and the other benefits of this bill for California, I find it unfortunate that I must vote against this legislation. I do so, however, because a vote for this bill is a vote to support an antienvironment rider that may well lead to the irreversible damage of causing the extinction of several endangered species.

I expect that this legislation will be taken up by the Senate without this rider in the next few weeks, and that we will move forward with important energy and water projects without doing irreversible damage to our environment.

Mr. MCCAIN. Madam President, during a statement I made on the Senate floor today regarding various pork-barrel spending in the final conference report for the FY 2001 energy and water appropriations, I incorrectly referred to a $20 million earmark for the CALFED Bay-Delta restoration project. I was informed by the Senate Energy and Natural Resources Committee that the conference agreement does not include any funding for this specific California project. I wanted to state for the RECORD that I will correct my statement that will be included on my Senate web page and remove this reference to the CALFED project.

Mr. ROBB. Madam President, I intend to vote against the energy and water appropriations conference report this afternoon. I support the vast majority of the bill, in fact, there are a number of projects I have worked for years to have included. But, once again, in addition to those projects, an anti-environmental rider was also attached to this legislation.

The President has announced his intention to veto this bill because of that anti-environmental rider. So we will be back here in the next few days considering this legislation again. And I have been assured that when we take up this legislation again, our Virginia projects will be included, since they are not the subject of the dispute. I hope that in the intervening period, we can remove the rider which would prevent the Corps of Engineers from reviewing its procedures to protect the Missouri river and its environment.

Mr. HARKIN. Madam President, I rise today in continuing concern over the National Ignition Facility, a massive stockpile stewardship facility being built at the Department of Energy's Lawrence Livermore Labs in California. This program has been beset by cost overruns, delays, and poor management. The House in its Energy & Water bill included $74.1 million for construction of NIF. The Senate adopted an amendment I offered that capped spending at the same level, and also requested an independent review of the project from the National Academy of Sciences.

I know the Chairman and Ranking Member of the Subcommittee each have their own concerns about NIF, and I greatly appreciate their efforts to bring this program under control. But frankly I am disappointed in what has come out of conference. The funding for NIF construction has risen from $74 million to $199 million. $74 million in the House, $74 million in the Senate, and $199 million out of conference.

That is a lot of money to spend on a program that is out of control. Projected costs of constructing this facility have almost doubled in the last year. We don't know if the optics will work. We don't know how to design the target. Even if the technical problems are solved, we don't know if the National Ignition Facility will achieve ignition. We don't even know if this facility is needed. DOE's recent ''rebaselining'' specified massive budget increases for NIF for several years, but, despite Congressional requests, did not say where this money would come from or what impact it would have on the stockpile stewardship program.

This is the time to slow down, conduct some independent studies, reconsider how we can best maintain the nuclear weapons stockpile and whether this risky program really is critical to that effort. Instead we are saying full steam ahead.

It is true that part of the money, $69 million, is held back until DOE arranges for studies of some of these issues and certifies that the program is on schedule and on budget. These issues are critical to future Congressional action on NIF. Unfortunately, the bill does not clearly specify who will conduct those studies.

I wish we could entrust DOE with these reviews, but history suggests they have not earned our trust. A recent article in the journal Nature describes ten years of failed peer review on this project: so-called ''independent'' reports that were not independent, that were written by stacked panels with conflicts of interest, that even were edited by project officials. A recent GAO report notes that reviews ''did not discover and report on NIF's fundamental project and engineering problems, bringing into question their comprehensiveness and independence.'' DOE is currently under threat of a second lawsuit regarding violations of the Federal Advisory Committee Act in NIF studies.

We need a truly independent review. I am pleased that the Chairman and Ranking Member agreed to join me in a colloquy on this concern, and hope the studies mandated in this bill will be fully independent and credible. Otherwise, I fear that the $199 million we are appropriating will be poured down a bottomless pit with the $800 million already spent. We've seen this happen too many times, with the Superconducting Supercollider, the Clinch River Breeder Reactor, the Space Station, and on and on. I will continue to strive to protect our taxpayers, keep our nuclear stockpile safe, and end wasteful spending on NIF before more billions are spent.

Mr. ASHCROFT. Madam President, I rise today in support of the conference report on the energy and water appropriations bill. This is a very important bill, for it contains a provision that will protect the citizens of Missouri from a risky Administration scheme to flood the Missouri River Basin. Section 103 of this bill is a provision that is necessary for the millions of Americans who live and work along the Missouri and Mississippi Rivers. This is the section of the bill that was subject to an amendment to strike when the Senate considered this legislation on September 7, 2000. The Senate defeated the attempt to strike at that time, and I want to thank the subcommittee chairman, Senator DOMENICI, for maintaining Section 103 in the conference report now before us.

Madam President, as you know, the use of the Missouri River is governed by what is known as the Missouri River Master Manual. Right now, there is an effort underway to update that manual. The specific issue that is at the crux of the debate over Section 103 is what is called a spring rise. A spring rise, in this case, is a release of huge

amounts of water from above Gavins Point Dam on the Nebraska-South Dakota border during the flood-prone spring months.

In an effort to protect the habitat of the pallid sturgeon, the least tern, and the piping plover, the U.S. Fish and Wildlife Service issued an ultimatum to the Army Corps of Engineers insisting that the Corps immediately agree to its demand for a spring rise. The Corps was given one week to respond to the request of Fish and Wildlife for immediate implementation of a spring rise. The Corps' response was a rejection of the spring rise proposal, and they called for further study of the effect of the spring rise.

The language in section 103 will allow for the studies the Corps recommends. Section 103, inserted in the bill during the subcommittee markup, is a commonsense provision that states in its entirety:

None of the funds made available in this act may be used to revise the Missouri River Master Water Control Manual if such provisions provide for an increase in the springtime water release program during the spring heavy rainfall and snow melt period in States that have rivers draining into the Missouri River below the Gavins Point Dam.

This policy—this exact language—has been included in the last four energy and water appropriations bills, all of which the President signed without opposition. Let's look at the support that the Energy and Water appropriations bills, with the exact same language, have enjoyed in the past.

In October, 1995, the Senate agreed to the energy and water appropriations conference report by a bipartisan vote of 89–6.

In September, 1996, the Senate agreed to the energy and water appropriations conference report by a bipartisan vote of 92–8.

In September, 1998, the Senate agreed to the energy and water appropriations conference report by unanimous consent.

In September, 1999, the Senate agreed to the energy and water appropriations conference report by a bipartisan vote of 96–3.

In addition, this year, the Senate voted 93–1 in favor of final passage of the energy and water appropriations bill on September 7, 2000, following the defeat of the amendment to strike Section 103.

This lengthy record of support is part of the reason I am shocked and astounded to report that last week, the President's Chief of Staff, John Podesta, sent a letter to the Energy and Water Appropriations Subcommittee chairman stating that the President would veto this bill if section 103 is included. In other words, the Clinton-Gore administration is threatening to veto the entire energy and water appropriations bill if it contains language to protect the lives and property of all citizens living and working along the lower Missouri and Mississippi Rivers.

If the President follows through with a veto of the bill, after having signed this provision four times previously, he will be sending a very clear message to the citizens of the Midwest. It is very easy to understand. Unfortunately, it would be very hard to digest and accommodate. But the message would be this: The Clinton-Gore administration is willing to flood downstream communities as part of an unscientific, risky scheme that will hurt, not help, the endangered species it seeks to protect. If that is the message, I wouldn't want to be the messenger.

The President's Chief of Staff, Mr. Podesta, made a number of interesting, yet untrue, claims in his veto threat letter. We have corrected and clarified these points before, but allow me to do so again, in the hope that the administration will reconsider its position when confronted with the real facts on this issue.

First, the administration claims in its veto letter that section 103 would, ''prevent the Corps from carrying out a necessary element of any reasonable and prudent alternative to avoid jeopardizing the continued existence of the endangered least tern, pallid sturgeon, and the piping plover.'' This statement is false.

Under section 103, alternatives can be studied and all alternatives can be implemented—with the exception of a spring rise.

What is ironic is that spring flooding could hurt the wildlife more than it will protect them. And it will do so in a way that will increase the risks of downstream flooding and interferes with the shipment of cargo on our nation's highways.

Dr. Joe Engeln, assistant director of the Missouri Department of Natural Resources, stated in a June 24 letter that there are several major problems with the Fish and Wildlife Service's proposed plan that may have the perverse effect of harming the targeted species rather than helping them.

In his letter, he writes that, ''the higher reservoir levels [that would result from a spring rise] would also reduce the habitat for the terns and plovers that nest along the shorelines of the reservoirs.''

Dr. Engeln also points out that because the plan calls for a significant drop in flow during the summer, predators will be able to reach the islands upon which the terns and plovers nest, giving them access to the young still in the nests.

Second, the administration claims that the Missouri Master Manual is outdated and, ''does not provide and appropriate balance among the competing interests, both commercial and recreational, of the many people who seek to use this great American river.'' This, also, is untrue.

This administration's plan for ''controlled flood'' or spring rise places every citizen who lives or works downstream from the point of release in jeopardy by disturbing the balance at a time when downstream citizens are most vulnerable to flooding.

Section 103 protects citizens of Missouri and other states from dangerous flooding while allowing for cost efficient transportation of grain and cargo.

Section 103 is supported by bipartisan group representing farmers, manufacturers, labor unions, shippers, citizens and port authorities from 15 Midwest states.

Also supporting Section 103 are major national organizations including the American Farm Bureau, American Waterways associations, National Grange, and the National Soybean Association.

The strong support for Section 103 and against the spring rise undermines the administration's claim that the Master Manual must be immediately changed.

In addition to the illusory argument that the spring rise is necessary to protect endangered species, some advocates of the spring rise claim that this plan is a return to more ''natural flow conditions'' and that the river should be returned to its condition at the time of the Lewis and Clark expedition.

Not only is this unrealistic because the Midwest was barely habitable because of the erratic flooding conditions at that time, according to Dr. Engeln of the Missouri DNR, the proposal would benefit artificial reservoirs at the expense of the river and create flow conditions that have never existed along the river in Iowa, Nebraska, Kansas, and Missouri.

Over 90 organizations representing farmers, shippers, cities, labor unions, and port authorities recently sent a letter to Congress saying: ''The spring rise demanded by the Fish and Wildlife Service is based on the premise that we should 'replicate the natural hydrograph' that was responsible for devastating and deadly floods as well as summertime droughts and even dustbowls.''

I think it is pretty clear that there is not sound science to support some protection of these species. There is a clear disagreement among scientists, and a strong argument that the implementation of this plan would, in fact, damage the capacity of some of these species to continue.

I urge the Senate to support this conference report. I ask the President to rethink his threatened veto and side with the bipartisan consensus to protect the citizens living and working in the lower Missouri River Basin from the Fish and Wildlife Service's plan to flood the region.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Madam President, I rise to tell the Senate this is a good bill. I hope we will pass it.

The Senate passed this bill 97–1. It went to conference. Obviously, there were some changes made in conference but clearly not significant enough to have somebody vote against this bill.

When the call of the roll occurs, we are going to hear that a number of Senators on the other side of the aisle are

going to vote against the bill. I hope everybody understands that most of them have asked for things in this bill, and they have been granted things in this bill their States desperately need. I don't know how all that will work out, but they are being asked to vote against this because the President of the United States, after signing similar language regarding the Missouri River four different times, has suggested that this year, if it is in this bill, he will veto it.

This bill has taken much work on the defense side; that is, for the nuclear deterrent, nuclear weapons activities of America, and those activities related to it that have to do with nonproliferation. We have done an excellent job in increasing some of the very important work of these National Laboratories and our nuclear defense deterrent, people, equipment, and facilities. Sooner or later many more Senators are going to have to recognize the significance of that part of this bill.

The second part of it has to do with nondefense discretionary appropriations; that is, mostly water and water projects across this great land. Many of them are in here for Senators on the Democrat side of the aisle. We were pleased to work with them on that.

I hope the bill will get sent to the President and we will be able to work something out with reference to the Missouri River. The President indicates now that he doesn't want that paragraph, that provision, so-called section 103, in this bill. I am not going to argue as eloquently as KIT BOND, the Senator from Missouri, did with reference to why that provision should be in the bill. But I can say that a compelling majority of Senators agreed with him when we had a vote on it, and then agreed to vote on final passage which included that.

To make sure everybody understands a little bit about where we have been and where we are going, I will not talk much about this chart, except I will ask that we take a quick look at the orange part of this chart. You see how big that keeps growing while people worry about this bill, and legitimately so. Senator MCCAIN argues that perhaps there are some things in this bill that should not be in it. He may be right.

Let me tell my colleagues, when you have to put something together for a whole House and a whole Senate, sometimes you have to do some things that maybe one Senator wouldn't want done.

This orange shows what is happening to the American budget of late. This is the 2000 estimate, the orange part of the entitlements and interest we pay in our budget for the people. See how it continues to grow. The yellow is the Defense Department. If you will focus for a moment on this purple piece, that number, $319 billion out of a budget of $1.8 trillion, is the 11 appropriations bills that have not yet been passed.

May I point it out again. This is the entitlements plus the interest. This is defense, which has been passed. And this, which you can see from this year to this year to this year, not very big changes compared to the other parts of the budget, this is what the 11 appropriations bills will amount to more or less, including this one.

It means that one-sixth of the Federal budget is at issue when we discuss the 11 appropriations bills that remain. Two of them were defense, and they belong in this portion of the budget. But if you look out, as we try to project 2005 and beyond, to see what keeps growing even though we are paying down the national debt, the entitlement programs keep growing. And the difference in this part, the purple part, is rather insignificant in terms of growth.

This bill is slightly over the President's budget in the nuclear deterrent, nuclear laboratory, nuclear weapons activities, and is slightly over the President on all of the water projects. I failed to mention the science projects that are in this bill, which are nondefense projects. They go on at all of the laboratories, and they are the cutting edge of real science across America—in this bill we are talking about. All of these, this and 11 others, belong in this small amount. Even for those who think it is growing too much, our projections beyond the year 2005 are that it still will be a very small portion of our Federal budget with a very large amount going to entitlements.

I wish I had one more I could predict, the surpluses along here, because I don't believe you need to worry about having adequate surpluses to take care of priorities in the future, to take care of Medicare, prescription drugs, and Medicare reform. Nor do I think there will be a shortage of money, some of which we should give back to the American people before we spend it.

My closing remarks have to do with what should we do with the great surplus the American people are giving us by way of taxes, which they have never paid so much of in the past. I look to the person who had most to do with our great thriving economy, Dr. Alan Greenspan. He mentions three things to us: First, you should put as much of it as you can on the national debt. The second thing is, you should give the people back some of it by way of taxes. That is the second best thing. He comments, ''If you are going to look at the big picture, the worst thing you can do with the surplus for the future of our children and grandchildren is to spend it on new programs.''

So I suggest we all ought to be worried about the future. But today we ought to get an appropriation bill passed. I hope our people will understand that in spite of the plea from the minority leader that you vote against it because of the Missouri language, we can pass it today and see if in the next few days we can work something out with the President if he remains dedicated to vetoing this bill over the one issue of which the Senator from Montana spoke.

Mr. BAUCUS. Madam President, I very much admire the work and the effort the Senator from New Mexico has put into this bill, and I hope after the President vetoes this bill, and it is sustained, we can work out this one problem so we can get the bill passed.

Mr. DOMENICI. I thank the Senator.

Madam President, have the yeas and nays been ordered?

The PRESIDING OFFICER. They have not.

Mr. DOMENICI. Madam President, I ask for the yeas and nays on final passage.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the conference report.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Utah, (Mr. HATCH) and the Senator from Minnesota (Mr. GRAMS) are necessarily absent.

I further announce that, if present and voting, the Senator from Utah (Mr. HATCH) would vote ''yea.''

Mr. REID. I announce that the Senator from California (Mrs. FEINSTEIN), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Connecticut (Mr. LIEBERMAN), and the Senator from Oregon (Mr. WYDEN) are necessarily absent.

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

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

The result was announced—yeas 57, nays 37, as follows:

[Rollcall Vote No. 261 Leg.]

YEAS—57

Abraham	Enzi	Miller
Allard	Fitzgerald	Murkowski
Ashcroft	Frist	Murray
Bennett	Gorton	Nickles
Bingaman	Gramm	Roberts
Bond	Grassley	Roth
Brownback	Gregg	Santorum
Bunning	Hagel	Sessions
Burns	Helms	Shelby
Byrd	Hutchinson	Smith (NH)
Campbell	Hutchison	Smith (OR)
Chafee, L.	Inhofe	Snowe
Cochran	Jeffords	Specter
Collins	Kyl	Stevens
Craig	Lincoln	Thomas
Crapo	Lott	Thompson
DeWine	Lugar	Thurmond
Domenici	Mack	Voinovich
Edwards	McConnell	Warner

NAYS—37

Akaka	Feingold	McCain
Baucus	Graham	Mikulski
Bayh	Harkin	Moynihan
Biden	Hollings	Reed
Boxer	Inouye	Reid
Breaux	Johnson	Robb
Bryan	Kerrey	Rockefeller
Cleland	Kerry	Sarbanes
Conrad	Kohl	Schumer
Daschle	Landrieu	Torricelli
Dodd	Lautenberg	Wellstone
Dorgan	Leahy	
Durbin	Levin	

NOT VOTING—6

Feinstein	Hatch	Lieberman
Grams	Kennedy	Wyden

The conference report was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. LOTT. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. LOTT. Mr. President, we have been working on a number of issues. I want to enter one, and then we will have another quorum call while we conclude some other agreements. The first has to do with the intelligence authorization bill. Obviously, this is very important legislation. It has been agreed to on both sides.

INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 2001

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 654, S. 2507.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 2507) to authorize appropriations for fiscal year 2001 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes.

There being no objection, the Senate proceeded to consider the bill which had been reported from the Select Committee on Intelligence with amendments to omit the parts in black brackets and insert the parts printed in italic.

S. 2507

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 ''Intelligence Authorization Act for Fiscal Year 2001''.

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

Sec. 1. Short title; table of contents.

TITLE I—INTELLIGENCE ACTIVITIES

Sec. 101. Authorization of appropriations.
Sec. 102. Classified schedule of authorizations.
Sec. 103. Personnel ceiling adjustments.
Sec. 104. Community Management Account.

TITLE II—CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM

Sec. 201. Authorization of appropriations.

TITLE III—GENERAL PROVISIONS

Sec. 301. Increase in employee compensation and benefits authorized by law.
Sec. 302. Restriction on conduct of intelligence activities.
Sec. 303. Prohibition on unauthorized disclosure of classified information.
Sec. 304. POW/MIA analytic capability within the intelligence community.
Sec. 305. Applicability to lawful United States intelligence activities of Federal laws implementing international treaties and agreements.
Sec. 306. Limitation on handling, retention, and storage of certain classified materials by the Department of State.
Sec. 307. Clarification of standing of United States citizens to challenge certain blocking of assets.
Sec. 308. Availability of certain funds for administrative costs of Counterdrug Intelligence Executive Secretariat.

TITLE IV—CENTRAL INTELLIGENCE AGENCY

Sec. 401. Expansion of Inspector General actions requiring a report to Congress.
Sec. 402. Subpoena authority of the Inspector General.
Sec. 403. Improvement and extension of central services program.
Sec. 404. Details of employees to the National Reconnaissance Office.
Sec. 405. Transfers of funds to other agencies for acquisition of land.
Sec. 406. Eligibility of additional employees for reimbursement for professional liability insurance.

TITLE V—DEPARTMENT OF DEFENSE INTELLIGENCE ACTIVITIES

[Sec. 501. Two-year extension of authority to engage in commercial activities as security for intelligence collection activities.
[Sec. 502. Nuclear test monitoring equipment.
[Sec. 503. Experimental personnel management program for technical personnel for certain elements of the intelligence community.]
Sec. 501. Prohibition on transfer of imagery analysts from General Defense Intelligence Program to National Imagery and Mapping Agency Program.
Sec. 502. Prohibition on transfer of collection management personnel from General Defense Intelligence Program to Community Management Account.
Sec. 503. Authorized personnel ceiling for General Defense Intelligence Program.
Sec. 504. Measurement and signature intelligence.

TITLE I—INTELLIGENCE ACTIVITIES

SEC. 101. AUTHORIZATION OF APPROPRIATIONS.

(a) AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 2001.—Funds are hereby authorized to be appropriated for fiscal year 2001 for the conduct of the intelligence and intelligence-related activities of the following elements of the United States Government:

(1) The Central Intelligence Agency.
(2) The Department of Defense.
(3) The Defense Intelligence Agency.
(4) The National Security Agency.
(5) The National Reconnaissance Office.
(6) The National Imagery and Mapping Agency.
(7) The Department of the Army, the Department of the Navy, and the Department of the Air Force.
(8) The Department of State.
(9) The Department of the Treasury.
(10) The Department of Energy.
(11) The Federal Bureau of Investigation.

(b) AUTHORIZATION OF APPROPRIATIONS FOR CERTAIN ELEMENTS FOR FISCAL YEARS 2002 THROUGH 2005.—Funds are hereby authorized to be appropriated for each of fiscal years 2002 through 2005 for the conduct in each such fiscal year of the intelligence and intelligence-related activities of the following elements of the United States Government:

(1) The Central Intelligence Agency.
(2) The Defense Intelligence Agency.
(3) The National Security Agency.
(4) The National Reconnaissance Office.

SEC. 102. CLASSIFIED SCHEDULE OF AUTHORIZATIONS.

(a) SPECIFICATIONS OF AMOUNTS AND PERSONNEL CEILINGS.—The amounts authorized to be appropriated under section 101, and the authorized personnel ceilings as of September 30, 2001, for the conduct of the intelligence and intelligence-related activities of the elements listed in such section, are those specified in the classified Schedule of Authorizations prepared to accompany the conference report on the bill _____ of the One Hundred Sixth Congress.

(b) AVAILABILITY OF CLASSIFIED SCHEDULE OF AUTHORIZATIONS.—The Schedule of Authorizations shall be made available to the Committees on Appropriations of the Senate and House of Representatives and to the President. The President shall provide for suitable distribution of the Schedule, or of appropriate portions of the Schedule, within the Executive Branch.

SEC. 103. PERSONNEL CEILING ADJUSTMENTS.

(a) AUTHORITY FOR ADJUSTMENTS.—With the approval of the Director of the Office of Management and Budget, the Director of Central Intelligence may authorize employment of civilian personnel in excess of the number authorized for fiscal year 2001 under section 102 when the Director of Central Intelligence determines that such action is necessary to the performance of important intelligence functions, except that the number of personnel employed in excess of the number authorized under such section may not, for any element of the intelligence community, exceed two percent of the number of civilian personnel authorized under such section for such element.

(b) NOTICE TO INTELLIGENCE COMMITTEES.—The Director of Central Intelligence shall promptly notify the Select Committee on Intelligence of the Senate and the Permanent Select Committee on Intelligence of the House of Representatives whenever the Director exercises the authority granted by this section.

SEC. 104. COMMUNITY MANAGEMENT ACCOUNT.

(a) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There is authorized to be appropriated for the Community Management Account of the Director of Central Intelligence for fiscal year 2001 the sum of $232,051,000.

(2) AVAILABILITY FOR ADVANCED RESEARCH AND DEVELOPMENT COMMITTEE.—Within the amount authorized to be appropriated in paragraph (1), amounts identified in the classified Schedule of Authorizations referred to in section 102(a) for the Advanced Research and Development Committee shall remain available until September 30, 2002.

(b) AUTHORIZED PERSONNEL LEVELS.—The elements within the Community Management Account of the Director of Central Intelligence are authorized a total of 618 full-time personnel as of September 30, 2001. Personnel serving in such elements may be permanent employees of the Community Management Account element or personnel detailed from other elements of the United States Government.

(c) CLASSIFIED AUTHORIZATIONS.—

(1) AUTHORIZATION OF APPROPRIATIONS.—In addition to amounts authorized to be appropriated for the Community Management Account by subsection (a), there is also authorized to be appropriated for the Community Management Account for fiscal year 2001

such additional amounts as are specified in the classified Schedule of Authorizations referred to in section 102(a).

(2) AUTHORIZATION OF PERSONNEL.—In addition to the personnel authorized by subsection (b) for elements of the Community Management Account as of September 30, 2001, there is hereby authorized such additional personnel for such elements as of that date as is specified in the classified Schedule of Authorizations.

(d) REIMBURSEMENT.—Except as provided in section 113 of the National Security Act of 1947 (50 U.S.C. 404h), during fiscal year 2001, any officer or employee of the United States or member of the Armed Forces who is detailed to the staff of an element within the Community Management Account from another element of the United States Government shall be detailed on a reimbursable basis, except that any such officer, employee, or member may be detailed on a nonreimbursable basis for a period of less than one year for the performance of temporary functions as required by the Director of Central Intelligence.

(e) NATIONAL DRUG INTELLIGENCE CENTER.—

(1) IN GENERAL.—Of the amount authorized to be appropriated in subsection (a), $27,000,000 shall be available for the National Drug Intelligence Center. Within such amount, funds provided for research, development, test, and evaluation purposes shall remain available until September 30, 2002, and funds provided for procurement purposes shall remain available until September 30, 2003.

(2) TRANSFER OF FUNDS.—The Director of Central Intelligence shall transfer to the Attorney General of the United States funds available for the National Drug Intelligence Center under paragraph (1). The Attorney General shall utilize funds so transferred for activities of the National Drug Intelligence Center.

(3) LIMITATION.—Amounts available for the National Drug Intelligence Center may not be used in contravention of the provisions of section 103(d)(1) of the National Security Act of 1947 (50 U.S.C. 403–3(d)(1)).

(4) AUTHORITY.—Notwithstanding any other provision of law, the Attorney General shall retain full authority over the operations of the National Drug Intelligence Center.

TITLE II—CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM

SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated for the Central Intelligence Agency Retirement and Disability Fund for fiscal year 2001 the sum of $216,000,000.

TITLE III—GENERAL PROVISIONS

SEC. 301. INCREASE IN EMPLOYEE COMPENSATION AND BENEFITS AUTHORIZED BY LAW.

Appropriations authorized by this Act for salary, pay, retirement, and other benefits for Federal employees may be increased by such additional or supplemental amounts as may be necessary for increases in such compensation or benefits authorized by law.

SEC. 302. RESTRICTION ON CONDUCT OF INTELLIGENCE ACTIVITIES.

The authorization of appropriations by this Act shall not be deemed to constitute authority for the conduct of any intelligence activity which is not otherwise authorized by the Constitution or the laws of the United States.

SEC. 303. PROHIBITION ON UNAUTHORIZED DISCLOSURE OF CLASSIFIED INFORMATION.

(a) IN GENERAL.—Chapter 37 of title 18, United States Code, is amended—

(1) by redesignating section 798A as section 798B; and

(2) by inserting after section 798 the following new section 798A:

"§ 798A. Unauthorized disclosure of classified information

''(a) PROHIBITION.—Whoever, being an officer or employee of the United States, a former or retired officer or employee of the United States, any other person with authorized access to classified information, or any other person formerly with authorized access to classified information, knowingly and willfully discloses, or attempts to disclose, any classified information to a person who is not both an officer or employee of the United States and who is not authorized access to the classified information shall be fined not more than $10,000, imprisoned not more than 3 years, or both.

''(b) CONSTRUCTION OF PROHIBITION.—Nothing in this section shall be construed to establish criminal liability for disclosure of classified information in accordance with applicable law to the following:

''(1) Any justice or judge of a court of the United States established pursuant to article III of the Constitution of the United States.

''(2) The Senate or House of Representatives, or any committee or subcommittee thereof, or joint committee thereof, or any member of Congress.

''(c) DEFINITIONS.—In this section:

''(1) The term 'authorized', in the case of access to classified information, means having authority or permission to have access to the classified information pursuant to the provisions of a statute, Executive Order, regulation, or directive of the head of any department or agency who is empowered to classify information, an order of any United States court, or a provision of any Resolution of the Senate or Rule of the House of Representatives which governs release of classified information by the such House of Congress.

''(2) The term 'classified information' means information or material designated and clearly marked or represented, or that the person knows or has reason to believe has been determined by appropriate authorities, pursuant to the provisions of a statute or Executive Order, as requiring protection against unauthorized disclosure for reasons of national security.

''(3) The term 'officer or employee of the United States' means the following:

''(A) An officer or employee (as those terms are defined in sections 2104 and 2105 of title 5).

''(B) An officer or enlisted member of the Armed Forces (as those terms are defined in section 101(b) of title 10).''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of that chapter is amended by striking the item relating to section 798A and inserting the following new items:

''798A. Unauthorized disclosure of classified information.

''798B. Temporary extension of section 794.''.

SEC. 304. POW/MIA ANALYTIC CAPABILITY WITHIN THE INTELLIGENCE COMMUNITY.

Title I of the National Security Act of 1947 (50 U.S.C. 402 et seq.) is amended by adding at the end the following:

''POW/MIA ANALYTIC CAPABILITY

''SEC. 115. (a) REQUIREMENT.—(1) The Director of Central Intelligence shall, in consultation with the Secretary of Defense, establish and maintain in the intelligence community an analytic capability with responsibility for intelligence in support of the activities of the United States relating to prisoners of war and missing persons (as that term is defined in section 1513(1) of title 10, United States Code).

''(2) The analytic capability maintained under paragraph (1) shall be known as the 'POW/MIA analytic capability of the intelligence community'.

''(b) SCOPE OF RESPONSIBILITY.—The responsibilities of the analytic capability maintained under subsection (a) shall—

''(1) extend to any activities of the Federal Government with respect to prisoners of war and missing persons after December 31, 1990; and

''(2) include support for any department or agency of the Federal Government engaged in such activities.''.

SEC. 305. APPLICABILITY TO LAWFUL UNITED STATES INTELLIGENCE ACTIVITIES OF FEDERAL LAWS IMPLEMENTING INTERNATIONAL TREATIES AND AGREEMENTS.

The National Security Act of 1947 (50 U.S.C. 401 et seq.) is amended by adding at the end the following:

''TITLE X—MISCELLANEOUS

''APPLICABILITY TO UNITED STATES INTELLIGENCE ACTIVITIES OF FEDERAL LAWS IMPLEMENTING INTERNATIONAL TREATIES AND AGREEMENTS

''SEC. 1001. (a) IN GENERAL.—No Federal law enacted on or after the date of the enactment of the Intelligence Authorization Act for Fiscal Year 2001 that implements a treaty or other international agreement shall be construed as making unlawful an otherwise lawful and authorized intelligence activity of the United States Government or its employees, or any other person acting at their direction to the extent such other person is carrying out such activity on behalf of the United States, unless such Federal law specifically addresses such intelligence activity.

''(b) AUTHORIZED ACTIVITIES.—An activity shall be treated as authorized for purposes of subsection (a) if the activity is authorized by an appropriate official of the United States Government, acting within the scope of the official duties of that official and in compliance with Federal law and any applicable Presidential directive.''.

SEC. 306. LIMITATION ON HANDLING, RETENTION, AND STORAGE OF CERTAIN CLASSIFIED MATERIALS BY THE DEPARTMENT OF STATE.

(a) CERTIFICATION REGARDING FULL COMPLIANCE WITH REQUIREMENTS.—The Director of Central Intelligence shall certify to the appropriate committees of Congress whether or not each covered element of the Department of State is in full compliance with all applicable directives of the Director of Central Intelligence, and all applicable Executive Orders, relating to the handling, retention, or storage of covered classified materials.

(b) LIMITATION ON CERTIFICATION.—The Director of Central Intelligence may not certify a covered element of the Department of State as being in full compliance with the directives and Executive Orders referred to in subsection (a) if the covered element is currently subject to a waiver of compliance with respect to any such directive or Executive Order.

(c) REPORT ON NONCOMPLIANCE.—Whenever the Director of Central Intelligence determines that a covered element of the Department of State is not in full compliance with any directive or Executive Order referred to in subsection (a), the Director shall promptly notify the appropriate committees of Congress of such determination.

(d) EFFECTS OF CERTIFICATION OF NON-FULL COMPLIANCE.—(1)(A) Effective as of January 1, 2001, no funds authorized to be appropriated by this Act may be obligated or expended by the Bureau of Intelligence and Research of the Department of State unless the Director of Central Intelligence has certified under subsection (a) as of such date that each covered element of the Department of State is in full compliance with the directives and Executive Orders referred to in subsection (a).

(B) If the prohibition in subparagraph (A) takes effect in accordance with that subparagraph, the prohibition shall remain in effect until the date on which the Director certifies under subsection (a) that each covered element of the Department of State is in full compliance with the directives and Executive Orders referred to in that subsection.

(2)(A) Subject to subsection (e), effective as of January 1, 2001, a covered element of the Department of State may not retain or store covered classified information unless the Director has certified under subsection (a) as of such date that the covered element is in full compliance with the directives and Executive Orders referred to in subsection (a).

(B) If the prohibition in subparagraph (A) takes effect in accordance with that subparagraph, the prohibition shall remain in effect until the date on which the Director certifies under subsection (a) that the covered element involved is in full compliance with the directives and Executive Orders referred to in that subsection.

(e) PRESIDENTIAL WAIVER.—(1) The President may waive the applicability of the prohibition in subsection (d)(2) to an element of the Department of State otherwise covered by such prohibition if the President determines that the waiver is in the national security interests of the United States.

(2) The President shall submit to appropriate committees of Congress a report on each exercise of the waiver authority in paragraph (1).

(3) Each report under paragraph (2) with respect to the exercise of authority under paragraph (1) shall set forth the following:

(A) The covered element of the Department of State addressed by the waiver.

(B) The reasons for the waiver.

(C) The actions taken by the President to protect any covered classified material to be handled, retained, or stored by such element.

(f) DEFINITIONS.—In this section:

(1) The term ''appropriate committees of Congress'' means the following:

(A) The Select Committee on Intelligence and the Committee on Foreign Relations of the Senate.

(B) The Permanent Select Committee on Intelligence and the Committee on International Relations of the House of Representatives.

(2) The term ''covered classified material'' means any material classified at the Sensitive Compartmented Information (SCI) level.

(3) The term ''covered element of the Department of State'' means each element of the Department of State that handles, retains, or stores covered classified material.

(4) The term ''material'' means any data, regardless of physical form or characteristic, including written or printed matter, automated information systems storage media, maps, charts, paintings, drawings, films, photographs, engravings, sketches, working notes, papers, reproductions of any such things by any means or process, and sound, voice, magnetic, or electronic recordings.

(5) The term ''Sensitive Compartmented Information (SCI) level'', in the case of classified material, means a level of classification for information in such material concerning or derived from intelligence sources, methods, or analytical processes that requires such information to be handled within formal access control systems established by the Director of Central Intelligence.

SEC. 307. CLARIFICATION OF STANDING OF UNITED STATES CITIZENS TO CHALLENGE CERTAIN BLOCKING OF ASSETS.

The Foreign Narcotics Kingpin Designation Act (title VIII of Public Law 106–120; 113 Stat. 1626; 21 U.S.C. 1901 et seq.) is amended by adding at the end the following new section:

''SEC. 811. STANDING OF UNITED STATES CITIZENS TO CHALLENGE BLOCKING OF ASSETS.

''No provision of this title shall be construed to prohibit a United States citizen from raising any challenge otherwise available to the United States citizen under subchapter II of chapter 5 and chapter 7 of title 5, United States Code (commonly referred to as the Administrative Procedure Act), or any other provision of law, with respect to the blocking of assets by the United States under this title.''.

SEC. 308. AVAILABILITY OF CERTAIN FUNDS FOR ADMINISTRATIVE COSTS OF COUNTERDRUG INTELLIGENCE EXECUTIVE SECRETARIAT.

Notwithstanding section 1346 of title 31, United States Code, or section 610 of the Treasury and General Government Appropriations Act, 2000 (Public Law 106–58; 113 Stat. 467), funds made available for fiscal year 2000 for any department or agency of the Federal Government with authority to conduct counterdrug intelligence activities, including counterdrug law enforcement information-gathering activities, may be available to finance an appropriate share of the administrative costs incurred by the Department of Justice for the Counterdrug Intelligence Executive Secretariat authorized by the General Counterdrug Intelligence Plan of February 12, 2000.

TITLE IV—CENTRAL INTELLIGENCE AGENCY

SEC. 401. EXPANSION OF INSPECTOR GENERAL ACTIONS REQUIRING A REPORT TO CONGRESS.

Section 17(d)(3) of the Central Intelligence Agency Act of 1949 (50 U.S.C. 403q(d)(3)) is amended by striking all that follows after subparagraph (A) and inserting the following:

''(B) an investigation, inspection, or audit carried out by the Inspector General should focus on any current or former Agency official who—

''(i) holds or held a position in the Agency that is subject to appointment by the President, by and with the advise and consent of the Senate, including such a position held on an acting basis; or

''(ii) holds or held the position in the Agency, including such a position held on an acting basis, of—

''(I) Executive Director;

''(II) Deputy Director for Operations;

''(III) Deputy Director for Intelligence;

''(IV) Deputy Director for Administration; or

''(V) Deputy Director for Science and Technology;

''(C) a matter requires a report by the Inspector General to the Department of Justice on possible criminal conduct by a current or former Agency official described or referred to in subparagraph (B);

''(D) the Inspector General becomes aware of the possible criminal conduct of a current or former Agency official described or referred to in subparagraph (B) through a means other than an investigation, inspection, or audit and such conduct is not referred to the Department of Justice; or

''(E) the Inspector General, after exhausting all possible alternatives, is unable to obtain significant documentary information in the course of an investigation, inspection, or audit,

the Inspector General shall immediately submit a report on such matter to the intelligence committees.''.

SEC. 402. SUBPOENA AUTHORITY OF THE INSPECTOR GENERAL.

(a) CLARIFICATION REGARDING REPORTS ON EXERCISE OF AUTHORITY.—Section 17 of the Central Intelligence Agency Act of 1949 (50 U.S.C. 403q) is amended—

(1) in subsection (d)(1), by striking subparagraph (E) and inserting the following new subparagraph (E):

''(E) a description of the exercise of the subpoena authority under subsection (e)(5) by the Inspector General during the reporting period; and''; and

(2) in subsection (e)(5), by striking subparagraph (E).

(b) SCOPE OF AUTHORITY.—Subsection (e)(5)(B) of that section is amended by striking ''Government'' and inserting ''Federal''.

SEC. 403. IMPROVEMENT AND EXTENSION OF CENTRAL SERVICES PROGRAM.

(a) DEPOSITS IN CENTRAL SERVICES WORKING CAPITAL FUND.—Subsection (c)(2) of section 21 of the Central Intelligence Agency Act of 1949 (50 U.S.C. 403u) is amended—

(1) by redesignating subparagraph (F) as subparagraph (H); and

(2) by inserting after subparagraph (E) the following new subparagraphs:

''(F) Receipts from individuals in reimbursement for utility services and meals provided under the program.

''(G) Receipts from individuals for the rental of property and equipment under the program.''.

(b) CLARIFICATION OF COSTS RECOVERABLE UNDER PROGRAM.—Subsection (e)(1) of that section is amended in the second sentence by inserting ''other than structures owned by the Agency'' after ''depreciation of plant and equipment''.

(c) FINANCIAL STATEMENTS OF PROGRAM.—Subsection (g)(2) of that section is amended in the first sentence by striking ''annual audits under paragraph (1)'' and inserting the following: ''financial statements to be prepared with respect to the program. Office of Management and Budget guidance shall also determine the procedures for conducting annual audits under paragraph (1).''.

(d) EXTENSION OF PROGRAM.—Subsection (h)(1) of that section is amended by striking ''March 31, 2002'' and inserting ''March 31, 2005''.

SEC. 404. DETAILS OF EMPLOYEES TO THE NATIONAL RECONNAISSANCE OFFICE.

The Central Intelligence Agency Act of 1949 (50 U.S.C. 403a et seq.) is amended by adding at the end the following new section:

''DETAILS OF EMPLOYEES

''SEC. 22. The Director may—

''(1) detail any personnel of the Agency on a reimbursable basis indefinitely to the National Reconnaissance Office without regard to any limitation under law on the duration of details of Federal government personnel; and

''(2) hire personnel for the purpose of details under paragraph (1).''.

SEC. 405. TRANSFERS OF FUNDS TO OTHER AGENCIES FOR ACQUISITION OF LAND.

(a) IN GENERAL.—Section 8 of the Central Intelligence Agency Act of 1949 (50 U.S.C. 403j) is amended by adding at the end the following new subsection:

''(c) TRANSFERS FOR ACQUISITION OF LAND.—(1) Sums appropriated or otherwise made available to the Agency for the acquisition of land that are transferred to another department or agency for that purpose shall remain available for 3 years.

''(2) The Director shall submit to the Select Committee on Intelligence of the Senate and the Permanent Select Committee on Intelligence of the House of Representatives an annual report on the transfers of sums described in paragraph (1).''.

(b) CONFORMING STYLISTIC AMENDMENTS.—That section is further amended—

(1) in subsection (a), by inserting ''IN GENERAL.—'' after ''(a)''; and

(2) in subsection (b), by inserting ''SCOPE OF AUTHORITY FOR EXPENDITURE.—'' after ''(b)''.

(c) APPLICABILITY.—Subsection (c) of section 8 of the Central Intelligence Agency Act of 1949, as added by subsection (a) of this section, shall apply with respect to amounts appropriated or otherwise made available for the Central Intelligence Agency for fiscal years after fiscal year 2000.

SEC. 406. ELIGIBILITY OF ADDITIONAL EMPLOYEES FOR REIMBURSEMENT FOR PROFESSIONAL LIABILITY INSURANCE.

(a) IN GENERAL.—Notwithstanding any provision of section 363 of the Treasury, Postal Service, and General Government Appropriations Act, 1997 (5 U.S.C. prec. 5941 note), the Director of Central Intelligence may—

(1) designate as qualified employees within the meaning of subsection (b) of that section appropriate categories of employees not otherwise covered by that subsection; and

(2) use appropriated funds available to the Director to reimburse employees within categories so designated for one-half of the costs incurred by such employees for professional liability insurance in accordance with subsection (a) of that section.

(b) REPORTS.—The Director of Central Intelligence shall submit to the Select Committee on Intelligence of the Senate and the Permanent Select Committee of Intelligence of the House of Representatives a report on each designation of a category of employees under paragraph (1) of subsection (a), including the approximate number of employees covered by such designation and an estimate of the amount to be expended on reimbursement of such employees under paragraph (2) of that subsection.

TITLE V—DEPARTMENT OF DEFENSE INTELLIGENCE ACTIVITIES

[SEC. 501. TWO-YEAR EXTENSION OF AUTHORITY TO ENGAGE IN COMMERCIAL ACTIVITIES AS SECURITY FOR INTELLIGENCE COLLECTION ACTIVITIES.

[Section 431(a) of title 10, United States Code, is amended in the second sentence by striking ''December 31, 2000'' and inserting ''December 31, 2002''.

[SEC. 502. NUCLEAR TEST MONITORING EQUIPMENT.

[(a) IN GENERAL.—Subchapter II of chapter 138 of title 10, United States Code, is amended by adding at the end the following new section:

[''§ 2350l. Nuclear test monitoring equipment

[''(a) AUTHORITY TO CONVEY OR PROVIDE.—Subject to subsection (b), the Secretary of Defense may, for purposes of satisfying nuclear test explosion monitoring requirements applicable to the United States—

[''(1) convey or otherwise provide to a foreign government monitoring and associated equipment for nuclear test explosion monitoring purposes; and

[''(2) install such equipment on foreign territory or in international waters as part of such conveyance or provision.

[''(b) AGREEMENT REQUIRED.—Nuclear test explosion monitoring equipment may be conveyed or otherwise provided under the authority in subsection (a) only pursuant to the terms of an agreement in which the foreign government receiving such equipment agrees as follows:

[''(1) To provide the Secretary of Defense timely access to the data produced, collected, or generated by such equipment.

[''(2) To permit the Secretary of Defense to take such measures as the Secretary considers necessary to inspect, test, maintain, repair, or replace such equipment, including access for purposes of such measures.

[''(c) DELEGATION OF RESPONSIBILITIES.—(1) The Secretary of Defense may delegate any or all of the responsibilities of that Secretary under subsection (b) to the Secretary of the Air Force.

[''(2) The Secretary of the Air Force may delegate any or all of the responsibilities delegated to that Secretary under paragraph (1).''.

[(b) CLERICAL AMENDMENT.—The table of sections at the beginning of subchapter II of such chapter is amended by inserting after the item relating to section 2350k the following new item:

[''2350l. Nuclear test monitoring equipment.''.

[SEC. 503. EXPERIMENTAL PERSONNEL MANAGEMENT PROGRAM FOR TECHNICAL PERSONNEL FOR CERTAIN ELEMENTS OF THE INTELLIGENCE COMMUNITY.

[(a) PROGRAM AUTHORIZED.—During the 5-year period beginning on the date of the enactment of this Act, the Director of Central Intelligence may carry out a program of experimental use of the special personnel management authority provided in subsection (b) in order to facilitate recruitment of eminent experts in science or engineering for research and development projects administered by the elements of the intelligence community specified in subsection (c).

[(b) SPECIAL PERSONNEL MANAGEMENT AUTHORITY.—Under the program, the Director of Central Intelligence may—

[(1) within the limitations specified in subsection (c), appoint scientists and engineers from outside the civil service and uniformed services (as such terms are defined in section 2101 of title 5, United States Code) to not more than 39 scientific and engineering positions in the elements of the intelligence community specified in that subsection without regard to any provision of title 5, United States Code, governing the appointment of employees in the civil service;

[(2) prescribe the rates of basic pay for positions to which employees are appointed under paragraph (1) at rates not in excess of the maximum rate of basic pay authorized for senior-level positions under section 5376 of title 5, United States Code, notwithstanding any provision of such title governing the rates of pay or classification of employees in the executive branch; and

[(3) pay any employee appointed under paragraph (1) payments in addition to basic pay within the limit applicable to the employee under subsection (e)(1).

[(c) SPECIFIED ELEMENTS AND LIMITATIONS.—The elements of the intelligence community in which individuals may be appointed under the program, and the maximum number of positions for which individuals may be appointed in each such element, are as follows:

[(1) The National Imagery and Mapping Agency (NIMA), 15 positions.

[(2) The National Security Agency (NSA), 12 positions.

[(3) The National Reconnaissance Office (NRO), 6 positions.

[(4) The Defense Intelligence Agency (DIA), 6 positions.

[(d) LIMITATION ON TERM OF APPOINTMENT.—(1) Except as provided in paragraph (2), the service of an employee under an appointment under subsection (b)(1) may not exceed 4 years.

[(2) The Director of Central Intelligence may, in the case of a particular employee, extend the period to which service is limited under paragraph (1) by up to 2 years if the Director determines that such action is necessary to promote the efficiency of the element of the intelligence community concerned.

[(e) LIMITATIONS ON ADDITIONAL PAYMENTS.—(1) The total amount of the additional payments paid to an employee under subsection (b)(3) for any 12-month period may not exceed the least of the following amounts:

[(A) $25,000.

[(B) The amount equal to 25 percent of the employee's annual rate of basic pay.

[(C) The amount of the limitation that is applicable for a calendar year under section 5307(a)(1) of title 5, United States Code.

[(2) An employee appointed under subsection (b)(1) is not eligible for any bonus, monetary award, or other monetary incentive for service except for payments authorized under subsection (b)(3).

[(f) PERIOD OF PROGRAM.—(1) The program authorized under this section shall terminate at the end of the 5-year period referred to in subsection (a).

[(2) After the termination of the program—

[(A) no appointment may be made under paragraph (1) of subsection (b);

[(B) a rate of basic pay prescribed under paragraph (2) of that subsection may not take effect for a position; and

[(C) no period of service may be extended under subsection (d)(2).

[(g) SAVINGS PROVISIONS.—In the case of an employee who, on the day before the termination of the program, is serving in a position pursuant to an appointment under subsection (b)(1)—

[(1) the termination of the program does not terminate the employee's employment in that position before the expiration of the lesser of—

[(A) the period for which the employee was appointed; or

[(B) the period to which the employee's service is limited under subsection (d), including any extension made under paragraph (2) of that subsection before the termination of the program; and

[(2) the rate of basic pay prescribed for the position under subsection (b)(2) may not be reduced for so long (within the period applicable to the employee under paragraph (1)) as the employee continues to serve in the position without a break in service.

[(h) ANNUAL REPORT.—(1) Not later than October 15 of each year, beginning in 2001 and ending in the year in which the service of employees under the program concludes (including service, if any, that concludes under subsection (g)), the Director of Central Intelligence shall submit a report on the program to the Select Committee on Intelligence of the Senate and the Permanent Select Committee on Intelligence of the House of Representatives.

[(2) The report submitted in a year shall cover the 12-month period ending on the day before the anniversary, in that year, of the date of the enactment of this Act.

[(3) The annual report shall contain, for the period covered by the report, the following:

[(A) A detailed discussion of the exercise of authority under this section.

[(B) The sources from which individuals appointed under subsection (b)(1) were recruited.

[(C) The methodology used for identifying and selecting such individuals.

[(D) Any additional information that the Director considers helpful for assessing the utility of the authority under this section.]

SEC. 501. PROHIBITION ON TRANSFER OF IMAGERY ANALYSTS FROM GENERAL DEFENSE INTELLIGENCE PROGRAM TO NATIONAL IMAGERY AND MAPPING AGENCY PROGRAM.

(a) PROHIBITION ON USE OF FUNDS FOR TRANSFER.—No funds authorized to be appropriated by this Act may be transferred from the General Defense Intelligence Program to the National Imagery and Mapping Agency Program for purposes of transferring imagery analysis personnel from the General Defense Intelligence Program to the National Imagery and Mapping Agency Program.

(b) ROLE OF DIRECTOR OF NIMA AS FUNCTIONAL MANAGER FOR IMAGERY AND GEOSPACIAL

PROGRAMS.—(1) The Secretary of Defense shall, in consultation with the Director of Central Intelligence, review options for strengthening the role of the Director of the National Imagery and Mapping Agency as the functional manager for United States imagery and geospacial programs.

(2) Not later than March 15, 2001, the Secretary shall submit to the appropriate committees of Congress a report on the review required by subsection (b). The report shall include any recommendations regarding modifications in the role and duties of the Director of the National Imagery and Mapping Agency that the Secretary considers appropriate in light of the review.

(3) In this subsection, the term ''appropriate committees of Congress'' means the following:

(A) The Committee on Armed Services and the Select Committee on Intelligence of the Senate.

(B) The Committee on Armed Services and the Permanent Select Committee on Intelligence of the House of Representatives.

SEC. 502. PROHIBITION ON TRANSFER OF COLLECTION MANAGEMENT PERSONNEL FROM GENERAL DEFENSE INTELLIGENCE PROGRAM TO COMMUNITY MANAGEMENT ACCOUNT.

No funds authorized to be appropriated by this Act may be transferred from the General Defense Intelligence Program to the Community Management Account for purposes of transferring intelligence collection management personnel.

SEC. 503. AUTHORIZED PERSONNEL CEILING FOR GENERAL DEFENSE INTELLIGENCE PROGRAM.

The authorized personnel ceiling for the General Defense Intelligence Program specified in the classified Schedule of Authorizations referred to in section 102 is hereby increased by 2,152 positions.

SEC. 504. MEASUREMENT AND SIGNATURE INTELLIGENCE.

(a) STUDY OF OPTIONS.—The Director of Central Intelligence shall, in coordination with the Secretary of Defense, conduct a study of the utility and feasibility of various options for improving the management and organization of measurement and signature intelligence, including the option of establishing a centralized tasking, processing, exploitation, and dissemination facility for measurement and signature intelligence.

(b) REPORT.—Not later than April 1, 2001, the Director and the Secretary shall jointly submit to the appropriate committees of Congress a report on their findings as a result of the study required by subsection (a). The report shall set forth any recommendations that the Director and the Secretary consider appropriate.

(c) APPROPRIATE COMMITTEES OF CONGRESS DEFINED.—In this section, the term ''appropriate committees of Congress'' means the following:

(1) The Committee on Armed Services and the Select Committee on Intelligence of the Senate.

(2) The Committee on Armed Services and the Permanent Select Committee on Intelligence of the House of Representatives.

Mr. LOTT. Mr. President, I ask unanimous consent that the committee amendments be agreed to.

The committee amendments were agreed to.

AMENDMENTS NOS. 4280 THROUGH 4285, EN BLOC

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate proceed en bloc to the following amendments which are at the desk: Warner amendment No. 4280, Specter amendment No. 4281, Feinstein amendment No. 4282, Moynihan amendment No. 4283, Kerrey amendment No. 4284, and the Shelby-Bryan amendment No. 4285. I further ask unanimous consent that the amendments be agreed to and the motions to reconsider be laid upon the table en bloc.

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

The amendments (Nos. 4280 through 4285) were agreed to, en bloc, as follows:

AMENDMENT NO. 4280

(Purpose: To modify the provisions relating to Department of Defense intelligence activities)

On page 27, strike line 3 and all that follows through page 37, line 3, and insert the following:

TITLE V—DEPARTMENT OF DEFENSE INTELLIGENCE ACTIVITIES

SEC. 501. TWO-YEAR EXTENSION OF AUTHORITY TO ENGAGE IN COMMERCIAL ACTIVITIES AS SECURITY FOR INTELLIGENCE COLLECTION ACTIVITIES.

Section 431(a) of title 10, United States Code, is amended in the second sentence by striking ''December 31, 2000'' and inserting ''December 31, 2002''.

SEC. 502. ROLE OF DIRECTOR OF CENTRAL INTELLIGENCE IN EXPERIMENTAL PERSONNEL PROGRAM FOR CERTAIN SCIENTIFIC AND TECHNICAL PERSONNEL.

If the Director of Central Intelligence requests that the Secretary of Defense exercise any authority available to the Secretary under section 1101(b) of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261; 5 U.S.C. 3104 note) to carry out a program of special personnel management authority at the National Imagery and Mapping Agency and the National Security Agency in order to facilitate recruitment of eminent experts in science and engineering at such agencies, the Secretary shall respond to such request not later than 30 days after the date of such request.

SEC. 503. PROHIBITION ON TRANSFER OF IMAGERY ANALYSTS FROM GENERAL DEFENSE INTELLIGENCE PROGRAM TO NATIONAL IMAGERY AND MAPPING AGENCY PROGRAM.

(a) PROHIBITION ON USE OF FUNDS FOR TRANSFER.—No funds authorized to be appropriated by this Act may be transferred from the General Defense Intelligence Program to the National Imagery and Mapping Agency Program for purposes of transferring imagery analysis personnel from the General Defense Intelligence Program to the National Imagery and Mapping Agency Program.

(b) ROLE OF DIRECTOR OF NIMA AS FUNCTIONAL MANAGER FOR IMAGERY AND GEOSPACIAL PROGRAMS.—(1) The Secretary of Defense shall, in consultation with the Director of Central Intelligence, review options for strengthening the role of the Director of the National Imagery and Mapping Agency as the functional manager for United States imagery and geospacial programs.

(2) Not later than March 15, 2001, the Secretary shall submit to the appropriate committees of Congress a report on the review required by subsection (b). The report shall include any recommendations regarding modifications in the role and duties of the Director of the National Imagery and Mapping Agency that the Secretary considers appropriate in light of the review.

(3) In this subsection, the term ''appropriate committees of Congress'' means the following:

(A) The Committee on Armed Services and the Select Committee on Intelligence of the Senate.

(B) The Committee on Armed Services and the Permanent Select Committee on Intelligence of the House of Representatives.

SEC. 504. PROHIBITION ON TRANSFER OF COLLECTION MANAGEMENT PERSONNEL FROM GENERAL DEFENSE INTELLIGENCE PROGRAM TO COMMUNITY MANAGEMENT ACCOUNT.

No funds authorized to be appropriated by this Act may be transferred from the General Defense Intelligence Program to the Community Management Account for purposes of transferring intelligence collection management personnel.

SEC. 505. AUTHORIZED PERSONNEL CEILING FOR GENERAL DEFENSE INTELLIGENCE PROGRAM.

The authorized personnel ceiling for the General Defense Intelligence Program specified in the classified Schedule of Authorizations referred to in section 102 is hereby increased by 2,152 positions.

SEC. 506. MEASUREMENT AND SIGNATURE INTELLIGENCE.

(a) STUDY OF OPTIONS.—The Director of Central Intelligence shall, in coordination with the Secretary of Defense, conduct a study of the utility and feasibility of various options for improving the management and organization of measurement and signature intelligence, including—

(1) the option of establishing a centralized tasking, processing, exploitation, and dissemination facility for measurement and signature intelligence;

(2) options for recapitalizing and reconfiguring the current systems for measurement and signature intelligence; and

(3) the operation and maintenance costs of the various options.

(b) REPORT.—Not later than April 1, 2001, the Director and the Secretary shall jointly submit to the appropriate committees of Congress a report on their findings as a result of the study required by subsection (a). The report shall set forth any recommendations that the Director and the Secretary consider appropriate.

(c) APPROPRIATE COMMITTEES OF CONGRESS DEFINED.—In this section, the term ''appropriate committees of Congress'' means the following:

(1) The Committee on Armed Services and the Select Committee on Intelligence of the Senate.

(2) The Committee on Armed Services and the Permanent Select Committee on Intelligence of the House of Representatives.

AMENDMENT NO. 4281

(Purpose: To modify procedures under the Foreign Intelligence Surveillance Act of 1978 relating to orders for surveillance and searches for foreign intelligence purposes.)

(The text of the amendment is printed in today's RECORD under ''Amendments Submitted.'')

AMENDMENT NO. 4282

(Purpose: To require disclosure under the Freedom of Information Act regarding certain persons and records of the Japanese Imperial Army in a manner that does not impair any investigation or prosecution conducted by the Department of Justice or certain intelligence matters)

On page 37, after line 3, add the following:

TITLE VI—DISCLOSURE OF INFORMATION ON JAPANESE IMPERIAL ARMY

SEC. 601. SHORT TITLE.

This title may be cited as the ''Japanese Imperial Army Disclosure Act''.

SEC. 602. ESTABLISHMENT OF JAPANESE IMPERIAL ARMY RECORDS INTERAGENCY WORKING GROUP.

(a) DEFINITIONS.—In this section:

(1) AGENCY.—The term ''agency'' has the meaning given such term under section 551 of title 5, United States Code.

(2) INTERAGENCY GROUP.—The term ''Interagency Group'' means the Japanese Imperial

Army Records Interagency Working Group established under subsection (b).

(3) JAPANESE IMPERIAL ARMY RECORDS.—The term ''Japanese Imperial Army records'' means classified records or portions of records that pertain to any person with respect to whom the United States Government, in its sole discretion, has grounds to believe ordered, incited, assisted, or otherwise participated in the experimentation and persecution of any person because of race, religion, national origin, or political option, during the period beginning September 18, 1931, and ending on December 31, 1948, under the direction of, or in association with—

(A) the Japanese Imperial Army;

(B) any government in any area occupied by the military forces of the Japanese Imperial Army;

(C) any government established with the assistance or cooperation of the Japanese Imperial Army; or

(D) any government which was an ally of the Imperial Army of Japan.

(4) RECORD.—The term ''record'' means a Japanese Imperial Army record.

(b) ESTABLISHMENT OF INTERAGENCY GROUP.—

(1) IN GENERAL.—Not later than 60 days after the date of the enactment of this Act, the President shall establish the Japanese Imperial Army Records Interagency Working Group, which shall remain in existence for 3 years after the date the Interagency Group is established.

(2) MEMBERSHIP.—The President shall appoint to the Interagency Group individuals whom the President determines will most completely and effectively carry out the functions of the Interagency Group within the time limitations provided in this section, including the Historian of the Department of State, the Archivist of the United States, the head of any other agency the President considers appropriate, and no more than 3 other persons. The head of an agency appointed by the President may designate an appropriate officer to serve on the Interagency Group in lieu of the head of such agency.

(3) INITIAL MEETING.—Not later than 90 days after the date of the enactment of this Act, the Interagency Group shall hold an initial meeting and begin the functions required under this section.

(c) FUNCTIONS.—Not later than 1 year after the date of the enactment of this Act, the Interagency Group shall, to the greatest extent possible consistent with section 603—

(1) locate, identify, inventory, recommend for declassification, and make available to the public at the National Archives and Records Administration, all classified Japanese Imperial Army records of the United States;

(2) coordinate with agencies and take such actions as necessary to expedite the release of such records to the public; and

(3) submit a report to Congress, including the Committee on Government Reform and Oversight of the House of Representatives, the Select Committee on Intelligence of the Senate, the Permanent Select Committee on Intelligence of the House of Representatives, and the Committee on the Judiciary of the Senate, describing all such records, the disposition of such records, and the activities of the Interagency Group and agencies under this section.

(d) FUNDING.—There is authorized to be appropriated such sum as may be necessary to carry out the provisions of this title.

SEC. 603. REQUIREMENT OF DISCLOSURE OF RECORDS.

(a) RELEASE OF RECORDS.—Subject to subsections (b), (c), and (d), the Japanese Imperial Army Records Interagency Working Group shall release in their entirety Japanese Imperial Army records.

(b) EXCEPTION FOR PRIVACY.—An agency head may exempt from release under subsection (a) specific information, that would—

(1) constitute a clearly unwarranted invasion of personal privacy;

(2) reveal the identity of a confidential human source, or reveal information about the application of an intelligence source or method, or reveal the identity of a human intelligence source when the unauthorized disclosure of that source would clearly and demonstrably damage the national security interests of the United States;

(3) reveal information that would assist in the development or use of weapons of mass destruction;

(4) reveal information that would impair United States cryptologic systems or activities;

(5) reveal information that would impair the application of state-of-the-art technology within a United States weapon system;

(6) reveal actual United States military war plans that remain in effect;

(7) reveal information that would seriously and demonstrably impair relations between the United States and a foreign government, or seriously and demonstrably undermine ongoing diplomatic activities of the United States;

(8) reveal information that would clearly, and demonstrably impair the current ability of United States Government officials to protect the President, Vice President, and other officials for whom protection services are authorized in the interest of national security;

(9) reveal information that would seriously and demonstrably impair current national security emergency preparedness plans; or

(10) violate a treaty or other international agreement.

(c) APPLICATIONS OF EXEMPTIONS.—

(1) IN GENERAL.—In applying the exemptions provided in paragraphs (2) through (10) of subsection (b), there shall be a presumption that the public interest will be served by disclosure and release of the records of the Japanese Imperial Army. The exemption may be asserted only when the head of the agency that maintains the records determines that disclosure and release would be harmful to a specific interest identified in the exemption. An agency head who makes such a determination shall promptly report it to the committees of Congress with appropriate jurisdiction, including the Committee on the Judiciary and the Select Committee on Intelligence of the Senate and the Committee on Government Reform and Oversight and the Permanent Select Committee on Intelligence of the House of Representatives.

(2) APPLICATION OF TITLE 5.—A determination by an agency head to apply an exemption provided in paragraphs (2) through (9) of subsection (b) shall be subject to the same standard of review that applies in the case of records withheld under section 552(b)(1) of title 5, United States Code.

(d) LIMITATION ON EXEMPTIONS.—

(1) IN GENERAL.—The exemptions set forth in subsection (b) shall constitute the only grounds pursuant to which an agency head may exempt records otherwise subject to release under subsection (a).

(2) RECORDS RELATED TO INVESTIGATION OR PROSECUTIONS.—This section shall not apply to records—

(A) related to or supporting any active or inactive investigation, inquiry, or prosecution by the Office of Special Investigations of the Department of Justice; or

(B) solely in the possession, custody, or control of the Office of Special Investigations.

SEC. 604. EXPEDITED PROCESSING OF FOIA REQUESTS FOR JAPANESE IMPERIAL ARMY RECORDS.

For purposes of expedited processing under section 552(a)(6)(E) of title 5, United States Code, any person who was persecuted in the manner described in section 602(a)(3) and who requests a Japanese Imperial Army record shall be deemed to have a compelling need for such record.

SEC. 605. EFFECTIVE DATE.

The provisions of this title shall take effect on the date that is 90 days after the date of the enactment of this Act.

AMENDMENT NO. 4283

(Purpose: To improve the identification, collection, and review for declassification of records and materials that are of archival value or extraordinary public interest to the people of the United States)

(The text of the amendment is printed in today's RECORD under ''Amendments Submitted.'')

AMENDMENT NO. 4284

(Purpose: To honor the outstanding contributions of Senator Daniel Patrick Moynihan toward the redevelopment of Pennsylvania Avenue, Washington, DC)

At the end of title III, add the following:

SEC. 3___. DESIGNATION OF DANIEL PATRICK MOYNIHAN PLACE.

(a) FINDINGS.—Congress finds that—

(1) during the second half of the twentieth century, Senator Daniel Patrick Moynihan promoted the importance of architecture and urban planning in the Nation's Capital, particularly with respect to the portion of Pennsylvania Avenue between the White House and the United States Capitol (referred to in this subsection as the ''Avenue'');

(2) Senator Moynihan has stressed the unique significance of the Avenue as conceived by Pierre Charles L'Enfant to be the ''grand axis'' of the Nation's Capital as well as a symbolic representation of the separate yet unified branches of the United States Government;

(3) through his service to the Ad Hoc Committee on Federal Office Space (1961–1962), as a member of the President's Council on Pennsylvania Avenue (1962–1964), and as vice-chairman of the President's Temporary Commission on Pennsylvania Avenue (1965–1969), and in his various capacities in the executive and legislative branches, Senator Moynihan has consistently and creatively sought to fulfill President Kennedy's recommendation of June 1, 1962, that the Avenue not become a ''solid phalanx of public and private office buildings which close down completely at night and on weekends,'' but that it be ''lively, friendly, and inviting, as well as dignified and impressive'';

(4)(A) Senator Moynihan helped draft a Federal architectural policy, known as the ''Guiding Principles for Federal Architecture,'' that recommends a choice of designs that are ''efficient and economical'' and that provide ''visual testimony to the dignity, enterprise, vigor, and stability'' of the United States Government; and

(B) the Guiding Principles for Federal Architecture further state that the ''development of an official style must be avoided. Design must flow from the architectural profession to the Government, and not vice versa.'';

(5) Senator Moynihan has encouraged—

(A) the construction of new buildings along the Avenue, such as the Ronald Reagan Building and International Trade Center; and

(B) the establishment of an academic institution along the Avenue, namely the Woodrow Wilson International Center for Scholars, a living memorial to President Wilson; and

(6) as Senator Moynihan's service in the Senate concludes, it is appropriate to commemorate his legacy of public service and his commitment to thoughtful urban design in the Nation's Capital.

(b) DESIGNATION.—The parcel of land located in the northwest quadrant of Washington, District of Columbia, and described in subsection (c) shall be known and designated as ''Daniel Patrick Moynihan Place''.

(c) BOUNDARIES.—The parcel of land described in this subsection is the portion of Woodrow Wilson Plaza (as designated by Public Law 103–284 (108 Stat. 1448)) that is bounded—

(1) on the west by the eastern facade of the Ronald Reagan Building and International Trade Center;

(2) on the east by the western facade of the Ariel Rios Building;

(3) on the north by the southern edge of the sidewalk abutting Pennsylvania Avenue; and

(4) on the south by the line that, bisecting the atrium of the Ronald Reagan Building and International Trade Center, continues east to bisect the western hemicycle of the Ariel Rios Building.

(d) REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the parcel of land described in subsection (c) shall be deemed to be a reference to Daniel Patrick Moynihan Place.

AMENDMENT NO. 4285

On page 10, strike line 11 and all that follows through page 12, line 2, and insert the following:

''(a) PROHIBITION.—Whoever, being an officer or employee of the United States, a former or retired officer or employee of the United States, any other person with authorized access to classified information, or any other person formerly with authorized access to classified information, knowingly and willfully discloses, or attempts to disclose, any classified information acquired as a result of such person's authorized access to classified information to a person (other than an officer or employee of the United States) who is not authorized access to such classified information, knowing that the person is not authorized access to such classified information, shall be fined under this title, imprisoned not more than 3 years, or both.

''(b) CONSTRUCTION OF PROHIBITION.—Nothing in this section shall be construed to establish criminal liability for disclosure of classified information in accordance with applicable law to the following:

''(1) Any justice or judge of a court of the United States established pursuant to article III of the Constitution of the United States.

''(2) The Senate or House of Representatives, or any committee or subcommittee thereof, or joint committee thereof, or any member of Congress.

''(3) A person or persons acting on behalf of a foreign power (including an international organization) if the disclosure—

''(A) is made by an officer or employee of the United States who has been authorized to make the disclosure; and

''(B) is within the scope of such officer's or employee's duties.

''(4) Any other person authorized to receive the classified information.

''(c) DEFINITIONS.—In this section:

''(1) The term 'authorized', in the case of access to classified information, means having authority or permission to have access to the classified information pursuant to the provisions of a statute, Executive Order, regulation, or directive of the head of any department or agency who is empowered to classify information, an order of any United States court, or a provision of any Resolution of the Senate or Rule of the House of Representatives which governs release of classified information by such House of Congress.

''(2) The term 'classified information' means information or material properly classified and clearly marked or represented, or that the person knows or has reason to believe has been properly classified by appropriate authorities, pursuant to the provisions of a statute or Executive Order, as requiring protection against unauthorized disclosure for reasons of national security.

On page 12, strike line 21 and all that follows through page 13, line 16, and insert the following:

''SEC. 115. (a) REQUIREMENT.—(1) The Director of Central Intelligence shall, in consultation with the Secretary of Defense, establish and maintain in the intelligence community an analytic capability with responsibility for intelligence in support of the activities of the United States relating to unaccounted for United States personnel.

''(2) The analytic capability maintained under paragraph (1) shall be known as the 'POW/MIA analytic capability of the intelligence community'.

''(b) SCOPE OF RESPONSIBILITY.—The responsibilities of the analytic capability maintained under subsection (a) shall—

''(1) extend to any activities of the Federal Government with respect to unaccounted for United States personnel after December 31, 1999; and

''(2) include support for any department or agency of the Federal Government engaged in such activities.

''(c) UNACCOUNTED FOR UNITED STATES PERSONNEL DEFINED.—In this section, the term 'unaccounted for United States personnel' means the following:

''(1) Any missing person (as that term is defined in section 1513(1) of title 10, United States Code).

''(2) Any United States national who was killed while engaged in activities on behalf of the United States Government and whose remains have not been repatriated to the United States.''.

On page 14, beginning on line 11, strike ''acting at their direction''.

On page 14, line 13, insert '', and at the direction of,'' after ''on behalf of''.

On page 14, line 16, strike ''AUTHORIZED ACTIVITIES.—An activity'' and insert ''AUTHORIZED INTELLIGENCE ACTIVITIES.—An intelligence activity''.

On page 14, line 18, insert ''intelligence'' before ''activity''.

On page 15, beginning on line 9, strike '', and all applicable Executive Orders,''.

On page 15, line 11, strike ''materials'' and insert ''material''.

On page 15, line 15, strike ''and Executive Orders''.

On page 15, line 18, strike ''or Executive Order''.

On page 15, line 22, strike ''or Executive Order''.

On page 15, strike line 25 and all that follows through page 16, line 16, and insert the following:

(d) EFFECTS OF CERTIFICATION OF NON-FULL COMPLIANCE.—(1) Subject to subsection (e), effective as of January 1, 2001, a covered element of the Department of State

On page 16, line 20, strike ''and Executive Orders''.

On page 16, strike lines 22 and 23 and insert the following:

(2) If the prohibition in paragraph (1) takes effect in accordance with that paragraph, the prohibition

On page 17, beginning on line 1, strike ''and Executive Orders''.

On page 17, strike line 3 and insert the following:

(e) WAIVER BY DIRECTOR OF CENTRAL INTELLIGENCE.—(1) The Director of Central Intelligence may

On page 17, beginning on line 4, strike ''subsection (d)(2)'' and insert ''subsection (d)''.

On page 17, line 6, strike ''the President'' and insert ''the Director''.

On page 17, line 9, strike ''The President'' and insert ''The Director''.

On page 17, between lines 17 and 18, insert the following:

(C) The actions, if any, that will be taken to bring such element into full compliance with the directives referred to in subsection (a), including a schedule for completion of such actions.

On page 17, line 18, strike ''(C) The actions taken by the President'' and insert ''(D) The actions taken by the Director''.

On page 17, line 20, insert before the period the following: ''pending achievement of full compliance of such element with such directives''.

Mr. LOTT. Mr. President, I ask unanimous consent that the bill be read the third time and the Senate proceed to the consideration of H.R. 4392. Further, I ask unanimous consent that all after the enacting clause be stricken and the text of S. 2507, as amended, be inserted in lieu thereof, the bill be read the third time and passed, the Senate insist on its amendment, request a conference with the House, and the Chair be authorized to appoint conferees on the part of the Senate. Finally, I ask unanimous consent that S. 2507 be placed back on the calendar.

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

The bill (S. 2507), as amended, was read the third time.

The bill (H.R. 4392), as amended, was read the third time and passed, as follows:

Resolved, That the bill from the House of Representatives (H.R. 4392) entitled ''An Act to authorize appropriations for fiscal year 2001 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes.'', do pass with the following amendment:

Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Intelligence Authorization Act for Fiscal Year 2001''.

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

Sec. 1. Short title; table of contents.

TITLE I—INTELLIGENCE ACTIVITIES

Sec. 101. Authorization of appropriations.
Sec. 102. Classified schedule of authorizations.
Sec. 103. Personnel ceiling adjustments.
Sec. 104. Community Management Account.

TITLE II—CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM

Sec. 201. Authorization of appropriations.

TITLE III—GENERAL PROVISIONS

Sec. 301. Increase in employee compensation and benefits authorized by law.

Sec. 302. Restriction on conduct of intelligence activities.
Sec. 303. Prohibition on unauthorized disclosure of classified information.
Sec. 304. POW/MIA analytic capability within the intelligence community.
Sec. 305. Applicability to lawful United States intelligence activities of Federal laws implementing international treaties and agreements.
Sec. 306. Limitation on handling, retention, and storage of certain classified materials by the Department of State.
Sec. 307. Clarification of standing of United States citizens to challenge certain blocking of assets.
Sec. 308. Availability of certain funds for administrative costs of Counterdrug Intelligence Executive Secretariat.
Sec. 309. Designation of Daniel Patrick Moynihan Place.

TITLE IV—CENTRAL INTELLIGENCE AGENCY

Sec. 401. Expansion of Inspector General actions requiring a report to Congress.
Sec. 402. Subpoena authority of the Inspector General.
Sec. 403. Improvement and extension of central services program.
Sec. 404. Details of employees to the National Reconnaissance Office.
Sec. 405. Transfers of funds to other agencies for acquisition of land.
Sec. 406. Eligibility of additional employees for reimbursement for professional liability insurance.

TITLE V—DEPARTMENT OF DEFENSE INTELLIGENCE ACTIVITIES

Sec. 501. Two-year extension of authority to engage in commercial activities as security for intelligence collection activities.
Sec. 502. Role of Director of Central Intelligence in experimental personnel program for certain scientific and technical personnel.
Sec. 503. Prohibition on transfer of imagery analysts from General Defense Intelligence Program to National Imagery and Mapping Agency Program.
Sec. 504. Prohibition on transfer of collection management personnel from General Defense Intelligence Program to Community Management Account.
Sec. 505. Authorized personnel ceiling for General Defense Intelligence Program.
Sec. 506. Measurement and signature intelligence.

TITLE VI—COUNTERINTELLIGENCE MATTERS

Sec. 601. Short title.
Sec. 602. Orders for electronic surveillance under the Foreign Intelligence Surveillance Act of 1978.
Sec. 603. Orders for physical searches under the Foreign Intelligence Surveillance Act of 1978.
Sec. 604. Disclosure of information acquired under the Foreign Intelligence Surveillance Act of 1978 for law enforcement purposes.
Sec. 605. Coordination of counterintelligence with the Federal Bureau of Investigation.
Sec. 606. Enhancing protection of national security at the Department of Justice.
Sec. 607. Coordination requirements relating to the prosecution of cases involving classified information.
Sec. 608. Severability.

TITLE VII—DISCLOSURE OF INFORMATION ON JAPANESE IMPERIAL ARMY

Sec. 701. Short title.
Sec. 702. Establishment of Japanese Imperial Army Records Interagency Working Group.
Sec. 703. Requirement of disclosure of records.
Sec. 704. Expedited processing of FOIA requests for Japanese Imperial Army records.
Sec. 705. Effective date.

TITLE VIII—DECLASSIFICATION OF INFORMATION

Sec. 801. Short title.
Sec. 802. Findings.
Sec. 803. Public Interest Declassification Board.
Sec. 804. Identification, collection, and review for declassification of information of archival value or extraordinary public interest.
Sec. 805. Protection of national security information and other information.
Sec. 806. Standards and procedures.
Sec. 807. Judicial review.
Sec. 808. Funding.
Sec. 809. Definitions.
Sec. 810. Sunset.

TITLE I—INTELLIGENCE ACTIVITIES

SEC. 101. AUTHORIZATION OF APPROPRIATIONS.

(a) AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 2001.—Funds are hereby authorized to be appropriated for fiscal year 2001 for the conduct of the intelligence and intelligence-related activities of the following elements of the United States Government:

(1) The Central Intelligence Agency.
(2) The Department of Defense.
(3) The Defense Intelligence Agency.
(4) The National Security Agency.
(5) The National Reconnaissance Office.
(6) The National Imagery and Mapping Agency.
(7) The Department of the Army, the Department of the Navy, and the Department of the Air Force.
(8) The Department of State.
(9) The Department of the Treasury.
(10) The Department of Energy.
(11) The Federal Bureau of Investigation.

(b) AUTHORIZATION OF APPROPRIATIONS FOR CERTAIN ELEMENTS FOR FISCAL YEARS 2002 THROUGH 2005.—Funds are hereby authorized to be appropriated for each of fiscal years 2002 through 2005 for the conduct in each such fiscal year of the intelligence and intelligence-related activities of the following elements of the United States Government:

(1) The Central Intelligence Agency.
(2) The Defense Intelligence Agency.
(3) The National Security Agency.
(4) The National Reconnaissance Office.

SEC. 102. CLASSIFIED SCHEDULE OF AUTHORIZATIONS.

(a) SPECIFICATIONS OF AMOUNTS AND PERSONNEL CEILINGS.—The amounts authorized to be appropriated under section 101, and the authorized personnel ceilings as of September 30, 2001, for the conduct of the intelligence and intelligence-related activities of the elements listed in such section, are those specified in the classified Schedule of Authorizations prepared to accompany the conference report on the bill _____ of the One Hundred Sixth Congress.

(b) AVAILABILITY OF CLASSIFIED SCHEDULE OF AUTHORIZATIONS.—The Schedule of Authorizations shall be made available to the Committees on Appropriations of the Senate and House of Representatives and to the President. The President shall provide for suitable distribution of the Schedule, or of appropriate portions of the Schedule, within the Executive Branch.

SEC. 103. PERSONNEL CEILING ADJUSTMENTS.

(a) AUTHORITY FOR ADJUSTMENTS.—With the approval of the Director of the Office of Management and Budget, the Director of Central Intelligence may authorize employment of civilian personnel in excess of the number authorized for fiscal year 2001 under section 102 when the Director of Central Intelligence determines that such action is necessary to the performance of important intelligence functions, except that the number of personnel employed in excess of the number authorized under such section may not, for any element of the intelligence community, exceed two percent of the number of civilian personnel authorized under such section for such element.

(b) NOTICE TO INTELLIGENCE COMMITTEES.—The Director of Central Intelligence shall promptly notify the Select Committee on Intelligence of the Senate and the Permanent Select Committee on Intelligence of the House of Representatives whenever the Director exercises the authority granted by this section.

SEC. 104. COMMUNITY MANAGEMENT ACCOUNT.

(a) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There is authorized to be appropriated for the Community Management Account of the Director of Central Intelligence for fiscal year 2001 the sum of $232,051,000.

(2) AVAILABILITY FOR ADVANCED RESEARCH AND DEVELOPMENT COMMITTEE.—Within the amount authorized to be appropriated in paragraph (1), amounts identified in the classified Schedule of Authorizations referred to in section 102(a) for the Advanced Research and Development Committee shall remain available until September 30, 2002.

(b) AUTHORIZED PERSONNEL LEVELS.—The elements within the Community Management Account of the Director of Central Intelligence are authorized a total of 618 full-time personnel as of September 30, 2001. Personnel serving in such elements may be permanent employees of the Community Management Account element or personnel detailed from other elements of the United States Government.

(c) CLASSIFIED AUTHORIZATIONS.—

(1) AUTHORIZATION OF APPROPRIATIONS.—In addition to amounts authorized to be appropriated for the Community Management Account by subsection (a), there is also authorized to be appropriated for the Community Management Account for fiscal year 2001 such additional amounts as are specified in the classified Schedule of Authorizations referred to in section 102(a).

(2) AUTHORIZATION OF PERSONNEL.—In addition to the personnel authorized by subsection (b) for elements of the Community Management Account as of September 30, 2001, there is hereby authorized such additional personnel for such elements as of that date as is specified in the classified Schedule of Authorizations.

(d) REIMBURSEMENT.—Except as provided in section 113 of the National Security Act of 1947 (50 U.S.C. 404h), during fiscal year 2001, any officer or employee of the United States or member of the Armed Forces who is detailed to the staff of an element within the Community Management Account from another element of the United States Government shall be detailed on a reimbursable basis, except that any such officer, employee, or member may be detailed on a nonreimbursable basis for a period of less than one year for the performance of temporary functions as required by the Director of Central Intelligence.

(e) NATIONAL DRUG INTELLIGENCE CENTER.—

(1) IN GENERAL.—Of the amount authorized to be appropriated in subsection (a), $27,000,000 shall be available for the National Drug Intelligence Center. Within such amount, funds provided for research, development, test, and evaluation purposes shall remain available until September 30, 2002, and funds provided for procurement purposes shall remain available until September 30, 2003.

(2) TRANSFER OF FUNDS.—The Director of Central Intelligence shall transfer to the Attorney General of the United States funds available for the National Drug Intelligence Center under paragraph (1). The Attorney General shall utilize funds so transferred for activities of the National Drug Intelligence Center.

(3) LIMITATION.—Amounts available for the National Drug Intelligence Center may not be

used in contravention of the provisions of section 103(d)(1) of the National Security Act of 1947 (50 U.S.C. 403–3(d)(1)).

(4) AUTHORITY.—Notwithstanding any other provision of law, the Attorney General shall retain full authority over the operations of the National Drug Intelligence Center.

TITLE II—CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM

SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated for the Central Intelligence Agency Retirement and Disability Fund for fiscal year 2001 the sum of $216,000,000.

TITLE III—GENERAL PROVISIONS

SEC. 301. INCREASE IN EMPLOYEE COMPENSATION AND BENEFITS AUTHORIZED BY LAW.

Appropriations authorized by this Act for salary, pay, retirement, and other benefits for Federal employees may be increased by such additional or supplemental amounts as may be necessary for increases in such compensation or benefits authorized by law.

SEC. 302. RESTRICTION ON CONDUCT OF INTELLIGENCE ACTIVITIES.

The authorization of appropriations by this Act shall not be deemed to constitute authority for the conduct of any intelligence activity which is not otherwise authorized by the Constitution or the laws of the United States.

SEC. 303. PROHIBITION ON UNAUTHORIZED DISCLOSURE OF CLASSIFIED INFORMATION.

(a) IN GENERAL.—Chapter 37 of title 18, United States Code, is amended—

(1) by redesignating section 798A as section 798B; and

(2) by inserting after section 798 the following new section 798A:

"§ 798A. Unauthorized disclosure of classified information

''(a) PROHIBITION.—Whoever, being an officer or employee of the United States, a former or retired officer or employee of the United States, any other person with authorized access to classified information, or any other person formerly with authorized access to classified information, knowingly and willfully discloses, or attempts to disclose, any classified information acquired as a result of such person's authorized access to classified information to a person (other than an officer or employee of the United States) who is not authorized access to such classified information, knowing that the person is not authorized access to such classified information, shall be fined under this title, imprisoned not more than 3 years, or both.

''(b) CONSTRUCTION OF PROHIBITION.—Nothing in this section shall be construed to establish criminal liability for disclosure of classified information in accordance with applicable law to the following:

''(1) Any justice or judge of a court of the United States established pursuant to article III of the Constitution of the United States.

''(2) The Senate or House of Representatives, or any committee or subcommittee thereof, or joint committee thereof, or any member of Congress.

''(3) A person or persons acting on behalf of a foreign power (including an international organization) if the disclosure—

''(A) is made by an officer or employee of the United States who has been authorized to make the disclosure; and

''(B) is within the scope of such officer's or employee's duties.

''(4) Any other person authorized to receive the classified information.

''(c) DEFINITIONS.—In this section:

''(1) The term 'authorized', in the case of access to classified information, means having authority or permission to have access to the classified information pursuant to the provisions of a statute, Executive Order, regulation, or directive of the head of any department or agency who is empowered to classify information, an order of any United States court, or a provision of any Resolution of the Senate or Rule of the House of Representatives which governs release of classified information by such House of Congress.

''(2) The term 'classified information' means information or material properly classified and clearly marked or represented, or that the person knows or has reason to believe has been properly classified by appropriate authorities, pursuant to the provisions of a statute or Executive Order, as requiring protection against unauthorized disclosure for reasons of national security.

''(3) The term 'officer or employee of the United States' means the following:

''(A) An officer or employee (as those terms are defined in sections 2104 and 2105 of title 5).

''(B) An officer or enlisted member of the Armed Forces (as those terms are defined in section 101(b) of title 10).''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of that chapter is amended by striking the item relating to section 798A and inserting the following new items:

''798A. Unauthorized disclosure of classified information.

''798B. Temporary extension of section 794.''.

SEC. 304. POW/MIA ANALYTIC CAPABILITY WITHIN THE INTELLIGENCE COMMUNITY.

Title I of the National Security Act of 1947 (50 U.S.C. 402 et seq.) is amended by adding at the end the following:

''POW/MIA ANALYTIC CAPABILITY

''SEC. 115. (a) REQUIREMENT.—(1) The Director of Central Intelligence shall, in consultation with the Secretary of Defense, establish and maintain in the intelligence community an analytic capability with responsibility for intelligence in support of the activities of the United States relating to unaccounted for United States personnel.

''(2) The analytic capability maintained under paragraph (1) shall be known as the 'POW/MIA analytic capability of the intelligence community'.

''(b) SCOPE OF RESPONSIBILITY.—The responsibilities of the analytic capability maintained under subsection (a) shall—

''(1) extend to any activities of the Federal Government with respect to unaccounted for United States personnel after December 31, 1999; and

''(2) include support for any department or agency of the Federal Government engaged in such activities.

''(c) UNACCOUNTED FOR UNITED STATES PERSONNEL DEFINED.—In this section, the term 'unaccounted for United States personnel' means the following:

''(1) Any missing person (as that term is defined in section 1513(1) of title 10, United States Code).

''(2) Any United States national who was killed while engaged in activities on behalf of the United States Government and whose remains have not been repatriated to the United States.''.

SEC. 305. APPLICABILITY TO LAWFUL UNITED STATES INTELLIGENCE ACTIVITIES OF FEDERAL LAWS IMPLEMENTING INTERNATIONAL TREATIES AND AGREEMENTS.

The National Security Act of 1947 (50 U.S.C. 401 et seq.) is amended by adding at the end the following:

''TITLE X—MISCELLANEOUS

''APPLICABILITY TO UNITED STATES INTELLIGENCE ACTIVITIES OF FEDERAL LAWS IMPLEMENTING INTERNATIONAL TREATIES AND AGREEMENTS

''SEC. 1001. (a) IN GENERAL.—No Federal law enacted on or after the date of the enactment of the Intelligence Authorization Act for Fiscal Year 2001 that implements a treaty or other international agreement shall be construed as making unlawful an otherwise lawful and authorized intelligence activity of the United States Government or its employees, or any other person to the extent such other person is carrying out such activity on behalf of, and at the direction of, the United States, unless such Federal law specifically addresses such intelligence activity.

''(b) AUTHORIZED INTELLIGENCE ACTIVITIES.—An intelligence activity shall be treated as authorized for purposes of subsection (a) if the intelligence activity is authorized by an appropriate official of the United States Government, acting within the scope of the official duties of that official and in compliance with Federal law and any applicable Presidential directive.''.

SEC. 306. LIMITATION ON HANDLING, RETENTION, AND STORAGE OF CERTAIN CLASSIFIED MATERIALS BY THE DEPARTMENT OF STATE.

(a) CERTIFICATION REGARDING FULL COMPLIANCE WITH REQUIREMENTS.—The Director of Central Intelligence shall certify to the appropriate committees of Congress whether or not each covered element of the Department of State is in full compliance with all applicable directives of the Director of Central Intelligence relating to the handling, retention, or storage of covered classified material.

(b) LIMITATION ON CERTIFICATION.—The Director of Central Intelligence may not certify a covered element of the Department of State as being in full compliance with the directives referred to in subsection (a) if the covered element is currently subject to a waiver of compliance with respect to any such directive.

(c) REPORT ON NONCOMPLIANCE.—Whenever the Director of Central Intelligence determines that a covered element of the Department of State is not in full compliance with any directive referred to in subsection (a), the Director shall promptly notify the appropriate committees of Congress of such determination.

(d) EFFECTS OF CERTIFICATION OF NON-FULL COMPLIANCE.—(1) Subject to subsection (e), effective as of January 1, 2001, a covered element of the Department of State may not retain or store covered classified information unless the Director has certified under subsection (a) as of such date that the covered element is in full compliance with the directives referred to in subsection (a).

(2) If the prohibition in paragraph (1) takes effect in accordance with that paragraph, the prohibition shall remain in effect until the date on which the Director certifies under subsection (a) that the covered element involved is in full compliance with the directives referred to in that subsection.

(e) WAIVER BY DIRECTOR OF CENTRAL INTELLIGENCE.—(1) The Director of Central Intelligence may waive the applicability of the prohibition in subsection (d) to an element of the Department of State otherwise covered by such prohibition if the Director determines that the waiver is in the national security interests of the United States.

(2) The Director shall submit to appropriate committees of Congress a report on each exercise of the waiver authority in paragraph (1).

(3) Each report under paragraph (2) with respect to the exercise of authority under paragraph (1) shall set forth the following:

(A) The covered element of the Department of State addressed by the waiver.

(B) The reasons for the waiver.

(C) The actions, if any, that will be taken to bring such element into full compliance with the directives referred to in subsection (a), including a schedule for completion of such actions.

(D) The actions taken by the Director to protect any covered classified material to be handled, retained, or stored by such element pending achievement of full compliance of such element with such directives.

(f) DEFINITIONS.—In this section:

(1) The term ''appropriate committees of Congress'' means the following:

(A) The Select Committee on Intelligence and the Committee on Foreign Relations of the Senate.

(B) The Permanent Select Committee on Intelligence and the Committee on International Relations of the House of Representatives.

(2) The term ''covered classified material'' means any material classified at the Sensitive Compartmented Information (SCI) level.

(3) The term ''covered element of the Department of State'' means each element of the Department of State that handles, retains, or stores covered classified material.

(4) The term ''material'' means any data, regardless of physical form or characteristic, including written or printed matter, automated information systems storage media, maps, charts, paintings, drawings, films, photographs, engravings, sketches, working notes, papers, reproductions of any such things by any means or process, and sound, voice, magnetic, or electronic recordings.

(5) The term ''Sensitive Compartmented Information (SCI) level'', in the case of classified material, means a level of classification for information in such material concerning or derived from intelligence sources, methods, or analytical processes that requires such information to be handled within formal access control systems established by the Director of Central Intelligence.

SEC. 307. CLARIFICATION OF STANDING OF UNITED STATES CITIZENS TO CHALLENGE CERTAIN BLOCKING OF ASSETS.

The Foreign Narcotics Kingpin Designation Act (title VIII of Public Law 106–120; 113 Stat. 1626; 21 U.S.C. 1901 et seq.) is amended by adding at the end the following new section:

''SEC. 811. STANDING OF UNITED STATES CITIZENS TO CHALLENGE BLOCKING OF ASSETS.

''No provision of this title shall be construed to prohibit a United States citizen from raising any challenge otherwise available to the United States citizen under subchapter II of chapter 5 and chapter 7 of title 5, United States Code (commonly referred to as the Administrative Procedure Act), or any other provision of law, with respect to the blocking of assets by the United States under this title.''.

SEC. 308. AVAILABILITY OF CERTAIN FUNDS FOR ADMINISTRATIVE COSTS OF COUNTERDRUG INTELLIGENCE EXECUTIVE SECRETARIAT.

Notwithstanding section 1346 of title 31, United States Code, or section 610 of the Treasury and General Government Appropriations Act, 2000 (Public Law 106–58; 113 Stat. 467), funds made available for fiscal year 2000 for any department or agency of the Federal Government with authority to conduct counterdrug intelligence activities, including counterdrug law enforcement information-gathering activities, may be available to finance an appropriate share of the administrative costs incurred by the Department of Justice for the Counterdrug Intelligence Executive Secretariat authorized by the General Counterdrug Intelligence Plan of February 12, 2000.

SEC. 309. DESIGNATION OF DANIEL PATRICK MOYNIHAN PLACE.

(a) FINDINGS.—Congress finds that—

(1) during the second half of the twentieth century, Senator Daniel Patrick Moynihan promoted the importance of architecture and urban planning in the Nation's Capital, particularly with respect to the portion of Pennsylvania Avenue between the White House and the United States Capitol (referred to in this subsection as the ''Avenue'');

(2) Senator Moynihan has stressed the unique significance of the Avenue as conceived by Pierre Charles L'Enfant to be the ''grand axis'' of the Nation's Capital as well as a symbolic representation of the separate yet unified branches of the United States Government;

(3) through his service to the Ad Hoc Committee on Federal Office Space (1961–1962), as a member of the President's Council on Pennsylvania Avenue (1962–1964), and as vice-chairman of the President's Temporary Commission on Pennsylvania Avenue (1965–1969), and in his various capacities in the executive and legislative branches, Senator Moynihan has consistently and creatively sought to fulfill President Kennedy's recommendation of June 1, 1962, that the Avenue not become a ''solid phalanx of public and private office buildings which close down completely at night and on weekends,'' but that it be ''lively, friendly, and inviting, as well as dignified and impressive'';

(4)(A) Senator Moynihan helped draft a Federal architectural policy, known as the ''Guiding Principles for Federal Architecture,'' that recommends a choice of designs that are ''efficient and economical'' and that provide ''visual testimony to the dignity, enterprise, vigor, and stability'' of the United States Government; and

(B) the Guiding Principles for Federal Architecture further state that the ''development of an official style must be avoided. Design must flow from the architectural profession to the Government, and not vice versa.'';

(5) Senator Moynihan has encouraged—

(A) the construction of new buildings along the Avenue, such as the Ronald Reagan Building and International Trade Center; and

(B) the establishment of an academic institution along the Avenue, namely the Woodrow Wilson International Center for Scholars, a living memorial to President Wilson; and

(6) as Senator Moynihan's service in the Senate concludes, it is appropriate to commemorate his legacy of public service and his commitment to thoughtful urban design in the Nation's Capital.

(b) DESIGNATION.—The parcel of land located in the northwest quadrant of Washington, District of Columbia, and described in subsection (c) shall be known and designated as ''Daniel Patrick Moynihan Place''.

(c) BOUNDARIES.—The parcel of land described in this subsection is the portion of Woodrow Wilson Plaza (as designated by Public Law 103–284 (108 Stat. 1448)) that is bounded—

(1) on the west by the eastern facade of the Ronald Reagan Building and International Trade Center;

(2) on the east by the western facade of the Ariel Rios Building;

(3) on the north by the southern edge of the sidewalk abutting Pennsylvania Avenue; and

(4) on the south by the line that, bisecting the atrium of the Ronald Reagan Building and International Trade Center, continues east to bisect the western hemicycle of the Ariel Rios Building.

(d) REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the parcel of land described in subsection (c) shall be deemed to be a reference to Daniel Patrick Moynihan Place.

TITLE IV—CENTRAL INTELLIGENCE AGENCY

SEC. 401. EXPANSION OF INSPECTOR GENERAL ACTIONS REQUIRING A REPORT TO CONGRESS.

Section 17(d)(3) of the Central Intelligence Agency Act of 1949 (50 U.S.C. 403q(d)(3)) is amended by striking all that follows after subparagraph (A) and inserting the following:

''(B) an investigation, inspection, or audit carried out by the Inspector General should focus on any current or former Agency official who—

''(i) holds or held a position in the Agency that is subject to appointment by the President, by and with the advise and consent of the Senate, including such a position held on an acting basis; or

''(ii) holds or held the position in the Agency, including such a position held on an acting basis, of—

''(I) Executive Director;

''(II) Deputy Director for Operations;

''(III) Deputy Director for Intelligence;

''(IV) Deputy Director for Administration; or

''(V) Deputy Director for Science and Technology;

''(C) a matter requires a report by the Inspector General to the Department of Justice on possible criminal conduct by a current or former Agency official described or referred to in subparagraph (B);

''(D) the Inspector General becomes aware of the possible criminal conduct of a current or former Agency official described or referred to in subparagraph (B) through a means other than an investigation, inspection, or audit and such conduct is not referred to the Department of Justice; or

''(E) the Inspector General, after exhausting all possible alternatives, is unable to obtain significant documentary information in the course of an investigation, inspection, or audit,

the Inspector General shall immediately submit a report on such matter to the intelligence committees.''.

SEC. 402. SUBPOENA AUTHORITY OF THE INSPECTOR GENERAL.

(a) CLARIFICATION REGARDING REPORTS ON EXERCISE OF AUTHORITY.—Section 17 of the Central Intelligence Agency Act of 1949 (50 U.S.C. 403q) is amended—

(1) in subsection (d)(1), by striking subparagraph (E) and inserting the following new subparagraph (E):

''(E) a description of the exercise of the subpoena authority under subsection (e)(5) by the Inspector General during the reporting period; and''; and

(2) in subsection (e)(5), by striking subparagraph (E).

(b) SCOPE OF AUTHORITY.—Subsection (e)(5)(B) of that section is amended by striking ''Government'' and inserting ''Federal''.

SEC. 403. IMPROVEMENT AND EXTENSION OF CENTRAL SERVICES PROGRAM.

(a) DEPOSITS IN CENTRAL SERVICES WORKING CAPITAL FUND.—Subsection (c)(2) of section 21 of the Central Intelligence Agency Act of 1949 (50 U.S.C. 403u) is amended—

(1) by redesignating subparagraph (F) as subparagraph (H); and

(2) by inserting after subparagraph (E) the following new subparagraphs:

''(F) Receipts from individuals in reimbursement for utility services and meals provided under the program.

''(G) Receipts from individuals for the rental of property and equipment under the program.''.

(b) CLARIFICATION OF COSTS RECOVERABLE UNDER PROGRAM.—Subsection (e)(1) of that section is amended in the second sentence by inserting ''other than structures owned by the Agency'' after ''depreciation of plant and equipment''.

(c) FINANCIAL STATEMENTS OF PROGRAM.—Subsection (g)(2) of that section is amended in the first sentence by striking ''annual audits under paragraph (1)'' and inserting the following: ''financial statements to be prepared with respect to the program. Office of Management and Budget guidance shall also determine the procedures for conducting annual audits under paragraph (1).''.

(d) EXTENSION OF PROGRAM.—Subsection (h)(1) of that section is amended by striking ''March 31, 2002'' and inserting ''March 31, 2005''.

SEC. 404. DETAILS OF EMPLOYEES TO THE NATIONAL RECONNAISSANCE OFFICE.

The Central Intelligence Agency Act of 1949 (50 U.S.C. 403a et seq.) is amended by adding at the end the following new section:

''DETAILS OF EMPLOYEES

''SEC. 22. The Director may—

''(1) detail any personnel of the Agency on a reimbursable basis indefinitely to the National Reconnaissance Office without regard to any limitation under law on the duration of details of Federal government personnel; and

''(2) hire personnel for the purpose of details under paragraph (1).''.

SEC. 405. TRANSFERS OF FUNDS TO OTHER AGENCIES FOR ACQUISITION OF LAND.

(a) IN GENERAL.—Section 8 of the Central Intelligence Agency Act of 1949 (50 U.S.C. 403j) is amended by adding at the end the following new subsection:

''(c) TRANSFERS FOR ACQUISITION OF LAND.—(1) Sums appropriated or otherwise made available to the Agency for the acquisition of land that are transferred to another department or agency for that purpose shall remain available for 3 years.

''(2) The Director shall submit to the Select Committee on Intelligence of the Senate and the Permanent Select Committee on Intelligence of the House of Representatives an annual report on the transfers of sums described in paragraph (1).''.

(b) CONFORMING STYLISTIC AMENDMENTS.—That section is further amended—

(1) in subsection (a), by inserting ''IN GENERAL.—'' after ''(a)''; and

(2) in subsection (b), by inserting ''SCOPE OF AUTHORITY FOR EXPENDITURE.—'' after ''(b)''.

(c) APPLICABILITY.—Subsection (c) of section 8 of the Central Intelligence Agency Act of 1949, as added by subsection (a) of this section, shall apply with respect to amounts appropriated or otherwise made available for the Central Intelligence Agency for fiscal years after fiscal year 2000.

SEC. 406. ELIGIBILITY OF ADDITIONAL EMPLOYEES FOR REIMBURSEMENT FOR PROFESSIONAL LIABILITY INSURANCE.

(a) IN GENERAL.—Notwithstanding any provision of section 363 of the Treasury, Postal Service, and General Government Appropriations Act, 1997 (5 U.S.C. prec. 5941 note), the Director of Central Intelligence may—

(1) designate as qualified employees within the meaning of subsection (b) of that section appropriate categories of employees not otherwise covered by that subsection; and

(2) use appropriated funds available to the Director to reimburse employees within categories so designated for one-half of the costs incurred by such employees for professional liability insurance in accordance with subsection (a) of that section.

(b) REPORTS.—The Director of Central Intelligence shall submit to the Select Committee on Intelligence of the Senate and the Permanent Select Committee of Intelligence of the House of Representatives a report on each designation of a category of employees under paragraph (1) of subsection (a), including the approximate number of employees covered by such designation and an estimate of the amount to be expended on reimbursement of such employees under paragraph (2) of that subsection.

TITLE V—DEPARTMENT OF DEFENSE INTELLIGENCE ACTIVITIES

SEC. 501. TWO-YEAR EXTENSION OF AUTHORITY TO ENGAGE IN COMMERCIAL ACTIVITIES AS SECURITY FOR INTELLIGENCE COLLECTION ACTIVITIES.

Section 431(a) of title 10, United States Code, is amended in the second sentence by striking ''December 31, 2000'' and inserting ''December 31, 2002''.

SEC. 502. ROLE OF DIRECTOR OF CENTRAL INTELLIGENCE IN EXPERIMENTAL PERSONNEL PROGRAM FOR CERTAIN SCIENTIFIC AND TECHNICAL PERSONNEL.

If the Director of Central Intelligence requests that the Secretary of Defense exercise any authority available to the Secretary under section 1101(b) of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261; 5 U.S.C. 3104 note) to carry out a program of special personnel management authority at the National Imagery and Mapping Agency and the National Security Agency in order to facilitate recruitment of eminent experts in science and engineering at such agencies, the Secretary shall respond to such request not later than 30 days after the date of such request.

SEC. 503. PROHIBITION ON TRANSFER OF IMAGERY ANALYSTS FROM GENERAL DEFENSE INTELLIGENCE PROGRAM TO NATIONAL IMAGERY AND MAPPING AGENCY PROGRAM.

(a) PROHIBITION ON USE OF FUNDS FOR TRANSFER.—No funds authorized to be appropriated by this Act may be transferred from the General Defense Intelligence Program to the National Imagery and Mapping Agency Program for purposes of transferring imagery analysis personnel from the General Defense Intelligence Program to the National Imagery and Mapping Agency Program.

(b) ROLE OF DIRECTOR OF NIMA AS FUNCTIONAL MANAGER FOR IMAGERY AND GEOSPACIAL PROGRAMS.—(1) The Secretary of Defense shall, in consultation with the Director of Central Intelligence, review options for strengthening the role of the Director of the National Imagery and Mapping Agency as the functional manager for United States imagery and geospacial programs.

(2) Not later than March 15, 2001, the Secretary shall submit to the appropriate committees of Congress a report on the review required by subsection (b). The report shall include any recommendations regarding modifications in the role and duties of the Director of the National Imagery and Mapping Agency that the Secretary considers appropriate in light of the review.

(3) In this subsection, the term ''appropriate committees of Congress'' means the following:

(A) The Committee on Armed Services and the Select Committee on Intelligence of the Senate.

(B) The Committee on Armed Services and the Permanent Select Committee on Intelligence of the House of Representatives.

SEC. 504. PROHIBITION ON TRANSFER OF COLLECTION MANAGEMENT PERSONNEL FROM GENERAL DEFENSE INTELLIGENCE PROGRAM TO COMMUNITY MANAGEMENT ACCOUNT.

No funds authorized to be appropriated by this Act may be transferred from the General Defense Intelligence Program to the Community Management Account for purposes of transferring intelligence collection management personnel.

SEC. 505. AUTHORIZED PERSONNEL CEILING FOR GENERAL DEFENSE INTELLIGENCE PROGRAM.

The authorized personnel ceiling for the General Defense Intelligence Program specified in the classified Schedule of Authorizations referred to in section 102 is hereby increased by 2,152 positions.

SEC. 506. MEASUREMENT AND SIGNATURE INTELLIGENCE.

(a) STUDY OF OPTIONS.—The Director of Central Intelligence shall, in coordination with the Secretary of Defense, conduct a study of the utility and feasibility of various options for improving the management and organization of measurement and signature intelligence, including—

(1) the option of establishing a centralized tasking, processing, exploitation, and dissemination facility for measurement and signature intelligence;

(2) options for recapitalizing and reconfiguring the current systems for measurement and signature intelligence; and

(3) the operation and maintenance costs of the various options.

(b) REPORT.—Not later than April 1, 2001, the Director and the Secretary shall jointly submit to the appropriate committees of Congress a report on their findings as a result of the study required by subsection (a). The report shall set forth any recommendations that the Director and the Secretary consider appropriate.

(c) APPROPRIATE COMMITTEES OF CONGRESS DEFINED.—In this section, the term ''appropriate committees of Congress'' means the following:

(1) The Committee on Armed Services and the Select Committee on Intelligence of the Senate.

(2) The Committee on Armed Services and the Permanent Select Committee on Intelligence of the House of Representatives.

TITLE VI—COUNTERINTELLIGENCE MATTERS

SEC. 601. SHORT TITLE.

This title may be cited as the ''Counterintelligence Reform Act of 2000''.

SEC. 602. ORDERS FOR ELECTRONIC SURVEILLANCE UNDER THE FOREIGN INTELLIGENCE SURVEILLANCE ACT OF 1978.

(a) REQUIREMENTS REGARDING CERTAIN APPLICATIONS.—Section 104 of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1804) is amended by adding at the end the following new subsection:

''(e)(1)(A) Upon written request of the Director of the Federal Bureau of Investigation, the Secretary of Defense, the Secretary of State, or the Director of Central Intelligence, the Attorney General shall personally review under subsection (a) an application under that subsection for a target described in section 101(b)(2).

''(B) Except when disabled or otherwise unavailable to make a request referred to in subparagraph (A), an official referred to in that subparagraph may not delegate the authority to make a request referred to in that subparagraph.

''(C) Each official referred to in subparagraph (A) with authority to make a request under that subparagraph shall take appropriate actions in advance to ensure that delegation of such authority is clearly established in the event such official is disabled or otherwise unavailable to make such request.

''(2)(A) If as a result of a request under paragraph (1) the Attorney General determines not to approve an application under the second sentence of subsection (a) for purposes of making the application under this section, the Attorney General shall provide written notice of the determination to the official making the request for the review of the application under that paragraph. Except when disabled or otherwise unavailable to make a determination under the preceding sentence, the Attorney General may not delegate the responsibility to make a determination under that sentence. The Attorney General shall take appropriate actions in advance to ensure that delegation of such responsibility is clearly established in the event the Attorney General is disabled or otherwise unavailable to make such determination.

''(B) Notice with respect to an application under subparagraph (A) shall set forth the modifications, if any, of the application that are necessary in order for the Attorney General to approve the application under the second sentence of subsection (a) for purposes of making the application under this section.

''(C) Upon review of any modifications of an application set forth under subparagraph (B), the official notified of the modifications under this paragraph shall modify the application if such official determines that such modification is warranted. Such official shall supervise the making of any modification under this subparagraph. Except when disabled or otherwise unavailable to supervise the making of any modification under the preceding sentence, such official may not delegate the responsibility to supervise the making of any modification under that preceding sentence. Each such official shall take appropriate actions in advance to ensure that delegation of such responsibility is clearly established in the event such official is disabled or otherwise unavailable to supervise the making of such modification.''.

(b) PROBABLE CAUSE.—Section 105 of that Act (50 U.S.C. 1805) is amended—

(1) by redesignating subsections (b), (c), (d), (e), (f), and (g) as subsections (c), (d), (e), (f), (g), and (h), respectively;

(2) by inserting after subsection (a) the following new subsection (b):

''(b) In determining whether or not probable cause exists for purposes of an order under subsection (a)(3), a judge may consider past activities of the target, as well as facts and circumstances relating to current or future activities of the target.''; and

(3) in subsection (d), as redesignated by paragraph (1), by striking ''subsection (b)(1)'' and inserting ''subsection (c)(1)''.

SEC. 603. ORDERS FOR PHYSICAL SEARCHES UNDER THE FOREIGN INTELLIGENCE SURVEILLANCE ACT OF 1978.

(a) REQUIREMENTS REGARDING CERTAIN APPLICATIONS.—Section 303 of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1823) is amended by adding at the end the following new subsection:

''(d)(1)(A) Upon written request of the Director of the Federal Bureau of Investigation, the Secretary of Defense, the Secretary of State, or the Director of Central Intelligence, the Attorney General shall personally review under subsection (a) an application under that subsection for a target described in section 101(b)(2).

''(B) Except when disabled or otherwise unavailable to make a request referred to in subparagraph (A), an official referred to in that subparagraph may not delegate the authority to make a request referred to in that subparagraph.

''(C) Each official referred to in subparagraph (A) with authority to make a request under that subparagraph shall take appropriate actions in advance to ensure that delegation of such authority is clearly established in the event such official is disabled or otherwise unavailable to make such request.

''(2)(A) If as a result of a request under paragraph (1) the Attorney General determines not to approve an application under the second sentence of subsection (a) for purposes of making the application under this section, the Attorney General shall provide written notice of the determination to the official making the request for the review of the application under that paragraph. Except when disabled or otherwise unavailable to make a determination under the preceding sentence, the Attorney General may not delegate the responsibility to make a determination under that sentence. The Attorney General shall take appropriate actions in advance to ensure that delegation of such responsibility is clearly established in the event the Attorney General is disabled or otherwise unavailable to make such determination.

''(B) Notice with respect to an application under subparagraph (A) shall set forth the modifications, if any, of the application that are necessary in order for the Attorney General to approve the application under the second sentence of subsection (a) for purposes of making the application under this section.

''(C) Upon review of any modifications of an application set forth under subparagraph (B), the official notified of the modifications under this paragraph shall modify the application if such official determines that such modification is warranted. Such official shall supervise the making of any modification under this subparagraph. Except when disabled or otherwise unavailable to supervise the making of any modification under the preceding sentence, such official may not delegate the responsibility to supervise the making of any modification under that preceding sentence. Each such official shall take appropriate actions in advance to ensure that delegation of such responsibility is clearly established in the event such official is disabled or otherwise unavailable to supervise the making of such modification.''.

(b) PROBABLE CAUSE.—Section 304 of that Act (50 U.S.C. 1824) is amended—

(1) by redesignating subsections (b), (c), (d), and (e) as subsections (c), (d), (e), and (f), respectively; and

(2) by inserting after subsection (a) the following new subsection (b):

''(b) In determining whether or not probable cause exists for purposes of an order under subsection (a)(3), a judge may consider past activities of the target, as well as facts and circumstances relating to current or future activities of the target.''.

SEC. 604. DISCLOSURE OF INFORMATION ACQUIRED UNDER THE FOREIGN INTELLIGENCE SURVEILLANCE ACT OF 1978 FOR LAW ENFORCEMENT PURPOSES.

(a) INCLUSION OF INFORMATION ON DISCLOSURE IN SEMIANNUAL OVERSIGHT REPORT.—Section 108(a) of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1808(a)) is amended—

(1) by inserting ''(1)'' after ''(a)''; and

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

''(2) Each report under the first sentence of paragraph (1) shall include a description of—

''(A) each criminal case in which information acquired under this Act has been passed for law enforcement purposes during the period covered by such report; and

''(B) each criminal case in which information acquired under this Act has been authorized for use at trial during such reporting period.''.

(b) REPORT ON MECHANISMS FOR DETERMINATIONS OF DISCLOSURE OF INFORMATION FOR LAW ENFORCEMENT PURPOSES.—(1) The Attorney General shall submit to the appropriate committees of Congress a report on the authorities and procedures utilized by the Department of Justice for determining whether or not to disclose information acquired under the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1801 et seq.) for law enforcement purposes.

(2) In this subsection, the term ''appropriate committees of Congress'' means the following:

(A) The Select Committee on Intelligence and the Committee on the Judiciary of the Senate.

(B) The Permanent Select Committee on Intelligence and the Committee on the Judiciary of the House of Representatives.

SEC. 605. COORDINATION OF COUNTERINTELLIGENCE WITH THE FEDERAL BUREAU OF INVESTIGATION.

(a) TREATMENT OF CERTAIN SUBJECTS OF INVESTIGATION.—Subsection (c) of section 811 of the Intelligence Authorization Act for Fiscal Year 1995 (50 U.S.C. 402a) is amended—

(1) in paragraphs (1) and (2), by striking ''paragraph (3)'' and inserting ''paragraph (5)'';

(2) by redesignating paragraphs (3), (4), (5), and (6) as paragraphs (5), (6), (7), and (8), respectively;

(3) by inserting after paragraph (2) the following new paragraph (3):

''(3)(A) The Director of the Federal Bureau of Investigation shall submit to the head of the department or agency concerned a written assessment of the potential impact of the actions of the department or agency on a counterintelligence investigation.

''(B) The head of the department or agency concerned shall—

''(i) use an assessment under subparagraph (A) as an aid in determining whether, and under what circumstances, the subject of an investigation under paragraph (1) should be left in place for investigative purposes; and

''(ii) notify in writing the Director of the Federal Bureau of Investigation of such determination.

''(C) The Director of the Federal Bureau of Investigation and the head of the department or agency concerned shall continue to consult, as appropriate, to review the status of an investigation covered by this paragraph and to reassess, as appropriate, a determination of the head of the department or agency concerned to leave a subject in place for investigative purposes.''; and

(4) in paragraph (5), as so redesignated, by striking ''paragraph (1) or (2)'' and inserting ''paragraph (1), (2), or (3)''.

(b) TIMELY PROVISION OF INFORMATION AND CONSULTATION ON ESPIONAGE INVESTIGATIONS.—Paragraph (2) of that subsection is further amended—

(1) by inserting ''in a timely manner'' after ''through appropriate channels''; and

(2) by inserting ''in a timely manner'' after ''are consulted''.

(c) INTERFERENCE WITH FULL FIELD ESPIONAGE INVESTIGATIONS.—That subsection is further amended by inserting after paragraph (3), as amended by subsection (a) of this section, the following new paragraph (4):

''(4)(A) The Federal Bureau of Investigation shall notify appropriate officials within the executive branch, including the head of the department or agency concerned, of the commencement of a full field espionage investigation with respect to an employee within the executive branch.

''(B)(i) A department or agency may not conduct a polygraph examination, interrogate, or otherwise take any action that is likely to alert an employee covered by a notice under subparagraph (A) of an investigation described in that subparagraph without prior coordination with the Federal Bureau of Investigation.

''(ii) Any examination, interrogation, or other action taken under clause (i) shall be taken in consultation with the Federal Bureau of Investigation.''.

SEC. 606. ENHANCING PROTECTION OF NATIONAL SECURITY AT THE DEPARTMENT OF JUSTICE.

(a) AUTHORIZATION FOR INCREASED RESOURCES TO FULFILL NATIONAL SECURITY MISSION OF THE DEPARTMENT OF JUSTICE.—There are authorized to be appropriated to the Department of Justice for the activities of the Office of Intelligence Policy and Review to help meet the increased personnel demands to combat terrorism, process applications to the Foreign Intelligence Surveillance Court, participate effectively in counter-espionage investigations, provide policy analysis on national security issues, and enhance secure computer and telecommunications facilities—

(1) $7,000,000 for fiscal year 2001;

(2) $7,500,000 for fiscal year 2002; and

(3) $8,000,000 for fiscal year 2003.

(b) AVAILABILITY OF FUNDS.—(1) No funds authorized to be appropriated by subsection (a) for the Office of Intelligence Policy and Review may be obligated or expended until the later of the dates on which the Attorney General submits the reports required by paragraphs (2) and (3).

(2)(A) The Attorney General shall submit to the committees of Congress specified in subparagraph (B) a report on the manner in which the funds authorized to be appropriated by subsection (a) for the Office of Intelligence Policy and Review will be used by that Office—

(i) to improve and strengthen its oversight of Federal Bureau of Investigation field offices in the implementation of orders under the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1801 et seq.); and

(ii) to streamline and increase the efficiency of the application process under that Act.

(B) The committees of Congress referred to in this subparagraph are the following:

(i) The Select Committee on Intelligence and the Committee on the Judiciary of the Senate.

(ii) The Permanent Select Committee on Intelligence and the Committee on the Judiciary of the House of Representatives.

(3) In addition to the report required by paragraph (2), the Attorney General shall also submit to the Select Committee on Intelligence of the Senate and the Permanent Select Committee on Intelligence of the House of Representatives a report that addresses the issues identified in the semiannual report of the Attorney General to such committees under section 108(a) of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1808(a)) that was submitted in April 2000, including any corrective actions with regard to

such issues. The report under this paragraph shall be submitted in classified form.

(4) Funds made available pursuant to subsection (a), in any fiscal year, shall remain available until expended.

(c) REPORT ON COORDINATING NATIONAL SECURITY AND INTELLIGENCE FUNCTIONS WITHIN THE DEPARTMENT OF JUSTICE.—The Attorney General shall report to the Select Committee on Intelligence and the Committee on the Judiciary of the Senate and the Permanent Select Committee on Intelligence and the Committee on the Judiciary of the House of Representatives within 120 days on actions that have been or will be taken by the Department to—

(1) promote quick and efficient responses to national security issues;

(2) centralize a point-of-contact within the Department on national security matters for external entities and agencies; and

(3) coordinate the dissemination of intelligence information within the appropriate components of the Department and the formulation of policy on national security issues.

SEC. 607. COORDINATION REQUIREMENTS RELATING TO THE PROSECUTION OF CASES INVOLVING CLASSIFIED INFORMATION.

The Classified Information Procedures Act (18 U.S.C. App.) is amended by inserting after section 9 the following new section:

''COORDINATION REQUIREMENTS RELATING TO THE PROSECUTION OF CASES INVOLVING CLASSIFIED INFORMATION

''SEC. 9A. (a) BRIEFINGS REQUIRED.—The Assistant Attorney General for the Criminal Division and the appropriate United States Attorney, or the designees of such officials, shall provide briefings to the senior agency official, or the designee of such official, with respect to any case involving classified information that originated in the agency of such senior agency official.

''(b) TIMING OF BRIEFINGS.—Briefings under subsection (a) with respect to a case shall occur—

''(1) as soon as practicable after the Department of Justice and the United States Attorney concerned determine that a prosecution or potential prosecution could result; and

''(2) at such other times thereafter as are necessary to keep the senior agency official concerned fully and currently informed of the status of the prosecution.

''(c) SENIOR AGENCY OFFICIAL DEFINED.—In this section, the term 'senior agency official' has the meaning given that term in section 1.1 of Executive Order No. 12958.''.

SEC. 608. SEVERABILITY.

If any provision of this title (including an amendment made by this title), or the application thereof, to any person or circumstance, is held invalid, the remainder of this title (including the amendments made by this title), and the application thereof, to other persons or circumstances shall not be affected thereby.

TITLE VII—DISCLOSURE OF INFORMATION ON JAPANESE IMPERIAL ARMY

SEC. 701. SHORT TITLE.

This title may be cited as the ''Japanese Imperial Army Disclosure Act''.

SEC. 702. ESTABLISHMENT OF JAPANESE IMPERIAL ARMY RECORDS INTERAGENCY WORKING GROUP.

(a) DEFINITIONS.—In this section:

(1) AGENCY.—The term ''agency'' has the meaning given such term under section 551 of title 5, United States Code.

(2) INTERAGENCY GROUP.—The term ''Interagency Group'' means the Japanese Imperial Army Records Interagency Working Group established under subsection (b).

(3) JAPANESE IMPERIAL ARMY RECORDS.—The term ''Japanese Imperial Army records'' means classified records or portions of records that pertain to any person with respect to whom the United States Government, in its sole discretion, has grounds to believe ordered, incited, assisted, or otherwise participated in the experimentation and persecution of any person because of race, religion, national origin, or political option, during the period beginning September 18, 1931, and ending on December 31, 1948, under the direction of, or in association with—

(A) the Japanese Imperial Army;

(B) any government in any area occupied by the military forces of the Japanese Imperial Army;

(C) any government established with the assistance or cooperation of the Japanese Imperial Army; or

(D) any government which was an ally of the Imperial Army of Japan.

(4) RECORD.—The term ''record'' means a Japanese Imperial Army record.

(b) ESTABLISHMENT OF INTERAGENCY GROUP.—

(1) IN GENERAL.—Not later than 60 days after the date of the enactment of this Act, the President shall establish the Japanese Imperial Army Records Interagency Working Group, which shall remain in existence for 3 years after the date the Interagency Group is established.

(2) MEMBERSHIP.—The President shall appoint to the Interagency Group individuals whom the President determines will most completely and effectively carry out the functions of the Interagency Group within the time limitations provided in this section, including the Historian of the Department of State, the Archivist of the United States, the head of any other agency the President considers appropriate, and no more than 3 other persons. The head of an agency appointed by the President may designate an appropriate officer to serve on the Interagency Group in lieu of the head of such agency.

(3) INITIAL MEETING.—Not later than 90 days after the date of the enactment of this Act, the Interagency Group shall hold an initial meeting and begin the functions required under this section.

(c) FUNCTIONS.—Not later than 1 year after the date of the enactment of this Act, the Interagency Group shall, to the greatest extent possible consistent with section 703—

(1) locate, identify, inventory, recommend for declassification, and make available to the public at the National Archives and Records Administration, all classified Japanese Imperial Army records of the United States;

(2) coordinate with agencies and take such actions as necessary to expedite the release of such records to the public; and

(3) submit a report to Congress, including the Committee on Government Reform and Oversight of the House of Representatives, the Select Committee on Intelligence of the Senate, the Permanent Select Committee on Intelligence of the House of Representatives, and the Committee on the Judiciary of the Senate, describing all such records, the disposition of such records, and the activities of the Interagency Group and agencies under this section.

(d) FUNDING.—There is authorized to be appropriated such sum as may be necessary to carry out the provisions of this title.

SEC. 703. REQUIREMENT OF DISCLOSURE OF RECORDS.

(a) RELEASE OF RECORDS.—Subject to subsections (b), (c), and (d), the Japanese Imperial Army Records Interagency Working Group shall release in their entirety Japanese Imperial Army records.

(b) EXCEPTION FOR PRIVACY.—An agency head may exempt from release under subsection (a) specific information, that would—

(1) constitute a clearly unwarranted invasion of personal privacy;

(2) reveal the identity of a confidential human source, or reveal information about the application of an intelligence source or method, or reveal the identity of a human intelligence source when the unauthorized disclosure of that source would clearly and demonstrably damage the national security interests of the United States;

(3) reveal information that would assist in the development or use of weapons of mass destruction;

(4) reveal information that would impair United States cryptologic systems or activities;

(5) reveal information that would impair the application of state-of-the-art technology within a United States weapon system;

(6) reveal actual United States military war plans that remain in effect;

(7) reveal information that would seriously and demonstrably impair relations between the United States and a foreign government, or seriously and demonstrably undermine ongoing diplomatic activities of the United States;

(8) reveal information that would clearly, and demonstrably impair the current ability of United States Government officials to protect the President, Vice President, and other officials for whom protection services are authorized in the interest of national security;

(9) reveal information that would seriously and demonstrably impair current national security emergency preparedness plans; or

(10) violate a treaty or other international agreement.

(c) APPLICATIONS OF EXEMPTIONS.—

(1) IN GENERAL.—In applying the exemptions provided in paragraphs (2) through (10) of subsection (b), there shall be a presumption that the public interest will be served by disclosure and release of the records of the Japanese Imperial Army. The exemption may be asserted only when the head of the agency that maintains the records determines that disclosure and release would be harmful to a specific interest identified in the exemption. An agency head who makes such a determination shall promptly report it to the committees of Congress with appropriate jurisdiction, including the Committee on the Judiciary and the Select Committee on Intelligence of the Senate and the Committee on Government Reform and Oversight and the Permanent Select Committee on Intelligence of the House of Representatives.

(2) APPLICATION OF TITLE 5.—A determination by an agency head to apply an exemption provided in paragraphs (2) through (9) of subsection (b) shall be subject to the same standard of review that applies in the case of records withheld under section 552(b)(1) of title 5, United States Code.

(d) LIMITATION ON EXEMPTIONS.—

(1) IN GENERAL.—The exemptions set forth in subsection (b) shall constitute the only grounds pursuant to which an agency head may exempt records otherwise subject to release under subsection (a).

(2) RECORDS RELATED TO INVESTIGATION OR PROSECUTIONS.—This section shall not apply to records—

(A) related to or supporting any active or inactive investigation, inquiry, or prosecution by the Office of Special Investigations of the Department of Justice; or

(B) solely in the possession, custody, or control of the Office of Special Investigations.

SEC. 704. EXPEDITED PROCESSING OF FOIA REQUESTS FOR JAPANESE IMPERIAL ARMY RECORDS.

For purposes of expedited processing under section 552(a)(6)(E) of title 5, United States Code, any person who was persecuted in the manner described in section 702(a)(3) and who requests a Japanese Imperial Army record shall be deemed to have a compelling need for such record.

SEC. 705. EFFECTIVE DATE.

The provisions of this title shall take effect on the date that is 90 days after the date of the enactment of this Act.

TITLE VIII—DECLASSIFICATION OF INFORMATION

SEC. 801. SHORT TITLE.

This title may be cited as the ''Public Interest Declassification Act of 2000''.

SEC. 802. FINDINGS.

Congress makes the following findings:

(1) It is in the national interest to establish an effective, coordinated, and cost-effective means by which records on specific subjects of extraordinary public interest that do not undermine the national security interests of the United States may be collected, retained, reviewed, and disseminated to Congress, policymakers in the executive branch, and the public.

(2) Ensuring, through such measures, public access to information that does not require continued protection to maintain the national security interests of the United States is a key to striking the balance between secrecy essential to national security and the openness that is central to the proper functioning of the political institutions of the United States.

SEC. 803. PUBLIC INTEREST DECLASSIFICATION BOARD.

(a) ESTABLISHMENT.—There is established within the executive branch of the United States a board to be known as the ''Public Interest Declassification Board'' (in this title referred to as the ''Board'').

(b) PURPOSES.—The purposes of the Board are as follows:

(1) To advise the President, the Assistant to the President for National Security Affairs, the Director of the Office of Management and Budget, and such other executive branch officials as the Board considers appropriate on the systematic, thorough, coordinated, and comprehensive identification, collection, review for declassification, and release to Congress, interested agencies, and the public of declassified records and materials (including donated historical materials) that are of archival value, including records and materials of extraordinary public interest.

(2) To promote the fullest possible public access to a thorough, accurate, and reliable documentary record of significant United States national security decisions and significant United States national security activities in order to—

(A) support the oversight and legislative functions of Congress;

(B) support the policymaking role of the executive branch;

(C) respond to the interest of the public in national security matters; and

(D) promote reliable historical analysis and new avenues of historical study in national security matters.

(3) To provide recommendations to the President for the identification, collection, and review for declassification of information of extraordinary public interest that does not undermine the national security of the United States, to be undertaken in accordance with a declassification program that has been established or may be established by the President by Executive Order.

(4) To advise the President, the Assistant to the President for National Security Affairs, the Director of the Office of Management and Budget, and such other executive branch officials as the Board considers appropriate on policies deriving from the issuance by the President of Executive Orders regarding the classification and declassification of national security information.

(c) MEMBERSHIP.—(1) The Board shall be composed of nine individuals appointed from among citizens of the United States who are preeminent in the fields of history, national security, foreign policy, intelligence policy, social science, law, or archives, including individuals who have served in Congress or otherwise in the Federal Government or have otherwise engaged in research, scholarship, or publication in such fields on matters relating to the national security of the United States, of whom—

(A) five shall be appointed by the President;

(B) one shall be appointed by the Majority Leader of the Senate;

(C) one shall be appointed by the Minority Leader of the Senate;

(D) one shall be appointed by the Speaker of the House of Representatives; and

(E) one shall be appointed by the Minority Leader of the House of Representatives.

(2)(A) Of the members initially appointed to the Board, three shall be appointed for a term of four years, three shall be appointed for a term of three years, and three shall be appointed for a term of two years.

(B) Any subsequent appointment to the Board shall be for a term of three years.

(3) A vacancy in the Board shall be filled in the same manner as the original appointment. A member of the Board appointed to fill a vacancy before the expiration of a term shall serve for the remainder of the term.

(4) A member of the Board may be appointed to a new term on the Board upon the expiration of the member's term on the Board, except that no member may serve more than three full terms on the Board.

(d) CHAIRPERSON; EXECUTIVE SECRETARY.—(1)(A) The President shall designate one of the members of the Board as the Chairperson of the Board.

(B) The term of service as Chairperson of the Board shall be two years.

(C) A member serving as Chairperson of the Board may be re-designated as Chairperson of the Board upon the expiration of the member's term as Chairperson of the Board, except that no member shall serve as Chairperson of the Board for more than six years.

(2) The Director of the Information Security Oversight Office shall serve as the Executive Secretary of the Board.

(e) MEETINGS.—The Board shall meet as needed to accomplish its mission, consistent with the availability of funds. A majority of the members of the Board shall constitute a quorum.

(f) STAFF.—Any employee of the Federal Government may be detailed to the Board, with the agreement of and without reimbursement to the detailing agency, and such detail shall be without interruption or loss of civil, military, or foreign service status or privilege.

(g) SECURITY.—(1) The members and staff of the Board shall, as a condition of appointment to or employment with the Board, hold appropriate security clearances for access to the classified records and materials to be reviewed by the Board or its staff, and shall follow the guidance and practices on security under applicable Executive Orders and agency directives.

(2) The head of an agency shall, as a condition of granting access to a member of the Board, the Executive Secretary of the Board, or a member of the staff of the Board to classified records or materials of the agency under this title, require the member, the Executive Secretary, or the member of the staff, as the case may be, to—

(A) execute an agreement regarding the security of such records or materials that is approved by the head of the agency; and

(B) hold an appropriate security clearance granted or recognized under the standard procedures and eligibility criteria of the agency, including any special access approval required for access to such records or materials.

(3) The members of the Board, the Executive Secretary of the Board, and the members of the staff of the Board may not use any information acquired in the course of their official activities on the Board for nonofficial purposes.

(4) For purposes of any law or regulation governing access to classified information that pertains to the national security of the United States, and subject to any limitations on access arising under section 806(b), and to facilitate the advisory functions of the Board under this title, a member of the Board seeking access to a record or material under this title shall be deemed for purposes of this subsection to have a need to know the contents of the record or material.

(h) COMPENSATION.—(1) Each member of the Board shall receive compensation at a rate not to exceed the daily equivalent of the annual rate of basic pay payable for positions at ES–1 of the Senior Executive Service under section 5382 of title 5, United States Code, for each day such member is engaged in the actual performance of duties of the Board.

(2) Members of the Board shall be allowed travel expenses, including per diem in lieu of subsistence at rates authorized for employees of agencies under subchapter of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of the duties of the Board.

(i) GUIDANCE; ANNUAL BUDGET.—(1) On behalf of the President, the Assistant to the President for National Security Affairs shall provide guidance on policy to the Board.

(2) The Executive Secretary of the Board, under the direction of the Chairperson of the Board and the Board, and acting in consultation with the Archivist of the United States, the Assistant to the President for National Security Affairs, and the Director of the Office of Management and Budget, shall prepare the annual budget of the Board.

(j) SUPPORT.—The Information Security Oversight Office may support the activities of the Board under this title. Such support shall be provided on a reimbursable basis.

(k) PUBLIC AVAILABILITY OF RECORDS AND REPORTS.—(1) The Board shall make available for public inspection records of its proceedings and reports prepared in the course of its activities under this title to the extent such records and reports are not classified and would not be exempt from release under the provisions of section 552 of title 5, United States Code.

(2) In making records and reports available under paragraph (1), the Board shall coordinate the release of such records and reports with appropriate officials from agencies with expertise in classified information in order to ensure that such records and reports do not inadvertently contain classified information.

(l) APPLICABILITY OF CERTAIN ADMINISTRATIVE LAWS.—The provisions of the Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the activities of the Board under this title. However, the records of the Board shall be governed by the provisions of the Federal Records Act of 1950.

SEC. 804. IDENTIFICATION, COLLECTION, AND REVIEW FOR DECLASSIFICATION OF INFORMATION OF ARCHIVAL VALUE OR EXTRAORDINARY PUBLIC INTEREST.

(a) BRIEFINGS ON AGENCY DECLASSIFICATION PROGRAMS.—(1) As requested by the Board, or by the Select Committee on Intelligence of the Senate or the Permanent Select Committee on Intelligence of the House of Representatives, the head of any agency with the authority under an Executive Order to classify information shall provide to the Board, the Select Committee on Intelligence of the Senate, or the Permanent Select Committee on Intelligence of the House of Representatives, on an annual basis, a summary briefing and report on such agency's progress and plans in the declassification of national security information. Such briefing shall cover the declassification goals set by statute, regulation, or policy, the agency's progress with respect to such goals, and the agency's planned goals and priorities for its declassification activities over the next two fiscal years. Agency briefings and reports shall give particular attention to progress on the declassification of records and materials that are of archival value or extraordinary public interest to the people of the United States.

(2)(A) The annual briefing and report under paragraph (1) for agencies within the Department of Defense, including the military departments, and the elements of the intelligence community shall be provided on a consolidated basis.

(B) In this paragraph, the term ''elements of the intelligence community'' means the elements of the intelligence community specified or designated under section 3(4) of the National Security Act of 1947 (50 U.S.C. 401a(4)).

(b) RECOMMENDATIONS ON AGENCY DECLASSIFICATION PROGRAMS.—(1) Upon reviewing and discussing declassification plans and progress with an agency, the Board shall provide to the head of the agency the written recommendations of the Board as to how the agency's declassification program could be improved. A copy of each recommendation shall also be submitted to the Assistant to the President for National Security Affairs and the Director of the Office of Management and Budget.

(2) Consistent with the provisions of section 803(k), the Board's recommendations to the head of an agency under paragraph (1) shall become public 60 days after such recommendations are sent to the head of the agency under that paragraph.

(c) RECOMMENDATIONS ON SPECIAL SEARCHES FOR RECORDS OF EXTRAORDINARY PUBLIC INTEREST.—(1) The Board shall also make recommendations to the President regarding proposed initiatives to identify, collect, and review for declassification classified records and materials of extraordinary public interest.

(2) In making recommendations under paragraph (1), the Board shall consider the following:

(A) The opinions and requests of Members of Congress, including opinions and requests expressed or embodied in letters or legislative proposals.

(B) The opinions and requests of the National Security Council, the Director of Central Intelligence, and the heads of other agencies.

(C) The opinions of United States citizens.

(D) The opinions of members of the Board.

(E) The impact of special searches on systematic and all other on-going declassification programs.

(F) The costs (including budgetary costs) and the impact that complying with the recommendations would have on agency budgets, programs, and operations.

(G) The benefits of the recommendations.

(H) The impact of compliance with the recommendations on the national security of the United States.

(d) PRESIDENT'S DECLASSIFICATION PRIORITIES.—(1) Concurrent with the submission to Congress of the budget of the President each fiscal year under section 1105 of title 31, United States Code, the Director of the Office of Management and Budget shall publish a description of the President's declassification program and priorities, together with a listing of the funds requested to implement that program.

(2) Nothing in this title shall be construed to substitute or supersede, or establish a funding process for, any declassification program that has been established or may be established by the President by Executive Order.

SEC. 805. PROTECTION OF NATIONAL SECURITY INFORMATION AND OTHER INFORMATION.

(a) IN GENERAL.—Nothing in this title shall be construed to limit the authority of the head of an agency to classify information or to continue the classification of information previously classified by an agency.

(b) SPECIAL ACCESS PROGRAMS.—Nothing in this title shall be construed to limit the authority of the head of an agency to grant or deny access to a special access program.

(c) AUTHORITIES OF DIRECTOR OF CENTRAL INTELLIGENCE.—Nothing in this title shall be construed to limit the authorities of the Director of Central Intelligence as the head of the intelligence community, including the Director's responsibility to protect intelligence sources and methods from unauthorized disclosure as required by section 103(c)(6) of the National Security Act of 1947 (50 U.S.C. 403–3(c)(6)).

(d) EXEMPTIONS TO RELEASE OF INFORMATION.—Nothing in this title shall be construed to limit any exemption or exception to the release to the public under this title of information that is protected under section 552(b) of title 5, United States Code (commonly referred to as the ''Freedom of Information Act''), or section 552a of title 5, United States Code (commonly referred to as the ''Privacy Act'').

(e) WITHHOLDING INFORMATION FROM CONGRESS.—Nothing in this title shall be construed to authorize the withholding of information from Congress.

SEC. 806. STANDARDS AND PROCEDURES.

(a) LIAISON.—(1) The head of each agency with the authority under an Executive Order to classify information and the head of each Federal Presidential library shall designate an employee of such agency or library, as the case may be, to act as liaison to the Board for purposes of this title.

(2) The Board may establish liaison and otherwise consult with such other historical and advisory committees as the Board considers appropriate for purposes of this title.

(b) LIMITATIONS ON ACCESS.—(1)(A) Except as provided in paragraph (2), if the head of an agency or the head of a Federal Presidential library determines it necessary to deny or restrict access of the Board, or of the agency or library liaison to the Board, to information contained in a record or material, in whole or in part, the head of the agency or the head of the library, as the case may be, shall promptly notify the Board in writing of such determination.

(B) Each notice to the Board under subparagraph (A) shall include a description of the nature of the records or materials, and a justification for the determination, covered by such notice.

(2) In the case of a determination referred to in paragraph (1) with respect to a special access program created by the Secretary of Defense, the Director of Central Intelligence, or the head of any other agency, the notification of denial of access under paragraph (1), including a description of the nature of the Board's request for access, shall be submitted to the Assistant to the President for National Security Affairs rather than to the Board.

(c) DISCRETION TO DISCLOSE.—At the conclusion of a declassification review, the head of an agency may, in the discretion of the head of the agency, determine that the public's interest in the disclosure of records or materials of the agency covered by such review, and still properly classified, outweighs the Government's need to protect such records or materials, and may release such records or materials in accordance with the provisions of Executive Order 12958 or any successor order to such Executive Order.

(d) DISCRETION TO PROTECT.—At the conclusion of a declassification review, the head of an agency may, in the discretion of the head of the agency, determine that the interest of the agency in the protection of records or materials of the agency covered by such review, and still properly classified, outweigh's the public's need for access to such records or materials, and may deny release of such records or materials in accordance with the provisions of Executive Order 12958 or any successor order to such Executive Order.

(e) REPORTS.—(1)(A) Except as provided in paragraph (2), the Board shall annually submit to the appropriate congressional committees a report on the activities of the Board under this title, including summary information regarding any denials by the head of an agency or the head of a Federal Presidential library of access of the Board to records or materials under this title.

(B) In this paragraph, the term ''appropriate congressional committees'' means the Select Committee on Intelligence and the Committee on Governmental Affairs of the Senate and the Permanent Select Committee on Intelligence and the Committee on Government Reform and Oversight of the House of Representatives.

(2) Notwithstanding paragraph (1), notice that the Board has been denied access to records and materials, and a justification for the determination in support of the denial, shall be submitted by the agency denying the access as follows:

(A) In the case of the denial of access to a special access program created by the Secretary of Defense, to the Committees on Armed Services and Appropriations of the Senate and to the Committees on Armed Services and Appropriations of the House of Representatives.

(B) In the case of the denial of access to a special access program created by the Director of Central Intelligence, or by the head of any other agency (including the Department of Defense) if the special access program pertains to intelligence activities, or of access to any information and materials relating to intelligence sources and methods, to the Select Committee on Intelligence of the Senate and the Permanent Select Committee on Intelligence of the House of Representatives.

(C) In the case of the denial of access to a special access program created by the Secretary of Energy or the Administrator for Nuclear Security, to the Committees on Armed Services and Appropriations and the Select Committee on Intelligence of the Senate and to the Committees on Armed Services and Appropriations and the Permanent Select Committee on Intelligence of the House of Representatives.

SEC. 807. JUDICIAL REVIEW.

Nothing in this title limits the protection afforded to any information under any other provision of law. This title is not intended and may not be construed to create any right or benefit, substantive or procedural, enforceable at law against the United States, its agencies, its officers, or its employees. This title does not modify in any way the substantive criteria or procedures for the classification of information, nor does this title create any right or benefit subject to judicial review.

SEC. 808. FUNDING.

(a) AUTHORIZATION OF APPROPRIATIONS.—There is hereby authorized to be appropriated to carry out the provisions of this title amounts as follows:

(1) For fiscal year 2001, $650,000.

(2) For each fiscal year after fiscal year 2001, such sums as may be necessary for such fiscal year.

(b) FUNDING REQUESTS.—The President shall include in the budget submitted to Congress for each fiscal year under section 1105 of title 31, United States Code, a request for amounts for the activities of the Board under this title during such fiscal year.

SEC. 809. DEFINITIONS.

In this title:

(1) AGENCY.—(A) Except as provided in subparagraph (B), the term ''agency'' means the following:

(i) An executive agency, as that term is defined in section 105 of title 5, United States Code.

(ii) A military department, as that term is defined in section 102 of such title.

(iii) Any other entity in the executive branch that comes into the possession of classified information.

(B) The term does not include the Board.

(2) CLASSIFIED MATERIAL OR RECORD.—The terms ''classified material'' and ''classified record'' include any correspondence, memorandum, book, plan, map, drawing, diagram, pictorial or graphic work, photograph, film, microfilm, sound recording, videotape, machine readable records, and other documentary material, regardless of physical form or characteristics, that has been determined pursuant to Executive Order to require protection against unauthorized disclosure in the interests of the national security of the United States.

(3) DECLASSIFICATION.—The term ''declassification'' means the process by which records or materials that have been classified are determined no longer to require protection from unauthorized disclosure to protect the national security of the United States.

(4) DONATED HISTORICAL MATERIAL.—The term ''donated historical material'' means collections of personal papers donated or given to a Federal Presidential library or other archival repository under a deed of gift or otherwise.

(5) FEDERAL PRESIDENTIAL LIBRARY.—The term ''Federal Presidential library'' means a library operated and maintained by the United States Government through the National Archives and Records Administration under the applicable provisions of chapter 21 of title 44, United States Code.

(6) NATIONAL SECURITY.—The term ''national security'' means the national defense or foreign relations of the United States.

(7) RECORDS OR MATERIALS OF EXTRAORDINARY PUBLIC INTEREST.—The term ''records or materials of extraordinary public interest'' means records or materials that—

(A) demonstrate and record the national security policies, actions, and decisions of the United States, including—

(i) policies, events, actions, and decisions which led to significant national security outcomes; and

(ii) the development and evolution of significant United States national security policies, actions, and decisions;

(B) will provide a significantly different perspective in general from records and materials publicly available in other historical sources; and

(C) would need to be addressed through ad hoc record searches outside any systematic declassification program established under Executive Order.

(8) RECORDS OF ARCHIVAL VALUE.—The term ''records of archival value'' means records that have been determined by the Archivist of the United States to have sufficient historical or other value to warrant their continued preservation by the Federal Government.

SEC. 810. SUNSET.

The provisions of this title shall expire four years after the date of the enactment of this Act, unless reauthorized by statute.

The PRESIDING OFFICER (Mr. FITZGERALD) appointed Mr. SHELBY, Mr. LUGAR, Mr. KYL, Mr. INHOFE, Mr. HATCH, Mr. ROBERTS, Mr. ALLARD, Mr. MACK, Mr. WARNER, Mr. BRYAN, Mr. GRAHAM, Mr. KERRY, Mr. BAUCUS, Mr. ROBB, Mr. LAUTENBERG, and Mr. LEVIN conferees on the part of the Senate.

Mr. LOTT. Mr. President, I yield to Senator BRYAN.

Mr. BRYAN. Mr. President, I thank the leader. I specifically thank the chairman, Senator SHELBY. We have worked to put this authorization bill together. It could not have happened but for his cooperation and the cooperation of a number of others of our colleagues on the Intelligence Committee. I thank them for their cooperation, the chairman in particular. I thank the majority leader and Senator DASCHLE as well. Again, I acknowledge the leadership of my chairman. He has been most helpful in working through this bill. I thank him, the majority leader, and our colleagues.

My remarks will echo many of the points made by the distinguished chairman of the Intelligence Committee, Senator SHELBY. Those who are not familiar with the workings of the Intelligence Committee may find it odd that members from different parties have such agreement on the substance of this legislation. Most of my colleagues, however, know that the committee has a long tradition of bipartisanship and I am proud to say that under Senator SHELBY's leadership we have upheld that tradition. We have confronted difficult policy issues and budget choices, and the chairman has gone out of his way to ensure that the committee addressed these in a fair and nonpartisan way. I appreciate the courtesies he has shown me as vice chairman. I think we have produced a good bill that focuses on several critical areas of intelligence policy.

This important legislation authorizes the activities of the U.S. intelligence community and seeks to ensure that this critical function will continue to serve our national security interests into the 21st century. The community faces momentous challenges from both the proliferation of threats facing America and from the rapid pace of technological change occurring throughout society. How we respond to these challenges today will affect our ability to protect American interests in the years ahead.

Some have argued that the end of the cold war should have significantly reduced our need for a robust intelligence collection capability. In fact, the opposite is true. The bipolar world of the Soviet-United States confrontation provided a certain stability with a clear threat and a single principal adversary on which to focus. We now face a world with growing transnational threats of weapons proliferation, terrorism, and international crime and narcotics trafficking, and multiple regional conflicts which create instability and threaten U.S. interests. While we, of course, must continue to closely monitor Russia, which still possesses the singular capability to destroy our country, these emerging threats demand increasing attention and resources.

A decade after the collapse of Soviet communism, the intelligence community continues its difficult transition, from an organization which confronted one threat to one which now must focus on a variety of threats, each unique in its potential to harm the United States. At the same time, the community has been buffeted by the information revolution, which provides tremendous opportunity for intelligence collection, but threatens to overwhelm our ability to process and disseminate information. These twin challenges—new and qualitatively different threats, coupled with an information and technological explosion—threaten the community's ability to serve as an early warning system for our country and a force multiplier for our armed services.

Unfortunately, the intelligence community has often been too slow to confront these challenge and to adapt to these new realities. To make this transition will require the following:

First, the intelligence community must get its budget in order. Although I believe the community probably needs additional resources, the Congress first must be convinced that existing resources are being used effectively.

Second, the various intelligence agencies must begin to function ore corporately—as a community, rather than as separate entities, all with different and often conflicting priorities. This has been a topic of debate for some time. And yet, the passage of time does not seem to have brought us much closer to this objective.

Third, the intelligence community must do a better job of setting priorities. That means making hard decisions about what it will not do. Resources are stretched thin, often because community leadership has been unable to say no. The result is that agencies like the National Security Agency are starved for recapitalization funds necessary to keep pace with technological changes.

Fourth, the community must streamline its bureaucracy, eliminating unnecessary layers of management, particularly those that separate the collector of intelligence from the analyzer of that intelligence.

Finally, the community must revamp its information technology backbone so that agencies can easily and effectively communicate with one another.

These steps will not be easy but are essential if the intelligence community is to stay relevant in today's world. Good intelligence is more important than ever. As we deal with calls for military intervention in far flung locales, intelligence becomes a force multiplier. We rely on the intelligence community to keep us informed of developing crises, to describe the situation prior to any U.S. intervention, to help with force protection when U.S. personnel are on the ground, and to analyze foreign leadership intentions. Solid intelligence allows U.S. policymakers and military commanders to make and implement informed decisions.

Maintaining our intelligence capability is difficult and sometimes expensive but absolutely essential to national security. The committee has identified a few areas that we think are priorities that need additional attention. One area of particular concern is the need to recapitalize the National Security Agency to assure our ability to collect signals intelligence. Collecting and deciphering the communications of America's adversaries provides senior policymakers with a unique source of sensitive information. In 1998, and again this year, the committee asked a group of highly qualified technical experts to review NSA operations. The Technical Advisory Group's conclusions were unsettling. They identified significant shortcomings which have resulted from the sustained budget decline of the past decade. With limited available resources the NSA has maintained its day-to-day readiness but has not invested in needed modernization. Consequently, NSA's technological infrastructure and human resources are

struggling to meet emerging challenges.

The NSA historically has led the way in development and use of cutting edge technology. This innovative spirit has helped keep the United States a step ahead of those whose interests are hostile to our own. Unfortunately, rather than leading the way, the NSA now struggles to keep pace with communications and computing advances.

There is, however, some reason for optimism. The current Director of NSA, General Hayden, has developed a strategy for recovery. He has undertaken an aggressive and ambitious modernization effort, including dramatic organizational changes and innovative business practices. These changes and the rebuilding of NSA's infrastructure will, however, require significant additional resources. The committee decided that this situation demands immediate attention, but the intelligence budget faces the same constrained fiscal situation as other areas of the Federal budget. We have, therefore, realigned priorities within existing resources in order to reverse this downward trend. This was not an easy process and we were forced to make some painful tradeoffs, but ensuring the future of the NSA is the committee's top priority. We cannot stand by and allow the United States to lose this capability. We have taken prudent steps in this legislation to make sure NSA will continue to be the premier signals intelligence organization in the world.

The bill also attempts to address an imbalance that has concerned the committee for some time. We have argued that our ability to collect intelligence far exceeds our ability to analyze and disseminate finished intelligence to the end user. We spend a tremendous amount of the budget developing and fielding satellites, unmanned aerial vehicles and all manner of other senors and collection platforms. These programs are important but too often new sensors are put into place without sufficient thought to how we will process and distribute the additional data. No matter how good a satellite is at collecting raw intelligence, it is useless if that intelligence never makes it into the hands of a competent analyst and then on to an end user.

This imbalance has been particularly acute at the National Imagery and Mapping Agency. At the request of Congress, NIMA has identified projected processing shortfalls associated with its future sensor acquisition plans. NIMA also outlined a three phase modernization to address these shortfalls. Unfortunately, the future year funding profile creates a situation that will force the intelligence community to either cut deeply into other programs or abandon the modernization. The committee has rejected that approach and has realigned priorities in order to avoid this budgetary squeeze in the out years. It makes no sense to purchase expensive collection platforms when the rest of the system cannot handle the amount of intelligence produced.

Beyond the questions of resource allocation, this legislation also address several policy issues, including the problem of serious security breakdowns at the State Department. Over the course of the last 2½ years the Department has been beset by seemingly inexplicable security compromises, the latest being the disappearance of a laptop computer in January of this year. This incident, still unexplained, follows closely on the heels of the discovery of a Russian listening device planted in a seventh floor conference room. Subsequently we learned that there was no escort requirement for foreign visitors, including Russians, to the State Department. Finally, I must mention the 1998 tweed jacket incident. In this case an unidentified man wearing a tweed jacket entered the Secretary of State's office suite unchallenged by State Department employees and removed classified documents. No one knows who he was.

The only conclusion that I can draw is that the State Department culture does not place a priority on security. Despite Secretary Albright's efforts to correct procedural deficiencies and to emphasize the need for better security, we have not seen much progress. The authorization bill contains a provision requiring all elements of the State Department to be certified as in compliance with regulations for the handling of Sensitive Compartmented Information. This is the most highly classified information and is controlled by the Director of Central Intelligence. If a component of the State Department is not in compliance with the applicable regulations, then that office will no longer be allowed to retain or store this sensitive information. It is unfortunate that this provision is necessary, but we must make it clear to individuals who handle classified material that we are serious about enforcing security rules.

A broader but related area of concern is the ability of the U.S. Intelligence community to meet the counterintelligence threats of the 21st Century with current structures and programs. We can no longer worry only about the intelligence services of adversaries such as the old Soviet Union, North Korea, or Cuba. We must deal with ever more sophisticated terrorist organizations and international crime syndicates capable of launching their own intelligence and counterintelligence efforts. We also face challenges from friendly states seeking access to economic data and advanced U.S. technology.

All of these changes argue for a major retooling of a U.S. counterintelligence apparatus designed for the cold war. The Director of Central Intelligence, the Director of the FBI, and the Deputy Secretary of Defense have undertaken an effort, referred to as CI–21, to design the structures and policies that we will need to cope with cutting edge technology and with the emergence of threats from nontraditional sources. I have been encouraged by the early progress made on the CI–21 effort. We have chosen not to include legislative provisions in the bill with the hope that the agencies involved will reach agreement and finalize the CI–21 plan. The report accompanying the bill strongly encourages them to do so and I reiterate that encouragement.

One provision in the bill that has created a bit of controversy is the section that closes a gap in existing law related to the unauthorized disclosure of classified material. This provision will make it a felony for a U.S. government official to knowingly pass classified material to someone who is not authorized to receive it. I say that this provision closes a gap because many categories of classified information are covered by existing statutes. This includes nuclear weapons data and defense information. Unfortunately much sensitive intelligence information does not fall into one of the existing definitions. Disclosure of this information could compromise sensitive sources and in some cases endanger peoples lives. The provision in the bill has been carefully crafted to avoid first amendment concerns and the chairman and I will offer a technical amendment incorporating suggestions made by the Attorney General. It is my understanding that she supports the provision as amended.

Another provision which merits further explanation is the section dealing with treaty implementing legislation. This language provides that future criminal laws enacted to implement treaties will not apply to intelligence activities unless those activities are specifically named in the legislation. On its face this could be interpreted as exempting our intelligence community from the law regardless of the nature of the activity. In fact, this only applies to activities which are otherwise lawful and authorized. Intelligence activities are subject to an extensive set of statutes, regulations and presidential directives. These rules try to balance our need for intelligence to protect our national security with the American sense of values and ethical behavior.

Intelligence gathering—spying—is an inherently deceitful activity. To protect our military forces, thwart terrorist acts, or dismantle drug trafficking organizations, we gather information through surreptitious means. We either convince people to betray their country or cause, or we use intrusive technical means to find out what people are doing or saying. This may make some people uncomfortable, but it is absolutely essential to protecting American interests. Treaties that proscribe certain kinds of behavior should not inadvertently restrict these intelligence activities. If the Congress intends to apply treaty implementing legislation to intelligence activities,

then we should say so explicitly. We want to be precise and ensure that intelligence operatives in the field understand what we expect of them. Ambiguity and uncertainty are more likely to create problems. This provision will put the burden on Congress to make the determination of which treaty restrictions we want to apply to intelligence activities.

I have served on the Intelligence Committee for almost 8 years now and I have had the privilege of serving as vice chairman since January. During that time I have made a few observations that I would like to share. Since I am leaving the committee and the Senate at the end of this year, I have no vested interest other than my continuing belief in the importance of the committee's work conducting oversight of the intelligence community.

My experience leads me to the conclusion that excessive turnover is seriously hampering the effectiveness of the Intelligence Committee—a committee the Senate relies upon and points to in reassuring the American people that the intelligence community is being appropriately monitored by their elected representatives. Because of the 8-year limitation, member turn-over can be, and often is dramatic. For example, when the 107th Congress convenes next January, 5 of the 7 currently serving Democrats will have departed the committee. At the end of the 107th Congress, 5 of the 8 currently serving Republicans will leave the committee.

Over time, this brain drain diminishes the committee's ability to discharge its responsibilities. For example, in 1994 the committee dealt with the Aldrich Ames espionage case, arguably the most devastating counterintelligence failure of the cold war. The committee produced a report extremely critical of the CIA in this case and of the way the CIA and FBI dealt with counterintelligence in general. The Ames debacle led to a major restructuring of our national counterintelligence system with significant legislative input. Yet today, there is only one member on the majority side who served on the committee during that period, and at the end of this year there will be no members on the Democratic side. This lack of corporate memory greatly reduces the committee's effectiveness.

This committee deals with sensitive and complex issues, and much of the committee's business involves the technical agencies such as the National Security Agency and the National Reconnaissance Office. To understand these issues a Senator must invest significant time to committee briefings and hearings. There is no outside source to go to stay abreast of developments in the intelligence community. Just about the time members are beginning to understand these issues they are forced to rotate off the committee. This makes no sense.

The rationale behind the term limits was two fold. First, it was feared that the intelligence community could over time co-opt permanently serving members. In fact, new members who have little experience with the workings of the intelligence community are more dependent on information provided by the intelligence agencies. SSCI members are no more likely to be co-opted by the intelligence community than the members of other authorizing committees are likely to be co-opted by the Departments and agencies they oversee. The second reason term limits were enacted stemmed from the understandable view that the SSCI would benefit from a flow of fresh ideas that new members would bring. But because of naturally occurring turnover, new members have regularly joined the committee, irrespective of term limits. Since the SSCI was created 24 years ago, approximately sixty Senators have served on the committee. Members have served an average of just over 5 years—and approximately 60 percent of committee members have served on the committee less than 8 years. This historical record confirms that vacancies will continue to occur regularly on the SSCI, thus allowing the new faces and fresh ideas. At the same time, however, members who have a long-term interest in the area of intelligence should continue to serve and develop expertise.

My second observation relates to the committee's authority but also to a larger issue that is the question of declassifying the top line number for the intelligence budget. It is difficult to conduct a thorough and rationale debate concerning intelligence policy without mentioning how much money we spend on our intelligence system. Declassifying the top line budget would allow for a healthy debate within the Congress about the priority we place on intelligence. I would provide greater visibility and openness to average Americans, whose tax dollars fund these programs. Disclosure of the overall budget would provide these benefits without damaging U.S. national security. DCI Tenet declassified the budget numbers for top past budgets with no adverse effects, but has declined to continue this practice. I hope that the Congress and the next administration will revisit this issue and left this unnecessary veil of secrecy.

Finally, Mr. President, I want to thank the staff of the Intelligence Committee for the work they do and for the support they have given me as vice chairman. The committee is staffed by professionals dedicated to ensuring that the intelligence community enhances U.S. national security and does so in strict compliance with the intent of Congress. The staff is unique in the Senate in that the vast majority are nonpartisan and go about their business without regard to any political agenda. The four members of the staff with partisan affiliations, the staff directors and their deputies, approach their work with same spirit of bipartisanship that always has been a hallmark of the committee. Let me single our Bill Duhnke and Joan Grimson, the majority staff director and deputy for their excellent cooperation and the courtesy they have extended this year. I should note that Joan is not here today because she is off on maternity leave. I extend my congratulations to her and her husband on the birth of their first child, Jacqueline Anna. I also thank Melvin Dubee, my deputy minority staff director. Melvin brings a wealth of experience to the job, and it has been reflected in the sound advice I have come to depend on him to provide. Vicki Divoll, who joined the committee staff as counsel in January, also has been invaluable to me during the preparation of this legislation and in dealing with other legal issues.

Finally, I would have been lost as vice chairman without the guidance and advice of Al Cumming, the minority staff director. Al kept me well informed and helped me focus on issues that will have a lasting impact on the functioning of the intelligence community. The staff has done superb work on this legislation.

Mr. LOTT. Mr. President, I thank Senator BRYAN for his comments. Obviously, as I said, this is very important legislation. The Intelligence Committee does good work, important work for our committee. It has been partially delayed by misunderstandings which we have worked out. I think everybody is satisfied with this. I thank the chairman for his persistence. I yield to the chairman of the committee.

Mr. SHELBY. Mr. President, I want to take a minute or two and talk about my colleague from Nevada, Senator BRYAN. He is going to be leaving the Senate soon. As the vice chairman of the committee—a long-term and long-time member of the Senate Intelligence Committee—he has been a delight to work with most of the time. Seriously. He puts a lot of effort into what we do on the Senate Intelligence Committee.

I would be remiss if I did not bring that up as we pass this bill tonight. We have a conference to go to. We will be spending a lot of time together in the waning days of this Congress. DICK BRYAN served this country well, first as a State legislator, as the attorney general of his State, as the Governor of his State, and in two terms in the U.S. Senate. I have worked with him on a lot of issues, and I can say this: He is a hard worker, he is smart, he is going to be prepared, he is going to be tough, and he is going to put the Nation first.

Mr. BRYAN. Mr. President, if I may respond to the excessively generous comments of my chairman, my colleague, and my friend, the reality is that working with him has been a pleasure. Without his cooperation and, obviously, trying to work in a bipartisan way to process this piece of legislation and other things we have done since the two of us have been privileged

to serve as chairman and vice chairman, we would not be here today with this bill.

I acknowledge his leadership. The good citizens of Alabama have a fine Member here and a person with whom I have been privileged to work for the last 12 years I have been in the Senate, and most especially this last year when we have served in our respective roles on the Intelligence Committee. I thank him publicly.

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

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

UNANIMOUS CONSENT AGREEMENT—EXECUTIVE CALENDAR

Mr. LOTT. Mr. President, I ask unanimous consent that following the vote relative to the H–1B bill and the visa waiver bill on Tuesday, the Senate immediately proceed to executive session to consider the following nominations on the Executive Calendar, en bloc: No. 652, Michael Reagan; No. 654, Susan Bolton; and No. 655, Mary Murguia.

I further ask unanimous consent that following the en bloc consideration, the following Senators be recognized to speak for the allotted timeframes. They are: Senator HATCH for 20 minutes; Senator KYL for 20 minutes; Senator LOTT or designee for 20 minutes; Senator LEVIN for 20 minutes; Senator ROBB for 10 minutes; Senator HARKIN for 30 minutes; Senator LEAHY for 20 minutes; and Senator DURBIN for 10 minutes.

I further ask unanimous consent that following the use or yielding back of time, the nominations be temporarily set aside.

I also ask unanimous consent that following that debate, the Senate then proceed to the nomination of Calendar No. 656, James Teilborg, and there be up to 1 hour each for Senators HATCH, KYL, and LEAHY, and up to 3 hours for Senator HARKIN or his designee, and following the use or yielding back of the time, the Senate proceed to vote in relation to that nominee, without any intervening action or debate, to be followed immediately by a vote en bloc in relation to the three previously debated nominations. I further ask consent that the vote count as three separate votes on each of the nominations.

Finally, I ask consent that following the confirmation votes, the President be immediately notified of the Senate's action and the Senate then return to legislative session.

The PRESIDING OFFICER. Is there objection?

Mr. HARKIN. Reserving the right to object, I ask the distinguished majority leader, in good faith, if he would modify his unanimous consent request to discharge the Judiciary Committee on further consideration of the nomination of Bonnie Campbell, the nominee for the Eighth Circuit Court, and that her nomination be considered by the Senate under the same terms and at the same time as the nominees included in the majority leader's request?

I ask the majority leader if he would modify his request.

Mr. LOTT. Mr. President, I understand the Senator's interest in that additional nomination. I do not think I have ever moved to discharge the Judiciary Committee on a single nomination or a judge. There are other judges presumably that will also need to be considered. I do appreciate the agreement that has been reached here. I know that it has been difficult for the Senator from Iowa to even agree to this. But in view of the fact that the committee has not acted, I could not agree to that at this time, so I would have to object.

The PRESIDING OFFICER. Is there objection?

Mr. HARKIN. Mr. President, further reserving the right to object for just one more, again, I just want to say to the majority leader that on some of these nominees—I think maybe three of them were nominated, got their hearings and were reported out of committee all within one week in July. Yet Bonnie Campbell from Iowa was nominated early this year. She has had her hearing, and has been sitting there now for four months without being reported out. I just find this rather odd. I haven't heard of any objections to bringing her nomination out on the floor.

I just ask the majority leader whether or not we can expect to have at least some disposition of Bonnie Campbell before we get out of here.

Mr. LOTT. I respond, Mr. President, that I do not get into the background of all the nominees when they are before the committee. I do not know all of the background on these nominees. As majority leader, when nominations reach the calendar, I try to get them cleared. I do think the fact that we had not been able to clear these four, even though they were already on the calendar, has maybe had a negative impact on other nominations being reported on the assumption that, well, if we could not move these, which were, I think, unanimously cleared quickly without any reservations, that that had become an impediment. I do not know that this will remove that impediment, but it looks to me as if it is a positive step.

Mr. HARKIN. I just say to the leader, it seems odd we have a nominee that is supported by both of the Senators from her home State, on both sides of the aisle, on the Republican and Democratic side; and I think she is not getting her due process here in this body. I just want to make that point. I appreciate that.

Mr. LOTT. I say for the RECORD—and you know that it is true because I believe you were with me when he spoke to me—Senator GRASSLEY has indicated more than once his support for the nominee. So he has made it clear he does support her. I do not know all of the problems or if there are any. But perhaps further consideration could occur. I am sure you won't relent.

Mr. HARKIN. I plan to be here every day. I thank the leader.

The PRESIDING OFFICER. Is there objection to the majority leader's original request?

Without objection, it is so ordered.

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

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

MORNING BUSINESS

Mr. KYL. Mr. President, I ask unanimous consent, on behalf of the leader, that the Senate now be in a period of morning business with Senators speaking for up to 10 minutes each.

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

TRIBUTE TO REAR ADMIRAL LOUIS M. SMITH, CIVIL ENGINEER CORPS, U.S. NAVY

Mr. LOTT. Mr. President, it is with great pleasure that I rise to take this opportunity to recognize the exemplary service and career of an outstanding naval officer, Rear Admiral Louis M. Smith, upon his retirement from the Navy at the conclusion of more than 33 years of honorable and distinguished service. Throughout his exemplary career, he has truly epitomized the Navy core values of honor, courage, and commitment and demonstrated an exceptional ability to advance the Navy's facilities requirements within the Department of Defense and the Congress. It is my privilege to commend him for a superb career of service to the Navy, our great Nation, and my home State of Mississippi.

Since September 1998, Rear Admiral Smith has served as the Commander, Naval Facilities Engineering Command, and Chief of Civil Engineers. As the senior civil engineer in the Navy, he is responsible for the planning, design, construction and maintenance of naval facilities around the globe. On Capital Hill, he is best known for his quick wit, entertaining and informative testimony, and ability to communicate the Navy's facilities requirements in addition to his role in developing and executing the Navy's Military Construction, Base Realignment and Closure and Environmental programs. He often testified before congressional committees and ensured

that Members of Congress and their staffs fully understood the Navy's shore infrastructure requirements. In this capacity, Rear Admiral Smith was second to none.

Previously, he served as the Director, Facilities and Engineering Division for the Chief of Naval Operations where he had a hand in shaping the Navy's readiness ashore, as well as numerous quality-of-life initiatives to improve the lives of Sailors and Marines. A true shore facilities expert, his previous public works assignments included Assistant Public Works Officer, Naval Air Station, Brunswick, Maine; Public Works Officer, Naval Air Station, Keflavik, Iceland; and Commanding Officer, Public Works Center, San Diego, California.

As an acquisition professional, he has had numerous contracting assignments, including Officer-in-Charge of Construction, Mid Pacific, Pearl Harbor, Hawaii and Head of Acquisition and Vice Commander of Western Division, San Bruno, California. He embarked on his brilliant naval career as the Officer in Charge of Seabee Team 5301, making three deployments to Vietnam and earning the Bronze Star and Combat Action Ribbon.

The Navy will best remember Rear Admiral Smith for his mastery of the Navy's financial system and his prowess in effectively navigating the political waters within the Beltway. His eight tours in the Nation's Capital began with duty in the office of the Chief of Naval Operations as Facilities Engineer, Security Assistance Division (OP–63). After an exchange tour on the Strategic Air Command staff, he then served as the Director of the Chief of Naval Operations' Shore Activities Planning and Programming Division (OP–44), followed by a tour in the Office of the Comptroller of the Navy. Later, he served in the offices of the NAVFAC Comptroller and the Director of Programs and Comptroller, NAVFAC. After his Command tour in San Diego, he returned to NAVFAC Headquarters as Vice Commander and Deputy Chief of Civil Engineers. Rear Admiral Smith's knowledge of the Fleet, coupled with his unparalleled planning and financial acumen, was absolutely vital to successfully charting the Navy's course through both the 1980s build-up and the post-Cold War draw-down.

Rear Admiral Smith is a native of Milwaukee, Wisconsin, and a graduate of Marquette University where he received his Bachelor of Science in Civil Engineering. He later attended Purdue University where he earned his Master of Science in Civil Engineering. Married to the former Susan Clare Kaufmann of Milwaukee, he and Susan have two sons, Brian and Michael.

My home State of Mississippi has benefitted greatly from the contributions of Rear Admiral Smith's visionary leadership, consummate professionalism, uncommon dedication, and enduring personality. For the State of Mississippi, he was there to assist in the disaster recovery from Hurricane George; he was there to provide outstanding facilities support for U.S. Navy bases in Mississippi; and he was there to assist my staff in providing the highest levels of facilities support for our Navy. On January 1, 2001, he will enter retirement and the Navy will wish him fair winds and following seas. On behalf of the Congress, I congratulate Rear Admiral Louis Martin Smith on the completion of an outstanding and successful career with very best wishes for even greater successes in the future.

ANGELS IN ADOPTION AWARD

Mr. ROCKEFELLER. Mr. President, as a member of the Congressional Coalition on Adoption, I would like to commend Senators MARY LANDRIEU and LARRY CRAIG for their leadership in creating the Angels in Adoption program. I am happy to join in this initiative to honor the special families that open their hearts and homes when they adopt a child. This year I want to recognize a special family from Falling Waters, West Virginia as our very own angels in adoption. The Merryman family has been nominated for the Angels in Adoption Award by Steve Wiseman, Executive Director of West Virginia Developmental Disability Council, for being outstanding examples of adoptive parents.

Scott and Faith Merryman have been happily married for 32 years and live in Berkeley County, West Virginia. They both work in the disability field, Scott as a supervisory mentor at the Autism Center and Faith at the West Virginia Parent Training Information Center, a resource center for parents of children with special needs.

They have 6 children, 8 grandchildren, and one great-grandchild. Two of their children, Richard and Hope, are adopted and they are in the process of adopting another foster child, Charity Megan.

Richard, who has cerebral palsy, is 26 years old, and now lives in his own apartment. Richard is a member of the West Virginia Team of the President's Committee on Mental Retardation and attended the International Academy in 1999. He is also a member of the West Virginia Developmental Disabilities Council and a self-directed activist on accessibility and other disability issues.

Hope was adopted at 13 days old because her birth parents were unable to take care of her. She is now 19 years old and enjoys working as an Assistant Manager in a local restaurant as well as spending time with her family.

Charity Megan came to the Merryman family when she was 14 months old from an institution. She is now 17 years old, and has severe disabilities including facial deformities, stunted growth, mental retardation, and a seizure disorder.

Despite the long hours of care and trips to the doctor, Scott and Faith say that they have learned a lot about the kind of things money can't buy—like love and laughter.

I am proud to honor the Merrymans for the love that they show their family, and to the commitment they share in promoting adoption. In my own state of West Virginia, we have had a 51 percent increase in the number of adoptions since 1995 because of caring families like the Merrymans.

We as a Nation need to continue to offer our support to these special families. As a member of Congress I will continue to introduce legislation that will build on the foundation of the 1997 Adoption and Safe Families Act to ensure our children a safe and stable home.

VICTIMS OF GUN VIOLENCE

Mr. BYRD. Mr. President, it has been more than a year since the Columbine tragedy, but still this 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 the names of some of those who have lost their lives to gun violence in the past year, and we will continue to do so every day that the Senate is in 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.

October 2, 1999:

Dian Bailey, 29, Detroit, MI;

Charles L. Coron, 52, New Orleans, LA;

Joanel Facouloute, 46, Miami-Dade County, FL;

Filiberto Gamez, 21, Chicago, IL;

Lucretia Henderson, 13, Kansas City, MO;

Kenneth Holland, 39, Louisville, KY;

Leroy L. Lee, 31, Chicago, IL;

George Morris, 24, Washington, DC;

Hugo Najero, 15, San Antonio, TX;

Majid Radee, 30, Detroit, MI;

Edison Robinson, 25, Detroit, MI;

Harold Swan, 37, Louisville, KY;

Richard Thomas, 30, Philadelphia, PA;

Ruben Trevino, Jr., 46, Houston, TX;

Unidentified male, 17, Portland, OR.

One of the victims of gun violence I mentioned, 13-year-old Lucretia Henderson of Kansas City, Missouri, was shot and killed while riding in a car with her cousin and two friends. Lucretia was killed when her two friends in the backseat began playing with a handgun.

Following are the names of some of the people who were killed by gunfire one year ago on Friday, Saturday and Sunday.

September 29, 1999:

Jeffrey Dowell, 38, Philadelphia, PA;

Jose Escalante, 19, Philadelphia, PA;

Louis Grant, 17, Baltimore, MD;

James Heyden, 23, Detroit, MI;

Jose Martinez, 16, Houston, TX;

Tracey Massey, 25, Charlotte, NC;

Ismael Mena, 45, Denver, CO;
Antoine Moffett, 19, Chicago, IL;
Michael Rivera, 24, Philadelphia, PA;
Alexander Williams, 30, St. Louis, MO;
Christopher Worsley, 46, Atlanta, GA.
September 30, 1999:
William C. Benton, 46, Memphis, TN;
Ziyad Brown, 22, Baltimore, MD;
Carl D. Budenski, 84, New Orleans, LA;
John Cowling, 27, Detroit, MI;
Jason Curtis, 17, San Antonio, TX;
Ellen Davis, 74, Houston, TX;
Benacio Ortiz, 31, Chicago, IL;
Rovell Young, 35, Detroit, MI.
October 1, 1999:
Giles E. Anderson, 35, Hollywood, FL;
Terry Tyrone Dooley, 40, New Orleans, LA;
Vernon Hill, 62, Denver, CO;
Leroy Kranford, 67, Detroit, MI;
Michael Pendergraft, 43, Oklahoma City, OK;
Michael Preddy, 32, Minneapolis, MN;
Carmen Silayan, Daly City, CA;
James Stokes, 27, Washington, DC;
Joanne Suttons, 35, Detroit, MI.

We cannot sit back and allow such senseless gun violence to continue. The deaths of these people are a reminder to all of us that we need to enact sensible gun legislation.

THE JAMES MADISON COMMEMORATION COMMISSION ACT

Mr. WARNER. Mr. President, it is unfortunate that James Madison's legacy is sometimes overshadowed by other prominent Virginians who were also founding fathers of the United States. Most Americans can readily recite the accomplishments of George Washington and Thomas Jefferson. And while most people can identify James Madison as an important figure in American history, his exact accomplishments are sometimes less well known than some of his contemporaries. As we approach the 250th anniversary of James Madison's birth, I wish to bring to your attention the outstanding contributions he made to the fledgling United States.

During the course of his life, James Madison exhibited all the best qualities of a politician and a scholar. As a politician, he served as a member of the Virginia House of Delegates, a member of the U.S. House of Representatives, U.S. Secretary of State, and two-term President of the United States. As a scholar, he is associated with three of the most important documents in American history: the U.S. Constitution, the Federalist Papers, and the Bill of Rights. In Virginia, we have paid tribute to James Madison by naming one of our fine state universities after him—James Madison University in Harrisonburg, Virginia.

More than any other American, Madison can be credited with creating the system of Federalism that has served the United States so well to this day. Madison's indelible imprint can be seen in the delicate balance struck in the Constitution between the executive and legislative branches and between the states and the Federal government. In addition to his contributions to the Constitution and the structure of American government, Madison kept the most accurate record of the Constitutional Convention in Philadelphia of any of the participants. Madison's notes from the Convention are a gift for which historians and students of government will forever owe a debt of gratitude.

After the Constitutional Convention, Madison worked toward ratification of the Constitution in two of the states most crucial for the new government: Virginia and New York. He narrowly secured Virginia's ratification of the Constitution over the objections of such prominent Virginians as George Mason and Patrick Henry. He assisted in the New York ratification effort through his contributions to the Federalist Papers.

The Federalist Papers, written by James Madison, Alexander Hamilton, and John Jay are used to this day to interpret the Constitution and explain American political philosophy. Federalist Number 10, written by Madison, is the most quoted of all the Federalist Papers.

As a member of the U.S. House of Representatives, Madison became the primary author of the first twelve proposed amendments to the Constitution. Ten of these were adopted and became known as the Bill of Rights.

James Madison presided over the Louisiana Purchase as Secretary of State under President Jefferson and prosecuted the War of 1812 as President. He was a named party in Marbury vs. Madison, the famous court case in which the Supreme Court defined its role as arbiter of the Constitution by asserting it had the authority to declare acts of Congress unconstitutional.

James Madison was born March 16, 1751, in Orange County, Virginia. Accordingly, I urge your support of the James Madison Commemoration Commission Act, legislation that will recognize the life and accomplishments of James Madison on the 250th anniversary of his birth.

PROPOSED MERGER OF UNITED AIRLINES AND US AIRWAYS

Mr. McCAIN. Mr. President, the Commerce Committee recently approved S. Res. 344, which expresses the Sense of the Senate that a merger of United Airlines and US Airways would hurt consumers' interests. A.G. Newmyer, managing director of U.S. Fiduciary Advisors, similarly addressed the public interest perspective in a guest editorial printed in The Washington Post. I ask unanimous consent that the piece be reprinted in the RECORD in its entirety.

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

[From the Washington Post, Aug. 20, 2000]

UNITED WE STAND, IN LINE

(By A.G. Newmeyer)

Chicago was created, as the old joke goes, for New Yorkers who like the crime and traffic but wanted colder winters. And now, it seems, Chicago—like other United Airlines hubs—was created for travelers willing to spend their summer vacations waiting in lines at the airport. If United's proposed takeover of US airways goes through, Washington may have been created for Chicagoans who wanted to spend their days in lines at a smaller airport.

Given the size of US Airway's operations in our region (particularly its share of traffic at Reagan National Airport), as well as United's proposed rule in operations of the new DC Air frequent fliers worry that the Clinton administration and Congress might actually permit United's expansion.

United we stand, in line. Divided, we fly . . . at least, some of us.

Federal Aviation Administrator Jane Garvery recently pointed to myriad factors in explaining this summer's air travel debacle; a system operating at peak capacity in a booming economy, weather, labor, issues and so on. United's senior management, at least until its recent apologies seemed happy to point the finger anywhere but in the mirror.

Many of the excuses don't stand up to scrutiny. News reports, for example, have noted that United is quicker than other airlines to blame weather for cancellations. Seldom is it mentioned that a carrier's obligation to pay for hotel rooms and otherwise take care of passengers vanishes when nature is the culprit. Similarly, even if pilots are unwilling to fly their customary schedules, customer service agents at the counters and on the phones could be augmented to take care of the obvious resultant crush. Waiting times make a mockery of such customer-friendly tactics, particularly for passengers finding our exactly how inconvenient the convenience of ticket-less travel is.

Common sense would suggest that United management has a very full plate trying to fly its current fleet. Only the luckiest occasional traveler on United could conclude that the airline has been operating in the public interest this year. Interestingly, the federal government's review of the proposed merger may pay scant attention to common sense.

The government's review focuses largely on antitrust and competitive considerations, not on the broader public interest. Although the Department of Transportation has a role to play, responsibility for the willingness to treat customers like human beings may get short shrift in a review process that is both legal and laughable.

In the long term, business courses are likely to include discussion of how United's management ruined a world-class, respected brand, Labor's ownership role and board seats at United may cause other companies to wonder about the efficacy of such arrangements.

In the short term, the United mess deserves a more thorough governmental review before its management expands its chokehold on passengers to include US Airways and DC Air. Although time is short in this election year, Congress would find vast voter sympathy in reviewing whether applicable merger statutes are appropriate. And before President Clinton finds himself joining the rest of us on commercial flights, he should direct his administration to just say no to a broader role for United in today's unfriendly skies.

COASTAL ZONE MANAGEMENT ACT OF 2000

Mr. KERRY. Mr. President, I rise to make a few remarks on the Coastal Zone Management Act of 2000, legislation to reauthorize the Coastal Zone Management Act. This bill, S. 1534, was passed last Thursday evening by unanimous consent.

To begin, I want to thank Senator SNOWE, our chairman on the Oceans and Fisheries Subcommittee on the Commerce Committee, for putting this legislation on the Committee agenda this Congress and working for its enactment

When Congress enacted the Coastal Zone Management Act in 1972, it made the critical finding that, ''Important ecological, cultural, historic, and esthetic values in the coastal zone are being irretrievably damaged or lost.'' As we deliberated CZMA's reauthorization this session, I measured our progress against that almost 30-year-old congressional finding. And, I concluded that while we have made tremendous gains in coastal environmental protection, the increasing challenges have made this congressional finding is as true today as it was then.

At our oversight hearing on this legislation, Dr. Sylvia Earle testified on the current and future state of our coastal areas. Dr. Earle has dedicated her career to understanding the coastal and marine environment, and knows as much about it as anyone. She warned us that, ''We are now paying for the loss of wetlands, marshes, mangroves, forests barrier beaches, natural dunes and other systems with increasing costs of dealing somehow with the services these systems once provided—excessive storm damage, benign recycling of wastes, natural filtration and cleansing of water, production of oxygen back to the atmosphere, natural absorption of carbon dioxide, stabilization of soil, and much more. Future generations will continue to pay, and pay and pay unless we can take measures now to reverse those costly trends.''

The Coastal States Organization, represented by their chair, Sarah Cooksey, told the Committee that, ''In both economic and human terms, our coastal challenges were dramatically demonstrated in 1998, by numerous fish-kills associated with the outbreaks of harmful algal blooms, the expansion of the dead zone of the Gulf coast, and the extensive damage resulting from the record number of coastal hurricanes and el Nino events. Although there has been significant progress in protecting and restoring coastal resources since the CZMA and Clean Water Acts were passed in 1972, many shell fish beds remain closed, fish advisories continue to be issued, and swimming at bathing beaches across the country is too often restricted to protect public health.''

It is clear from the evidence presented to the Committee in our oversight process and from other input that I have received, that a great need exists for the federal government to increase its support for states and local communities that are working to protect and preserve our coastal zone. To accomplish that goal, the Committee has reported a bill that substantially increases annual authorizations for the CZMA program and targets funding at controlling coastal polluted runoff, one the more difficult challenges we face in the coastal environment.

S. 1534 would provide a significant increase to the CZMA Program. Total authorization levels would increase to $136.5 million in FY2001. For grants under Section 306, 306A, and 309, the bill would authorize $70 million beginning in FY00 and increasing to $90.5 million in FY04. For grants under section 309A, the bill would authorize $25 million in FY00, increasing to $29 million in FY 04; of this amount, $10 million or 35 percent, whichever is less, would be dedicated to approved coastal nonpoint pollution control strategies and measures. For the NERRS, the bill would provide $12 million annually for construction projects, and for operation costs, $12 million in FY 2001, increasing to $15 million in FY04. Finally, the bill would provide $6.5 million for CZMA administration.

This reauthorization also tackles the problem of coastal runoff pollution. This is one of the great environmental and economic challenges we face in the coastal zone. At the same time that pollution from industrial, commercial and residential sources has increased in the coastal zone, the destruction of wetlands, marshes, mangroves and other natural systems has reduced the capacity of these systems to filter pollution. Together, these two trends have resulted in environmental and economic damage to our coastal areas. These effects include beach closures around the nation, the discovery of a recurring ''Dead Zone'' covering more than 6,000 square miles in the Gulf of Mexico, the outbreak of Pfiesteria on the Mid-Atlantic, the clogging of shipping channels in the Great Lakes, and harm to the Florida Bay and Keys ecosystems. In Massachusetts, we've faced a dramatic rise in shell fish beds closures, which have put many of our fishermen out of work.

To tackle this problem, the Coastal Zone Management Act of 2000 targets up $10 million annually to, ''assist coastal communities to coordinate and implement approved coastal nonpoint pollution control strategies and measures that reduce the causes and impacts of polluted runoff on coastal waters and habitats.'' This is an important amendment. For the first time, we have elevated the local management of runoff as national priority within the context of the CZMA program. Runoff is not a state-by-state problem; the marine environment is far too dynamic. States share the same coastlines and border large bodies of waters, such as the Gulf of Mexico, the Chesapeake Bay or the Long Island Sound, so that pollutants from one state can detrimentally affect the quality of the marine environment in other states. We are seeing the effects of polluted runoff both in our coastal communities and on our nation's living marine resources and habitats. I'm pleased that we've included the runoff provision in S. 1534. It's an important step forward and I believe we will see the benefits in our coastal environment and economy.

The Coastal Zone Management Act of 2000, Mr. President, has been endorsed by the 35 coastal states and territories through the Coastal State Organization. It also has the endorsement of the Great Lakes Commission, American Oceans Campaign, Coast Alliance, Center for Marine Conservation, Sierra Club, Environmental Defense, California CoastKeeper and many other groups. It's a long list. I will ask unanimous consent to have printed into the RECORD a letter from support organizations. I add that S. 1534 passed the Senate Commerce Committee, with its regionally diverse membership, unanimously.

I want to thank some of those assisted my staff with this legislation, and helping us pass it in the Senate. They include the Massachusetts Coastal Zone Program office and its Director, Tom Skinner, who provided technical assistance on the program, as well as the Center for Marine Conservation, Natural Resources Defense Council, American Ocean Campaign, the Coastal States Organization and the Coast Alliance. And I thank my colleagues on the Commerce Committee.

I ask unanimous consent that the letter to which I referred be printed in the RECORD.

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

SEPTEMBER 18, 2000.

Hon. TRENT LOTT
Majority Leader, U.S. Senate,
Washington, DC.

DEAR SENATOR LOTT: On behalf of the following organizations, we are writing to urge you to schedule S. 1534, the Coastal Zone Management Act of 2000, for floor consideration as soon as possible. Sponsored by Senators SNOWE and KERRY, S. 1534 has been reported out of the Commerce Committee with unanimous bipartisan support.

Since its enactment in 1972, the Coastal Zone Management Act (CZMA) has helped protect and improve the quality of life along the coast by providing incentives to states to develop comprehensive programs to meet the challenges facing coastal communities reducing their vulnerability to storms and erosion, the effects of pollution on shellfish beds and bathing water quality, and loss of habitat, to name a few.

The CZMA has proven to be a model statute for promoting national, state and local objectives for balancing the many uses along the coasts. There is no better testament to the success of the state/federal partnership forged by the CZMA than the fact that 34 of 35 eligible coastal states, commonwealths and territories have chosen to participate in the program. Federal assistance provided under the Act is matched by states dollar for dollar. Each state can point to significant benefits resulting from the Act, such as improved coastal ecosystem health; revitalized waterfront communities; coastal habitat

conservation and restoration; increased maritime trade, recreation, and tourism; and the establishment of estuarine research reserves which serve as living laboratories and classrooms.

The lands and waters of our coastal zone are subject to increasingly intensive and competing uses. More than half of the Nation's expanding population is located near the coast. S. 1534 will improve the Act by authorizing ''Coastal Community Grants'' to assist states in enabling communities to develop strategies for accommodating growth in a manner which protects the resources and uses which contribute to the quality of life in coastal communities. The bill will help build community capacity for growth management and resource protection; dedicate funding for communities to reduce the causes and impacts of polluted runoff on coastal waters and habitats; and reduce the pressure on natural resources caused by sprawl by targeting areas for revitalization.

As a measure of the support the CZMA has enjoyed, it is worth noting that in 1996, the CZMA reauthorization bill passed by a unanimous vote in the House, and passed the Senate by voice vote. We hope that passage of S. 1534 will form part of the legacy of significant accomplishments of the 106th Congress.

Sincerely,

Anthony B. MacDonald, Coastal States Organization.

Jeanne Christie, Association of State Wetlands managers.

Barbara Jean Polo, American Oceans Campaign.

Jacqueline Savitz, Coastal Alliance.

Dr. Michael Donahue, Great Lakes Commission.

David Hoskins, Center for Marine Conservation.

Cyn Sarthou, Gulf Restoration Network.

Tim Williams, Water Environment Federation.

Ed Hopkins, Sierra Club.

Richard Caplan, U.S. Public Interest Research Group.

Howard Page, Sierra Club—Gulf Coast Group, Mississippi Chapter.

Cindy Dunn, Salem Sound 2000.

Diane van DeHei, American Metropolitan Water Agencies.

Joseph E. Payne, Friends of Casco Bay.

Gay Gillespie, Westport River Watershed Alliance.

James Gomes, Environmental League of Massachusetts.

Judith Pederson, Ph.D., MIT Sea Grant College Program.

Bill Stanton, North & South Rivers Watershed Association.

Robert W. Howarth, Ph.D., Environmental Defense.

Michelle C. Kremer, Surfrider Foundation.

Enid Siskin, Gulf Coast Environmental Defense.

Elizabeth Sturcken, Coastal Advocacy Network.

Polly Bradley, SWIM.

Ken Kirk, Association of Metropolitan Sewerage Agencies.

Denise Washko, California CoastKeeper.

Roger Stern, Marine Studies Consortium.

Victor D'Amato, North Carolina Chapter Sierra Club.

Nina Bell, J.D., Northwest Environmental Advocates.

Donald L. Larson, Kitsap Diving Association.

Cliff McCreedy, Oceanwatch.

Richard Delaney, Urban Harbors Institute, Univ. of Massachusetts, Boston.

Dee Von Quirolo, Executive Director, Reef Relief, Key West, Florida.

CONGRESSMAN JAMES D. ''MIKE'' McKEVITT

Mr. HAGEL. Mr. President, few individuals ever touch the lives of people like the late Mike McKevitt did. Former Congressman and Assistant U.S. Attorney General James D. ''Mike'' McKevitt passed away last week here in Washington, DC. He was a remarkable man, a selfless public servant, and a loyal friend. He was always working on behalf of others to make the world better.

His positive attitude, personal warmth and absolute sense of fair play were most unique in a far too often cynical, and mean-spirited town called Washington, DC. For 30 years, he rose above the pettiness, nonsense and nastiness that often dominates the environment of the world's most powerful city. He made it more fun to be here. He made it all seem more noble than most of it is.

We will all miss Mike McKevitt. We are all better because of him. Our prayers and thoughts go out to his wonderful wife Judy and his daughters and grandchildren.

I ask unanimous consent that the attached obituary from The Washington Post on Congressman McKevitt be printed in the RECORD.

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

[From the Washington Post, Sept. 30, 2000]

CONGRESSMAN JAMES D. ''MIKE'' MCKEVITT, 71, DIES]

James D. ''Mike'' McKevitt, 71, a partner in the Washington government affairs firm of McKevitt & Schneier who was a former congressman and U.S. assistant attorney general, died Sept. 28 at Sibley Memorial Hospital after a heart attach. He lived in McLean.

Mr. McKevitt served in the House as a Colorado Republican for one term before losing a reelection bid in 1972. During his years in the House, he served on the Judiciary, Interior and Small Business committees.

In 1973, he served as assistant attorney general for legislative affairs, then in 1973 and 1974 was counsel to the White House Energy Policy Office.

From 1974 to 1986, he was federal legislation director of the National Federation of Independent Business. He then practiced law before founding the McKevitt & Schneier government affairs firm in 1986.

Mr. McKevitt was a founding member of the Korean War Veterans Memorial Board. In 1987, the former representative of Colorado's 1st District was honored by Sen. William Armstrong (R–Colo.) as a moving force in the enactment of legislation creating the memorial.

Over the years, he also had served on the board of the USO, the U.S. Capitol Historical Society and the International Consortium for Research on the Health Effects of Radiation. He was a past president of the University Club of Washington, parliamentarian of the 1986 White House Conference on Small Business and a member of the Bowen Commission on Medicare. His hobbies included sailing the Chesapeake Bay.

Mr. McKevitt, who was born in Spokane, Wash., was a 1951 graduate of the University of Idaho and a 1956 graduate of the University of Denver law school. During the Korean War, he served as an Air Force combat intelligence officer in Korea.

He was admitted to the Colorado Bar in 1956 and practiced law in Boulder before serving as an assistant attorney general of Colorado from 1958 to 1967. He then served as district attorney for the city and county of Denver until entering Congress in 1971.

Mr. McKevitt was a member of St. John's Episcopal Church at Lafayette Square in Washington.

His first wife, Doris L. McKevitt, died in 1994. Survivors include his wife, Judith Woolley McKevitt of McLean; two daughters from his first marriage, Kate McLagan of Austin and Julia Graf of Park City, Utah; and four grandchildren.

THE GOVERNMENT LAUNCHES WWW.FIRSTGOV.GOV

Mr. DORGAN. Mr. President, the Administration recently launched a new website, www.firstgov.gov. That website is the first all-government portal and will offer one stop information from over 20,000 separate federal websites. This promises to be a great tool. Throughout the country people will be able to download tax forms, read up on the status of legislation, better understand the Social Security system. But Mr. President, meaningful access to all of the important information depends on what side of the Digital Divide you find yourself. To benefit from websites like firstgov, you must have a computer and understand how to use it, and you must have an Internet connection with speeds fast enough to search databases, view graphics and download documents.

As the demand for high speed Internet access grows, numerous companies are responding in areas of dense population. While urban America is quickly gaining high speed access, rural America is being left behind. Ensuring that all Americans have the technological capability is essential in this digital age. It is not only an issue of fairness, but it is also an issue of economic survival.

To remedy the information gap between urban and rural America, I along with Senator DASCHLE introduced S. 2307, the Rural Broadband Enhancement Act, which gives new authority to the Rural Utilities Service to make low interest loans to companies that are deploying broadband technology to rural America.

The Rural Utilities Service has helped before; it can help again. When we were faced with electrifying all of the country, we enacted the Rural Electrification Act. When telephone service was only being provided to well-populated communities, we expanded the Rural Electrification Act and created the Rural Utilities Service to oversee rural telephone deployment. The equitable deployment of broadband services is only the next step in keeping American connected, and our legislation would ensure that.

If we fail to act, rural America will be left behind once again. As the economy moves further and further towards online transactions and communications, rural America must be able to participate. They must be able to start their own online business if they so desire and access information about government services efficiently.

I look forward to working with my colleagues in the Senate to address this problem and to bring meaningful data access to all parts of this country.

THE MARITIME ADMINISTRATION AUTHORIZATION ACT

Mr. MCCAIN. Mr. President, last Thursday, the Senate passed S. 2487, the Maritime Administration Authorization Act for Fiscal Year 2001. Passage of this measure will help to ensure our nation's maritime industry has the support and guidance it needs to continue to compete in the world market.

The bill authorizes appropriations for the Maritime Administration [MarAd] for fiscal year 2001. It covers operations and training and the loan guarantee program authorized by title XI of the Merchant Marine Act 1936. The House Committee on Armed Services, which has jurisdiction of maritime matters in that body, has chosen to include provisions relating to these authorizations in the House-passed version of H.R. 4205, the National Defense Authorization Act for Fiscal Year 2001. Further, the House conferees on that measure have refused to fully accept S. 2487 as the Senate position as part of the ongoing House-Senate conference deliberations in part, due to the Senate's slow action on the measure. I hope by passing S. 2487 we will change that course.

In addition to the authorizations for operations and training and the loan guarantee program, S. 2487 amends Title IX of the Merchant Marine Act of 1936 to provide a wavier to eliminate the three year period that bulk and breakbulk vessels newly registered under the U.S. flag must wait in order to carry government-impelled cargo. The bill also provides a one year window of opportunity for vessels newly registered under the U.S.-flag to enter into the cargo preference trade without waiting the traditional three year period.

The bill also would amend the National Maritime Heritage Act of 1994 and allow the Secretary to scrap obsolete vessels in both domestic and international market. It would further convey ownership of the National Defense Reserve Fleet Vessel, *Glacier* to the Glacier Society for use as museum and require the Maritime Administration to including the source and intended use of all funding in reports to Congress. Finally, it amends Public Law 101–115 to recognize National Maritime Enhancement Institutes as if they were University Transportation Centers for purposes of the award of research funds for maritime and intermodal research and requires the Secretary of Transportation to review the funding of maritime research in relation to other modes of transportation.

I want to thank the cosponsors of this measure, Senator HOLLINGS and Senator INOUYE for the assistance in moving this measure forward. I hope my colleagues in the House will join us in supporting passage of this legislation so we can move it on to the President for his signature.

THE LATINO IMMIGRATION FAIRNESS ACT

Ms. LANDRIEU. Mr. President, last week, the Senate majority blocked efforts to bring the Latino Immigration Fairness Act to the floor. This bill embodies the essence of America: providing safe haven to the persecuted and down trodden, supporting equal opportunity for the disadvantaged, and promoting family values to our country's residents.

Many of my Senate colleagues perceive this provision to be a necessary addition to the H–1B Visa bill, which extends temporary residence to 195,000 foreign workers each year for the next two years. The Latino Immigration Fairness Act legitimates certain workers who have been living in the U.S. for over five years, and are ready, willing, and able to permanently contribute to our workforce and communities.

Unfortunately, the Majority's leadership has used parliamentary procedures to block this bill from coming to the floor. I am disappointed that too few Republican leaders support this meaningful legislation becoming law. I am convinced that the Latino Immigration Fairness bill has been proposed in the best interests of our country and in accordance with our obligations to promoting democracy and freedom in our hemisphere.

My support for this legislation is based on four fundamental reasons: First, this bill would provide Central American immigrants previously excluded under the Nicaraguan and Central American Relief Act, NACARA, the opportunity to legalize their status; it would allow immigrants applying for permanent residency to remain in the U.S. with their families instead of forcing them to return to their country of origin to apply (a process that can take months to years to complete); and it would change the registry cutoff date to 1986, which would resolve the 14-year bureaucratic limbo that has denied amnesty to qualified immigrants who sought to adjust their status under the 1986 Immigration Reform and Control Act. Finally, this bill would resolve the status of so many valuable members of American society. There are an estimated 6 million immigrants in the United States who are not yet citizens. A majority of these immigrants have been here for many years and are working hard, paying taxes, buying homes, opening businesses and raising families.

For years, U.S. immigration policy has provided refuge to tens of thousands of these Nicaraguans, Cubans, Salvadorans, Guatemalans, Hondurans, and Haitians fleeing civil war and social unrest in their own countries. In 1997 the Nicaraguan Adjustment and Central American Relief Act was signed into law. This statute protects Cuban and Nicaraguan nationals from deportation from the United States. Those residents who have been in the U.S. since December 1995 can now adjust to permanent resident status. But Salvadorans, Guatemalans, Hondurans, and Haitians are still not as fully protected.

In the last decade, Louisiana has provided refuge to thousands of Hondurans seeking relief from natural and human disasters. Displaced by storms, floods, war, and social unrest, many of these people have found warm and comforting homes for their families in the American Bayou.

My State, particularly in New Orleans, boasts a proud tradition of cultural diversity. The Honduran community was originally brought to Louisiana through a thriving banana trade between the Port of Louisiana and Gulf of Honduras in the early twentieth century. As the community grew, Louisiana's Honduran population became the largest outside of Honduras. For this reason, Louisiana seemed the most logical destination for Hondurans fleeing instability during the 1980s and 1990s. Once again, my state, like many others, opened her doors to our desperate Central American brothers.

The Latino Immigration Fairness Act will help fulfill a promise this government has made to these refugees, and attempt to finish the work of Presidents Reagan and Clinton. Under the Reagan Administration, the Immigration and Naturalization Service set up special asylum programs for these people to reside legally in the U.S.

Since then, they have greatly contributed to American society—raising children, paying taxes, and establishing successful businesses throughout our country—as well as contributed direct support to their relatives left behind in their homelands.

In a democracy such as ours, we must be consistent in the principles we uphold for our Latin neighbors seeking asylum. These people have fled political instability and social upheaval in their native lands.

As the guardian of Democratic ideals and chief opponent of repression in the Western Hemisphere, we must ensure that these residents adjust their status to legal resident under the same procedure permitted for Cubans and Nicaraguans.

In sum, I urge my colleagues to consider the United States' historic commitment to fair immigration policies. Our country has been built and continues to be sustained by immigrants.

In her poem, The Colossus, Emma Lazarus named our country the ''Mother of Exiles.'' Personified by the Statue of Liberty, the United States of America continues to shine her torch on refugees from instability and strife—We have opened our doors to people of all races and nationalities, and have prospered from their valuable contributions to labor, community, and culture.

Now, failure to pass Fairness legislation will take away our promise of

freedom to so many deserving residents, and deny us the gifts they have imparted to our shores.

Contrary to what our critics say, supporting this bill does not condone illegal entry into this country. I am proud of our historic value of the rule of law and territorial integrity. At the same time, I am equally concerned that once certain people have resided in this country for years and contributed to our country's prosperity, some would have us uproot such valuable members of our society.

Let us not eject Honduran, Haitian, Guatemalan, and Salvadoran nationals, who have, for so long, woven into the American fabric, making American families, paying American taxes, building American homes and businesses, and working for American labor.

Let us not revoke the American promise of freedom, and help deport so many valuable members of our society. Let us vote for passage of this very American legislation, the Latino Immigration Fairness Act.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business Friday, September 29, 2000, the Federal debt stood at $5,674,178,209,886.86, five trillion, six hundred seventy-four billion, one hundred seventy-eight million, two hundred nine thousand, eight hundred eighty-six dollars and eighty-six cents. One year ago, September 29, 1999, the Federal debt stood at $5,645,399,000,000, five trillion, six hundred forty-five billion, three hundred ninety-nine million.

Five years ago, September 29, 1995, the Federal debt stood at $4,973,983,000,000, four trillion, nine hundred seventy-three billion, nine hundred eighty-three million.

Twenty-five years ago, September 29, 1975, the Federal debt stood at $552,824,000,000, five hundred fifty-two billion, eight hundred twenty-four million which reflects a debt increase of more than $5 trillion—$5,121,354,209,886.86, five trillion, one hundred twenty-one billion, three hundred fifty-four million, two hundred nine thousand, eight hundred eighty-six dollars and eighty-six cents during the past 25 years.

ADDITIONAL STATEMENTS

NEVADA'S OLYMPIC ATHLETES

• Mr. REID. Mr. President, the 27th Olympiad is now finished, and the United States of America should be very proud of our participants. They showed the world that Americans put their hearts and souls into everything that they do. Part of the reason that I support the Olympic tradition is that these special games are a reflection of the diversity, brotherhood, and spirit that the United States celebrates everyday. I am especially proud of my state and the Olympic participants we sent to Sydney, Australia.

Lori Harrigan, Tasha Schwikert, and Charlene Tagaloa were three Nevadan athletes who gave wholly to the U.S. team in their respective sports.

Lori Harrigan, a pitcher for the champion U.S. softball team, helped her team bring home a second gold medal in as many Olympic Games. Lori has had an amazing softball career for many years now, and since she graduated from UNLV, Lori has won 13 international medals for the United States. Lori will be remembered in Olympic history as the first softball player to pitch a complete no-hitter game, which she accomplished this summer in the opening round game. This summer she lived up to the legacy that she blazed as a UNLV Runnin' Rebel, and her softball accomplishments are properly hallmarked by her retired jersey that UNLV has proudly displayed since 1998.

Las Vegan Tasha Schwikert has been the sweet surprise of the Olympic Games. She was not one of the original members of the U.S. gymnastics team. However, she was later chosen as a second alternate. An unfortunate injury to another gymnast gave Tasha the chance that she deserved for an Olympic appearance. Although Tasha didn't medal, she still showed the world a strong performance. And because of her youth and newly developed international experience, we can expect to see Tasha as a leader in future gymnastic competitions.

The United States women's volleyball team was the underdog of the Olympic indoor volleyball competition, and many did not even expect the team to contend for a medal in Sydney. With the help of Las Vegan, Charlene Tagaloa, the women's volleyball team played in the bronze medal math.

Nevada demonstrated its miulticulturalism during the Olympic Games, because six other current or former UNLV Runnin' Rebels competed for their native countries. These unique individuals include four swimmers and two track runners. These athletes are as follows: swimmers Mike Mintenko of Canada, Jacint Simon of Hungary, Andrew Livingston of Puerto Rico, Lorena Diaconescu of Romania, and sprinters, Ayanna Hutchinson and Alicia Tyson, of Trinidad and Tobago.

Nevada's contribution to the Olympic Games does not end with the efforts of its athletes.

Karen Dennis is not only the head of the UNLV women's track team, but she was chosen to be the U.S. women's track coach. Her talent and expertise undoubtedly contributed to the multiple medals and stellar performances we saw from the U.S. track team this Olympics.

Las Vegan Jim Lykins was chosen to be one of the two umpires from the United States to referee women's softball. He gleefully did not umpire the championship game, because Olympic rules prevent umpires from working any games played by their home country. Not being able to umpire the championship match was a worthwhile sacrifice for the gold medal that we won in the fast pitch softball competition.

We should all remember the character of the 2000 Olympic Games, both the smile evoking and heartbreaking moments, and continue to support the Nevadan and American athletes who have the integrity, dedication, and ability to represent our nation, now and in the future. Congratulations to all of our Olympic participants.•

HONORING THE KARNES ON THEIR 50TH WEDDING ANNIVERSARY

• Mr. ASHCROFT. Mr. President, families are the cornerstone of America. Individuals from strong families contribute greatly to society. I believe it is both instructive and important to honor those who have taken the commitment of ''till death us do part'' seriously, demonstrating successfully the timeless principles of love, honor, and fidelity. These characteristics make our country strong.

For these important reasons, I rise today to honor Dorothy and Eddie Karnes, who on October 7, 2000, will celebrate their 50th wedding anniversary. My wife, Janet, and I look forward to the day we can celebrate a similar milestone. The Karnes' commitment to the principles and values of their marriage deserves to be saluted and recognized.•

PRIVATE RELIEF BILL FOR FRANCES SCHOCHENMAIER

• Mr. JOHNSON. Mr. President, on September 28, 2000, the United States Senate unanimously approved legislation to provide private relief for Frances Schochenmaier of Bonesteel, South Dakota. Frances' case clearly warrants action by the United States Congress to correct an injustice inflicted upon her family over 50 years ago. I am pleased that the Senate has taken this important step by passing the Private Relief Bill for Frances Schochenmaier, which I was proud to have introduced and was cosponsored by my friend and colleague from South Dakota Senator TOM DASCHLE. I will continue to work diligently with Members of the House of Representatives to ensure the legislation is passed before the end of this Congressional session and signed by the President.

Frances' husband, Hermann Schochenmaier, was one of the thousands of young men who valiantly answered his country's call to duty during World War II. While serving in Europe, Hermann was wounded—shot in the arm in what medical personnel referred to as a through-and-through'' wound. Upon returning home, the Department of Veterans Affairs awarded Hermann a 10 percent disability rating. For 50 years, Hermann received disability compensation for the injury he received during his service in the United States military. Then, in 1995,

the Department of Veterans Affairs acknowledged that it was ''clearly and unmistakably erroneous'' in rating Hermann's injury too low. Instead of a 10 percent rating, Hermann's injuries during World War II were consistent with a 30 percent disability rating.

Over these 50 years, Hermann received approximately $10,000, when he should have actually received closer to $70,000. Unfortunately, only one week prior to the Department of Veterans Affairs correcting this problem, Hermann Schochenmaier passed away. To further complicate matters, the Department of Veterans Affairs refused to give Hermann's family the disability benefits he rightfully earned.

For the past five years, I have worked with Frances to exhaust every avenue within the Department of Veterans Affairs. The answer was always the same: the law does not allow for veterans' widows to receive these lost benefits. So, I decided that it must take an act of Congress—literally—to ensure that a veteran's widow from Bonesteel received the benefits her husband earned, but was denied from receiving in his lifetime.

Thanks to the perseverance from members of my office, the continued faith of Frances and her family, and some bipartisanship among members of Congress, we were able to pass this important legislation in the Senate and put it on a track to be signed into law by the President before the end of this year.

My wife, Barbara, and I are parents of a son who serves our country in the Army, and we know the sacrifices families make when their loved-ones travel overseas in the military. I am sorry that fate denied Hermann the opportunity to see justice done with the correction of his disability rating. I am thankful that fate and old-fashioned elbow-grease over these past five years has given our country the opportunity to make things right with Frances and the Schochenmaier family.●

RECOGNITION OF THE WELLPINIT SCHOOL DISTRICT

● Mr. GORTON. Mr. President, I take the floor of the Senate today to tell you about the hard working teachers, faculty and parents of the Wellpinit School District and their efforts to improve their children's education by bringing technology to the classroom. For their dedication, I am delighted to present the Wellpinit School District with one of my ''Innovation in Education'' Awards.

The Wellpinit School District is located on the Spokane Indian Reservation in Eastern Washington and educates 440 students of which 95 percent are of Native American descent. The K–12 school has already far exceeded any other rural school in Washington state with its efforts to boost the use of technology in the classroom. Under the direction of Wellpinit's Board of Directors and Superintendent Reid Reidlinger, Wellpinit implemented an innovative program that includes increasing student access to computers and improving students' use of the internet and intranet.

Wellpinit reconfigured its curriculum, integrating it with a computer program that allows students from both elementary and secondary grades to access an individualized instructional program for any core subject. The computerized curriculum has been highly effective in increasing national test scores. In fact, Wellpinit was named the highest achieving Indian Reservation school based on the Iowa Test of Basic Skills. Wellpinit has also been selected as one of America's Top 100 Wired Schools by the editors of Family PC Magazine.

Earlier this year, I awarded Quillayute Valley School District one of my ''Innovation in Education'' Awards for developing the Washington Virtual Classroom Consortium (WVCC), which links rural schools together via the Internet in order to pool resources and expand learning opportunities for students and staff. Wellpinit has joined the WVCC to further enhance the educational opportunities for all students.

Superintendent Reid Reidlinger told me, ''Wellpinit has been a model for other schools. Federal grants have helped with bringing technology to our district, and as a result, we have very advanced students.''

I commend all those who have contributed to Wellpinit's technology plan and ask that the Senate join me in recognizing the hard work and commitment of the students, teachers and faculty at the Wellpinit School District.●

IN RECOGNITION OF TOM WILKENS

● Mr. TORRICELLI. Mr. President, I rise today to recognize one of the truly gifted athletes of the state of New Jersey. It gives me great pleasure to extend my congratulations to Tom Wilkens on winning the bronze medal in the men's 2000 meter individual medley event at the XXVIIth Olympic Games in Sydney, Australia.

Despite having asthma and a severe allergy to chlorine, Tom Wilkens has consistently performed as a champion. At the 1999 Pan Pacific Championships, he won a medal of each color, gold in the 200 meter individual medley, silver in the 200 meter breaststroke, and bronze in the 400 meter individual medley. To this impressive collection, he adds a bronze from the Games of the XXVIIth Olympiad.

Tom Wilkens represents the best of New Jersey's athletes. His outstanding representation of New Jersey and the United States at these Olympic Games is a testament to the dedication that has afforded him success in the face of diversity.

Through his efforts, Tom Wilkens has been able to achieve athletic greatness. His commitment to excellence serves as an inspiration and it is an honor for me to be able to recognize his accomplishments.●

TRIBUTE TO MRS. PATTY LEWIS

● Mr. WARNER. Mr. President, I would like to recognize the professional dedication, vision and public service of Mrs. Patty Lewis who will be leaving the staff of the Senate Armed Services Committee at the end of this year to return to the Department of Defense to serve in the Office of the Assistant Secretary of Defense for Health Affairs. It has been a privilege for me to work with Mrs. Lewis and it is an honor to recognize her many outstanding accomplishments.

I asked Mrs. Lewis to join the staff of the Armed Services Committee last October to assist me and the other Members of the Committee deal with the complex issues of improving the Military Health Care System, TRICARE, and providing health care to Medicare-eligible retired military personnel and their families. She is superbly competent and demonstrated a level of professionalism which far exceeded that of many of her contemporaries. Mrs. Lewis is an expert at cutting through the red tape of the military health care bureaucracy and never losing sight of the fact that taking care of the individual is paramount. Her focus was always on doing the right thing for our service members and their families.

Mrs. Lewis has earned a reputation as someone on whom we could rely to provide fresh ideas, detailed research, and practical solutions to complex problems. Her professional abilities and expertise have earned her the respect and trust of her colleagues on both sides of the aisle and in both Houses of the Congress. Mrs. Lewis' ability to clearly see a viable alternative when others could only see the fog of confusion contributed to the success of the Committee on Armed Services in developing the legislation that will, for the first time in history, definitively entitle retired military personnel to the lifetime of health care that they were promised when they were recruited and reenlisted. With Mrs. Lewis' help, we are finally able to fulfill that commitment.

Mr. President, initiative, caring service and professionalism are the terms used to describe Mrs. Lewis. Patty Lewis is a great credit to the Senate and the Nation. As she now departs to share her experience and expertise with the Department of Defense I call upon my colleagues on both sides of the aisle to recognize her service to the Senate and wish her well in her new assignment.●

HONORING INDUCTEES INTO THE HALL OF VALOR

● Mr. SANTORUM. Mr. President, I rise to day to honor the veterans who will be inducted into the Hall of Valor at Soldiers' & Sailors' Memorial Hall. On October 14, 2000, 15 veterans, all of whom served in World War II, will be inducted in the Hall of Valor. All the

veterans being recognized have received either the Silver Star or the distinguished Flying Cross and are residents of Allegheny County and other areas of Pennsylvania.

Each inductee has distinguished himself through gallantry and courage at the risk of his own life, above and beyond the call of duty. This nation values their service and has recognized these acts of heroism and bravery and those of other servicemen and women. Today, I would like to remember and acknowledge the extraordinary valor each inductee displayed in the name of freedom.

Induction in the Hall of Valor is one way we can bear witness to and acknowledge the service of each inductee. I wish to extend my sincere gratitude for their sacrifice and dedication in the U.S. Armed Forces. All of the heroes we honor today—both those present and those who have gone before us—deserve the highest esteem and admiration. I ask my Senate colleagues to join me in recognizing a few of our nation's veterans as they are inducted into the Hall of Valor at Soldiers' & Sailors' Memorial Hall in Pittsburgh, PA.

In recognition of their actions, Joseph Burdis, Jr., Samuel L. Collier, James J. Fisher, James W. Regan, John A. Somma, William G. Stampahar, Leonard R. Tabish, and Arthur R. Kiefer, Jr. will be inducted in the Hall of Valor. The following veterans will be posthumously inducted: Richard Ascenzi, William John Beynon, Thomas J. Korenich, John Lipovsik, Jr., Joseph Anthony Papst, Michael J. Popko, and Sigmund J. Zelczak.●

TRIBUTE TO DAVID VILLOTTI

● Mr. SMITH of New Hampshire. Mr. President, I rise today to pay tribute to David Villotti of Amherst, NH, on being nominated for the ''Angels in Adoption'' award. David has worked tirelessly to improve the lives of many children throughout New Hampshire.

David's mission is to provide care and support to the neediest children and families in New Hampshire. David has worked to reunite ''his'' children at the Nashua Children's Home to their biological families or, if necessary, have them placed in foster care or adopted into loving families. Some of these children have experienced a tremendous amount of emotional and physical trauma. David creates an environment that is safe for these children to grow while they await word on their family situation.

When David first began working at the Nashua Children's Home 15 years ago, there were 18 children in residence. Today there are 46. David and his staff continue to provide support to families while allowing children the environment that they need to grow and mature into well-adjusted teenagers and adults. I am proud to have nominated David for the ''Angels in Adoption'' award for the state of New Hampshire.

David, it is an honor to serve you in the U.S. Senate. I wish you all the best in your future endeavors. May you always continue to inspire those around you.●

TRIBUTE TO DR. WENDELL WEART

● Mr. DOMENICI. Mr. President, I rise to commend a fellow New Mexican, Dr. Wendell Weart. He is a remarkable scientist, an international authority on radioactive waste management, and the Senior Fellow at Sandia National Laboratories in Albuquerque, New Mexico. After his distinguished career, he is retiring in October. His outstanding abilities have been crucial to the success of the world's first deep geologic repository for radioactive waste. It is highly appropriate that we recognize his contributions to that project and to the nation.

The Waste Isolation Pilot Plant in New Mexico began receiving defense-program radioactive wastes in 1999. The process that led to its opening was long and difficult, requiring the solution of innumerable technical and social problems. Although many people contributed to the solution of those problems, Dr. Weart's role was paramount throughout.

He led Sandia's technical support for the project from its beginnings in the early 1970s. In the early years his efforts were essential to the exploratory investigations and the final selection of the repository site. He then led the project through the conceptual design of the repository, through the formulation and implementation of the investigations that demonstrated the site's suitability, and through the arduous process of obtaining regulatory approvals. The rigorous scientific basis finally achieved for the repository was due in no small part to Dr. Weart's own scientific expertise and to his unmatched leadership.

At least as important as these highly technical contributions was Dr. Weart's ability to instill confidence among the scientific community and the public. His skill in explaining complex issues, his truthfulness in all controversies, and his tireless patience in dealing with questions and frustrations for more than twenty-five years—all were indispensable contributions to the project. Without the trust Dr. Weart engendered, the Waste Isolation Pilot Plant, though scientifically well grounded, might still have failed to obtain scientific, regulatory, and social approval.

The permanent disposal of radioactive wastes has proved intractable in many countries. Thanks largely to Wendell Weart, the United States now has an operating repository. Congress and the American taxpayers owe him our most sincere thanks and our best wishes.●

MESSAGES FROM THE PRESIDENT

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

EXECUTIVE MESSAGES REFERRED

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

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

MESSAGE FROM THE HOUSE RECEIVED DURING RECESS

Under the authority of the order of the Senate of January 6, 1999, the Secretary of the Senate, on September 29, 2000, during the recess of the Senate, received a message from the House of Representatives announcing that the House disagrees to the amendment of the Senate 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, and agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon. That Mr. SKEEN, Mr. WALSH, Mr. DICKEY, Mr. KINGSTON, Mr. NETHERCUTT, Mr. BONILLA, Mr. LATHAM, Mrs. EMERSON, Mr. YOUNG of Florida, Ms. KAPTUR, Ms. DELAURO, Mr. HINCHEY, Mr. FARR, Mr. BOYD, and Mr. OBEY be the managers of the conference on the part of the House.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that during the recess of the Senate, on September 29, 2000, he had presented to the President of the United States, the following enrolled bill:

S. 1295. An act to designate the United States Post Office located at 3813 Main Street in East Chicago, Indiana, as the ''Lance Corporal Harold Gomez Post Office.''

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JEFFORDS, from the Committee on Health, Education, Labor, and Pensions, with an amendment in the nature of a substitute:

S. 2829: A bill to provide for an investigation and audit at the Department of Education (Rept. No. 106–448).

By Mr. CAMPBELL, from the Committee on Indian Affairs, without amendment:

S. 1840: A bill to provide for the transfer of public lands to certain California Indian Tribes (Rept. No. 106–449).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with an amendment:

S. 2400: A bill to direct the Secretary of the Interior to convey certain water distribution facilities to the Northern Colorado Water Conservancy District (Rept. No. 106–450).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with amendments:

S. 2757: A bill to provide for the transfer or other disposition of certain lands at Melrose

Air Force Range, New Mexico, and Yakima Training Center, Washington (Rept. No. 106–451).

By Mr. CAMPBELL, from the Committee on Indian Affairs, without amendment:

S. 2872: A bill to improve the cause of action for misrepresentation of Indian arts and crafts (Rept. No. 106–452).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, without amendment:

S. 2873: A bill to provide for all right, title, and interest in and to certain property in Washington County, Utah, to be vested in the United States (Rept. No. 106–453).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with an amendment and an amendment to the title:

S. 2877: A bill 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 (Rept. No. 106–454).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, without amendment:

S. 2977: A bill to assist in the establishment of an interpretive center and museum in the vicinity of the Diamond Valley Lake in southern California to ensure the protection and interpretation of the paleontology discoveries made at the lake and to develop a trail system for the lake for use by pedestrians and nonmotorized vehicles (Rept. No. 106–455).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with amendments:

S. 2885: A bill to establish the Jamestown 400th Commemoration Commission, and for other purposes (Rept. No. 106–456).

By Mr. SMITH, of New Hampshire, from the Committee on Environment and Public Works, without amendment:

H.R. 2496: A bill to reauthorize the Junior Duck Stamp Conservation and Design Program Act of 1994 (Rept. No. 106–457).

By Mr. THOMPSON, from the Committee on Governmental Affairs, with amendments:

H.R. 3069: A bill to authorize the Administrator of General Services to provide for redevelopment of the Southeast Federal Center in the District of Columbia (Rept. No. 106–458).

By Mr. SMITH, of New Hampshire, from the Committee on Environment and Public Works, with amendments:

H.R. 3292: A bill to provide for the establishment of the Cat Island National Wildlife Refuge in West Feliciana Parish, Louisiana (Rept. No. 106–459).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, without amendment:

H.R. 4275: A bill to establish the Colorado Canyons National Conservation Area and the Black Ridge Canyons Wilderness, and for other purposes (Rept. No. 106–460).

By Mr. SMITH, of New Hampshire, from the Committee on Environment and Public Works, without amendment:

H.R. 4286: A bill to provide for the establishment of the Cahaba River National Wildlife Refuge in Bibb County, Alabama (Rept. No. 106–461).

H.R. 4318: A bill to establish the Red River National Wildlife Refuge (Rept. No. 106–462).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, without amendment:

H.R. 4579: A bill to provide for the exchange of certain lands within the State of Utah (Rept. No. 106–463).

By Mr. CAMPBELL, from the Committee on Indian Affairs, without amendment:

H.R. 1460: A bill to amend the Ysleta del Sur Pueblo and Alabama and Coushatta Indian Tribes of Texas Restoration Act to decrease the requisite blood quantum required for membership in the Ysleta del Sur Pueblo tribe (Rept. No. 106–464).

By Mr. STEVENS, from the Committee on Appropriations: Special Report entitled ''Further Revised Allocation to Subcommittees of Budget Totals'' (Rept. No. 106–465).

By Mr. HELMS, from the Committee on Foreign Relations, with an amendment in the nature of a substitute:

H.R. 4002: A bill to amend the Foreign Assistance Act of 1961 to revise and improve provisions relating to famine prevention and freedom from hunger.

By Mr. HELMS, from the Committee on Foreign Relations, without amendment:

S. 3076: A bill to establish an undergraduate grant program of the Department of State to assist students of limited financial means from the United States to pursue studies abroad.

By Mr. THOMPSON, from the Committee on Governmental Affairs, without amendment:

S. 3144: An original bill to amend the Inspector General Act of 1978 (5 U.S.C. App.) to establish police powers for certain Inspector General agents engaged in official duties and provide an oversight mechanism for the exercise of those powers.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committee were submitted during the recess on Friday, September 29, 2000:

By Mr. HELMS for the Committee on Foreign Relations.

Treaty Doc. 106–39 Treaty With Mexico on Delimitation of Continental Shelf (Exec. Report No. 106–19).

TEXT OF COMMITTEE RECOMMENDED RESOLUTION OF ADVICE AND CONSENT

Resolved, (two thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Treaty Between the Government of the United States of America and the Government of the United Mexican States on the Delimitation of the Continental Shelf in the Western Gulf of Mexico Beyond 200 Nautical Miles, signed at Washington on June 9, 2000 (Treaty Doc. 106–39), subject to the declaration of subsection (a) and the proviso of subsection (b).

(a) DECLARATION.—The Senate's advice and consent is subject to the following declaration, which shall be binding upon the President:

TREATY INTERPRETATION.—The Senate affirms the applicability to all treaties of the constitutionally based principles of treaty interpretation set forth in Condition (1) of the resolution of ratification of the INF Treaty, approved by the Senate on May 27, 1988, and Condition (8) of the resolution of ratification of the Document Agreed Among the States Parties to the Treaty on Conventional Armed Forces in Europe, approved by the Senate on May 14, 1997.

(b) PROVISIO.—The resolution of ratification is subject to the following proviso, which shall not be included in the instrument of ratification to be signed by the President:

SUPREMACY OF THE CONSTITUTION.—Nothing in this Treaty requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

Treaty Doc. 106–43 Protocol Amending the 1950 Consular Convention with Ireland (Exec. Report No. 106–20)

TEXT OF COMMITTEE RECOMMENDED RESOLUTION OF ADVICE AND CONSENT

Resolved, (two thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Protocol Amending the 1950 Consular Convention Between the United States of America and Ireland, signed at Washington on June 16, 1998 (Treaty Doc. 106–43), subject to the declaration of subsection (a) and the proviso of subsection (b).

(a) DECLARATION.—The Senate's advice and consent is subject to the following declaration, which shall be binding upon the President:

TREATY INTERPRETATION.—The Senate affirms the applicability to all treaties of the constitutionally based principles of treaty interpretation set forth in Condition (1) of the resolution of ratification of the INF Treaty, approved by the Senate on May 27, 1988, and Condition (8) of the resolution of ratification of the Document Agreed Among the States Parties to the Treaty on Conventional Armed forces in Europe, approved by the Senate on May 14, 1997.

(b) PROVISO.—The resolution of ratification is subject to the following proviso, which shall not be included in the instrument of ratification to be signed by the President:

SUPREMACY OF THE CONSTITUTION.—Nothing in this Treaty requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

Treaty Doc. 104–35 Inter-American Convention on Serving Criminal Sentences Abroad (Exec. Report No. 106–21)

TEXT OF COMMITTEE RECOMMENDED RESOLUTION OF ADVICE AND CONSENT

Resolved, (two thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Inter-American Convention on Serving Criminal Sentences Abroad, done in Managua, Nicaragua, on June 9, 1993, signed on behalf of the United States at the Organization of American States Headquarters in Washington on January 10, 1995 (Treaty Doc. 104–35), subject to the conditions of subsections (a) and (b).

(a) The advice and consent of the Senate is subject to the following conditions, which shall be included in the instrument of ratification of the Convention:

(1) RESERVATION.—With respect to Article V, paragraph 7, the United States of America will require that whenever one of its nationals is to be returned to the United States, the sentencing state provide the United States with the documents specified in that paragraph in the English language, as well as the language of the sentencing state. The United States undertakes to furnish a translation of those documents into the language of the requesting state in like circumstances.

(2) UNDERSTANDING.—The United States of America understands that the consent requirements in Articles III, IV, V and VI are cumulative; that is, that each transfer of a sentenced person under this Convention shall require the concurrence of the sentencing state, the receiving state, and the prisoner, and that in the circumstances specified in Article V, paragraph 3, the approval of the state or province concerned shall also be required.

(b) The advice and consent of the Senate is subject to the following conditions, which are binding upon the President but not required to be included in the instrument of ratification of the Convention:

(1) DECLARATION.—The Senate affirms the applicability to all treaties of the constitutionally based principles of treaty interpretation set forth in Condition (1) of the resolution of ratification of the INF Treaty, approved by the Senate on May 27, 1988, and Condition (8) of the resolution of ratification of the Document Agreed Among the States Parties to the Treaty on Conventional Armed Forces in Europe, approved by the Senate on May 14, 1997

(2) PROVISO.—Nothing in this Treaty requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

Treaty Doc. 105–54 Treaty With Belize for the Return of Stolen Vehicles (Exec. Report No. 106–22)

TEXT OF COMMITTEE RECOMMENDED RESOLUTION OF ADVICE AND CONSENT

Resolved, (two thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Treaty Between the Government of the United States of America and the Government of Belize for the Return of Stolen Vehicles, with Annexes and Protocol, signed at Belmopan on October 3, 1996 (Treaty Doc. 105–54), subject to the declaration of subsection (a) and the proviso of subsection (b).

(a) DECLARATION.—The Senate's advice and consent is subject to the following declaration, which shall be binding upon the President:

TREATY INTERPRETATION.—The Senate affirms the applicability to all treaties of the constitutionally based principles of treaty interpretation set forth in Condition (1) of the resolution of ratification of the INF Treaty, approved by the Senate on May 27, 1988, and Condition (8) of the resolution of ratification of the Document Agreed Among the States Parties to the Treaty on Conventional Armed Forces in Europe, approved by the Senate on May 14, 1997.

(b) PROVISO.—The resolution of ratification is subject to the following proviso, which shall not be included in the instrument of ratification to be signed by the President:

SUMMARY OF THE CONSTITUTION.—Nothing in this Treaty requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

Treaty Doc. 106–40 Treaty With Costa Rica on Return of Vehicles and Aircraft (Exec. Report No. 106–22)

TEXT OF COMMITTEE RECOMMENDED RESOLUTION OF ADVICE AND CONSENT

Resolved, two thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Treaty Between the Government of the United States of America and the Government of the Republic of Costa Rica for the Return of Stolen, Robbed, Embezzled or Appropriated Vehicles and Aircraft, with Annexes and a related exchange of notes, signed at San Jose on July 2, 1999 (Treaty Doc. 106–40), subject to the declaration of subsection (a) and the proviso of subsection (b).

(a) DECLARATION.—The Senate's advice and consent is subject to the following declaration, which shall be binding upon the President:

TREATY INTERPRETATION.—The Senate affirms the applicability to all treaties of the constitutionally based principles of treaty interpretation set forth in Condition (1) of the resolution of ratification of the INF Treaty, approved by the Senate on May 27, 1988, and Condition (8) of the resolution of ratification of the Document Agreed Among the States Parties to the Treaty on Conventional Armed Forces in Europe, approved by the Senate on May 14, 1997.

(b) PROVISO.—The resolution of ratification is subject to the following proviso, which shall not be included in the instrument of ratification to be signed by the President:

SUPREMACY OF THE CONSTITUTION.—Nothing in this Treaty requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

Treaty Doc. 106–7 Treaty With Dominican Republic for the Return of Stolen or Embezzled Vehicles (Exec. Report No. 106–22)

TEXT OF COMMITTEE RECOMMENDED RESOLUTION OF ADVICE AND CONSENT

Resolved, (two thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Treaty Between the Government of the United States of America and the Government of the Dominican Republic for the Return of Stolen or Embezzled Vehicles, with Annexes, signed at Santo Domingo on April 30, 1996 (Treaty Doc. 106–7), subject to the declaration of subsection (a) and the proviso of subsection (b).

(a) DECLARATION.—The Senate's advice and consent is subject to the following declaration, which shall be binding upon the President:

Treaty Interpretation.—The Senate affirms the applicability to all treaties of the constitutionally based principles of treaty interpretation set forth in Condition (1) of the resolution of ratification of the INF Treaty, approved by the Senate on May 27, 1988, and Condition (8) of the resolution of ratification of the Document Agreed Among the States Parties to the Treaty on Conventional Armed Forces in Europe, approved by the Senate on May 14, 1997.

(b) PROVISO.—The resolution of ratification is subject to the following proviso, which shall not be included in the instrument of ratification to be signed by the President:

SUPREMACY OF THE CONSTITUTION.—Nothing in this Treaty requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

Treaty Doc. 105–58 Treaty With Guatemala for the Return of Stolen or Robbed, Embezzled or Appropriated Vehicles and Aircraft (Exec. Report No. 106–22)

TEXT OF COMMITTEE RECOMMENDED RESOLUTION OF ADVICE AND CONSENT

Resolved, (two thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Treaty Between the Government of the United States of America and the Government of the Republic of Guatemala for the Return of Stolen, Robbed, Embezzled or Appropriated Vehicles and Aircraft, with Annexes and a Related Exchange of Notes, signed at Guatemala City on October 6, 1997 (Treaty Doc. 105–58), subject to the declaration of subsection (a) and the proviso of subsection (b).

(a) DECLARATION.—The Senate's advice and consent is subject to the following declaration, which shall be binding upon the President:

Treaty Interpretation.—The Senate affirms the applicability to all treaties of the constitutionally based principles of treaty interpretation set forth in Condition (1) of the resolution of ratification of the INF Treaty, approved by the Senate on May 27, 1988, and Condition (8) of the resolution of ratification of the Document Agreed Among the States Parties to the Treaty on Conventional Armed Forces in Europe, approved by the Senate on May 14, 1997.

(b) PROVISO.—The resolution of ratification is subject to the following proviso, which shall not be included in the instrument of ratification to be signed by the President:

SUPREMACY OF THE CONSTITUTION.—Nothing in this Treaty requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

Treaty Doc. 106–44 Treaty With Panama on Return of Vehicles and Aircraft (Exec. Report No. 106–22)

TEXT OF COMMITTEE RECOMMENDED RESOLUTION OF ADVICE AND CONSENT

Resolved, (two thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Treaty Between the Government of the United States of America and the Government of the Republic of Panama for the Return of Stolen, Robbed, or Converted Vehicles and Aircraft, with Annexes, signed at Panama on June 6, 2000, and a related exchange of notes of July 25, 2000 (Treaty Doc. 106–44), subject to the declaration of subsection (a) and the proviso of subsection (b).

(a) DECLARATION.—The Senate's advice and consent is subject to the following declaration, which shall be binding upon the President:

TREATY INTERPRETATION.—The Senate affirms the applicability to all treaties of the constitutionally based principles of treaty interpretation set forth in Condition (1) of the resolution of ratification of the INF Treaty, approved by the Senate on May 27, 1988, and Condition (8) of the resolution of ratification of the Document Agreed Among the States Parties to the Treaty on Conventional Armed Forces in Europe, approved by the Senate on May 14, 1997.

(b) PROVISO.—The resolution of ratification is subject to the following provisio, which shall not be included in the instrument of ratification to be signed by the President:

SUPREMACY OF THE CONSTITUTION.—Nothing in this Treaty requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

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 Ms. SNOWE:

S. 3141. A bill to amend title XVIII of the Social Security Act to provide for coverage under the Medicare Program of annual screening pap smear and screening pelvic exams; to the Committee on Finance.

By Mr. WARNER:

S. 3142. A bill to expand the boundary of the George Washington Birthplace National Monument, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. SESSIONS (for himself, Mr. JEFFORDS, Mr. BROWNBACK, Ms. COLLINS, Mr. HUTCHINSON, and Mr. STEVENS):

S. 3143. A bill to improve the integrity of the Federal student loan programs under title IV of the Higher Education Act of 1965 with respect to students at foreign institutions; to the Committee on Health, Education, Labor, and Pensions.

By Mr. THOMPSON:

S. 3144. An original bill to amend the Inspector General Act of 1978 (5 U.S.C. App.) to

establish police powers for certain Inspector General agents engaged in official duties and provide an oversight mechanism for the exercise of those powers; from the Committee on Governmental Affairs; placed on the calendar.

By Mr. BREAUX:

S. 3145. A bill to amend the Internal Revenue Code of 1986 to clarify the treatment under the tax-exempt bond rules of prepayments for certain commodities; to the Committee on Finance.

By Mr. CAMPBELL:

S. 3146. 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; read the first time.

By Mr. ROBB (for himself, Mr. SARBANES, Ms. MIKULSKI, Mr. WARNER, Mr. LEVIN, Mr. DEWINE, and Mr. JEFFORDS):

S. 3147. A bill to authorize the establishment, on land of the Department of the Interior in the District of Columbia or its environs, of a memorial and gardens in honor and commemoration of Frederick Douglass; to the Committee on Energy and Natural Resources.

By Mr. DODD (for himself and Mr. KENNEDY):

S. 3148. A bill to provide children with better access to books and other reading materials and resources from birth to adulthood, including opportunities to own books; to the Committee on Health, Education, Labor, and Pensions.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. WARNER:

S. 3142. A bill to expand the boundary of the George Washington Birthplace National Monument, and for other purposes; to the Committee on Energy and Natural Resources.

GEORGE WASHINGTON BIRTHPLACE NATIONAL MONUMENT

Mr. WARNER. Mr. President, today, I am introducing legislation to expand the boundary of the George Washington Birthplace National Monument in Westmoreland County, Virginia by allowing the U.S. Park Service to acquire portions of the surrounding property from willing sellers. Previously, on September 28, 2000, I offered S. 3132 to allow the Park Service to acquire one acre of property adjacent to the park. The bill I introduce today will allow the Park Service to acquire 115 acres from willing sellers, including the one acre referenced in S. 3132. I urge my colleagues to support the preservation of George Washington's birthplace. I ask unanimous consent that the full text of the bill be printed in the RECORD.

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

S. 3142

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

SECTION 1. GEORGE WASHINGTON BIRTHPLACE NATIONAL MONUMENT BOUNDARIES ADJUSTED.

(a) SHORT TITLE.—This Act may be cited as the ''George Washington Birthplace National Monument Boundary Adjustment Act of 2000''.

(b) BOUNDARY OF GEORGE WASHINGTON BIRTHPLACE NATIONAL MONUMENT.—The boundary of the George Washington Birthplace National Monument (hereinafter referred to as the ''monument'') is modified to include the area comprising approximately 115 acres, as generally depicted on the map entitled ''George Washington Birthplace National Monument Boundary Map Westmoreland County Virginia'', numbered 332/80,011B, and dated July 2000. The map shall be on file and available for inspection in the appropriate offices of the National Park Service, Department of the Interior.

(c) ACQUISITION OF LANDS.—The Secretary of the Interior may acquire land or interests in land described in subsection (b) by donation, purchase from willing sellers with donated or appropriated funds, or exchange.

(d) ADMINISTRATION OF LANDS.—Lands added to the monument pursuant to subsection (b) shall be administered by the Secretary of the Interior as part of the monument in accordance with the laws and regulations applicable hereto.

By Mr. SESSIONS (for himself, Mr. JEFFORDS, Mr. BROWNBACK, Ms. COLLINS, Mr. HUTCHINSON, and Mr. STEVENS):

S. 3143. A bill to improve the integrity of the Federal student loan programs under title IV of the Higher Education Act of 1965 with respect to students at foreign institutions; to the Committee on Health, Education, Labor, and Pensions.

FEDERAL STUDENT LOAN PROGRAMS IMPROVEMENTS ACT

Mr. SESSIONS. Mr. President, I am concerned that we as a Congress have not been effective enough in oversight; that is, looking at the Federal agencies and Departments of this Government to make sure they are operating effectively.

We ooh and ah and make complaints and express concern, but we do not often follow through. I know fundamentally it is the responsibility of the administration to run the executive branch, but Congress does fund that branch and has every right to insist that branch does its duty effectively, expeditiously, and economically with minimum waste, fraud, and abuse.

I had the pleasure about a year ago to have a conversation with a wonderful lady, Melanie DeMayo, who used to work with Senator Proxmire and was involved in his ''Golden Fleece Award'' presentations. She convinced me I could play a role in helping to make sure, when a dollar is extracted from a hard-working American citizen and is brought to this Senate, this Government, to be spent, that it is spent wisely and not wasted or abused or ineffectively utilized to carry out whatever worthwhile program was intended. I appreciate her insight and help in thinking this through.

I have developed what I call Integrity Watch. I spent a number of years as a Federal prosecutor. I believe we can do a better job of maintaining integrity in this Government. When we are spending $1.7 trillion a year, it is incumbent upon us to make sure there is oversight over these programs.

I have come to realize that we have a very large student loan program, and there are some problems with it. Today I am offering legislation to create a 12-month fraud control pilot program to reduce the incidence of fraud in the Federal Family Education Loan Program and other programs under title IV.

In recent years, there have been a number of cases of so-called students falsely claiming they are attending foreign schools, directing that their student loan checks be paid directly to them and not to the school, and then taking the money and spending it on themselves and not attending the foreign school. This fraud has been documented with many examples listed in a 1997 Department of Education inspector general's report.

In addition, the report contains recommendations on tightening controls for the program. Too often these reports are dry, detailed, and complicated. Nobody in this body even reads them, much less acts on them. Certainly, I doubt the President, who says he wants to increase foreign student loans, has read the report. We certainly have not seen any request from the administration to improve this. I believe we can and should do it in Congress.

It is time, I believe, for this Congress to close the loopholes which allow these phantom students to defraud the Government.

On April 19, 2000, President Clinton and Secretary of Education Riley declared that international education is a priority with them. They want to encourage more students to study abroad. In fact, the President issued a memorandum to the heads of executive departments and agencies stating that the United States is committed to promoting study abroad by U.S. students. He stated:

> The Secretaries of State and Education shall support the efforts of schools and colleges to improve access to high-quality international educational experiences by increasing the number and diversity of students who study and intern abroad, encouraging students and institutions to choose nontraditional study-abroad locations, and helping under-represented United States institutions offer and promote study-abroad opportunities for their students.

Study abroad can be a wonderful experience for a student, and I do not oppose some form of student loan aid to students who want to take advantage of that. It can be an extraordinarily enriching experience. We do need to ensure that the program involves study and not a European vacation at the expense of hard-working American taxpayers for whom a visit to the ball park is often beyond their budget.

This new initiative by the administration will increase the risk of fraud unless we institute sound controls immediately. I am not referring to U.S. universities that have foreign programs or cooperative programs with foreign universities. I am talking about mainly the unsupervised foreign-based

institutions. Some of these institutions have already been criticized by General Accounting Office studies. Often these marginal schools are the very schools the so-called students use in their fraud scam. Their fraud is committed when they state they are registering in these schools and then simply pocket the money with no one the wiser.

Since 1995, there have been 25 felony convictions of students who fraudulently claimed they were attending a foreign school, and then they just cashed their Government loan check and simply did not attend class. In the United States, the check is made out to the school and the student, but with regard to foreign schools, the check is made out simply to the students. These are only the students who were caught doing their fraudulent activity. I have no doubt there are many more who have not been apprehended. That is why we ought to take action. We must prevent cases such as this one.

Mr. Conrad Cortez claimed to be such a student, and he applied for student loans. In March of 2000, he admitted to charges of submitting 19 fraudulent student loan applications over a 3-year period. He pled guilty before a U.S. district court judge to numerous accounts of mail fraud, bank fraud, and Social Security account number fraud in the State of Massachusetts. The prosecutor told the court in that case that Cortez was responsible for dozens of other loans filed outside Massachusetts—in Florida and Texas.

The absolute disregard for the American taxpayers was epitomized by Conrad Cortez. Mr. Cortez was living high at the expense of American taxpayers and in violation of law by filing false documents to receive loan money from the Government.

During the period from 1996 through 1999, he bought gifts for his friends, including jewelry and cars, paid for private tennis lessons, made a downpayment on a house, sent some money back to his native Colombia, ate in the best restaurants, and even paid restitution for a previous charge of defrauding the Government, and he did this all with the American taxpayers' money.

Mr. Cortez' fraud only ended when he was turned in by his sister's boyfriend, who claimed that Mr. Cortez had used his identity to obtain additional loans. In fact, Mr. Cortez was about to help himself to $800,000 that you and I pay in income taxes. He had filed 37 false claims in all, spending the money as fast as it came in to him.

The inspector general's office of the Department of Education, with the FBI, and the attorney general's office in Boston combined forces to apprehend him before he could get all the money that was coming to him through those false loans. He did, however, pocket about $300,000 before he was caught.

This is not an isolated case. In 1994, the General Accounting Office found that the Department of Education had approved student loans to hundreds of students attending 91 foreign medical schools. Frankly, I am not sure there are 91 medical schools out there in this world, outside the United States, for which we ought to be funding education. If somebody comes to this country expecting to be a doctor, we need to know they have met certain quality education standards. But, at any rate, that is what we hear.

In applying its standards, the Department of Education relies exclusively on information submitted by those foreign schools as to their viability. Enforcement and oversight problems at the Department still abound. Who is to say how many students have fraudulently applied for loans? There isn't a report on that. Those are unknown unknowns, as they say in management. We cannot measure what we do not know.

Most likely, the greatest abuse of the system occurs when the student, for various reasons, just pockets the money and never goes to class. Under the present system, who will know? We do know that the system is broken. This legislation is one step toward fixing it.

Another abuse occurs when a foreign school is actually paid the tuition but does not insist that the student attend class and provides no real education to the student. I guess a foreign school could simply be glad to get the American money, the American check, and at that point it is up to the student whether or not he or she actually attends class or learns anything. I think we need to have the Department of Education look into that and make sure students are actually attending class and not taking a European vacation.

Mr. Cortez demonstrated a perfect example of why this program is high risk. There simply is not enough oversight. Currently, the methodology for approving and releasing student loan funds is vulnerable. Current law states that the student may request a check be issued directly to him or her, when claiming they are attending a foreign school, and a check will be sent directly to them, without the requirement of a cosignature by the school.

The Office of Inspector General at the Department of Education identified weaknesses and deficiencies in the following areas of the foreign school attendance programs: Verification of enrollment, the disbursement process, the determination of the borrowers' eligibility, standards of administrative and financial capability on the part of the foreign school, and general oversight of foreign schools.

The same Office of Inspector General report—that is the Department of Education's own inspector general's office within that Department—stated that the number of students claiming to attend foreign schools and applying for loans increased each academic year from 1993 to 1997 and went from 4,594 students to 10,715 students. Later figures show the number continues to increase. Indeed, in 1998–1999 there were 12,000 foreign loans.

My legislation will require the Secretary of Education to initiate a 12-month fraud control pilot program involving guaranty agencies—those are the people who put up the loan money guaranteed by the Federal Government—lenders, and a representative group of foreign schools to reduce the incidence of fraud in the student loan program. I believe the Secretary should look into a number of solutions.

Maybe the guaranty agencies should confirm that the student is enrolled in the foreign school before the loan is actually disbursed. After the money has been disbursed to the student, maybe the guaranty agencies should confirm that the student remains registered.

The Secretary should also determine whether it would be advantageous to require a loan check to be endorsed by both the student and the foreign institution. I am inclined to think it is. But we shall see. Maybe this evaluation period can help us determine that.

The question then becomes, Why are we paying for students to go to foreign schools? These are American taxpayers' dollars flowing to foreign economies where the standards of education may not be as high as ours. I have checked with the higher education systems in my State. They certainly are not at full capacity and certainly can handle more students.

Perhaps there should be some limit on the number of years of study abroad. How many? Five? Six? Seven? Is that limited today? No, it is not. Maybe we ought to limit the number of years that the taxpayers will fund foreign education. Today there is no limit. Students can complete their entire education abroad, supported by the taxpayers, sometimes not in good institutions. Perhaps the quality of the institution should be verified, among other things. But this will not be an issue raised by our legislation today.

Our legislation will simply go to the question of whether or not we can improve the way we guard against actual fraud in these loans. It will begin the process of erasing the fraudulent behavior of ''students'' claiming they are attending foreign schools and then pocketing the money for their personal lifestyle.

So I introduce this legislation today and hope my colleagues will quickly support such a measure as this because I believe it will reduce the fraud that has been plainly demonstrated in a critical report by the Office of Inspector General of the U.S. Department of Education.

In the course of working on this, I would like to express my appreciation to a number of people who have played an important role in this. I thank the cosponsors of this legislation, including Senator JEFFORDS, who chairs the Health, Education, Labor, and Pensions Committee; Senator TIM HUTCHINSON of Arkansas, who is here, who has been a supporter and has had a great interest in this as a cosponsor; along with Senators BROWNBACK and COLLINS.

I also express my appreciation to Scott Giles of Senator JEFFORDS's office; to Melanie DeMayo, who has done such a tremendous job helping us identify and research this problem; and Anthony Leigh of my staff, who is with me now, who has helped me work on this.

We believe this is perhaps not a glamorous issue but an important issue, an important step we can take to eliminate plain fraud that is clearly occurring around this country to a substantial degree, defrauding the taxpayers of the money they have sent to Washington.

Mr. President, I thank the Chair and yield the floor.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. HUTCHINSON. Mr. President, I commend the distinguished Senator from Alabama for his work in this area. I am glad I am cosponsoring the bill. Senator SESSIONS has been one of the tireless leaders in education and in rooting out fraud and abuse in the Department of Education.

I also mention, with Senator SESSIONS' help on the Education Committee, we recently sent a bill out that I sponsored on the Senate side, that passed the House of Representatives, which would require a fraud audit of the Department of Education be performed by the General Accounting Office within 6 months.

While the Senator is dealing with one specific area of fraud that is very serious, for which this legislation needs to be enacted, there are other examples of fraud, mismanagement, and abuse within the Department of Education that have come to light in recent days.

We are hopeful that legislation can move before this session ends. It is ironic that there are those who want the Department of Education to have even more power, such as in the hiring of 100,000 teachers or in school construction projects, when it is clearly a troubled agency that has had a real problem in even having a clean audit of their books.

So I commend the Senator heartily and appreciate the work he is doing.

By Mr. ROBB (for himself, Mr. SARBANES, Ms. MIKULSKI, Mr. WARNER, Mr. LEVIN, Mr. DEWINE, and Mr. JEFFORDS):

S. 3147. A bill to authorize the establishment, on land of the Department of the Interior in the District of Columbia or its environs, of a memorial and gardens in honor and commemoration of Frederick Douglass; to the Committee on Energy and Natural Resources.

FREDERICK DOUGLASS MEMORIAL

Mr. ROBB. Mr. President, I rise to introduce legislation to authorize a memorial and gardens in honor and commemoration of Frederick Douglass. Frederick Douglass was a renowned abolitionist and civil rights leader. As a powerful orator, Douglass spoke out against slavery. As an advisor to President Abraham Lincoln, Douglass advocated for equal voting rights for African Americans. Frederick Douglass spent over 20 years living in the Anacostia region of Washington, D.C. and it is appropriate that we dedicate the National Memorial and Gardens to his memory in the community where he lived. As companion legislation gains momentum in the House, it is important that we pledge our support to this worthy endeavor.

Mr. DODD (for himself and Mr. KENNEDY):

S. 3148. A bill to provide children with better access to books and other reading materials and resources from birth to adulthood, including opportunities to own books; to the Committee on Health, Education, Labor, and Pensions.

ACCESS TO BOOKS FOR CHILDREN ACT

Mr. DODD. Mr. President, I rise today to offer a bill to enhance our efforts to provide children with opportunities to develop literacy skills and a love of reading through access to and ownership of books. I am pleased to be joined in this effort by Senator JEFFORDS, Senator KENNEDY, and Senator MURRAY.

This bill would continue the good work of the Inexpensive Book Distribution program which we know as Reading is Fundamental (RIF), and would authorize two new programs to support public/private partnerships with the mission of making books and reading an integral part of childhood and of providing books to children who may have no books of their own. Books opened a new world for me as a child and I want to make sure that all children have that same opportunity.

Books are almost magical in their power. They inspire children to dream, to imagine infinite possibilities and ultimately to work to make some of those possibilities real. But for too many children, the power of books is unrealized because of their own inability to read and because of limited access to books in their homes and communities. In 1998, 38 percent of fourth graders in America ranked below the basic level of reading according to the National Assessment of Educational Progress. Sixty-four percent of African American and 60 percent of Hispanic American fourth graders read below the basic level of reading.

These children are at high risk of never learning to read at an advanced level. When children do not learn to read in the early years of elementary school, it is virtually impossible to catch up in later years. Research shows that if a child cannot read well by third grade, the prospect of later success is significantly diminished. Seventy-five percent of students who score below grade level in reading in third grade will be behind grade level in high school.

But the foundation on which literacy is built, begins much earlier. Reading to babies teaches them the rhythms and sounds of language. As early as pre-school, children can recognize specific books, can understand how to handle them, and can listen to stories for in books. The National Research Council's 1998 landmark study, ''Preventing Reading Difficulties in Young Children,'' makes clear that to become good readers, children need to learn letters and sounds, they need to learn to read for meaning, and they must practice reading with many types of books to gain the speed and fluency that makes reading rewarding.

We know that children who live in print-rich environments and are read to in their early years are much more likely to learn to read on schedule. However, parents of children living in poverty often lack the resources to buy books, rarely have easy access to children's books, and may face reading difficulties of their own. For many families, where the choice is between buying books to read at home and buying food or clothes, federal programs that support book donations and literacy can change lives.

This legislation creates what I call the Access to Books for Children program (or ABC). It provides children with better access to books and resources from birth to adulthood, including opportunities to own books. The success of the Inexpensive Book Distribution Program is well-known. This program has enabled Reading Is Fundamental, Inc. (RIF) to put books in the hands and homes of America's neediest and most at-risk children. RIF is the nation's largest children's and family literacy organization. Through a contract with the U.S. Department of Education, RIF provides federal matching funds to thousands of school and community based organizations that sponsor local RIF projects. Some 240,000 parents, educators, care givers, and community volunteers run RIF programs at more than 16,500 sites that reach out to serve 3.5 million kids nationwide. This bill would continue the good work of the Inexpensive Book Distribution Program and increase the authorization for this program to $25 million.

This legislation also supports two new public/private partnerships to reach children with books and literacy services. The Local Partnerships for Books programs is funded not to support a new literacy project, but to support the ones that already exist with low cost or donated books. The program would support local partnerships that link with grassroots organizations to provide them with low-cost or donated books for at-risk, low income children. Local Partnerships for Books is organized around the principle that the private sector should be a major player in this effort to put books in the hands of our Nation's children through donations and partnerships.

This legislation would also support Partnerships for Infants and Young Children—a program that makes early literacy part of pediatric primary care. This program would support linking

literacy and a healthy childhood. Visits to a pediatrician are a regular part of early childhood and offer an excellent opportunity to empower parents to build the foundations for literacy. This initiative is modeled on Reach Out and Read (ROR) which utilizes a comprehensive approach—including volunteer readers in waiting rooms, physician training in literacy, and providing each child with an age appropriate book during each visit—to support parents in developing literacy in their children. An evaluation of this program found that parents are ten times more likely to read to their children if they received a book from their pediatrician.

Mr. President, this legislation is just one piece of the larger puzzle we must confront as we struggle to improve our children's literacy skills—but it is a piece that cannot be overlooked. To learn to read, kids need books to read; it is as simple as that. This legislation will harness the energies and commitment of volunteers, corporate America, local literacy programs, doctors and teachers to make books, and book ownership, a reality for every child.

I ask unanimous consent that the bill and an endorsement be printed in the RECORD.

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

S. 3148

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 ''Access to Books for Children Act'' or the ''ABC Act''.

SEC. 2. AMENDMENT TO THE ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965.

Part E of title X of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8131 et seq.) is amended to read as follows:

"PART E—ACCESS TO BOOKS FOR CHILDREN (ABC)

"SEC. 10500. PURPOSE.

''It is the purpose of this part to provide children with better access to books and other reading materials and resources from birth to adulthood, including opportunities to own books.

"Subpart 1—Inexpensive Book Distribution Program

"SEC. 10501. INEXPENSIVE BOOK DISTRIBUTION PROGRAM FOR READING MOTIVATION.

''(a) AUTHORIZATION.—The Secretary is authorized to enter into a contract with Reading is Fundamental (RIF) (hereafter in this section referred to as 'the contractor') to support and promote programs, which include the distribution of inexpensive books to students, that motivate children to read.

''(b) REQUIREMENTS OF CONTRACT.—Any contract entered into under subsection (a) shall—

''(1) provide that the contractor will enter into subcontracts with local private nonprofit groups or organizations, or with public agencies, under which each subcontractor will agree to establish, operate, and provide the non-Federal share of the cost of reading motivation programs that include the distribution of books, by gift, to the extent feasible, or loan, to children from birth through secondary school age, including those in family literacy programs;

''(2) provide that funds made available to subcontractors will be used only to pay the Federal share of the cost of such programs;

''(3) provide that in selecting subcontractors for initial funding, the contractor will give priority to programs that will serve a substantial number or percentage of children with special needs, such as—

''(A) low-income children, particularly in high-poverty areas;

''(B) children at risk of school failure;

''(C) children with disabilities;

''(D) foster children;

''(E) homeless children;

''(F) migrant children;

''(G) children without access to libraries;

''(H) institutionalized or incarcerated children; and

''(I) children whose parents are institutionalized or incarcerated;

''(4) provide that the contractor will provide such technical assistance to subcontractors as may be necessary to carry out the purpose of this section;

''(5) provide that the contractor will annually report to the Secretary the number of, and describe, programs funded under paragraph (3); and

''(6) include such other terms and conditions as the Secretary determines to be appropriate to ensure the effectiveness of such programs.

''(c) RESTRICTION ON PAYMENTS.—The Secretary shall make no payment of the Federal share of the cost of acquiring and distributing books under any contract under this section unless the Secretary determines that the contractor or subcontractor, as the case may be, has made arrangements with book publishers or distributors to obtain books at discounts at least as favorable as discounts that are customarily given by such publisher or distributor for book purchases made under similar circumstances in the absence of Federal assistance.

''(d) DEFINITION OF 'FEDERAL SHARE'.—For the purpose of this section, the term 'Federal share' means, with respect to the cost to a subcontractor of purchasing books to be paid under this section, 75 percent of such costs to the subcontractor, except that the Federal share for programs serving children of migrant or seasonal farmworkers shall be 100 percent of such costs to the subcontractor.

''(e) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated $25,000,000 for fiscal year 2001 and such sums as may be necessary for each of the four succeeding fiscal years.

"Subpart 2—Local Partnerships for Books

"SEC. 10511. LOCAL PARTNERSHIPS FOR BOOKS.

''(a) AUTHORIZATION.—The Secretary is authorized to enter into a contract with a national organization (referred to in this section as the 'contractor') to support and promote programs that—

''(1) pay the Federal share of the cost of distributing at no cost new books to disadvantaged children and families primarily through tutoring, mentoring, and family literacy programs; and

''(2) promote the growth and strengthening of local partnerships with the goal of leveraging the Federal book distribution efforts and building upon the work of community programs to enhance reading motivation for at-risk children.

''(b) REQUIREMENTS OF CONTRACT.—Any contract entered into under subsection (a) shall—

''(1) provide that the contractor will provide technical support and initial resources to local partnerships to support efforts to provide new books to those tutoring, mentoring, and family literacy programs reaching disadvantaged children;

''(2) provide that funds made available to subcontractors will be used only to pay the Federal share of the cost of such programs;

''(3) provide that the contractor, working in cooperation with the local partnerships, will give priority to those tutoring, mentoring, and family literacy programs that serve children and families with special needs, predominantly those children from economically disadvantaged families and those children and families without access to libraries;

''(4) provide that the contractor will annually report to the Secretary regarding the number of books distributed, the number of local partnerships created and supported, the number of community tutoring, mentoring, and family literacy programs receiving books for children, and the number of children provided with books; and

''(5) include such other terms and conditions as the Secretary determines to be appropriate to ensure the effectiveness of the program.

''(c) RESTRICTION ON PAYMENTS.—The Secretary shall require the contractor to ensure that the discounts provided by publishers and distributors for the new books purchased under this section is at least as favorable as discounts that are customarily given by such publishers or distributors for book purchases made under similar circumstances in the absence of Federal assistance.

''(d) DEFINITION OF FEDERAL SHARE.—For the purpose of this section, the term 'Federal share' means, with respect to the cost of purchasing books under this section, 50 percent of the cost to the contractor, except that the Federal share for programs serving children of migrant or seasonal farmworkers shall be 100 percent of such costs to the contractor.

''(e) MATCHING REQUIREMENT.—The contractor shall provide for programs under this section, either directly or through private contributions, in cash or in-kind, non-Federal matching funds equal to not less than 50 percent of the amount provided to the contractor under this section.

''(f) AUTHORIZATION OF APPROPRIATION.—For the purpose of carrying out this section, there are authorized to be appropriated $10,000,000 for the fiscal year 2001 and such sums as may be necessary for each of the 4 succeeding fiscal years.

"Subpart 3—Partnerships for Infants and Young Children

"SEC. 10521. PARTNERSHIPS FOR INFANTS AND YOUNG CHILDREN.

''(a) PROGRAMS AUTHORIZED.—The Secretary is authorized to enter into a contract with a national organization (referred to in this section as the 'contractor') to support and promote programs that—

''(1) include the distribution of free books to children 5 years of age and younger, including providing guidance from pediatric clinicians to parents and guardians with respect to reading aloud with their young children; and

''(2) help build the reading readiness skills the children need to learn to read once the children enter school.

''(b) REQUIREMENTS OF CONTRACT.—Any contract entered into under subsection (a) shall—

''(1) provide that the contractor will enter into subcontracts with local private nonprofit groups or organizations or with public agencies under which each subcontractor will agree to establish, operate, and provide the non-Federal share of the cost of reading motivation programs that include the distribution of books by gift, to the extent feasible, or loan to children from birth through 5 years of age, including those children in family literacy programs;

''(2) provide that funds made available to subcontractors will be used only to pay the Federal share of the cost of such programs;

''(3) provide that in selecting subcontractors for initial funding under this section, the contractor will give priority to programs that will serve a substantial number or percentage of children with special needs, such as—

''(A) low-income children, particularly low-income children in high-poverty areas;

''(B) children with disabilities;

''(C) foster children;

''(D) homeless children;

''(E) migrant children;

''(F) children without access to libraries;

''(G) children without adequate medical insurance; and

''(H) children enrolled in a State medicaid program under title XIX of the Social Security Act;

''(4) provide that the contractor will provide such technical assistance to subcontractors as may be necessary to carry out this section;

''(5) provide that the contractor will annually report to the Secretary on the effectiveness of the national program and the effectiveness of the local programs funded under this section, including a description of the national program and of each of the local programs; and

''(6) include such other terms and conditions as the Secretary determines to be appropriate to ensure the effectiveness of such programs.

''(c) RESTRICTION ON PAYMENTS.—The Secretary shall make no payment of the Federal share of the cost of acquiring and distributing books under any contract under this section unless the Secretary determines that the contractor or subcontractor, as the case may be, has made arrangements with book publishers or distributors to obtain books at discounts at least as favorable as discounts that are customarily given by such publisher or distributor for book purchases made under similar circumstances in the absence of Federal assistance.

''(d) DEFINITION OF FEDERAL SHARE.—In this section with respect to the cost to a subcontractor of purchasing books to be paid under this section, the term 'Federal share' means 50 percent of such costs to the subcontractor, except that the Federal share for programs serving children of migrant or seasonal farmworkers shall be 100 percent of such costs to the subcontractor.

''(e) MATCHING REQUIREMENT.—The contractor shall provide for programs under this section, either directly or through private contributions, in cash or in-kind, non-Federal matching funds equal to not less than 50 percent of the amount provided to the contractor under this section.

''(f) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated $10,000,000 for fiscal year 2001 and such sums as may be necessary for each of the 4 succeeding fiscal years.

''Subpart 4—Evaluation

''SEC. 10531. EVALUATION.

''(a) IN GENERAL.—The Secretary shall annually conduct an evaluation of—

''(1) programs carried out under this part to assess the effectiveness of such programs in meeting the purpose of this part and the goals of each subpart; and

''(2) the effectiveness of local literacy programs conducted under this part that link children with book ownership and mentoring in literacy.

''(b) AUTHORIZATION OF APPROPRIATIONS.—For purposes of carrying out this section, there is authorized to be appropriated $500,000 for fiscal year 2001, and such sums as may be necessary in each of the 4 succeeding fiscal years.''.

REACH OUT AND READ
NATIONAL CENTER,
Boston, MA, June 23, 2000.

Hon. EDWARD M. KENNEDY,
U.S. Senate,
Washington, DC.

DEAR SENATOR KENNEDY: I enthusiastically welcome the ''Access to Books for Children Act'' that you, along with Senators JEFFORDS and DODD, are introducing before the U.S. Senate in the coming days.

In my years as a pediatrician, I have witnessed the wide-ranging impact of poverty on thousands of families, particularly as it relates to the healthy development of children. One particularly troublesome manifestation of poverty is the barrier that it erects to having books in the home.

We know that early brain development requires environmental stimulation, and we also know that book sharing assures the language stimulation essential for neuronal complexity and maturation. None of this will happen without books nearby—books in the home.

Making sure that all children have the opportunity to grow up with books requires the participation of all professionals that care for young children. Through the more than 740 Reach Out and Read sites across the country, we are mobilizing the pediatric community to do our part in meeting this challenge. We are delighted by the prospect of support for our efforts through this legislation.

I thank you for the leadership you continue to show in supporting parents in their efforts to help their children grow up healthy. We look forward to helping in any way we can.

Sincerely,

BARRY ZUCKERMAN, MD,
Chairman.

Mr. KENNEDY. Mr. President, I am proud to be a co-sponsor of the Access to Books for Children Act, the ''ABC'' Act. I commend Senator JEFFORDS, Senator DODD, and Senator MURRAY for their leadership on this legislation.

Many successful programs are helping children learn to read well. But too often, the best programs are not available to all children. As a result, large numbers of children are denied the opportunity to learn to read well. 40 percent of 4th grade students do not reach the basic reading level, and 70 percent of 4th graders are not proficient in reading.

Children who fail to acquire basic reading skills early in life are at a disadvantage throughout their education and later careers. They are more likely to drop out of school, and to be unemployed. This important grant will help many more children learn to read well—and learn to read well early—so that they have a greater chance for successful lives and careers.

The programs authorized in the ABC Act complement the work already under way in Massachusetts and other states under the Reading Excellence Act and under the America Reads program. In 1996, President Clinton and the First Lady initiated a new effort to achieve greater national progress on child literacy by proposing their ''America Read Challenge.'' This worthwhile initiative encourages colleges and universities to use a portion of their Work-Study funds to support college students who serve as literacy tutors. Institutions of higher education across Massachusetts are already creating strong relationships with their surrounding communities, and participation in this initiative enhances those relationships. Today, over 1,400 colleges and universities are committed to the President's ''America Reads Work Study Program,'' and 74 of these institutions are in Massachusetts.

The Reading Excellence Act was enacted in 1999 to provide competitive reading and literacy grants to states. States that receive funding then award competitive subgrants to school districts to support local reading improvement programs. The lowest-achieving and poorest schools will benefit the most. The program will help children learn to read in their early childhood years and through the 3rd grade using effective classroom instruction, high-quality family literacy programs, and early literacy intervention for children who have reading difficulties. Massachusetts is one of 17 states to receive funding under this competitive program.

In addition to good instruction, children need to have reading materials outside of school—and even before they start school. They also need adults to read with them, so that they can develop a love of reading early in life.

The ABC Act authorizes three programs to provide children from birth through high school age with low-cost or no-cost books. The programs complement one another by reaching different communities through different means, so that every child can have a book to read.

The act reauthorizes $25 million for the successful Reading Is Fundamental Program, which distributes books to school-age children. This program has been especially effective in Massachusetts. It is helping over 45,000 children at 70 sites across the state obtain access to books. As a teacher from Methuen said, ''RIF continues to excite our students by providing them with books they can call their own, exposing them to a variety of literature, and offering these children worlds unknown.''

Founded in 1966, Reading Is Fundamental serves more than 3.5 million children annually at 17,000 sites in all 50 states, the District of Columbia, and U.S. territories. Over two-thirds of the children served have economic or learning needs that put them at risk of failing to achieve basic educational goals. By the end of 2000, it will have placed 200 million books in the hands and homes of America's children.

The act also authorizes $10 million for the Secretary of Education to award grants to organizations that provide low-cost or no-cost books for local tutoring, mentoring, and family literacy programs. Programs such as First Book have been very successful in encouraging reading. In 1998, First Book was able to distribute more than

2.4 million new books to children living below the poverty line throughout the United States. First book originally committed to distribute two million new books to children over 3 years and add 100 additional First Book communities. Through the extraordinary efforts of its Local Advisory Boards and national partners, First Book has met and far exceeded its book distribution pledge of 2 million books, and has met its expansion goals. We should continue to support programs like First Book that involve businesses and community resources in programs to help ensure that all children have access to books.

The ABC Act also authorizes $10 million for the Secretary of Education to award grants to the organizations that provide free books to children under age 5 in pediatric clinics. Programs like Reach Out and Read in Boston are shining examples of how to provide children with access to books and prereading skills through health checkups with their pediatricians.

For the past 10 years, through private funding, Reach Out and Read has been helping young children ages 0–5 get the early reading skills they need to become successful readers. Reach Out and Read currently serves 930,000 children in 556 local sites in 48 states. Evaluations of the program show that Reach Out and Read increases parents' understanding of reading and their attitude towards reading—especially to their children. Parents are ten times more likely to read to their children if they have received a book from a pediatrician. Children's brain activity is stimulated by reading, enhancing their intellectual and language development. In addition, the program is cost-effective—on average, the cost is only $5 per child.

Holyoke Reach Out and Read is run by Holyoke Pediatric Associates, a large medical practice serving 30,000 clients from Holyoke and surrounding communities in Massachusetts. Sixty percent of the clients are low-income or medicaid eligible families. The program distributed over 3,000 books to children in 1999.

It may seem unusual to talk about literacy in a hospital, but it makes perfect sense. To see that children learn to read, everyone needs to lend a hand. Physicians can be a major part of being of the effort. They can help children and parents understand that reading will enhance the well-being of every child, just as milk and vitamins do. A good book may turn out to be the most important thing a doctor prescribes for a child.

Reach Out and Read is making it possible for many more young children to have access to books and take the first steps toward learning to read and toward becoming good readers in their early years. It is bringing books and the love of reading to many new children every day.

Reading is the foundation of learning and the golden door to opportunity. But for too many children, it becomes a senseless obstacle to the future. Children need and deserve programs like Reading Is Fundamental, First Book, and Reach Out and Read. None of us should rest until every child across the nation has the opportunity to own a book, enjoy a book, and read a book. The nation's future depends on it.

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

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

FIRST BOOK,
Washington, DC, June 29, 2000.

Hon. PATTY MURRAY,
U.S. Senate, Russell Senate Office Building, Washington, DC.

DEAR SENATOR MURRAY: On behalf of First Book's Board of Directors, national volunteer network, and the children and families we serve, I congratulate you and the other co-sponsors of The Access to Books for Children Act. This legislation will change the lives of millions of low-income children by providing these children with personal libraries of their very own. Yours is a piece of legislation whose time has come.

As you know, First Book is a national nonprofit organization with a single mission: to provide an ongoing supply of free, new books to economically disadvantaged children and families participating in community-based tutoring, mentoring, and family literacy programs nationwide, as well as those children without access to libraries. Through our Local Advisory Board network, First Book effectively promotes the growth and strengthening of local partnerships with the goal of leveraging federal book distribution efforts and building upon the work of existing community programs designed to enhance reading motivation for at-risk children.

First Book Local Advisory Boards develop these local partnerships by identifying local resources and securing donations to meet the needs of community-based literacy programs serving low-income children by providing them with access to free books. I look forward to working with the Secretary to support and promote these local programs in order to consistently reach the children who need our help the most.

First Book is deeply grateful, Senator Murray, for your continual support of our mission as well as your commitment to the education of all children. Since we began our work together in 1997, First Book Local Advisory Boards in Washington state have distributed more than 250,000 new books to 48,000 children in 250 local programs. I am also proud to announce that there are currently 15 Local Advisory Boards leveraging the power of community-based partnerships in your home state. As you know, First Book is active nationally in hundreds of communities providing millions of new books to hundreds of thousands of disadvantaged children. Because of your efforts, the ABC Act will enable First Book to build upon this great success in Washington state and across the country.

I also salute the co-sponsors of the ABC Act. Senators James Jeffords, Edward Kennedy, and Chris Dodd have each strongly supported First Book at both the national and local levels in our constant efforts to reach additional children. Through their own volunteer efforts working with low-income children, Senators Jeffords, Kennedy, and Dodd have served as inspiring examples in Washington, D.C. and nationally. In the same way, you and your co-sponsors have provided essential leadership to promote the education of children across the country and have also directly supported First Book, most notably through the First Book National Book Bank initiative launched last June on the grounds of the Capital.

In closing, I would like to share a quote from a letter I received this morning from an Even Start teacher who incorporates First Book books into home visits in which she teaches low-income parents how to read with their children. ''It has been very rewarding to be able to give the books to the children at the home visits. Before First Book, we took a book to share with the family and then had to take the book away with us. Many times there were screams of protest from young children. [After First Book] we find that the families are thrilled with the books and look forward to receiving them.''

Simply put, it shouldn't take ''screams of protest'' from young children to remind us of what we need to do. Thankfully, you and the other co-sponsors are aware of the many challenges facing these young children and you have developed a thoughtful and effective plan to meet their needs and strengthen on-going efforts at the community level. The Access to Books for Children Act will provide millions of new books to low-income children lacking books of their own. I look forward to working with you to bring the magic of book ownership to these many children still waiting for our help.

Sincerely,

KYLE ZIMMER,
President.

ADDITIONAL COSPONSORS

S. 61

At the request of Mr. DEWINE, the name of the Senator from Maine (Ms. COLLINS) was added as a cosponsor of S. 61, a bill to amend the Tariff Act of 1930 to eliminate disincentives to fair trade conditions.

S. 198

At the request of Mrs. BOXER, the name of the Senator from Washington (Mrs. MURRAY) was added as a cosponsor of S. 198, a bill to amend the Public Health Service Act to provide for the training of health professions students with respect to the identification and referral of victims of domestic violence.

S. 459

At the request of Mr. BREAUX, the name of the Senator from Kansas (Mr. BROWNBACK) was added as a cosponsor of S. 459, a bill to amend the Internal Revenue Code of 1986 to increase the State ceiling on private activity bonds.

S. 662

At the request of Ms. SNOWE, the names of the Senator from Illinois (Mr. FITZGERALD) and the Senator from Montana (Mr. BURNS) were added as cosponsors of S. 662, a bill to amend title XIX of the Social Security Act to provide medical assistance for certain women screened and found to have breast or cervical cancer under a federally funded screening program.

S. 670

At the request of Mr. JEFFORDS, the name of the Senator from Illinois (Mr. FITZGERALD) was added as a cosponsor of S. 670, a bill to amend the Internal Revenue Code of 1986 to provide that

the exclusion from gross income for foster care payments shall also apply to payments by qualifying placement agencies, and for other purposes.

S. 786

At the request of Ms. MIKULSKI, the name of the Senator from Washington (Mrs. MURRAY) was added as a cosponsor of S. 786, a bill to amend title II of the Social Security Act to provide that a monthly insurance benefit thereunder shall be paid for the month in which the recipient dies, subject to a reduction of 50 percent if the recipient dies during the first 15 days of such month, and for other purposes.

S. 1322

At the request of Mr. DASCHLE, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S. 1322, a bill to prohibit health insurance and employment discrimination against individuals and their family members on the basis of predictive genetic information or genetic services.

S. 1510

At the request of Mr. MCCAIN, the name of the Senator from Georgia (Mr. CLELAND) was added as a cosponsor of S. 1510, a bill to revise the laws of the United States appertaining to United States cruise vessels, and for other purposes.

S. 1536

At the request of Mr. DEWINE, the names of the Senator from South Carolina (Mr. HOLLINGS), the Senator from West Virginia (Mr. ROCKEFELLER), and the Senator from Nebraska (Mr. HAGEL) were added as cosponsors of S. 1536, a bill to amend the Older Americans Act of 1965 to extend authorizations of appropriations for programs under the Act, to modernize programs and services for older individuals, and for other purposes.

S. 2390

At the request of Mr. HATCH, the name of the Senator from Texas (Mrs. HUTCHISON) was added as a cosponsor of S. 2390, a bill to establish a grant program that provides incentives for States to enact mandatory minimum sentences for certain firearms offenses, and for other purposes.

S. 2505

At the request of Mr. JEFFORDS, the name of the Senator from South Carolina (Mr. HOLLINGS) was added as a cosponsor of S. 2505, a bill to amend title XVIII of the Social Security Act to provide increased assess to health care for medical beneficiaries through telemedicine.

S. 2591

At the request of Mr. JEFFORDS, the name of the Senator from Utah (Mr. BENNETT) was added as a cosponsor of S. 2591, a bill to amend the Internal Revenue Code of 1986 to allow tax credits for alternative fuel vehicles and retail sale of alternative fuels, and for other purposes.

S. 2601

At the request of Mr. ASHCROFT, the name of the Senator from Georgia (Mr. CLELAND) was added as a cosponsor of S. 2601, a bill to amend the Internal Revenue Code of 1986 to exclude from the gross income of an employee any employer provided home computer and Internet access.

S. 2698

At the request of Mr. MOYNIHAN, the names of the Senator from Hawaii (Mr. AKAKA) and the Senator from Connecticut (Mr. DODD) were added as cosponsors of S. 2698, a bill to amend the Internal Revenue Code of 1986 to provide an incentive to ensure that all Americans gain timely and equitable access to the Internet over current and future generations of broadband capability.

S. 2718

At the request of Mrs. MURRAY, her name 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. 2725

At the request of Mr. ROBB, his name was added as a cosponsor of S. 2725, a bill to provide for a system of sanctuaries for chimpanzees that have been designated as being no longer needed in research conducted or supported by the Public Health Service, and for other purposes.

At the request of Mr. SMITH of New Hampshire, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S. 2725, supra.

S. 2841

At the request of Mr. ROBB, the name of the Senator from North Dakota (Mr. CONRAD) was added as a cosponsor of S. 2841, a bill to ensure that the business of the Federal Government is conducted in the public interest and in a manner that provides for public accountability, efficient delivery of services, reasonable cost savings, and prevention of unwarranted Government expenses, and for other purposes.

S. 2953

At the request of Mr. TORRICELLI, the name of the Senator from Georgia (Mr. MILLER) was added as a cosponsor of S. 2953, a bill to amend title 38, United States Code, to improve outreach programs carried out by the Department of Veterans Affairs to provide for more fully informing veterans of benefits available to them under laws administered by the Secretary of Veterans Affairs.

S. 2954

At the request of Mr. HOLLINGS, the name of the Senator from Hawaii (Mr. INOUYE) was added as a cosponsor of S. 2954, a bill to establish the Dr. Nancy Foster Marine Biology Scholarship Program.

S. 2986

At the request of Mr. HUTCHINSON, the names of the Senator from Kansas (Mr. BROWNBACK) and the Senator from Colorado (Mr. ALLARD) were added as cosponsors of S. 2986, a bill to limit the issuance of regulations relating to Federal contractor responsibility, to require the Comptroller General to conduct a review of Federal contractor compliance with applicable laws, and for other purposes.

S. 3012

At the request of Mr. LEAHY, the name of the Senator from Maryland (Ms. MIKULSKI) was added as a cosponsor of S. 3012, a bill to amend title 18, United States Code, to impose criminal and civil penalties for false statements and failure to file reports concerning defects in foreign motor vehicle products, and to require the timely provision of notice of such defects, and for other purposes.

S. 3020

At the request of Mr. GRAMS, the name of the Senator from Alabama (Mr. SESSIONS) was added as a cosponsor of S. 3020, a bill to require the Federal Communications Commission to revise its regulations authorizing the operation of new, low-power FM radio stations.

S. 3088

At the request of Mr. LEVIN, the name of the Senator from Michigan (Mr. ABRAHAM) was added as a cosponsor of S. 3088, a bill to require the Secretary of Health and Human Services to promulgate regulations regarding allowable costs under the medicaid program for school based services provided to children with disabilities.

S. 3089

At the request of Mr. HAGEL, the names of the Senator from Virginia (Mr. WARNER) and the Senator from Missouri (Mr. ASHCROFT) were added as cosponsors of S. 3089, a bill to authorize the design and construction of a temporary education center at the Vietnam Veterans Memorial

S. 3101

At the request of Mr. ASHCROFT, the names of the Senator from Vermont (Mr. JEFFORDS) and the Senator from New Mexico (Mr. BINGAMAN) were added as cosponsors of S. 3101, a bill to amend the Internal Revenue Code of 1986 to allow as a deduction in determining adjusted gross income the deduction for expenses in connection with services as a member of a reserve component of the Armed Forces of the United States.

S. 3105

At the request of Mr. BREAUX, the name of the Senator from Arkansas (Mrs. LINCOLN) was added as a cosponsor of S. 3105, a bill to amend the Internal Revenue Code of 1986 to clarify the allowance of the child credit, the deduction for personal exemptions, and the earned income credit in the case of missing children, and for other purposes.

S. 3115

At the request of Mr. SARBANES, the name of the Senator from West Virginia (Mr. ROCKEFELLER) was added as a cosponsor of S. 3115, a bill to extend the term of the Chesapeake and Ohio Canal National Historic Park Commission.

S. 3137

At the request of Mr. GRAMS, his name was added as a cosponsor of S. 3137, a bill to establish a commission to commemorate the 250th anniversary of the birth of James Madison.

At the request of Mr. SESSIONS, the name of the Senator from Oklahoma (Mr. NICKLES) was added as a cosponsor of S. 3137, supra.

S. CON. RES. 111

At the request of Mr. NICKLES, the names of the Senator from New Jersey (Mr. TORRICELLI) and the Senator from Kentucky (Mr. MCCONNELL) were added as cosponsors of S. Con. Res. 111, a concurrent resolution expressing the sense of the Congress regarding ensuring a competitive North American market for softwood lumber.

S. CON. RES. 140

At the request of Mr. LOTT, the name of the Senator from Delaware (Mr. ROTH) was added as a cosponsor of S. Con. Res. 140, a concurrent resolution expressing the sense of Congress regarding high-level visits by Taiwanese officials to the United States.

S. RES. 292

At the request of Mr. CLELAND, the names of the Senator from Nebraska (Mr. KERREY), the Senator from Wisconsin (Mr. KOHL), the Senator from Michigan (Mr. LEVIN), the Senator from New York (Mr. MOYNIHAN), and the Senator from New York (Mr. SCHUMER) were added as cosponsors of S. Res. 292, a resolution recognizing the 20th century as the ''Century of Women in the United States.''

S. RES. 359

At the request of Mr. SCHUMER, the names of the Senator from Maine (Ms. COLLINS) and the Senator from Hawaii (Mr. AKAKA) were added as cosponsors of S. Res. 359, a resolution designating October 16, 2000, to October 20, 2000 as ''National Teach For America Week.''

AMENDMENTS SUBMITTED

INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 2001

WARNER AMENDMENT NO. 4280

Mr. LOTT (for Mr. WARNER) proposed an amendment to the bill (S. 2507) to authorize appropriations for fiscal year 2001 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes; as follows:

On page 27, strike line 3 and all that follows through page 37, line 3, and insert the following:

TITLE V—DEPARTMENT OF DEFENSE INTELLIGENCE ACTIVITIES

SEC. 501. TWO-YEAR EXTENSION OF AUTHORITY TO ENGAGE IN COMMERCIAL ACTIVITIES AS SECURITY FOR INTELLIGENCE COLLECTION ACTIVITIES.

Section 431(a) of title 10, United States Code, is amended in the second sentence by striking ''December 31, 2000'' and inserting ''December 31, 2002''.

SEC. 502. ROLE OF DIRECTOR OF CENTRAL INTELLIGENCE IN EXPERIMENTAL PERSONNEL PROGRAM FOR CERTAIN SCIENTIFIC AND TECHNICAL PERSONNEL.

If the Director of Central Intelligence requests that the Secretary of Defense exercise any authority available to the Secretary under section 1101(b) of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261; 5 U.S.C. 3104 note) to carry out a program of special personnel management authority at the National Imagery and Mapping Agency and the National Security Agency in order to facilitate recruitment of eminent experts in science and engineering at such agencies, the Secretary shall respond to such request not later than 30 days after the date of such request.

SEC. 503. PROHIBITION ON TRANSFER OF IMAGERY ANALYSTS FROM GENERAL DEFENSE INTELLIGENCE PROGRAM TO NATIONAL IMAGERY AND MAPPING AGENCY PROGRAM.

(a) PROHIBITION ON USE OF FUNDS FOR TRANSFER.—No funds authorized to be appropriated by this Act may be transferred from the General Defense Intelligence Program to the National Imagery and Mapping Agency Program for purposes of transferring imagery analysis personnel from the General Defense Intelligence Program to the National Imagery and Mapping Agency Program.

(b) ROLE OF DIRECTOR OF NIMA AS FUNCTIONAL MANAGER FOR IMAGERY AND GEOSPACIAL PROGRAMS.—(1) The Secretary of Defense shall, in consultation with the Director of Central Intelligence, review options for strengthening the role of the Director of the National Imagery and Mapping Agency as the functional manager for United States imagery and geospacial programs.

(2) Not later than March 15, 2001, the Secretary shall submit to the appropriate committees of Congress a report on the review required by subsection (b). The report shall include any recommendations regarding modifications in the role and duties of the Director of the National Imagery and Mapping Agency that the Secretary considers appropriate in light of the review.

(3) In this subsection, the term ''appropriate committees of Congress'' means the following:

(A) The Committee on Armed Services and the Select Committee on Intelligence of the Senate.

(B) The Committee on Armed Services and the Permanent Select Committee on Intelligence of the House of Representatives.

SEC. 504. PROHIBITION ON TRANSFER OF COLLECTION MANAGEMENT PERSONNEL FROM GENERAL DEFENSE INTELLIGENCE PROGRAM TO COMMUNITY MANAGEMENT ACCOUNT.

No funds authorized to be appropriated by this Act may be transferred from the General Defense Intelligence Program to the Community Management Account for purposes of transferring intelligence collection management personnel.

SEC. 505. AUTHORIZED PERSONNEL CEILING FOR GENERAL DEFENSE INTELLIGENCE PROGRAM.

The authorized personnel ceiling for the General Defense Intelligence Program specified in the classified Schedule of Authorizations referred to in section 102 is hereby increased by 2,152 positions.

SEC. 506. MEASUREMENT AND SIGNATURE INTELLIGENCE.

(a) STUDY OF OPTIONS.—The Director of Central Intelligence shall, in coordination with the Secretary of Defense, conduct a study of the utility and feasibility of various options for improving the management and organization of measurement and signature intelligence, including—

(1) the option of establishing a centralized tasking, processing, exploitation, and dissemination facility for measurement and signature intelligence;

(2) options for recapitalizing and reconfiguring the current systems for measurement and signature intelligence; and

(3) the operation and maintenance costs of the various options.

(b) REPORT.—Not later than April 1, 2001, the Director and the Secretary shall jointly submit to the appropriate committees of Congress a report on their findings as a result of the study required by subsection (a). The report shall set forth any recommendations that the Director and the Secretary consider appropriate.

(c) APPROPRIATE COMMITTEES OF CONGRESS DEFINED.—In this section, the term ''appropriate committees of Congress'' means the following:

(1) The Committee on Armed Services and the Select Committee on Intelligence of the Senate.

(2) The Committee on Armed Services and the Permanent Select Committee on Intelligence of the House of Representatives.

SPECTER AMENDMENT NO. 4281

Mr. LOTT (for Mr. SPECTER) proposed an amendment to the bill (S. 2507) supra; as follows:

At the end of the bill, add the following:

TITLE VI—COUNTERINTELLIGENCE MATTERS

SEC. 601. SHORT TITLE.

This title may be cited as the ''Counterintelligence Reform Act of 2000''.

SEC. 602. ORDERS FOR ELECTRONIC SURVEILLANCE UNDER THE FOREIGN INTELLIGENCE SURVEILLANCE ACT OF 1978.

(a) REQUIREMENTS REGARDING CERTAIN APPLICATIONS.—Section 104 of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1804) is amended by adding at the end the following new subsection:

''(e)(1)(A) Upon written request of the Director of the Federal Bureau of Investigation, the Secretary of Defense, the Secretary of State, or the Director of Central Intelligence, the Attorney General shall personally review under subsection (a) an application under that subsection for a target described in section 101(b)(2).

''(B) Except when disabled or otherwise unavailable to make a request referred to in subparagraph (A), an official referred to in that subparagraph may not delegate the authority to make a request referred to in that subparagraph.

''(C) Each official referred to in subparagraph (A) with authority to make a request under that subparagraph shall take appropriate actions in advance to ensure that delegation of such authority is clearly established in the event such official is disabled or otherwise unavailable to make such request.

''(2)(A) If as a result of a request under paragraph (1) the Attorney General determines not to approve an application under the second sentence of subsection (a) for purposes of making the application under this section, the Attorney General shall provide written notice of the determination to the official making the request for the review of the application under that paragraph. Except when disabled or otherwise unavailable to make a determination under the preceding sentence, the Attorney General may not delegate the responsibility to make a determination under that sentence. The Attorney

General shall take appropriate actions in advance to ensure that delegation of such responsibility is clearly established in the event the Attorney General is disabled or otherwise unavailable to make such determination.

''(B) Notice with respect to an application under subparagraph (A) shall set forth the modifications, if any, of the application that are necessary in order for the Attorney General to approve the application under the second sentence of subsection (a) for purposes of making the application under this section.

''(C) Upon review of any modifications of an application set forth under subparagraph (B), the official notified of the modifications under this paragraph shall modify the application if such official determines that such modification is warranted. Such official shall supervise the making of any modification under this subparagraph. Except when disabled or otherwise unavailable to supervise the making of any modification under the preceding sentence, such official may not delegate the responsibility to supervise the making of any modification under that preceding sentence. Each such official shall take appropriate actions in advance to ensure that delegation of such responsibility is clearly established in the event such official is disabled or otherwise unavailable to supervise the making of such modification.''.

(b) PROBABLE CAUSE.—Section 105 of that Act (50 U.S.C. 1805) is amended—

(1) by redesignating subsections (b), (c), (d), (e), (f), and (g) as subsections (c), (d), (e), (f), (g), and (h), respectively;

(2) by inserting after subsection (a) the following new subsection (b):

''(b) In determining whether or not probable cause exists for purposes of an order under subsection (a)(3), a judge may consider past activities of the target, as well as facts and circumstances relating to current or future activities of the target.''; and

(3) in subsection (d), as redesignated by paragraph (1), by striking ''subsection (b)(1)'' and inserting ''subsection (c)(1)''.

SEC. 603. ORDERS FOR PHYSICAL SEARCHES UNDER THE FOREIGN INTELLIGENCE SURVEILLANCE ACT OF 1978.

(a) REQUIREMENTS REGARDING CERTAIN APPLICATIONS.—Section 303 of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1823) is amended by adding at the end the following new subsection:

''(d)(1)(A) Upon written request of the Director of the Federal Bureau of Investigation, the Secretary of Defense, the Secretary of State, or the Director of Central Intelligence, the Attorney General shall personally review under subsection (a) an application under that subsection for a target described in section 101(b)(2).

''(B) Except when disabled or otherwise unavailable to make a request referred to in subparagraph (A), an official referred to in that subparagraph may not delegate the authority to make a request referred to in that subparagraph.

''(C) Each official referred to in subparagraph (A) with authority to make a request under that subparagraph shall take appropriate actions in advance to ensure that delegation of such authority is clearly established in the event such official is disabled or otherwise unavailable to make such request.

''(2)(A) If as a result of a request under paragraph (1) the Attorney General determines not to approve an application under the second sentence of subsection (a) for purposes of making the application under this section, the Attorney General shall provide written notice of the determination to the official making the request for the review of the application under that paragraph. Except when disabled or otherwise unavailable to make a determination under the preceding sentence, the Attorney General may not delegate the responsibility to make a determination under that sentence. The Attorney General shall take appropriate actions in advance to ensure that delegation of such responsibility is clearly established in the event the Attorney General is disabled or otherwise unavailable to make such determination.

''(B) Notice with respect to an application under subparagraph (A) shall set forth the modifications, if any, of the application that are necessary in order for the Attorney General to approve the application under the second sentence of subsection (a) for purposes of making the application under this section.

''(C) Upon review of any modifications of an application set forth under subparagraph (B), the official notified of the modifications under this paragraph shall modify the application if such official determines that such modification is warranted. Such official shall supervise the making of any modification under this subparagraph. Except when disabled or otherwise unavailable to supervise the making of any modification under the preceding sentence, such official may not delegate the responsibility to supervise the making of any modification under that preceding sentence. Each such official shall take appropriate actions in advance to ensure that delegation of such responsibility is clearly established in the event such official is disabled or otherwise unavailable to supervise the making of such modification.''.

(b) PROBABLE CAUSE.—Section 304 of that Act (50 U.S.C. 1824) is amended—

(1) by redesignating subsections (b), (c), (d), and (e) as subsections (c), (d), (e), and (f), respectively; and

(2) by inserting after subsection (a) the following new subsection (b):

''(b) In determining whether or not probable cause exists for purposes of an order under subsection (a)(3), a judge may consider past activities of the target, as well as facts and circumstances relating to current or future activities of the target.''.

SEC. 604. DISCLOSURE OF INFORMATION ACQUIRED UNDER THE FOREIGN INTELLIGENCE SURVEILLANCE ACT OF 1978 FOR LAW ENFORCEMENT PURPOSES.

(a) INCLUSION OF INFORMATION ON DISCLOSURE IN SEMIANNUAL OVERSIGHT REPORT.—Section 108(a) of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1808(a)) is amended—

(1) by inserting ''(1)'' after ''(a)''; and

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

''(2) Each report under the first sentence of paragraph (1) shall include a description of—

''(A) each criminal case in which information acquired under this Act has been passed for law enforcement purposes during the period covered by such report; and

''(B) each criminal case in which information acquired under this Act has been authorized for use at trial during such reporting period.''.

(b) REPORT ON MECHANISMS FOR DETERMINATIONS OF DISCLOSURE OF INFORMATION FOR LAW ENFORCEMENT PURPOSES.—(1) The Attorney General shall submit to the appropriate committees of Congress a report on the authorities and procedures utilized by the Department of Justice for determining whether or not to disclose information acquired under the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1801 et seq.) for law enforcement purposes.

(2) In this subsection, the term ''appropriate committees of Congress'' means the following:

(A) The Select Committee on Intelligence and the Committee on the Judiciary of the Senate.

(B) The Permanent Select Committee on Intelligence and the Committee on the Judiciary of the House of Representatives.

SEC. 605. COORDINATION OF COUNTERINTELLIGENCE WITH THE FEDERAL BUREAU OF INVESTIGATION.

(a) TREATMENT OF CERTAIN SUBJECTS OF INVESTIGATION.—Subsection (c) of section 811 of the Intelligence Authorization Act for Fiscal Year 1995 (50 U.S.C. 402a) is amended—

(1) in paragraphs (1) and (2), by striking ''paragraph (3)'' and inserting ''paragraph (5)'';

(2) by redesignating paragraphs (3), (4), (5), and (6) as paragraphs (5), (6), (7), and (8), respectively;

(3) by inserting after paragraph (2) the following new paragraph (3):

''(3)(A) The Director of the Federal Bureau of Investigation shall submit to the head of the department or agency concerned a written assessment of the potential impact of the actions of the department or agency on a counterintelligence investigation.

''(B) The head of the department or agency concerned shall—

''(i) use an assessment under subparagraph (A) as an aid in determining whether, and under what circumstances, the subject of an investigation under paragraph (1) should be left in place for investigative purposes; and

''(ii) notify in writing the Director of the Federal Bureau of Investigation of such determination.

''(C) The Director of the Federal Bureau of Investigation and the head of the department or agency concerned shall continue to consult, as appropriate, to review the status of an investigation covered by this paragraph and to reassess, as appropriate, a determination of the head of the department or agency concerned to leave a subject in place for investigative purposes.''; and

(4) in paragraph (5), as so redesignated, by striking ''paragraph (1) or (2)'' and inserting ''paragraph (1), (2), or (3)''.

(b) TIMELY PROVISION OF INFORMATION AND CONSULTATION ON ESPIONAGE INVESTIGATIONS.—Paragraph (2) of that subsection is further amended—

(1) by inserting ''in a timely manner'' after ''through appropriate channels''; and

(2) by inserting ''in a timely manner'' after ''are consulted''.

(c) INTERFERENCE WITH FULL FIELD ESPIONAGE INVESTIGATIONS.—That subsection is further amended by inserting after paragraph (3), as amended by subsection (a) of this section, the following new paragraph (4):

''(4)(A) The Federal Bureau of Investigation shall notify appropriate officials within the executive branch, including the head of the department or agency concerned, of the commencement of a full field espionage investigation with respect to an employee within the executive branch.

''(B)(i) A department or agency may not conduct a polygraph examination, interrogate, or otherwise take any action that is likely to alert an employee covered by a notice under subparagraph (A) of an investigation described in that subparagraph without prior coordination with the Federal Bureau of Investigation.

''(ii) Any examination, interrogation, or other action taken under clause (i) shall be taken in consultation with the Federal Bureau of Investigation.''.

SEC. 606. ENHANCING PROTECTION OF NATIONAL SECURITY AT THE DEPARTMENT OF JUSTICE.

(a) AUTHORIZATION FOR INCREASED RESOURCES TO FULFILL NATIONAL SECURITY MISSION OF THE DEPARTMENT OF JUSTICE.—There are authorized to be appropriated to

the Department of Justice for the activities of the Office of Intelligence Policy and Review to help meet the increased personnel demands to combat terrorism, process applications to the Foreign Intelligence Surveillance Court, participate effectively in counter-espionage investigations, provide policy analysis on national security issues, and enhance secure computer and telecommunications facilities—

(1) $7,000,000 for fiscal year 2001;

(2) $7,500,000 for fiscal year 2002; and

(3) $8,000,000 for fiscal year 2003.

(b) AVAILABILITY OF FUNDS.—(1) No funds authorized to be appropriated by subsection (a) for the Office of Intelligence Policy and Review may be obligated or expended until the later of the dates on which the Attorney General submits the reports required by paragraphs (2) and (3).

(2)(A) The Attorney General shall submit to the committees of Congress specified in subparagraph (B) a report on the manner in which the funds authorized to be appropriated by subsection (a) for the Office of Intelligence Policy and Review will be used by that Office—

(i) to improve and strengthen its oversight of Federal Bureau of Investigation field offices in the implementation of orders under the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1801 et seq.); and

(ii) to streamline and increase the efficiency of the application process under that Act.

(B) The committees of Congress referred to in this subparagraph are the following:

(i) The Select Committee on Intelligence and the Committee on the Judiciary of the Senate.

(ii) The Permanent Select Committee on Intelligence and the Committee on the Judiciary of the House of Representatives.

(3) In addition to the report required by paragraph (2), the Attorney General shall also submit to the Select Committee on Intelligence of the Senate and the Permanent Select Committee on Intelligence of the House of Representatives a report that addresses the issues identified in the semi-annual report of the Attorney General to such committees under section 108(a) of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1808(a)) that was submitted in April 2000, including any corrective actions with regard to such issues. The report under this paragraph shall be submitted in classified form.

(4) Funds made available pursuant to subsection (a), in any fiscal year, shall remain available until expended.

(c) REPORT ON COORDINATING NATIONAL SECURITY AND INTELLIGENCE FUNCTIONS WITHIN THE DEPARTMENT OF JUSTICE.—The Attorney General shall report to the Select Committee on Intelligence and the Committee on the Judiciary of the Senate and the Permanent Select Committee on Intelligence and the Committee on the Judiciary of the House of Representatives within 120 days on actions that have been or will be taken by the Department to—

(1) promote quick and efficient responses to national security issues;

(2) centralize a point-of-contact within the Department on national security matters for external entities and agencies; and

(3) coordinate the dissemination of intelligence information within the appropriate components of the Department and the formulation of policy on national security issues.

SEC. 607. COORDINATION REQUIREMENTS RELATING TO THE PROSECUTION OF CASES INVOLVING CLASSIFIED INFORMATION.

The Classified Information Procedures Act (18 U.S.C. App.) is amended by inserting after section 9 the following new section:

''COORDINATION REQUIREMENTS RELATING TO THE PROSECUTION OF CASES INVOLVING CLASSIFIED INFORMATION

''SEC. 9A. (a) BRIEFINGS REQUIRED.—The Assistant Attorney General for the Criminal Division and the appropriate United States Attorney, or the designees of such officials, shall provide briefings to the senior agency official, or the designee of such official, with respect to any case involving classified information that originated in the agency of such senior agency official.

''(b) TIMING OF BRIEFINGS.—Briefings under subsection (a) with respect to a case shall occur—

''(1) as soon as practicable after the Department of Justice and the United States Attorney concerned determine that a prosecution or potential prosecution could result; and

''(2) at such other times thereafter as are necessary to keep the senior agency official concerned fully and currently informed of the status of the prosecution.

''(c) SENIOR AGENCY OFFICIAL DEFINED.—In this section, the term 'senior agency official' has the meaning given that term in section 1.1 of Executive Order No. 12958.''.

SEC. 608. SEVERABILITY.

If any provision of this title (including an amendment made by this title), or the application thereof, to any person or circumstance, is held invalid, the remainder of this title (including the amendments made by this title), and the application thereof, to other persons or circumstances shall not be affected thereby.

FEINSTEIN AMENDMENT NO. 4282

Mr. BRYAN (for Mrs. FEINSTEIN) proposed an amendment to the bill, S. 2507, supra; as follows:

On page 37, after line 3, add the following:

TITLE VI—DISCLOSURE OF INFORMATION ON JAPANESE IMPERIAL ARMY

SEC. 601. SHORT TITLE.

This title may be cited as the ''Japanese Imperial Army Disclosure Act''.

SEC. 602. ESTABLISHMENT OF JAPANESE IMPERIAL ARMY RECORDS INTERAGENCY WORKING GROUP.

(a) DEFINITIONS.—In this section:

(1) AGENCY.—The term ''agency'' has the meaning given such term under section 551 of title 5, United States Code.

(2) INTERAGENCY GROUP.—The term ''Interagency Group'' means the Japanese Imperial Army Records Interagency Working Group established under subsection (b).

(3) JAPANESE IMPERIAL ARMY RECORDS.—The term ''Japanese Imperial Army records'' means classified records or portions of records that pertain to any person with respect to whom the United States Government, in its sole discretion, has grounds to believe ordered, incited, assisted, or otherwise participated in the experimentation and persecution of any person because of race, religion, national origin, or political option, during the period beginning September 18, 1931, and ending on December 31, 1948, under the direction of, or in association with—

(A) the Japanese Imperial Army;

(B) any government in any area occupied by the military forces of the Japanese Imperial Army;

(C) any government established with the assistance or cooperation of the Japanese Imperial Army; or

(D) any government which was an ally of the Imperial Army of Japan.

(4) RECORD.—The term ''record'' means a Japanese Imperial Army record.

(b) ESTABLISHMENT OF INTERAGENCY GROUP.—

(1) IN GENERAL.—Not later than 60 days after the date of the enactment of this Act, the President shall establish the Japanese Imperial Army Records Interagency Working Group, which shall remain in existence for 3 years after the date the Interagency Group is established.

(2) MEMBERSHIP.—The President shall appoint to the Interagency Group individuals whom the President determines will most completely and effectively carry out the functions of the Interagency Group within the time limitations provided in this section, including the Historian of the Department of State, the Archivist of the United States, the head of any other agency the President considers appropriate, and no more than 3 other persons. The head of an agency appointed by the President may designate an appropriate officer to serve on the Interagency Group in lieu of the head of such agency.

(3) INITIAL MEETING.—Not later than 90 days after the date of the enactment of this Act, the Interagency Group shall hold an initial meeting and begin the functions required under this section.

(c) FUNCTIONS.—Not later than 1 year after the date of the enactment of this Act, the Interagency Group shall, to the greatest extent possible consistent with section 603—

(1) locate, identify, inventory, recommend for declassification, and make available to the public at the National Archives and Records Administration, all classified Japanese Imperial Army records of the United States;

(2) coordinate with agencies and take such actions as necessary to expedite the release of such records to the public; and

(3) submit a report to Congress, including the Committee on Government Reform and Oversight of the House of Representatives, the Select Committee on Intelligence of the Senate, the Permanent Select Committee on Intelligence of the House of Representatives, and the Committee on the Judiciary of the Senate, describing all such records, the disposition of such records, and the activities of the Interagency Group and agencies under this section.

(d) FUNDING.—There is authorized to be appropriated such sum as may be necessary to carry out the provisions of this title.

SEC. 603. REQUIREMENT OF DISCLOSURE OF RECORDS.

(a) RELEASE OF RECORDS.—Subject to subsections (b), (c), and (d), the Japanese Imperial Army Records Interagency Working Group shall release in their entirety Japanese Imperial Army records.

(b) EXCEPTION FOR PRIVACY.—An agency head may exempt from release under subsection (a) specific information, that would—

(1) constitute a clearly unwarranted invasion of personal privacy;

(2) reveal the identity of a confidential human source, or reveal information about the application of an intelligence source or method, or reveal the identity of a human intelligence source when the unauthorized disclosure of that source would clearly and demonstrably damage the national security interests of the United States;

(3) reveal information that would assist in the development or use of weapons of mass destruction;

(4) reveal information that would impair United States cryptologic systems or activities;

(5) reveal information that would impair the application of state-of-the-art technology within a United States weapon system;

(6) reveal actual United States military war plans that remain in effect;

(7) reveal information that would seriously and demonstrably impair relations between

the United States and a foreign government, or seriously and demonstrably undermine ongoing diplomatic activities of the United States;

(8) reveal information that would clearly, and demonstrably impair the current ability of United States Government officials to protect the President, Vice President, and other officials for whom protection services are authorized in the interest of national security;

(9) reveal information that would seriously and demonstrably impair current national security emergency preparedness plans; or

(10) violate a treaty or other international agreement.

(c) APPLICATIONS OF EXEMPTIONS.—

(1) IN GENERAL.—In applying the exemptions provided in paragraphs (2) through (10) of subsection (b), there shall be a presumption that the public interest will be served by disclosure and release of the records of the Japanese Imperial Army. The exemption may be asserted only when the head of the agency that maintains the records determines that disclosure and release would be harmful to a specific interest identified in the exemption. An agency head who makes such a determination shall promptly report it to the committees of Congress with appropriate jurisdiction, including the Committee on the Judiciary and the Select Committee on Intelligence of the Senate and the Committee on Government Reform and Oversight and the Permanent Select Committee on Intelligence of the House of Representatives.

(2) APPLICATION OF TITLE 5.—A determination by an agency head to apply an exemption provided in paragraphs (2) through (9) of subsection (b) shall be subject to the same standard of review that applies in the case of records withheld under section 552(b)(1) of title 5, United States Code.

(d) LIMITATION ON EXEMPTIONS.—

(1) IN GENERAL.—The exemptions set forth in subsection (b) shall constitute the only grounds pursuant to which an agency head may exempt records otherwise subject to release under subsection (a).

(2) RECORDS RELATED TO INVESTIGATION OR PROSECUTIONS.—This section shall not apply to records—

(A) related to or supporting any active or inactive investigation, inquiry, or prosecution by the Office of Special Investigations of the Department of Justice; or

(B) solely in the possession, custody, or control of the Office of Special Investigations.

SEC. 604. EXPEDITED PROCESSING OF FOIA REQUESTS FOR JAPANESE IMPERIAL ARMY RECORDS.

For purposes of expedited processing under section 552(a)(6)(E) of title 5, United States Code, any person who was persecuted in the manner described in section 602(a)(3) and who requests a Japanese Imperial Army record shall be deemed to have a compelling need for such record.

SEC. 605. EFFECTIVE DATE.

The provisions of this title shall take effect on the date that is 90 days after the date of the enactment of this Act.

MOYNIHAN AMENDMENT NO. 4283

Mr. BRYAN (for Mr. MOYNIHAN) proposed an amendment to the bill (S. 2507) supra; as follows:

On page 37, after line 3, add the following:

TITLE VI—DECLASSIFICATION OF INFORMATION

SEC. 601. SHORT TITLE.

This title may be cited as the ''Public Interest Declassification Act of 2000''.

SEC. 602. FINDINGS.

Congress makes the following findings:

(1) It is in the national interest to establish an effective, coordinated, and cost-effective means by which records on specific subjects of extraordinary public interest that do not undermine the national security interests of the United States may be collected, retained, reviewed, and disseminated to Congress, policymakers in the executive branch, and the public.

(2) Ensuring, through such measures, public access to information that does not require continued protection to maintain the national security interests of the United States is a key to striking the balance between secrecy essential to national security and the openness that is central to the proper functioning of the political institutions of the United States.

SEC. 603. PUBLIC INTEREST DECLASSIFICATION BOARD.

(a) ESTABLISHMENT.—There is established within the executive branch of the United States a board to be known as the ''Public Interest Declassification Board'' (in this title referred to as the ''Board'').

(b) PURPOSES.—The purposes of the Board are as follows:

(1) To advise the President, the Assistant to the President for National Security Affairs, the Director of the Office of Management and Budget, and such other executive branch officials as the Board considers appropriate on the systematic, thorough, coordinated, and comprehensive identification, collection, review for declassification, and release to Congress, interested agencies, and the public of declassified records and materials (including donated historical materials) that are of archival value, including records and materials of extraordinary public interest.

(2) To promote the fullest possible public access to a thorough, accurate, and reliable documentary record of significant United States national security decisions and significant United States national security activities in order to—

(A) support the oversight and legislative functions of Congress;

(B) support the policymaking role of the executive branch;

(C) respond to the interest of the public in national security matters; and

(D) promote reliable historical analysis and new avenues of historical study in national security matters.

(3) To provide recommendations to the President for the identification, collection, and review for declassification of information of extraordinary public interest that does not undermine the national security of the United States, to be undertaken in accordance with a declassification program that has been established or may be established by the President by Executive Order.

(4) To advise the President, the Assistant to the President for National Security Affairs, the Director of the Office of Management and Budget, and such other executive branch officials as the Board considers appropriate on policies deriving from the issuance by the President of Executive Orders regarding the classification and declassification of national security information.

(c) MEMBERSHIP.—(1) The Board shall be composed of nine individuals appointed from among citizens of the United States who are preeminent in the fields of history, national security, foreign policy, intelligence policy, social science, law, or archives, including individuals who have served in Congress or otherwise in the Federal Government or have otherwise engaged in research, scholarship, or publication in such fields on matters relating to the national security of the United States, of whom—

(A) five shall be appointed by the President;

(B) one shall be appointed by the Majority Leader of the Senate;

(C) one shall be appointed by the Minority Leader of the Senate;

(D) one shall be appointed by the Speaker of the House of Representatives; and

(E) one shall be appointed by the Minority Leader of the House of Representatives.

(2)(A) Of the members initially appointed to the Board, three shall be appointed for a term of four years, three shall be appointed for a term of three years, and three shall be appointed for a term of two years.

(B) Any subsequent appointment to the Board shall be for a term of three years.

(3) A vacancy in the Board shall be filled in the same manner as the original appointment. A member of the Board appointed to fill a vacancy before the expiration of a term shall serve for the remainder of the term.

(4) A member of the Board may be appointed to a new term on the Board upon the expiration of the member's term on the Board, except that no member may serve more than three full terms on the Board.

(d) CHAIRPERSON; EXECUTIVE SECRETARY.—(1)(A) The President shall designate one of the members of the Board as the Chairperson of the Board.

(B) The term of service as Chairperson of the Board shall be two years.

(C) A member serving as Chairperson of the Board may be re-designated as Chairperson of the Board upon the expiration of the member's term as Chairperson of the Board, except that no member shall serve as Chairperson of the Board for more than six years.

(2) The Director of the Information Security Oversight Office shall serve as the Executive Secretary of the Board.

(e) MEETINGS.—The Board shall meet as needed to accomplish its mission, consistent with the availability of funds. A majority of the members of the Board shall constitute a quorum.

(f) STAFF.—Any employee of the Federal Government may be detailed to the Board, with the agreement of and without reimbursement to the detailing agency, and such detail shall be without interruption or loss of civil, military, or foreign service status or privilege.

(g) SECURITY.—(1) The members and staff of the Board shall, as a condition of appointment to or employment with the Board, hold appropriate security clearances for access to the classified records and materials to be reviewed by the Board or its staff, and shall follow the guidance and practices on security under applicable Executive Orders and agency directives.

(2) The head of an agency shall, as a condition of granting access to a member of the Board, the Executive Secretary of the Board, or a member of the staff of the Board to classified records or materials of the agency under this title, require the member, the Executive Secretary, or the member of the staff, as the case may be, to—

(A) execute an agreement regarding the security of such records or materials that is approved by the head of the agency; and

(B) hold an appropriate security clearance granted or recognized under the standard procedures and eligibility criteria of the agency, including any special access approval required for access to such records or materials.

(3) The members of the Board, the Executive Secretary of the Board, and the members of the staff of the Board may not use any information acquired in the course of their official activities on the Board for nonofficial purposes.

(4) For purposes of any law or regulation governing access to classified information that pertains to the national security of the United States, and subject to any limitations on access arising under section 606(b),

and to facilitate the advisory functions of the Board under this title, a member of the Board seeking access to a record or material under this title shall be deemed for purposes of this subsection to have a need to know the contents of the record or material.

(h) COMPENSATION.—(1) Each member of the Board shall receive compensation at a rate not to exceed the daily equivalent of the annual rate of basic pay payable for positions at ES–1 of the Senior Executive Service under section 5382 of title 5, United States Code, for each day such member is engaged in the actual performance of duties of the Board.

(2) Members of the Board shall be allowed travel expenses, including per diem in lieu of subsistence at rates authorized for employees of agencies under subchapter of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of the duties of the Board.

(i) GUIDANCE; ANNUAL BUDGET.—(1) On behalf of the President, the Assistant to the President for National Security Affairs shall provide guidance on policy to the Board.

(2) The Executive Secretary of the Board, under the direction of the Chairperson of the Board and the Board, and acting in consultation with the Archivist of the United States, the Assistant to the President for National Security Affairs, and the Director of the Office of Management and Budget, shall prepare the annual budget of the Board.

(j) SUPPORT.—The Information Security Oversight Office may support the activities of the Board under this title. Such support shall be provided on a reimbursable basis.

(k) PUBLIC AVAILABILITY OF RECORDS AND REPORTS.—(1) The Board shall make available for public inspection records of its proceedings and reports prepared in the course of its activities under this title to the extent such records and reports are not classified and would not be exempt from release under the provisions of section 552 of title 5, United States Code.

(2) In making records and reports available under paragraph (1), the Board shall coordinate the release of such records and reports with appropriate officials from agencies with expertise in classified information in order to ensure that such records and reports do not inadvertently contain classified information.

(l) APPLICABILITY OF CERTAIN ADMINISTRATIVE LAWS.—The provisions of the Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the activities of the Board under this title. However, the records of the Board shall be governed by the provisions of the Federal Records Act of 1950.

SEC. 604. IDENTIFICATION, COLLECTION, AND REVIEW FOR DECLASSIFICATION OF INFORMATION OF ARCHIVAL VALUE OR EXTRAORDINARY PUBLIC INTEREST.

(a) BRIEFINGS ON AGENCY DECLASSIFICATION PROGRAMS.—(1) As requested by the Board, or by the Select Committee on Intelligence of the Senate or the Permanent Select Committee on Intelligence of the House of Representatives, the head of any agency with the authority under an Executive Order to classify information shall provide to the Board, the Select Committee on Intelligence of the Senate, or the Permanent Select Committee on Intelligence of the House of Representatives, on an annual basis, a summary briefing and report on such agency's progress and plans in the declassification of national security information. Such briefing shall cover the declassification goals set by statute, regulation, or policy, the agency's progress with respect to such goals, and the agency's planned goals and priorities for its declassification activities over the next two fiscal years. Agency briefings and reports shall give particular attention to progress on the declassification of records and materials that are of archival value or extraordinary public interest to the people of the United States.

(2)(A) The annual briefing and report under paragraph (1) for agencies within the Department of Defense, including the military departments, and the elements of the intelligence community shall be provided on a consolidated basis.

(B) In this paragraph, the term ''elements of the intelligence community'' means the elements of the intelligence community specified or designated under section 3(4) of the National Security Act of 1947 (50 U.S.C. 401a(4)).

(b) RECOMMENDATIONS ON AGENCY DECLASSIFICATION PROGRAMS.—(1) Upon reviewing and discussing declassification plans and progress with an agency, the Board shall provide to the head of the agency the written recommendations of the Board as to how the agency's declassification program could be improved. A copy of each recommendation shall also be submitted to the Assistant to the President for National Security Affairs and the Director of the Office of Management and Budget.

(2) Consistent with the provisions of section 603(k), the Board's recommendations to the head of an agency under paragraph (1) shall become public 60 days after such recommendations are sent to the head of the agency under that paragraph.

(c) RECOMMENDATIONS ON SPECIAL SEARCHES FOR RECORDS OF EXTRAORDINARY PUBLIC INTEREST.—(1) The Board shall also make recommendations to the President regarding proposed initiatives to identify, collect, and review for declassification classified records and materials of extraordinary public interest.

(2) In making recommendations under paragraph (1), the Board shall consider the following:

(A) The opinions and requests of Members of Congress, including opinions and requests expressed or embodied in letters or legislative proposals.

(B) The opinions and requests of the National Security Council, the Director of Central Intelligence, and the heads of other agencies.

(C) The opinions of United States citizens.

(D) The opinions of members of the Board.

(E) The impact of special searches on systematic and all other on-going declassification programs.

(F) The costs (including budgetary costs) and the impact that complying with the recommendations would have on agency budgets, programs, and operations.

(G) The benefits of the recommendations.

(H) The impact of compliance with the recommendations on the national security of the United States.

(d) PRESIDENT'S DECLASSIFICATION PRIORITIES.—(1) Concurrent with the submission to Congress of the budget of the President each fiscal year under section 1105 of title 31, United States Code, the Director of the Office of Management and Budget shall publish a description of the President's declassification program and priorities, together with a listing of the funds requested to implement that program.

(2) Nothing in this title shall be construed to substitute or supersede, or establish a funding process for, any declassification program that has been established or may be established by the President by Executive Order.

SEC. 605. PROTECTION OF NATIONAL SECURITY INFORMATION AND OTHER INFORMATION.

(a) IN GENERAL.—Nothing in this title shall be construed to limit the authority of the head of an agency to classify information or to continue the classification of information previously classified by an agency.

(b) SPECIAL ACCESS PROGRAMS.—Nothing in this title shall be construed to limit the authority of the head of an agency to grant or deny access to a special access program.

(c) AUTHORITIES OF DIRECTOR OF CENTRAL INTELLIGENCE.—Nothing in this title shall be construed to limit the authorities of the Director of Central Intelligence as the head of the intelligence community, including the Director's responsibility to protect intelligence sources and methods from unauthorized disclosure as required by section 103(c)(6) of the National Security Act of 1947 (50 U.S.C. 403–3(c)(6)).

(d) EXEMPTIONS TO RELEASE OF INFORMATION.—Nothing in this title shall be construed to limit any exemption or exception to the release to the public under this title of information that is protected under section 552(b) of title 5, United States Code (commonly referred to as the ''Freedom of Information Act''), or section 552a of title 5, United States Code (commonly referred to as the ''Privacy Act'').

(e) WITHHOLDING INFORMATION FROM CONGRESS.—Nothing in this title shall be construed to authorize the withholding of information from Congress.

SEC. 606. STANDARDS AND PROCEDURES.

(a) LIAISON.—(1) The head of each agency with the authority under an Executive Order to classify information and the head of each Federal Presidential library shall designate an employee of such agency or library, as the case may be, to act as liaison to the Board for purposes of this title.

(2) The Board may establish liaison and otherwise consult with such other historical and advisory committees as the Board considers appropriate for purposes of this title.

(b) LIMITATIONS ON ACCESS.—(1)(A) Except as provided in paragraph (2), if the head of an agency or the head of a Federal Presidential library determines it necessary to deny or restrict access of the Board, or of the agency or library liaison to the Board, to information contained in a record or material, in whole or in part, the head of the agency or the head of the library, as the case may be, shall promptly notify the Board in writing of such determination.

(B) Each notice to the Board under subparagraph (A) shall include a description of the nature of the records or materials, and a justification for the determination, covered by such notice.

(2) In the case of a determination referred to in paragraph (1) with respect to a special access program created by the Secretary of Defense, the Director of Central Intelligence, or the head of any other agency, the notification of denial of access under paragraph (1), including a description of the nature of the Board's request for access, shall be submitted to the Assistant to the President for National Security Affairs rather than to the Board.

(c) DISCRETION TO DISCLOSE.—At the conclusion of a declassification review, the head of an agency may, in the discretion of the head of the agency, determine that the public's interest in the disclosure of records or materials of the agency covered by such review, and still properly classified, outweighs the Government's need to protect such records or materials, and may release such records or materials in accordance with the provisions of Executive Order 12958 or any successor order to such Executive Order.

(d) DISCRETION TO PROTECT.—At the conclusion of a declassification review, the head of an agency may, in the discretion of the head of the agency, determine that the interest of the agency in the protection of records

or materials of the agency covered by such review, and still properly classified, outweigh's the public's need for access to such records or materials, and may deny release of such records or materials in accordance with the provisions of Executive Order 12958 or any successor order to such Executive Order.

(e) REPORTS.—(1)(A) Except as provided in paragraph (2), the Board shall annually submit to the appropriate congressional committees a report on the activities of the Board under this title, including summary information regarding any denials by the head of an agency or the head of a Federal Presidential library of access of the Board to records or materials under this title.

(B) In this paragraph, the term ''appropriate congressional committees'' means the Select Committee on Intelligence and the Committee on Governmental Affairs of the Senate and the Permanent Select Committee on Intelligence and the Committee on Government Reform and Oversight of the House of Representatives.

(2) Notwithstanding paragraph (1), notice that the Board has been denied access to records and materials, and a justification for the determination in support of the denial, shall be submitted by the agency denying the access as follows:

(A) In the case of the denial of access to a special access program created by the Secretary of Defense, to the Committees on Armed Services and Appropriations of the Senate and to the Committees on Armed Services and Appropriations of the House of Representatives.

(B) In the case of the denial of access to a special access program created by the Director of Central Intelligence, or by the head of any other agency (including the Department of Defense) if the special access program pertains to intelligence activities, or of access to any information and materials relating to intelligence sources and methods, to the Select Committee on Intelligence of the Senate and the Permanent Select Committee on Intelligence of the House of Representatives.

(C) In the case of the denial of access to a special access program created by the Secretary of Energy or the Administrator for Nuclear Security, to the Committees on Armed Services and Appropriations and the Select Committee on Intelligence of the Senate and to the Committees on Armed Services and Appropriations and the Permanent Select Committee on Intelligence of the House of Representatives.

SEC. 607. JUDICIAL REVIEW.

Nothing in this title limits the protection afforded to any information under any other provision of law. This title is not intended and may not be construed to create any right or benefit, substantive or procedural, enforceable at law against the United States, its agencies, its officers, or its employees. This title does not modify in any way the substantive criteria or procedures for the classification of information, nor does this title create any right or benefit subject to judicial review.

SEC. 608. FUNDING.

(a) AUTHORIZATION OF APPROPRIATIONS.—There is hereby authorized to be appropriated to carry out the provisions of this title amounts as follows:

(1) For fiscal year 2001, $650,000.

(2) For each fiscal year after fiscal year 2001, such sums as may be necessary for such fiscal year.

(b) FUNDING REQUESTS.—The President shall include in the budget submitted to Congress for each fiscal year under section 1105 of title 31, United States Code, a request for amounts for the activities of the Board under this title during such fiscal year.

SEC. 609. DEFINITIONS.

In this title:

(1) AGENCY.—(A) Except as provided in subparagraph (B), the term ''agency'' means the following:

(i) An executive agency, as that term is defined in section 105 of title 5, United States Code.

(ii) A military department, as that term is defined in section 102 of such title.

(iii) Any other entity in the executive branch that comes into the possession of classified information.

(B) The term does not include the Board.

(2) CLASSIFIED MATERIAL OR RECORD.—The terms ''classified material'' and ''classified record'' include any correspondence, memorandum, book, plan, map, drawing, diagram, pictorial or graphic work, photograph, film, microfilm, sound recording, videotape, machine readable records, and other documentary material, regardless of physical form or characteristics, that has been determined pursuant to Executive Order to require protection against unauthorized disclosure in the interests of the national security of the United States.

(3) DECLASSIFICATION.—The term ''declassification'' means the process by which records or materials that have been classified are determined no longer to require protection from unauthorized disclosure to protect the national security of the United States.

(4) DONATED HISTORICAL MATERIAL.—The term ''donated historical material'' means collections of personal papers donated or given to a Federal Presidential library or other archival repository under a deed of gift or otherwise.

(5) FEDERAL PRESIDENTIAL LIBRARY.—The term ''Federal Presidential library'' means a library operated and maintained by the United States Government through the National Archives and Records Administration under the applicable provisions of chapter 21 of title 44, United States Code.

(6) NATIONAL SECURITY.—The term ''national security'' means the national defense or foreign relations of the United States.

(7) RECORDS OR MATERIALS OF EXTRAORDINARY PUBLIC INTEREST.—The term ''records or materials of extraordinary public interest'' means records or materials that—

(A) demonstrate and record the national security policies, actions, and decisions of the United States, including—

(i) policies, events, actions, and decisions which led to significant national security outcomes; and

(ii) the development and evolution of significant United States national security policies, actions, and decisions;

(B) will provide a significantly different perspective in general from records and materials publicly available in other historical sources; and

(C) would need to be addressed through ad hoc record searches outside any systematic declassification program established under Executive Order.

(8) RECORDS OF ARCHIVAL VALUE.—The term ''records of archival value'' means records that have been determined by the Archivist of the United States to have sufficient historical or other value to warrant their continued preservation by the Federal Government.

SEC. 610. SUNSET.

The provisions of this title shall expire four years after the date of the enactment of this Act, unless reauthorized by statute.

KERREY AMENDMENT NO. 4284

Mr. BRYAN (for Mr. KERREY) proposed an amendment to the bill, S. 2507, supra; as follows:

At the end of title III, add the following:

SEC. 3___. DESIGNATION OF DANIEL PATRICK MOYNIHAN PLACE.

(a) FINDINGS.—Congress finds that—

(1) during the second half of the twentieth century, Senator Daniel Patrick Moynihan promoted the importance of architecture and urban planning in the Nation's Capital, particularly with respect to the portion of Pennsylvania Avenue between the White House and the United States Capitol (referred to in this subsection as the ''Avenue'');

(2) Senator Moynihan has stressed the unique significance of the Avenue as conceived by Pierre Charles L'Enfant to be the ''grand axis'' of the Nation's Capital as well as a symbolic representation of the separate yet unified branches of the United States Government;

(3) through his service to the Ad Hoc Committee on Federal Office Space (1961–1962), as a member of the President's Council on Pennsylvania Avenue (1962–1964), and as vice-chairman of the President's Temporary Commission on Pennsylvania Avenue (1965–1969), and in his various capacities in the executive and legislative branches, Senator Moynihan has consistently and creatively sought to fulfill President Kennedy's recommendation of June 1, 1962, that the Avenue not become a ''solid phalanx of public and private office buildings which close down completely at night and on weekends,'' but that it be ''lively, friendly, and inviting, as well as dignified and impressive'';

(4)(A) Senator Moynihan helped draft a Federal architectural policy, known as the ''Guiding Principles for Federal Architecture,'' that recommends a choice of designs that are ''efficient and economical'' and that provide ''visual testimony to the dignity, enterprise, vigor, and stability'' of the United States Government; and

(B) the Guiding Principles for Federal Architecture further state that the ''development of an official style must be avoided. Design must flow from the architectural profession to the Government, and not vice versa.'';

(5) Senator Moynihan has encouraged—

(A) the construction of new buildings along the Avenue, such as the Ronald Reagan Building and International Trade Center; and

(B) the establishment of an academic institution along the Avenue, namely the Woodrow Wilson International Center for Scholars, a living memorial to President Wilson; and

(6) as Senator Moynihan's service in the Senate concludes, it is appropriate to commemorate his legacy of public service and his commitment to thoughtful urban design in the Nation's Capital.

(b) DESIGNATION.—The parcel of land located in the northwest quadrant of Washington, District of Columbia, and described in subsection (c) shall be known and designated as ''Daniel Patrick Moynihan Place''.

(c) BOUNDARIES.—The parcel of land described in this subsection is the portion of Woodrow Wilson Plaza (as designated by Public Law 103–284 (108 Stat. 1448)) that is bounded—

(1) on the west by the eastern facade of the Ronald Reagan Building and International Trade Center;

(2) on the east by the western facade of the Ariel Rios Building;

(3) on the north by the southern edge of the sidewalk abutting Pennsylvania Avenue; and

(4) on the south by the line that, bisecting the atrium of the Ronald Reagan Building and International Trade Center, continues east to bisect the western hemicycle of the Ariel Rios Building.

(d) REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the parcel of land described in subsection (c) shall be deemed to be a reference to Daniel Patrick Moynihan Place.

SHELBY AMENDMENT NO. 4285

Mr. LOTT (for Mr. SHELBY) proposed an amendment to the bill, S. 2507. supra; as follows:

On page 10, strike line 11 and all that follows through page 12, line 2, and insert the following:

''(a) PROHIBITION.—Whoever, being an officer or employee of the United States, a former or retired officer or employee of the United States, any other person with authorized access to classified information, or any other person formerly with authorized access to classified information, knowingly and willfully discloses, or attempts to disclose, any classified information acquired as a result of such person's authorized access to classified information to a person (other than an officer or employee of the United States) who is not authorized access to such classified information, knowing that the person is not authorized access to such classified information, shall be fined under this title, imprisoned not more than 3 years, or both.

''(b) CONSTRUCTION OF PROHIBITION.—Nothing in this section shall be construed to establish criminal liability for disclosure of classified information in accordance with applicable law to the following:

''(1) Any justice or judge of a court of the United States established pursuant to article III of the Constitution of the United States.

''(2) The Senate or House of Representatives, or any committee or subcommittee thereof, or joint committee thereof, or any member of Congress.

''(3) A person or persons acting on behalf of a foreign power (including an international organization) if the disclosure—

''(A) is made by an officer or employee of the United States who has been authorized to make the disclosure; and

''(B) is within the scope of such officer's or employee's duties.

''(4) Any other person authorized to receive the classified information.

''(c) DEFINITIONS.—In this section:

''(1) The term 'authorized', in the case of access to classified information, means having authority or permission to have access to the classified information pursuant to the provisions of a statute, Executive Order, regulation, or directive of the head of any department or agency who is empowered to classify information, an order of any United States court, or a provision of any Resolution of the Senate or Rule of the House of Representatives which governs release of classified information by such House of Congress.

''(2) The term 'classified information' means information or material properly classified and clearly marked or represented, or that the person knows or has reason to believe has been properly classified by appropriate authorities, pursuant to the provisions of a statute or Executive Order, as requiring protection against unauthorized disclosure for reasons of national security.

On page 12, strike line 21 and all that follows through page 13, line 16, and insert the following:

''SEC. 115. (a) REQUIREMENT.—(1) The Director of Central Intelligence shall, in consultation with the Secretary of Defense, establish and maintain in the intelligence community an analytic capability with responsibility for intelligence in support of the activities of the United States relating to unaccounted for United States personnel.

''(2) The analytic capability maintained under paragraph (1) shall be known as the 'POW/MIA analytic capability of the intelligence community'.

''(b) SCOPE OF RESPONSIBILITY.—The responsibilities of the analytic capability maintained under subsection (a) shall—

''(1) extend to any activities of the Federal Government with respect to unaccounted for United States personnel after December 31, 1999; and

''(2) include support for any department or agency of the Federal Government engaged in such activities.

''(c) UNACCOUNTED FOR UNITED STATES PERSONNEL DEFINED.—In this section, the term 'unaccounted for United States personnel' means the following:

''(1) Any missing person (as that term is defined in section 1513(1) of title 10, United States Code).

''(2) Any United States national who was killed while engaged in activities on behalf of the United States Government and whose remains have not been repatriated to the United States.''.

On page 14, beginning on line 11, strike ''acting at their direction''.

On page 14, line 13, insert '', and at the direction of,'' after ''on behalf of''.

On page 14, line 16, strike ''AUTHORIZED ACTIVITIES.—An activity'' and insert ''AUTHORIZED INTELLIGENCE ACTIVITIES.—An intelligence activity''.

On page 14, line 18, insert ''intelligence'' before ''activity''.

On page 15, beginning on line 9, strike '', and all applicable Executive Orders,''.

On page 15, line 11, strike ''materials'' and insert ''material''.

On page 15, line 15, strike ''and Executive Orders''.

On page 15, line 18, strike ''or Executive Order''.

On page 15, line 22, strike ''or Executive Order''.

On page 15, strike line 25 and all that follows through page 16, line 16, and insert the following:

(d) EFFECTS OF CERTIFICATION OF NON-FULL COMPLIANCE.—(1) Subject to subsection (e), effective as of January 1, 2001, a covered element of the Department of State

On page 16, line 20, strike ''and Executive Orders''.

On page 16, strike lines 22 and 23 and insert the following:

(2) If the prohibition in paragraph (1) takes effect in accordance with that paragraph, the prohibition

On page 17, beginning on line 1, strike ''and Executive Orders''.

On page 17, strike line 3 and insert the following:

(e) WAIVER BY DIRECTOR OF CENTRAL INTELLIGENCE.—(1) The Director of Central Intelligence may

On page 17, beginning on line 4, strike ''subsection (d)(2)'' and insert ''subsection (d)''.

On page 17, line 6, strike ''the President'' and insert ''the Director''.

On page 17, line 9, strike ''The President'' and insert ''The Director''.

On page 17, between lines 17 and 18, insert the following:

(C) The actions, if any, that will be taken to bring such element into full compliance with the directives referred to in subsection (a), including a schedule for completion of such actions.

On page 17, line 18, strike ''(C) The actions taken by the President'' and insert ''(D) The actions taken by the Director''.

On page 17, line 20, insert before the period the following: ''pending achievement of full compliance of such element with such directives''.

SMALL BUSINESS INNOVATION RESEARCH PROGRAM REAUTHORIZATION ACT OF 2000

BOND (AND KERRY) AMENDMENT NO. 4286

Mr. KYL (for Mr. BOND (for himself and Mr. KERRY)) proposed an amendment to the House amendment to the Senate 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 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.

TITLE I—SMALL BUSINESS INNOVATION RESEARCH PROGRAM

Sec. 101. Short title.
Sec. 102. Findings.
Sec. 103. Extension of SBIR program.
Sec. 104. Annual report.
Sec. 105. Third phase assistance.
Sec. 106. Report on programs for annual performance plan.
Sec. 107. Output and outcome data.
Sec. 108. National Research Council reports.
Sec. 109. Federal agency expenditures for the SBIR program.
Sec. 110. Policy directive modifications.
Sec. 111. Federal and State technology partnership program.
Sec. 112. Mentoring networks.
Sec. 113. Simplified reporting requirements.
Sec. 114. Rural outreach program extension.

TITLE II—GENERAL BUSINESS LOAN PROGRAM

Sec. 201. Short title.
Sec. 202. Levels of participation.
Sec. 203. Loan amounts.
Sec. 204. Interest on defaulted loans.
Sec. 205. Prepayment of loans.
Sec. 206. Guarantee fees.
Sec. 207. Lease terms.
Sec. 208. Microloan program.

TITLE III—CERTIFIED DEVELOPMENT COMPANY PROGRAM

Sec. 301. Short title.
Sec. 302. Women-owned businesses.
Sec. 303. Maximum debenture size.
Sec. 304. Fees.
Sec. 305. Premier certified lenders program.
Sec. 306. Sale of certain defaulted loans.
Sec. 307. Loan liquidation.

TITLE IV—CORRECTIONS TO THE SMALL BUSINESS INVESTMENT ACT OF 1958

Sec. 401. Short title.
Sec. 402. Definitions.
Sec. 403. Investment in small business investment companies.
Sec. 404. Subsidy fees.
Sec. 405. Distributions.
Sec. 406. Conforming amendment.

TITLE V—REAUTHORIZATION OF SMALL BUSINESS PROGRAMS

Sec. 501. Short title.
Sec. 502. Reauthorization of small business programs.
Sec. 503. Additional reauthorizations.
Sec. 504. Cosponsorship.

TITLE VI—HUBZONE PROGRAM
Subtitle A—HUBZones in Native America
Sec. 601. Short title.
Sec. 602. HUBZone small business concern.
Sec. 603. Qualified HUBZone small business concern.
Sec. 604. Other definitions.
Subtitle B—Other HUBZone Provisions
Sec. 611. Definitions.
Sec. 612. Eligible contracts.
Sec. 613. HUBZone redesignated areas.
Sec. 614. Community development.
Sec. 615. Reference corrections.
TITLE VII—NATIONAL WOMEN'S BUSINESS COUNCIL REAUTHORIZATION
Sec. 701. Short title.
Sec. 702. Duties of the Council.
Sec. 703. Membership of the Council.
Sec. 704. Repeal of procurement project; State and local economic networks.
Sec. 705. Studies and other research.
Sec. 706. Authorization of appropriations.
TITLE VIII—MISCELLANEOUS PROVISIONS
Sec. 801. Loan application processing.
Sec. 802. Application of ownership requirements.
Sec. 803. Subcontracting preference for veterans.
Sec. 804. Small business development center program funding.
Sec. 805. Surety bonds.
Sec. 806. Size standards.
Sec. 807. Native American small business development centers.

TITLE I—SMALL BUSINESS INNOVATION RESEARCH PROGRAM

SECTION 101. SHORT TITLE.

(a) SHORT TITLE.—This title may be cited as the ''Small Business Innovation Research Program Reauthorization Act of 2000''.

SEC. 102. 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 the 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. 103. 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. 104. 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. 105. 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. 106. 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:

''(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. 107. OUTPUT AND OUTCOME DATA.

(a) COLLECTION.—Section 9(g) of the Small Business Act (15 U.S.C. 638(g)), as amended by section 106 of this Act, is further amended by adding at the end the following:

''(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 104 of this Act, is further 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. 108. 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. 109. 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. 110. 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. 111. 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 37; and

(2) by inserting after section 33 the following:

''SEC. 34. FEDERAL AND STATE TECHNOLOGY PARTNERSHIP PROGRAM.

''(a) DEFINITIONS.—In this section and section 35, the following definitions apply:

''(1) APPLICANT.—The term 'applicant' means an entity, organization, or individual that submits a proposal for an award or a cooperative agreement under this section.

''(2) BUSINESS ADVICE AND COUNSELING.—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) FAST PROGRAM.—The term 'FAST program' means the Federal and State Technology Partnership Program established under this section.

''(4) MENTOR.—The term 'mentor' means an individual described in section 35(c)(2).

''(5) MENTORING NETWORK.—The term 'Mentoring Network' means an association, organization, coalition, or other entity (including an individual) that meets the requirements of section 35(c).

''(6) RECIPIENT.—The term 'recipient' means a person that receives an award or becomes party to a cooperative agreement under this section.

''(7) SBIR PROGRAM.—The term 'SBIR program' has the same meaning as in section 9(e)(4).

''(8) STATE.—The term 'State' means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and American Samoa.

''(9) STTR PROGRAM.—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 authority 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. 112. MENTORING NETWORKS.

The Small Business Act (15 U.S.C. 631 et seq.) is amended by inserting after section 34, as added by section 111(b)(2) of 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) 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. 113. SIMPLIFIED REPORTING REQUIREMENTS.

Section 9 of the Small Business Act (15 U.S.C. 638), as amended by this Act, is further amended by adding at the end the following:

''(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. 114. 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,''.

TITLE II—GENERAL BUSINESS LOAN PROGRAM

SEC. 201. SHORT TITLE.

This title may be cited as the ''Small Business General Business Loan Improvement Act of 2000''.

SEC. 202. LEVELS OF PARTICIPATION.

Section 7(a)(2)(A) of the Small Business Act (15 U.S.C. 636(a)(2)(A)) is amended—

(1) in paragraph (i) by striking ''$100,000'' and inserting ''$150,000''; and

(2) in paragraph (ii)—

(A) by striking ''80 percent'' and inserting ''85 percent''; and

(B) by striking ''$100,000'' and inserting ''$150,000''.

SEC. 203. LOAN AMOUNTS.

Section 7(a)(3)(A) of the Small Business Act (15 U.S.C. 636(a)(3)(A)) is amended by striking ''$750,000,'' and inserting, ''$1,000,000 (or if the gross loan amount would exceed $2,000,000),''.

SEC. 204. INTEREST ON DEFAULTED LOANS.

Section 7(a)(4)(B) of the Small Business Act (15 U.S.C. 636(a)(4)(B)) is amended by adding at the end the following:

''(iii) APPLICABILITY.—Clauses (i) and (ii) shall not apply to loans made on or after October 1, 2000.''.

SEC. 205. PREPAYMENT OF LOANS.

Section 7(a)(4) of the Small Business Act (15 U.S.C. 636(a)(4)) is further amended—

(1) by striking ''(4) INTEREST RATES AND FEES.—'' and inserting ''(4) INTEREST RATES AND PREPAYMENT CHARGES.—''; and

(2) by adding at the end the following:

''(C) PREPAYMENT CHARGES.—

''(i) IN GENERAL.—A borrower who prepays any loan guaranteed under this subsection shall remit to the Administration a subsidy recoupment fee calculated in accordance with clause (ii) if—

''(I) the loan is for a term of not less than 15 years;

''(II) the prepayment is voluntary;

''(III) the amount of prepayment in any calendar year is more than 25 percent of the outstanding balance of the loan; and

''(IV) the prepayment is made within the first 3 years after disbursement of the loan proceeds.

''(ii) SUBSIDY RECOUPMENT FEE.—The subsidy recoupment fee charged under clause (i) shall be—

''(I) 5 percent of the amount of prepayment, if the borrower prepays during the first year after disbursement;

''(II) 3 percent of the amount of prepayment, if the borrower prepays during the second year after disbursement; and

''(III) 1 percent of the amount of prepayment, if the borrower prepays during the third year after disbursement.''.

SEC. 206. GUARANTEE FEES.

Section 7(a)(18) of the Small Business Act (15 U.S.C. 636(a)(18)) is amended to read as follows:

''(18) GUARANTEE FEES.—

''(A) IN GENERAL.—With respect to each loan guaranteed under this subsection (other than a loan that is repayable in 1 year or less), the Administration shall collect a guarantee fee, which shall be payable by the participating lender, and may be charged to the borrower, as follows:

''(i) A guarantee fee equal to 2 percent of the deferred participation share of a total loan amount that is not more than $150,000.

''(ii) A guarantee fee equal to 3 percent of the deferred participation share of a total loan amount that is more than $150,000, but less than $700,000.

''(iii) A guarantee fee equal to 3.5 percent of the deferred participation share of a total loan amount that is more than $700,000.

''(B) RETENTION OF CERTAIN FEES.—Lenders participating in the programs established under this subsection may retain not more than 25 percent of a fee collected under subparagraph (A)(i).''.

SEC. 207. LEASE TERMS.

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

''(28) LEASING.—In addition to such other lease arrangements as may be authorized by the Administration, a borrower may permanently lease to one or more tenants not more than 20 percent of any property constructed with the proceeds of a loan guaranteed under this subsection, if the borrower permanently occupies and uses not less than 60 percent of the total business space in the property.''.

SEC. 208. MICROLOAN PROGRAM.

(a) IN GENERAL.—Section 7(m) of the Small Business Act (15 U.S.C. 636(m)) is amended—

(1) in paragraphs (1)(B)(iii) and (3)(E), by striking ''$25,000'' each place it appears and inserting ''$35,000'';

(2) in paragraphs (1)(A)(iii)(I), (3)(A)(ii), and (4)(C)(i)(II), by striking ''$7,500'' each place it appears and inserting ''$10,000'';

(3) in paragraph (1)(B)(i), by striking ''short-term,'';

(4) in paragraph (2)(B), by inserting before the period '', or equivalent experience, as determined by the Administration'';

(5) in paragraph (3)(E), by striking ''$15,000'' and inserting ''$20,000'';

(6) in paragraph (4)(E)—

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

''(i) IN GENERAL.—Each intermediary may expend the grant funds received under the program authorized by this subsection to provide or arrange for loan technical assistance to small business concerns that are borrowers or prospective borrowers under this subsection.''; and

(B) in clause (ii), by striking ''25'' and inserting ''35'';

(7) in paragraph (5)(A)—

(A) by striking ''25 grants'' and inserting ''55 grants''; and

(B) by striking ''$125,000'' and inserting ''$200,000'';

(8) in paragraph (6)(B), by striking ''$10,000'' and inserting ''$15,000'';

(9) in paragraph (7), by striking subparagraph (A) and inserting the following:

''(A) NUMBER OF PARTICIPANTS.—Under the program authorized by this subsection, the Administration may fund, on a competitive basis, not more than—

''(i) 250 intermediaries in fiscal year 2001;

''(ii) 300 intermediaries in fiscal year 2002; and

''(iii) 350 intermediaries in fiscal year 2003.''; and

(10) in paragraph (9), by adding at the end the following:

''(D) PEER-TO-PEER CAPACITY BUILDING AND TRAINING.—The Administrator may use not more than $1,000,000 of the annual appropriation to the Administration for technical assistance grants to subcontract with 1 or more national trade associations of eligible intermediaries under this subsection to provide peer-to-peer capacity building and training to lenders under this subsection and organizations seeking to become lenders under this subsection.''.

(b) CONFORMING AMENDMENTS.—Section 7(n)(11)(B) of the Small Business Act (15 U.S.C. 636(n)(11)(B)) is amended—

(1) by striking ''$25,000'' and inserting ''$35,000''; and

(2) by striking ''short-term,''.

TITLE III—CERTIFIED DEVELOPMENT COMPANY PROGRAM

SEC. 301. SHORT TITLE.

This title may be cited as the ''Certified Development Company Program Improvements Act of 2000''.

SEC. 302. WOMEN-OWNED BUSINESSES.

Section 501(d)(3)(C) of the Small Business Investment Act of 1958 (15 U.S.C. 695(d)(3)(C)) is amended by inserting before the comma ''or women-owned business development''.

SEC. 303. MAXIMUM DEBENTURE SIZE.

Section 502(2) of the Small Business Investment Act of 1958 (15 U.S.C. 696(2)) is amended to read as follows:

''(2) Loans made by the Administration under this section shall be limited to $1,000,000 for each such identifiable small business concern, except loans meeting the criteria specified in section 501(d)(3), which shall be limited to $1,300,000 for each such identifiable small business concern.''.

SEC. 304. FEES.

Section 503(f) of the Small Business Investment Act of 1958 (15 U.S.C. 697(f)) is amended to read as follows:

''(f) EFFECTIVE DATE.—The fees authorized by subsections (b) and (d) shall apply to financings approved by the Administration on or after October 1, 1996, but shall not apply to financings approved by the Administration on or after October 1, 2003.''.

SEC. 305. PREMIER CERTIFIED LENDERS PROGRAM.

Section 217(b) of the Small Business Administration Reauthorization and Amendments Act of 1994 (Public Law 103–403, 15 U.S.C. 697 note) (relating to section 508 of the Small Business Investment Act of 1958) is repealed.

SEC. 306. SALE OF CERTAIN DEFAULTED LOANS.

Section 508 of the Small Business Investment Act of 1958 (15 U.S.C. 697e) is amended—

(1) in subsection (a), by striking ''On a pilot program basis, the'' and inserting ''The'';

(2) by redesignating subsections (d) through (i) as subsections (e) through (j), respectively;

(3) in subsection (f) (as redesignated by paragraph (2)), by striking ''subsection (f)'' and inserting ''subsection (g)'';

(4) in subsection (h) (as redesignated by paragraph (2)), by striking ''subsection (f)'' and inserting ''subsection (g)''; and

(5) by inserting after subsection (c) the following:

''(d) SALE OF CERTAIN DEFAULTED LOANS.—

''(1) NOTICE.—If, upon default in repayment, the Administration acquires a loan guaranteed under this section and identifies such loan for inclusion in a bulk asset sale of defaulted or repurchased loans or other financings, it shall give prior notice thereof to any certified development company which has a contingent liability under this section. The notice shall be given to the company as soon as possible after the financing is identified, but not less than 90 days before the date the Administration first makes any records on such financing available for examination by prospective purchasers prior to its offering in a package of loans for bulk sale.

''(2) LIMITATIONS.—The Administration shall not offer any loan described in paragraph (1) as part of a bulk sale unless it—

''(A) provides prospective purchasers with the opportunity to examine the Administration's records with respect to such loan; and

''(B) provides the notice required by paragraph (1).''.

SEC. 307. LOAN LIQUIDATION.

(a) LIQUIDATION AND FORECLOSURE.—Title V of the Small Business Investment Act of 1958 (15 U.S.C. 695 et seq.) is amended by adding at the end the following:

''SEC. 510. FORECLOSURE AND LIQUIDATION OF LOANS.

''(a) DELEGATION OF AUTHORITY.—In accordance with this section, the Administration shall delegate to any qualified State or local development company (as defined in section 503(e)) that meets the eligibility requirements of subsection (b)(1) the authority to foreclose and liquidate, or to otherwise treat in accordance with this section, defaulted loans in its portfolio that are funded with the proceeds of debentures guaranteed by the Administration under section 503.

''(b) ELIGIBILITY FOR DELEGATION.—

''(1) REQUIREMENTS.—A qualified State or local development company shall be eligible for a delegation of authority under subsection (a) if—

''(A) the company—

''(i) has participated in the loan liquidation pilot program established by the Small Business Programs Improvement Act of 1996 (15 U.S.C. 695 note), as in effect on the day before promulgation of final regulations by the Administration implementing this section;

''(ii) is participating in the Premier Certified Lenders Program under section 508; or

''(iii) during the 3 fiscal years immediately prior to seeking such a delegation, has made an average of not less than 10 loans per year that are funded with the proceeds of debentures guaranteed under section 503; and

''(B) the company—

''(i) has one or more employees—

''(I) with not less than 2 years of substantive, decision-making experience in administering the liquidation and workout of problem loans secured in a manner substantially similar to loans funded with the proceeds of debentures guaranteed under section 503; and

''(II) who have completed a training program on loan liquidation developed by the Administration in conjunction with qualified State and local development companies that meet the requirements of this paragraph; or

''(ii) submits to the Administration documentation demonstrating that the company has contracted with a qualified third-party to perform any liquidation activities and secures the approval of the contract by the Administration with respect to the qualifications of the contractor and the terms and conditions of liquidation activities.

''(2) CONFIRMATION.—On request the Administration shall examine the qualifications of any company described in subsection (a) to determine if such company is eligible for the delegation of authority under this section. If the Administration determines that a company is not eligible, the Administration shall provide the company with the reasons for such ineligibility.

''(c) SCOPE OF DELEGATED AUTHORITY.—

''(1) IN GENERAL.—Each qualified State or local development company to which the Administration delegates authority under section (a) may with respect to any loan described in subsection (a)—

''(A) perform all liquidation and foreclosure functions, including the purchase in accordance with this subsection of any other indebtedness secured by the property securing the loan, in a reasonable and sound manner according to commercially accepted practices, pursuant to a liquidation plan approved in advance by the Administration under paragraph (2)(A);

''(B) litigate any matter relating to the performance of the functions described in subparagraph (A), except that the Administration may—

''(i) defend or bring any claim if—

''(I) the outcome of the litigation may adversely affect the Administration's management of the loan program established under section 502; or

''(II) the Administration is entitled to legal remedies not available to a qualified State or local development company and such remedies will benefit either the Administration or the qualified State or local development company; or

''(ii) oversee the conduct of any such litigation; and

''(C) take other appropriate actions to mitigate loan losses in lieu of total liquidation or foreclosures, including the restructuring of a loan in accordance with prudent loan servicing practices and pursuant to a workout plan approved in advance by the Administration under paragraph (2)(C).

''(2) ADMINISTRATION APPROVAL.—

''(A) LIQUIDATION PLAN.—

''(i) IN GENERAL.—Before carrying out functions described in paragraph (1)(A), a qualified State or local development company shall submit to the Administration a proposed liquidation plan.

''(ii) ADMINISTRATION ACTION ON PLAN.—

''(I) TIMING.—Not later than 15 business days after a liquidation plan is received by the Administration under clause (i), the Administration shall approve or reject the plan.

''(II) NOTICE OF NO DECISION.—With respect to any plan that cannot be approved or denied within the 15-day period required by subclause (I), the Administration shall within such period provide in accordance with subparagraph (E) notice to the company that submitted the plan.

''(iii) ROUTINE ACTIONS.—In carrying out functions described in paragraph (1)(A), a qualified State or local development company may undertake routine actions not addressed in a liquidation plan without obtaining additional approval from the Administration.

''(B) PURCHASE OF INDEBTEDNESS.—

''(i) IN GENERAL.—In carrying out functions described in paragraph (1)(A), a qualified State or local development company shall submit to the Administration a request for written approval before committing the Administration to the purchase of any other indebtedness secured by the property securing a defaulted loan.

''(ii) ADMINISTRATION ACTION ON REQUEST.—

''(I) TIMING.—Not later than 15 business days after receiving a request under clause (i), the Administration shall approve or deny the request.

''(II) NOTICE OF NO DECISION.—With respect to any request that cannot be approved or denied within the 15-day period required by subclause (I), the Administration shall within such period provide in accordance with subparagraph (E) notice to the company that submitted the request.

''(C) WORKOUT PLAN.—

''(i) IN GENERAL.—In carrying out functions described in paragraph (1)(C), a qualified State or local development company shall submit to the Administration a proposed workout plan.

''(ii) ADMINISTRATION ACTION ON PLAN.—

''(I) TIMING.—Not later than 15 business days after a workout plan is received by the Administration under clause (i), the Administration shall approve or reject the plan.

''(II) NOTICE OF NO DECISION.—With respect to any workout plan that cannot be approved or denied within the 15-day period required by subclause (I), the Administration shall within such period provide in accordance with subparagraph (E) notice to the company that submitted the plan.

''(D) COMPROMISE OF INDEBTEDNESS.—In carrying out functions described in paragraph (1)(A), a qualified State or local development company may—

''(i) consider an offer made by an obligor to compromise the debt for less than the full amount owing; and

''(ii) pursuant to such an offer, release any obligor or other party contingently liable, if the company secures the written approval of the Administration.

''(E) CONTENTS OF NOTICE OF NO DECISION.—Any notice provided by the Administration under subparagraphs (A)(ii)(II), (B)(ii)(II), or (C)(ii)(II)—

''(i) shall be in writing;

''(ii) shall state the specific reason for the Administration's inability to act on a plan or request;

''(iii) shall include an estimate of the additional time required by the Administration to act on the plan or request; and

''(iv) if the Administration cannot act because insufficient information or documentation was provided by the company submitting the plan or request, shall specify the nature of such additional information or documentation.

''(3) CONFLICT OF INTEREST.—In carrying out functions described in paragraph (1), a qualified State or local development company shall take no action that would result in an actual or apparent conflict of interest between the company (or any employee of the company) and any third party lender, associate of a third party lender, or any other person participating in a liquidation, foreclosure, or loss mitigation action.

''(d) SUSPENSION OR REVOCATION OF AUTHORITY.—The Administration may revoke or suspend a delegation of authority under this section to any qualified State or local development company, if the Administration determines that the company—

''(1) does not meet the requirements of subsection (b)(1);

''(2) has violated any applicable rule or regulation of the Administration or any other applicable law; or

''(3) fails to comply with any reporting requirement that may be established by the Administration relating to carrying out of functions described in paragraph (1).

''(e) REPORT.—

''(1) IN GENERAL.—Based on information provided by qualified State and local development companies and the Administration, the Administration shall annually submit to the Committees on Small Business of the House of Representatives and of the Senate a report on the results of delegation of authority under this section.

''(2) CONTENTS.—Each report submitted under paragraph (1) shall include the following information:

''(A) With respect to each loan foreclosed or liquidated by a qualified State or local development company under this section, or for which losses were otherwise mitigated by the company pursuant to a workout plan under this section—

''(i) the total cost of the project financed with the loan;

''(ii) the total original dollar amount guaranteed by the Administration;

''(iii) the total dollar amount of the loan at the time of liquidation, foreclosure, or mitigation of loss;

''(iv) the total dollar losses resulting from the liquidation, foreclosure, or mitigation of loss; and

''(v) the total recoveries resulting from the liquidation, foreclosure, or mitigation of loss, both as a percentage of the amount guaranteed and the total cost of the project financed.

''(B) With respect to each qualified State or local development company to which authority is delegated under this section, the totals of each of the amounts described in clauses (i) through (v) of subparagraph (A).

''(C) With respect to all loans subject to foreclosure, liquidation, or mitigation under this section, the totals of each of the amounts described in clauses (i) through (v) of subparagraph (A).

''(D) A comparison between—

''(i) the information provided under subparagraph (C) with respect to the 12-month period preceding the date on which the report is submitted; and

''(ii) the same information with respect to loans foreclosed and liquidated, or otherwise treated, by the Administration during the same period.

''(E) The number of times that the Administration has failed to approve or reject a liquidation plan in accordance with subparagraph (A)(i), a workout plan in accordance with subparagraph (C)(i), or to approve or deny a request for purchase of indebtedness under subparagraph (B)(i), including specific information regarding the reasons for the Administration's failure and any delays that resulted.''.

(b) REGULATIONS.—

(1) IN GENERAL.—Not later than 150 days after the date of enactment of this Act, the Administrator shall issue such regulations as may be necessary to carry out section 510 of the Small Business Investment Act of 1958, as added by subsection (a) of this section.

(2) TERMINATION OF PILOT PROGRAM.—Beginning on the date on which final regulations are issued under paragraph (1), section 204 of the Small Business Programs Improvement Act of 1996 (15 U.S.C. 695 note) shall cease to have effect.

TITLE IV—CORRECTIONS TO THE SMALL BUSINESS INVESTMENT ACT OF 1958

SEC. 401. SHORT TITLE.

This title may be cited as the ''Small Business Investment Corrections Act of 2000''.

SEC. 402. DEFINITIONS.

(a) SMALL BUSINESS CONCERN.—Section 103(5)(A)(i) of the Small Business Investment Act of 1958 (15 U.S.C. 662(5)(A)(i)) is amended by inserting before the semicolon at the end the following: ''regardless of the allocation of control during the investment period under any investment agreement between the business concern and the entity making the investment''.

(b) LONG TERM.—Section 103 of the Small Business Investment Act of 1958 (15 U.S.C. 662) is amended—

(1) in paragraph (15), by striking ''and'' at the end;

(2) in paragraph (16), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(17) the term 'long term', when used in connection with equity capital or loan funds invested in any small business concern or smaller enterprise, means any period of time not less than 1 year.''.

SEC. 403. INVESTMENT IN SMALL BUSINESS INVESTMENT COMPANIES.

Section 302(b) of the Small Business Investment Act of 1958 (15 U.S.C. 682(b)) is amended—

(1) by striking ''(b) Notwithstanding'' and inserting the following:

''(b) FINANCIAL INSTITUTION INVESTMENTS.—

''(1) CERTAIN BANKS.—Notwithstanding''; and

(2) by adding at the end the following:

''(2) CERTAIN SAVINGS ASSOCIATIONS.—Notwithstanding any other provision of law, any Federal savings association may invest in any 1 or more small business investment companies, or in any entity established to invest solely in small business investment companies, except that in no event may the total amount of such investments by any such Federal savings association exceed 5 percent of the capital and surplus of the Federal savings association.''.

SEC. 404. SUBSIDY FEES.

(a) DEBENTURES.—Section 303(b) of the Small Business Investment Act of 1958 (15 U.S.C. 683(b)) is amended by striking ''plus an additional charge of 1 percent per annum which shall be paid to and retained by the Administration'' and inserting ''plus, for debentures issued after September 30, 2000, an additional charge, in an amount established annually by the Administration, of not more than 1 percent per year as necessary to reduce to zero the cost (as defined in section 502 of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a)) to the Administration of purchasing and guaranteeing debentures under this Act, which shall be paid to and retained by the Administration''.

(b) PARTICIPATING SECURITIES.—Section 303(g)(2) of the Small Business Investment Act of 1958 (15 U.S.C. 683(g)(2)) is amended by striking ''plus an additional charge of 1 percent per annum which shall be paid to and retained by the Administration'' and inserting ''plus, for participating securities issued after September 30, 2000, an additional charge, in an amount established annually by the Administration, of not more than 1 percent per year as necessary to reduce to zero the cost (as defined in section 502 of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a)) to the Administration of purchasing and guaranteeing participating securities under this Act, which shall be paid to and retained by the Administration''.

SEC. 405. DISTRIBUTIONS.

Section 303(g)(8) of the Small Business Investment Act of 1958 (15 U.S.C. 683(g)(8)) is amended—

(1) by striking ''subchapter s corporation'' and inserting ''subchapter S corporation'';

(2) by striking ''the end of any calendar quarter based on a quarterly'' and inserting ''any time during any calendar quarter based on an''; and

(3) by striking ''quarterly distributions for a calendar year,'' and inserting ''interim distributions for a calendar year,''.

SEC. 406. CONFORMING AMENDMENT.

Section 310(c)(4) of the Small Business Investment Act of 1958 (15 U.S.C. 687b(c)(4)) is amended by striking ''five years'' and inserting ''1 year''.

TITLE V—REAUTHORIZATION OF SMALL BUSINESS PROGRAMS

SEC. 501. SHORT TITLE.

This title may be cited as the ''Small Business Programs Reauthorization Act of 2000''.

SEC. 502. REAUTHORIZATION OF SMALL BUSINESS PROGRAMS.

Section 20 of the Small Business Act (15 U.S.C. 631 note) is amended by adding at the end the following:

''(g) FISCAL YEAR 2001.—

''(1) PROGRAM LEVELS.—The following program levels are authorized for fiscal year 2001:

''(A) For the programs authorized by this Act, the Administration is authorized to make—

''(i) $45,000,000 in technical assistance grants as provided in section 7(m); and

''(ii) $60,000,000 in direct loans, as provided in 7(m).

''(B) For the programs authorized by this Act, the Administration is authorized to make $19,050,000,000 in deferred participation loans and other financings. Of such sum, the Administration is authorized to make—

''(i) $14,500,000,000 in general business loans as provided in section 7(a);

''(ii) $4,000,000,000 in financings as provided in section 7(a)(13) of this Act and section 504 of the Small Business Investment Act of 1958;

''(iii) $500,000,000 in loans as provided in section 7(a)(21); and

''(iv) $50,000,000 in loans as provided in section 7(m).

''(C) For the programs authorized by title III of the Small Business Investment Act of 1958, the Administration is authorized to make—

''(i) $2,500,000,000 in purchases of participating securities; and

''(ii) $1,500,000,000 in guarantees of debentures.

''(D) For the programs authorized by part B of title IV of the Small Business Investment Act of 1958, the Administration is authorized to enter into guarantees not to exceed $4,000,000,000 of which not more than 50 percent may be in bonds approved pursuant to section 411(a)(3) of that Act.

''(E) The Administration is authorized to make grants or enter cooperative agreements for a total amount of $5,000,000 for the Service Corps of Retired Executives program authorized by section 8(b)(1).

''(2) ADDITIONAL AUTHORIZATIONS.—

''(A) There are authorized to be appropriated to the Administration for fiscal year 2001 such sums as may be necessary to carry out the provisions of this Act not elsewhere provided for, including administrative expenses and necessary loan capital for disaster loans pursuant to section 7(b), and to carry out title IV of the Small Business Investment Act of 1958, including salaries and expenses of the Administration.

''(B) Notwithstanding any other provision of this paragraph, for fiscal year 2001—

''(i) no funds are authorized to be used as loan capital for the loan program authorized by section 7(a)(21) except by transfer from another Federal department or agency to the Administration, unless the program level authorized for general business loans under paragraph (1)(B)(i) is fully funded; and

''(ii) the Administration may not approve loans on its own behalf or on behalf of any other Federal department or agency, by contract or otherwise, under terms and conditions other than those specifically authorized under this Act or the Small Business Investment Act of 1958, except that it may approve loans under section 7(a)(21) of this Act in gross amounts of not more than $1,250,000.

''(h) FISCAL YEAR 2002.—

''(1) PROGRAM LEVELS.—The following program levels are authorized for fiscal year 2002:

''(A) For the programs authorized by this Act, the Administration is authorized to make—

''(i) $60,000,000 in technical assistance grants as provided in section 7(m); and

''(ii) $80,000,000 in direct loans, as provided in 7(m).

''(B) For the programs authorized by this Act, the Administration is authorized to make $20,050,000,000 in deferred participation loans and other financings. Of such sum, the Administration is authorized to make—

''(i) $15,000,000,000 in general business loans as provided in section 7(a);

''(ii) $4,500,000,000 in financings as provided in section 7(a)(13) of this Act and section 504 of the Small Business Investment Act of 1958;

''(iii) $500,000,000 in loans as provided in section 7(a)(21); and

''(iv) $50,000,000 in loans as provided in section 7(m).

''(C) For the programs authorized by title III of the Small Business Investment Act of 1958, the Administration is authorized to make—

''(i) $3,500,000,000 in purchases of participating securities; and

''(ii) $2,500,000,000 in guarantees of debentures.

''(D) For the programs authorized by part B of title IV of the Small Business Investment Act of 1958, the Administration is authorized to enter into guarantees not to exceed $5,000,000,000 of which not more than 50 percent may be in bonds approved pursuant to section 411(a)(3) of that Act.

''(E) The Administration is authorized to make grants or enter cooperative agreements for a total amount of $6,000,000 for the Service Corps of Retired Executives program authorized by section 8(b)(1).

''(2) ADDITIONAL AUTHORIZATIONS.—

''(A) There are authorized to be appropriated to the Administration for fiscal year 2002 such sums as may be necessary to carry out the provisions of this Act not elsewhere provided for, including administrative expenses and necessary loan capital for disaster loans pursuant to section 7(b), and to carry out title IV of the Small Business Investment Act of 1958, including salaries and expenses of the Administration.

''(B) Notwithstanding any other provision of this paragraph, for fiscal year 2002—

''(i) no funds are authorized to be used as loan capital for the loan program authorized by section 7(a)(21) except by transfer from another Federal department or agency to the Administration, unless the program level authorized for general business loans under paragraph (1)(B)(i) is fully funded; and

''(ii) the Administration may not approve loans on its own behalf or on behalf of any other Federal department or agency, by contract or otherwise, under terms and conditions other than those specifically authorized under this Act or the Small Business Investment Act of 1958, except that it may approve loans under section 7(a)(21) of this Act in gross amounts of not more than $1,250,000.

''(i) FISCAL YEAR 2003.—

''(1) PROGRAM LEVELS.—The following program levels are authorized for fiscal year 2003:

''(A) For the programs authorized by this Act, the Administration is authorized to make—

''(i) $70,000,000 in technical assistance grants as provided in section 7(m); and

''(ii) $100,000,000 in direct loans, as provided in 7(m).

''(B) For the programs authorized by this Act, the Administration is authorized to make $21,550,000,000 in deferred participation loans and other financings. Of such sum, the Administration is authorized to make—

''(i) $16,000,000,000 in general business loans as provided in section 7(a);

''(ii) $5,000,000,000 in financings as provided in section 7(a)(13) of this Act and section 504 of the Small Business Investment Act of 1958;

''(iii) $500,000,000 in loans as provided in section 7(a)(21); and

''(iv) $50,000,000 in loans as provided in section 7(m).

''(C) For the programs authorized by title III of the Small Business Investment Act of 1958, the Administration is authorized to make—

''(i) $4,000,000,000 in purchases of participating securities; and

''(ii) $3,000,000,000 in guarantees of debentures.

''(D) For the programs authorized by part B of title IV of the Small Business Investment Act of 1958, the Administration is authorized to enter into guarantees not to exceed $6,000,000,000 of which not more than 50 percent may be in bonds approved pursuant to section 411(a)(3) of that Act.

''(E) The Administration is authorized to make grants or enter into cooperative agreements for a total amount of $7,000,000 for the Service Corps of Retired Executives program authorized by section 8(b)(1).

''(2) ADDITIONAL AUTHORIZATIONS.—

''(A) There are authorized to be appropriated to the Administration for fiscal year 2003 such sums as may be necessary to carry

out the provisions of this Act not elsewhere provided for, including administrative expenses and necessary loan capital for disaster loans pursuant to section 7(b), and to carry out title IV of the Small Business Investment Act of 1958, including salaries and expenses of the Administration.

''(B) Notwithstanding any other provision of this paragraph, for fiscal year 2003—

''(i) no funds are authorized to be used as loan capital for the loan program authorized by section 7(a)(21) except by transfer from another Federal department or agency to the Administration, unless the program level authorized for general business loans under paragraph (1)(B)(i) is fully funded; and

''(ii) the Administration may not approve loans on its own behalf or on behalf of any other Federal department or agency, by contract or otherwise, under terms and conditions other than those specifically authorized under this Act or the Small Business Investment Act of 1958, except that it may approve loans under section 7(a)(21) of this Act in gross amounts of not more than $1,250,000.''.

SEC. 503. ADDITIONAL REAUTHORIZATIONS.

(a) DRUG-FREE WORKPLACE PROGRAM.—Section 27 of the Small Business Act (15 U.S.C. 654) is amended—

(1) in the section heading, by striking ''**DRUG-FREE WORKPLACE DEMONSTRATION PROGRAM**'' and inserting ''**PAUL D. COVERDELL DRUG-FREE WORKPLACE PROGRAM**''; and

(2) in subsection (g)(1), by striking ''$10,000,000 for fiscal years 1999 and 2000'' and inserting ''$5,000,000 for each of fiscal years 2001 through 2003''.

(b) HUBZONE PROGRAM.—Section 31 of the Small Business Act (15 U.S.C. 657a) is amended by adding at the end the following:

''(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out the program established by this section $10,000,000 for each of fiscal years 2001 through 2003.''.

(c) WOMEN'S BUSINESS ENTERPRISE DEVELOPMENT PROGRAMS.—Section 411 of the Women's Business Ownership Act (Public Law 105–135; 15 U.S.C. 631 note) is amended by striking ''$600,000, for each of fiscal years 1998 through 2000,'' and inserting ''$1,000,000 for each of fiscal years 2001 through 2003,''.

(d) VERY SMALL BUSINESS CONCERNS PROGRAM.—Section 304(i) of the Small Business Administration Reauthorization and Amendments Act of 1994 (Public Law 103–403; 15 U.S.C. 644 note) is amended by striking ''September 30, 2000'' and inserting ''September 30, 2003''.

(e) SOCIALLY AND ECONOMICALLY DISADVANTAGED BUSINESSES PROGRAM.—Section 7102(c) of the Federal Acquisition Streamlining Act of 1994 (Public Law 103–355; 15 U.S.C. 644 note) is amended by striking ''September 30, 2000'' and inserting ''September 30, 2003''.

(f) SBDC SERVICES.—Section 21(c)(3)(T) of the Small Business Act (15 U.S.C. 648(c)(3)(T)) is amended by striking ''2000'' and inserting ''2003''.

SEC. 504. COSPONSORSHIP.

(a) IN GENERAL.—Section 8(b)(1)(A) of the Small Business Act (15 U.S.C. 637(b)(1)(A)) is amended to read as follows:

''(1)(A) to provide—

''(i) technical, managerial, and informational aids to small business concerns—

''(I) by advising and counseling on matters in connection with Government procurement and policies, principles, and practices of good management;

''(II) by cooperating and advising with—

''(aa) voluntary business, professional, educational, and other nonprofit organizations, associations, and institutions (except that the Administration shall take such actions as it determines necessary to ensure that such cooperation does not constitute or imply an endorsement by the Administration of the organization or its products or services, and shall ensure that it receives appropriate recognition in all printed materials); and

''(bb) other Federal and State agencies;

''(III) by maintaining a clearinghouse for information on managing, financing, and operating small business enterprises; and

''(IV) by disseminating such information, including through recognition events, and by other activities that the Administration determines to be appropriate; and

''(ii) through cooperation with a profit-making concern (referred to in this paragraph as a 'cosponsor'), training, information, and education to small business concerns, except that the Administration shall—

''(I) take such actions as it determines to be appropriate to ensure that—

''(aa) the Administration receives appropriate recognition and publicity;

''(bb) the cooperation does not constitute or imply an endorsement by the Administration of any product or service of the cosponsor;

''(cc) unnecessary promotion of the products or services of the cosponsor is avoided; and

''(dd) utilization of any 1 cosponsor in a marketing area is minimized; and

''(II) develop an agreement, executed on behalf of the Administration by an employee of the Administration in Washington, the District of Columbia, that provides, at a minimum, that—

''(aa) any printed material to announce the cosponsorship or to be distributed at the cosponsored activity, shall be approved in advance by the Administration;

''(bb) the terms and conditions of the cooperation shall be specified;

''(cc) only minimal charges may be imposed on any small business concern to cover the direct costs of providing the assistance;

''(dd) the Administration may provide to the cosponsorship mailing labels, but not lists of names and addresses of small business concerns compiled by the Administration;

''(ee) all printed materials containing the names of both the Administration and the cosponsor shall include a prominent disclaimer that the cooperation does not constitute or imply an endorsement by the Administration of any product or service of the cosponsor; and

''(ff) the Administration shall ensure that it receives appropriate recognition in all cosponsorship printed materials.''.

(b) EXTENSION OF COSPONSORSHIP AUTHORITY.—Section 401(a)(2) of the Small Business Administration Reauthorization and Amendments Act of 1994 (15 U.S.C. 637 note) is amended by striking ''September 30, 2000'' and inserting ''September 30, 2003''.

TITLE VI—HUBZONE PROGRAM

Subtitle A—HUBZones in Native America

SEC. 601. SHORT TITLE.

This subtitle may be cited as the ''HUBZones in Native America Act of 2000''.

SEC. 602. HUBZONE SMALL BUSINESS CONCERN.

Section 3(p)(3) of the Small Business Act (15 U.S.C. 632(p)(3)) is amended to read as follows:

''(3) HUBZONE SMALL BUSINESS CONCERN.—The term 'HUBZone small business concern' means—

''(A) a small business concern that is owned and controlled by 1 or more persons, each of whom is a United States citizen;

''(B) a small business concern that is—

''(i) an Alaska Native Corporation owned and controlled by Natives (as determined pursuant to section 29(e)(1) of the Alaska Native Claims Settlement Act (43 U.S.C. 1626(e)(1))); or

''(ii) a direct or indirect subsidiary corporation, joint venture, or partnership of an Alaska Native Corporation qualifying pursuant to section 29(e)(1) of the Alaska Native Claims Settlement Act (43 U.S.C. 1626(e)(1)), if that subsidiary, joint venture, or partnership is owned and controlled by Natives (as determined pursuant to section 29(e)(2)) of the Alaska Native Claims Settlement Act (43 U.S.C. 1626(e)(2))); or

''(C) a small business concern—

''(i) that is wholly owned by 1 or more Indian tribal governments, or by a corporation that is wholly owned by 1 or more Indian tribal governments; or

''(ii) that is owned in part by 1 or more Indian tribal governments, or by a corporation that is wholly owned by 1 or more Indian tribal governments, if all other owners are either United States citizens or small business concerns.''.

SEC. 603. QUALIFIED HUBZONE SMALL BUSINESS CONCERN.

(a) IN GENERAL.—Section 3(p)(5)(A)(i) of the Small Business Act (15 U.S.C. 632(p)(5)(A)(i)) is amended by striking subclauses (I) and (II) and inserting the following:

''(I) it is a HUBZone small business concern—

''(aa) pursuant to subparagraph (A) or (B) of paragraph (3), and that its principal office is located in a HUBZone and not fewer than 35 percent of its employees reside in a HUBZone; or

''(bb) pursuant to paragraph (3)(C), and not fewer than 35 percent of its employees engaged in performing a contract awarded to the small business concern on the basis of a preference provided under section 31(b) reside within any Indian reservation governed by 1 or more of the tribal government owners, or reside within any HUBZone adjoining any such Indian reservation;

''(II) the small business concern will attempt to maintain the applicable employment percentage under subclause (I) during the performance of any contract awarded to the small business concern on the basis of a preference provided under section 31(b); and''.

(b) HUBZONE PILOT PROGRAM FOR SPARSELY POPULATED AREAS.—Section 3(p)(5) of the Small Business Act (15 U.S.C. 632(p)(5)) is amended by adding at the end the following:

''(E) HUBZONE PILOT PROGRAM FOR SPARSELY POPULATED AREAS.—

''(i) IN GENERAL.—Notwithstanding subparagraph (A)(i)(I)(aa), during the period beginning on the date of enactment of the Small Business Reauthorization Act of 2000 and ending on September 30, 2003, a small business concern, the principal office of which is located in the State of Alaska, an Alaska Native Corporation under paragraph (3)(B)(i), or a direct or indirect subsidiary, joint venture, or partnership under paragraph (3)(B)(ii) shall be considered to be a qualified HUBZone small business concern if—

''(I) its principal office is located within a HUBZone within the State of Alaska;

''(II) not fewer than 35 percent of its employees who will be engaged in performing a contract awarded to it on the basis of a preference provided under section 31(b) will perform their work in any HUBZone located within the State of Alaska; or

''(III) not fewer than 35 percent of its employees reside in a HUBZone located within the State of Alaska or in any Alaska Native Village within the State of Alaska.

''(ii) EXCEPTION.—

''(I) IN GENERAL.—Clause (i) shall not apply in any fiscal year following a fiscal year in which the total amount of contract dollars awarded in furtherance of the contracting

goals established under section 15(g)(1) to small business concerns located within the State of Alaska is equal to more than 2 percent of the total amount of such contract dollars awarded to all small business concerns nationally, based on data from the Federal Procurement Data System.

''(II) LIMITATION.—Subclause (I) shall not be construed to disqualify a HUBZone small business concern from performing a contract awarded to it on the basis of a preference provided under section 31(b), if such concern was qualified under clause (i) at the time at which the contract was awarded.''.

(c) CLARIFYING AMENDMENT.—Section 3(p)(5)(D)(i) of the Small Business Act (15 U.S.C. 632(p)(5)(D)(i)) is amended by inserting ''once the Administrator has made the certification required by subparagraph (A)(i) regarding a qualified HUBZone small business concern and has determined that subparagraph (A)(ii) does not apply to that concern,'' before ''include''.

SEC. 604. OTHER DEFINITIONS.

Section 3(p) of the Small Business Act (15 U.S.C. 632(p)) is amended by adding at the end the following:

''(6) NATIVE AMERICAN SMALL BUSINESS CONCERNS.—

''(A) ALASKA NATIVE CORPORATION.—The term 'Alaska Native Corporation' has the same meaning as the term 'Native Corporation' in section 3 of the Alaska Native Claims Settlement Act (43 U.S.C. 1602).

''(B) ALASKA NATIVE VILLAGE.—The term 'Alaska Native Village' has the same meaning as the term 'Native village' in section 3 of the Alaska Native Claims Settlement Act (43 U.S.C. 1602).

''(C) INDIAN RESERVATION.—The term 'Indian reservation'—

''(i) has the same meaning as the term 'Indian country' in section 1151 of title 18, United States Code, except that such term does not include—

''(I) any lands that are located within a State in which a tribe did not exercise governmental jurisdiction on the date of enactment of this paragraph, unless that tribe is recognized after that date of enactment by either an Act of Congress or pursuant to regulations of the Secretary of the Interior for the administrative recognition that an Indian group exists as an Indian tribe (part 83 of title 25, Code of Federal Regulations); and

''(II) lands taken into trust or acquired by an Indian tribe after the date of enactment of this paragraph if such lands are not located within the external boundaries of an Indian reservation or former reservation or are not contiguous to the lands held in trust or restricted status on that date of enactment; and

''(ii) in the State of Oklahoma, means lands that—

''(I) are within the jurisdictional areas of an Oklahoma Indian tribe (as determined by the Secretary of the Interior); and

''(II) are recognized by the Secretary of the Interior as eligible for trust land status under part 151 of title 25, Code of Federal Regulations (as in effect on the date of enactment of this paragraph).''.

Subtitle B—Other HUBZone Provisions

SEC. 611. DEFINITIONS.

(a) QUALIFIED CENSUS TRACT.—Section 3(p)(4)(A) of the Small Business Act (15 U.S.C. 632(p)(4)(A)) is amended by striking ''(I)''.

(b) QUALIFIED NONMETROPOLITAN COUNTY.—Section 3(p)(4) of the Small Business Act (15 U.S.C. 632(p)(4)) is amended by striking subparagraph (B) and inserting the following:

''(B) QUALIFIED NONMETROPOLITAN COUNTY.—The term 'qualified nonmetropolitan county' means any county—

''(i) that was not located in a metropolitan statistical area (as defined in section 143(k)(2)(B) of the Internal Revenue Code of 1986) at the time of the most recent census taken for purposes of selecting qualified census tracts under section 42(d)(5)(C)(ii) of the Internal Revenue Code of 1986; and

''(ii) in which—

''(I) the median household income is less than 80 percent of the nonmetropolitan State median household income, based on the most recent data available from the Bureau of the Census of the Department of Commerce; or

''(II) the unemployment rate is not less than 140 percent of the Statewide average unemployment rate for the State in which the county is located, based on the most recent data available from the Secretary of Labor.''.

SEC. 612. ELIGIBLE CONTRACTS.

(a) COMMODITIES CONTRACTS.—Section 31(b) of the Small Business Act (15 U.S.C. 657a(b)) is amended—

(1) in paragraph (3)—

(A) by striking ''In any'' and inserting the following:

''(A) IN GENERAL.—Subject to subparagraph (B), in any''; and

(B) by adding at the end the following:

''(B) PROCUREMENT OF COMMODITIES.—For purchases by the Secretary of Agriculture of agricultural commodities, the price evaluation preference shall be—

''(i) 10 percent, for the portion of a contract to be awarded that is not greater than 25 percent of the total volume being procured for each commodity in a single invitation;

''(ii) 5 percent, for the portion of a contract to be awarded that is greater than 25 percent, but not greater than 40 percent, of the total volume being procured for each commodity in a single invitation; and

''(iii) zero, for the portion of a contract to be awarded that is greater than 40 percent of the total volume being procured for each commodity in a single invitation.''; and

(2) in paragraph (4), by striking ''paragraph (2) or (3)'' and inserting ''this subsection''.

(b) DEFINITIONS.—Section 3(p) of the Small Business Act (15 U.S.C. 632(p)), as amended by this Act, is amended—

(1) in paragraph (5)(A)(i)(III)—

(A) in item (aa), by striking ''and'' at the end; and

(B) by adding at the end the following:

''(cc) in the case of a contract for the procurement by the Secretary of Agriculture of agricultural commodities, none of the commodity being procured will be obtained by the prime contractor through a subcontract for the purchase of the commodity in substantially the final form in which it is to be supplied to the Government; and''; and

(2) by adding at the end the following:

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

SEC. 613. HUBZONE REDESIGNATED AREAS.

Section 3(p) of the Small Business Act (15 U.S.C. 632(p)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (B), by striking ''or'' at the end;

(B) in subparagraph (C), by striking the period at the end and inserting ''; or''; and

(C) by adding at the end the following:

''(D) redesignated areas.''; and

(2) in paragraph (4), by adding at the end the following:

''(C) REDESIGNATED AREA.—The term 'redesignated area' means any census tract that ceases to be qualified under subparagraph (A) and any nonmetropolitan county that ceases to be qualified under subparagraph (B), except that a census tract or a nonmetropolitan county may be a 'redesignated area' only for the 3-year period following the date on which the census tract or nonmetropolitan county ceased to be so qualified.''.

SEC. 614. COMMUNITY DEVELOPMENT.

Section 3(p) of the Small Business Act (15 U.S.C. 632(p)), as amended by this Act, is amended—

(1) in paragraph (3)—

(A) in subparagraph (B), by striking ''or'' at the end;

(B) in subparagraph (C), by striking the period at the end and inserting ''; or''; and

(C) by adding at the end the following:

''(D) a small business concern that is—

''(i) wholly owned by a community development corporation that has received financial assistance under Part 1 of Subchapter A of the Community Economic Development Act of 1981 (42 U.S.C. 9805 et seq.); or

''(ii) owned in part by 1 or more community development corporations, if all other owners are either United States citizens or small business concerns.''; and

(2) in paragraph (5)(A)(i)(I)(aa), by striking ''subparagraph (A) or (B)'' and inserting ''subparagraph (A), (B), or (D)''.

SEC. 615. REFERENCE CORRECTIONS.

(a) SECTION 3.—Section 3(p)(5)(C) of the Small Business Act (15 U.S.C. 632(p)(5)(C)) is amended by striking ''subclause (IV) and (V) of subparagraph (A)(i)'' and inserting ''items (aa) and (bb) of subparagraph (A)(i)(III)''.

(b) SECTION 8.—Section 8(d)(4)(D) of the Small Business Act (15 U.S.C. 637(d)(4)(D)) is amended by inserting ''qualified HUBZone small business concerns,'' after ''small business concerns,''.

TITLE VII—NATIONAL WOMEN'S BUSINESS COUNCIL REAUTHORIZATION

SEC. 701. SHORT TITLE.

This title may be cited as the ''National Women's Business Council Reauthorization Act of 2000''.

SEC. 702. DUTIES OF THE COUNCIL.

Section 406 of the Women's Business Ownership Act of 1988 (15 U.S.C. 631 note) is amended to read as follows:

''SEC. 406. DUTIES OF THE COUNCIL.

''(a) IN GENERAL.—The Council shall—

''(1) provide advice and counsel to the President and to the Congress on economic matters of importance to women business owners;

''(2) promote initiatives designed to increase access to capital and to markets, training and technical assistance, research, resources, and leadership opportunities for and about women business owners;

''(3) provide a source of information and a catalyst for action to support women's business development;

''(4) promote the implementation of the policy agenda, initiatives and recommendations issued at Summit '98, the National Women's Economic Forum;

''(5) review, coordinate, and monitor plans and programs developed in the public and private sectors that affect the ability of women-owned small business concerns to obtain capital and credit;

''(6) work with—

''(A) the Federal agencies for the purpose of assisting them in meeting the 5 percent women's procurement goal established under section 15(g) of the Small Business Act; and

''(B) the private sector in increasing contracting opportunities for women-owned small business concerns;

''(7) promote and assist in the development of a women's business census and other statistical surveys of women-owned small business concerns;

''(8) support new and ongoing research on women-owned small business concerns;

''(9) monitor and promote the plans, programs, and operations of the departments and agencies of the Federal Government that may contribute to the establishment and growth of women's business enterprise;

''(10) develop and promote new initiatives, policies, programs, and plans designed to foster women's business enterprise; and

''(11) advise and consult with State and local leaders to develop and implement programs and policies that promote women's business ownership.

''(b) INTERACTION WITH THE INTERAGENCY COMMITTEE ON WOMEN'S BUSINESS ENTERPRISE.—The Council shall—

''(1) advise the Interagency Committee on Women's Business Enterprise (in this section referred to as the 'Committee') on matters relating to the activities, functions, and policies of the Committee, as provided in this title; and

''(2) meet jointly with the Committee at the discretion of the chairperson of the Council and the chairperson of the Committee, but not less frequently than biannually.

''(c) MEETINGS.—The Council shall meet separately at such times as the Council deems necessary. A majority of the members of the Council shall constitute a quorum for the approval of recommendations or reports issued pursuant to this section.

''(d) RECOMMENDATIONS AND REPORTS .—

''(1) IN GENERAL.—Not later than 90 days after the last day of each fiscal year, the Council shall—

''(A) make recommendations for consideration by the Committee; and

''(B) submit a report to the President, the Committee, the Administrator, the Committee on Small Business of the Senate, and the Committee on Small Business of the House of Representatives, as described in paragraph (2).

''(2) CONTENTS OF REPORTS.—The reports required by paragraph (1) shall contain—

''(A) a detailed description of the activities of the Council during the preceding fiscal year, including a status report on the progress of the Council toward meeting its duties under subsections (a);

''(B) the findings, conclusions, and recommendations of the Council; and

''(C) the recommendations of the Council for such legislation and administrative actions as the Council considers to be appropriate to promote the development of small business concerns owned and controlled by women.

''(e) SEPARATE SUBMISSIONS.—The Administrator shall submit any additional, concurring, or dissenting views or recommendations to the President, the Committee, and the Congress separately from any recommendations or report submitted by the Council under this section.''.

SEC. 703. MEMBERSHIP OF THE COUNCIL.

Section 407 of the Women's Business Ownership Act of 1988 (15 U.S.C. 631 note) is amended—

(1) in subsection (a), by striking ''Not later'' and all that follows through ''the President'' and inserting ''The President'';

(2) in subsection (b)—

(A) by striking ''Not later'' and all that follows through ''the Administrator'' and inserting ''The Administrator''; and

(B) by striking ''the Assistant Administrator of the Office of Women's Business Ownership and'';

(3) in subsection (d), by striking '', except that'' and all that follows through the end of the subsection and inserting a period; and

(4) in subsection (h), by striking ''Not later'' and all that follows through ''the Administrator'' and inserting ''The Administrator''.

SEC. 704. REPEAL OF PROCUREMENT PROJECT; STATE AND LOCAL ECONOMIC NETWORKS.

Section 409 of the Women's Business Ownership Act of 1988 (15 U.S.C. 631 note) is amended to read as follows:

''SEC. 409. STATE AND LOCAL ECONOMIC NETWORKS.

''The Council shall work with State and local officials and business leaders to develop the infrastructure for women's business enterprise for the purpose of increasing women's effectiveness in shaping the economic agendas of their States and communities.''.

SEC. 705. STUDIES AND OTHER RESEARCH.

Section 410 of the Women's Business Ownership Act of 1988 (15 U.S.C. 631 note) is amended to read as follows:

''SEC. 410. STUDIES, OTHER RESEARCH, AND ISSUE INITIATIVES.

''(a) IN GENERAL.—

''(1) AUTHORITY.—The Council may, as it determines to be appropriate, conduct such studies, research, and issue initiatives relating to—

''(A) the award of Federal, State, local, and private sector prime contracts and subcontracts to women-owned businesses; and

''(B) access to credit and investment capital by women entrepreneurs and business development assistance programs, including the identification of best practices.

''(2) PURPOSES.—Studies, research, and issue initiatives may be conducted under paragraph (1) for purposes including—

''(A) identification of several focused outreach initiatives in nontraditional industry sectors for the purpose of increasing contract awards to women in those areas;

''(B) supporting the growth and proliferation of programs designed to prepare women to successfully access the equity capital markets;

''(C) continuing to identify and report on financial best practices that have worked to increase credit and capital availability to women business owners; and

''(D) working with Women's Business Centers to develop programs and coordinate activities.

''(b) CONTRACT AUTHORITY.—In conducting any study or other research under this section, the Council may contract with 1 or more public or private entities.''.

SEC. 706. AUTHORIZATION OF APPROPRIATIONS.

Section 411 of the Women's Business Ownership Act of 1988 (15 U.S.C. 631 note) is amended to read as follows:

''SEC. 411. AUTHORIZATION OF APPROPRIATIONS.

''(a) IN GENERAL.—There is authorized to be appropriated to carry out this title $1,000,000, for each of fiscal years 2001 through 2003, of which $550,000 shall be available in each such fiscal year to carry out sections 409 and 410.

''(b) BUDGET REVIEW.—No amount made available under this section for any fiscal year may be obligated or expended by the Council before the date on which the Council reviews and approves the operating budget of the Council to carry out the responsibilities of the Council for that fiscal year.''.

TITLE VIII—MISCELLANEOUS PROVISIONS

SEC. 801. LOAN APPLICATION PROCESSING.

(a) STUDY.—The Administrator of the Small Business Administration shall conduct a study to determine the average time that the Administration requires to process an application for each type of loan or loan guarantee made under the Small Business Act (15 U.S.C. 631 et seq.).

(b) TRANSMITTAL.—Not later than 1 year after the date of enactment of this Act, the Administrator shall transmit to Congress the results of the study conducted under subsection (a).

SEC. 802. APPLICATION OF OWNERSHIP REQUIREMENTS.

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

''(29) OWNERSHIP REQUIREMENTS.—Ownership requirements to determine the eligibility of a small business concern that applies for assistance under any credit program under this Act shall be determined without regard to any ownership interest of a spouse arising solely from the application of the community property laws of a State for purposes of determining marital interests.''.

(b) SMALL BUSINESS INVESTMENT ACT OF 1958.—Section 502 of the Small Business Investment Act of 1958 (15 U.S.C. 696) is amended by adding at the end the following:

''(6) OWNERSHIP REQUIREMENTS.—Ownership requirements to determine the eligibility of a small business concern that applies for assistance under any credit program under this title shall be determined without regard to any ownership interest of a spouse arising solely from the application of the community property laws of a State for purposes of determining marital interests.''.

SEC. 803. SUBCONTRACTING PREFERENCE FOR VETERANS.

Section 8(d) of the Small Business Act (15 U.S.C. 637(d)) is amended—

(1) in paragraph (1), by inserting ''small business concerns owned and controlled by veterans,'' after ''small business concerns,'' the first place that term appears in each of the first and second sentences;

(2) in paragraph (3)—

(A) in subparagraph (A), by inserting ''small business concerns owned and controlled by service-disabled veterans,'' after ''small business concerns owned and controlled by veterans,'' in each of the first and second sentences; and

(B) in subparagraph (F), by inserting ''small business concern owned and controlled by service-disabled veterans,'' after ''small business concern owned and controlled by veterans,''; and

(3) in each of paragraphs (4)(D), (4)(E), (6)(A), (6)(C), (6)(F), and (10)(B), by inserting ''small business concerns owned and controlled by service-disabled veterans,'' after ''small business concerns owned and controlled by veterans,''.

SEC. 804. SMALL BUSINESS DEVELOPMENT CENTER PROGRAM FUNDING.

(a) AUTHORIZATION.—

(1) IN GENERAL.—Section 20(a)(1) of the Small Business Act (15 U.S.C. 631 note) is amended by striking ''For fiscal year 1985'' and all that follows through ''expended.'' and inserting the following: ''For fiscal year 2000 and each fiscal year thereafter, there are authorized to be appropriated such sums as may be necessary and appropriate, to remain available until expended, and to be available solely—

''(A) to carry out the Small Business Development Center Program under section 21, but not to exceed the annual funding level, as specified in section 21(a);

''(B) to pay the expenses of the National Small Business Development Center Advisory Board, as provided in section 21(i);

''(C) to pay the expenses of the information sharing system, as provided in section 21(c)(8);

''(D) to pay the expenses of the association referred to in section 21(a)(3)(A) for conducting the certification program, as provided in section 21(k)(2); and

''(E) to pay the expenses of the Administration, including salaries of examiners, for conducting examinations as part of the certification program conducted by the association referred to in section 21(a)(3)(A).''.

(2) TECHNICAL AMENDMENT.—Section 20(a) of the Small Business Act (15 U.S.C. 631 note) is amended by moving the margins of paragraphs (3) and (4), including subparagraphs (A) and (B) of paragraph (4), 2 ems to the left.

(b) FUNDING FORMULA.—Section 21(a)(4)(C) of the Small Business Act (15 U.S.C. 648(a)(4)(C)) is amended to read as follows:

''(C) FUNDING FORMULA.—

''(i) IN GENERAL.—Subject to clause (iii), the amount of a formula grant received by a State under this subparagraph shall be equal to an amount determined in accordance with the following formula:

''(I) The annual amount made available under section 20(a) for the Small Business Development Center Program, less any reductions made for expenses authorized by clause (v) of this subparagraph, shall be divided on a pro rata basis, based on the percentage of the population of each State, as compared to the population of the United States.

''(II) If the pro rata amount calculated under subclause (I) for any State is less than the minimum funding level under clause (iii), the Administration shall determine the aggregate amount necessary to achieve that minimum funding level for each such State.

''(III) The aggregate amount calculated under subclause (II) shall be deducted from the amount calculated under subclause (I) for States eligible to receive more than the minimum funding level. The deductions shall be made on a pro rata basis, based on the population of each such State, as compared to the total population of all such States.

''(IV) The aggregate amount deducted under subclause (III) shall be added to the grants of those States that are not eligible to receive more than the minimum funding level in order to achieve the minimum funding level for each such State, except that the eligible amount of a grant to any State shall not be reduced to an amount below the minimum funding level.

''(ii) GRANT DETERMINATION.—The amount of a grant that a State is eligible to apply for under this subparagraph shall be the amount determined under clause (i), subject to any modifications required under clause (iii), and shall be based on the amount available for the fiscal year in which performance of the grant commences, but not including amounts distributed in accordance with clause (iv). The amount of a grant received by a State under any provision of this subparagraph shall not exceed the amount of matching funds from sources other than the Federal Government, as required under subparagraph (A).

''(iii) MINIMUM FUNDING LEVEL.—The amount of the minimum funding level for each State shall be determined for each fiscal year based on the amount made available for that fiscal year to carry out this section, as follows:

''(I) If the amount made available is not less than $81,500,000 and not more than $90,000,000, the minimum funding level shall be $500,000.

''(II) If the amount made available is less than $81,500,000, the minimum funding level shall be the remainder of $500,000 minus a percentage of $500,000 equal to the percentage amount by which the amount made available is less than $81,500,000.

''(III) If the amount made available is more than $90,000,000, the minimum funding level shall be the sum of $500,000 plus a percentage of $500,000 equal to the percentage amount by which the amount made available exceeds $90,000,000.

''(iv) DISTRIBUTIONS.—Subject to clause (iii), if any State does not apply for, or use, its full funding eligibility for a fiscal year, the Administration shall distribute the remaining funds as follows:

''(I) If the grant to any State is less than the amount received by that State in fiscal year 2000, the Administration shall distribute such remaining funds, on a pro rata basis, based on the percentage of shortage of each such State, as compared to the total amount of such remaining funds available, to the extent necessary in order to increase the amount of the grant to the amount received by that State in fiscal year 2000, or until such funds are exhausted, whichever first occurs.

''(II) If any funds remain after the application of subclause (I), the remaining amount may be distributed as supplemental grants to any State, as the Administration determines, in its discretion, to be appropriate, after consultation with the association referred to in subsection (a)(3)(A).

''(v) USE OF AMOUNTS.—

''(I) IN GENERAL.—Of the amounts made available in any fiscal year to carry out this section—

''(aa) not more than $500,000 may be used by the Administration to pay expenses enumerated in subparagraphs (B) through (D) of section 20(a)(1); and

''(bb) not more than $500,000 may be used by the Administration to pay the examination expenses enumerated in section 20(a)(1)(E).

''(II) LIMITATION.—No funds described in subclause (I) may be used for examination expenses under section 20(a)(1)(E) if the usage would reduce the amount of grants made available under clause (i)(I) of this subparagraph to less than $85,000,000 (after excluding any amounts provided in appropriations Acts for specific institutions or for purposes other than the general small business development center program) or would further reduce the amount of such grants below such amount.

''(vi) EXCLUSIONS.—Grants provided to a State by the Administration or another Federal agency to carry out subsection (a)(6) or (c)(3)(G), or for supplemental grants set forth in clause (iv)(II) of this subparagraph, shall not be included in the calculation of maximum funding for a State under clause (ii) of this subparagraph.

''(vii) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subparagraph $125,000,000 for each of fiscal years 2001, 2002, and 2003.

''(viii) STATE DEFINED.—In this subparagraph, the term 'State' means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and American Samoa.''.

SEC. 805. SURETY BONDS.

(a) CONTRACT AMOUNTS.—Section 411 of the Small Business Investment Act of 1958 (15 U.S.C. 694b) is amended—

(1) in subsection (a)(1), by striking ''$1,250,000'' and inserting ''$2,000,000''; and

(2) in subsection (e)(2), by striking ''$1,250,000'' and inserting ''$2,000,000''.

(b) EXTENSION OF CERTAIN AUTHORITY.—Section 207 of the Small Business Administration Reauthorization and Amendment Act of 1988 (15 U.S.C. 694b note) is amended by striking ''2000'' and inserting ''2003''.

SEC. 806. SIZE STANDARDS.

(a) INDUSTRY CLASSIFICATIONS.—Section 15(a) of the Small Business Act (15 U.S.C. 644(a)) is amended in the eighth sentence, by striking ''four-digit standard'' and all that follows through ''published'' and inserting ''definition of a 'United States industry' under the North American Industry Classification System, as established''.

(b) ANNUAL RECEIPTS.—Section 3(a)(1) of the Small Business Act (15 U.S.C. 632(a)(1)) is amended by striking ''$500,000'' and inserting ''$750,000''.

(c) CERTAIN PACKING HOUSES.—

(1) IN GENERAL.—Section 3(a)(1) of the Small Business Act (15 U.S.C. 632(a)(1)) is amended by inserting before the period the following: ''and, in the case of an enterprise that is a fresh fruit and vegetable packing house, has not more than 200 employees''.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply to any application to the Small Business Administration for emergency or disaster loan assistance that was pending on or after April 1, 1999.

SEC. 807. NATIVE AMERICAN SMALL BUSINESS DEVELOPMENT CENTERS.

(a) IN GENERAL.—The Small Business Act (15 U.S.C. 631 et seq.) is amended by inserting after section 21A the following:

''SEC. 21B. NATIVE AMERICAN SMALL BUSINESS DEVELOPMENT CENTER NETWORK.

''(a) DEFINITIONS.—In this section—

''(1) the term 'Alaska Native' means a Native (as such term is defined in section 3(b) of the Alaska Native Claims Settlement Act (43 U.S.C. 1602(b)));

''(2) the term 'Indian tribe' has the same meaning as in section 4(e) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(e));

''(3) the terms 'Native American Small Business Development Center Network' and 'Network' mean 1 lead center small business development center with satellite locations located on Alaska Native, Indian, or Native Hawaiian lands;

''(4) the terms 'Native Hawaiian' and 'Native Hawaiian Organization' have the same meanings as in paragraphs (1) and (3), respectively, of section 9212 of the Native Hawaiian Education Act (20 U.S.C. 7912) and section 8(a)(15) of this Act;

''(5) the term 'Indian lands' includes lands within the definition of—

''(A) the term 'Indian country', as defined in section 1151 of title 18, United States Code; and

''(B) the term 'reservation', as defined in—

''(i) section 3(d) of the Indian Financing Act of 1974 (25 U.S.C. 1452(d)), except that such section shall be applied by treating the term 'former Indian reservations in Oklahoma' as including only lands that are within the jurisdictional area of an Oklahoma Indian Tribe (as determined by the Secretary of the Interior) and are recognized by the Secretary of the Interior as eligible for trust land status under part 151 of title 25, Code of Federal Regulations, as in effect on the date of enactment of this section; and

''(ii) section 4(10) of the Indian Child Welfare Act (25 U.S.C. 1903(10));

''(6) the term 'Tribal Business Information Center' means a business information center established by the Administration and a tribal organization on Alaska Native, Indian, or Native Hawaiian lands, as authorized by this section;

''(7) the terms 'Tribal Electronic Commerce Small Business Resource Center' and 'Resource Center' mean an information sharing system and resource center providing research and resources to the Network, as authorized by this section; and

''(8) the term 'tribal organization' has the same meaning as in section 4(1) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(1)), except for the proviso contained in that paragraph, and includes Native Hawaiian Organizations and organizations of Alaska Natives.

''(b) AUTHORITY FOR NETWORK.—

''(1) IN GENERAL.—The Administration may establish a Native American Small Business Development Center Network and a Tribal Electronic Commerce Small Business Resource Center.

''(2) PURPOSE.—The purpose of the Network shall be to stimulate Alaska Native, Indian, and Native Hawaiian economies through the creation and expansion of small businesses.

''(3) ESTABLISHMENT.—The Administration may provide 1 or more contracts, grants, and cooperative agreements to any established tribal organization to establish the Network and the Resource Center. Awards made under this section may be subgranted.

''(c) USES OF ASSISTANCE.—Services provided by the Network shall include—

''(1) providing current business management and technical assistance in a cost-effective and culturally tailored manner that primarily serves Alaska Natives, members of Indian tribes, or Native Hawaiians;

''(2) providing Tribal Business Information Centers with current electronic commerce information, training, and other forms of technical assistance;

''(3) supporting the Resource Center; and

''(4) providing any of the services that a small business development center may provide under section 21.

''(d) GRANT AND COOPERATIVE AGREEMENT MATCHING REQUIREMENT.—

''(1) IN GENERAL.—As a condition for receiving a contract, grant, or cooperative agreement authorized by this section, the recipient organization shall agree to obtain, after its application has been approved and notice of award has been issued, cash or in kind contributions from non-Federal sources as follows:

''(A) One non-Federal dollar for each 4 Federal dollars in the first and second years of the term of the assistance.

''(B) One non-Federal dollar for each 3 Federal dollars in the third and fourth years of the term of the assistance.

''(C) One non-Federal dollar for each Federal dollar in the fifth and succeeding years of the term of the assistance.

''(2) WAIVER.—The Administration may waive or reduce the matching funds requirements in paragraph (1) with respect to a recipient organization if the Administration determines that such action is consistent with the purposes of this section and in the best interests of the program authorized by this section.

''(3) EXCEPTION.—The matching funds requirement of paragraph (1) does not apply to contracts, grants, or cooperative agreements made to a tribal organization for the Resource Center.

''(e) AUTHORIZATION.—There is authorized to be appropriated—

''(1) to carry out this section, $3,000,000 for fiscal year 2001 and each subsequent fiscal year; and

''(2) to fund the establishment and implementation of one Resource Center under the authority of this section, $500,000 for fiscal year 2001 and each subsequent fiscal year.''.

(b) NATIVE HAWAIIAN ORGANIZATIONS UNDER SECTION 8(a).—Section 8(a)(15)(A) of the Small Business Act (15 U.S.C. 637(a)(15)(A)) is amended to read as follows:

''(A) is a nonprofit corporation that has filed articles of incorporation with the director (or the designee thereof) of the Hawaii Department of Commerce and Consumer Affairs, or any successor agency,''.

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 Wednesday, October 4, 2000, at 9:30 a.m. in room 366 of the Dirksen Senate Building to conduct an oversight hearing on alcohol and law enforcement in Alaska.

Those wishing additional information may contact committee staff at 202/224–2251.

MEASURE READ THE FIRST TIME—S. 3146

Mr. KYL. Mr. President, I understand that S. 3146 is at the desk. I ask for its first reading.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 3146) 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.

Mr. KYL. Mr. President, I now ask for its second reading and object to my own request.

The PRESIDING OFFICER. Objection is heard.

SMALL BUSINESS INNOVATION RESEARCH PROGRAM AUTHORIZATION ACT OF 2000

Mr. KYL. Mr. President, I ask unanimous consent that the Chair lay before the Senate a message from the House of Representatives on the bill, H.R. 2392, an act to amend the Small Business Act to extend the authorization for the Small Business Innovation Research program, and for other purposes.

There being no objection, the Presiding Officer laid before the Senate the following message from the House of Representatives:

Resolved, That the House agree to the amendment of the Senate to the bill (H.R. 2392) entitled ''An Act to amend the Small Business Act to extend the authorization for the Small Business Innovation Research Program, and for other purposes,'' with the following amendment:

SECTION 1. TABLE OF CONTENTS.

The table of contents for this Act is as follows:

Sec. 1. Table of contents.

TITLE I—SMALL BUSINESS INNOVATION RESEARCH PROGRAM

Sec. 101. Short title.
Sec. 102. Findings.
Sec. 103. Extension of SBIR program.
Sec. 104. Annual report.
Sec. 105. Third phase assistance.
Sec. 106. Report on programs for annual performance plan.
Sec. 107. Output and outcome data.
Sec. 108. National Research Council reports.
Sec. 109. Federal agency expenditures for the SBIR program.
Sec. 110. Policy directive modifications.
Sec. 111. Federal and State technology partnership program.
Sec. 112. Mentoring networks.
Sec. 113. Simplified reporting requirements.
Sec. 114. Rural outreach program extension.

TITLE II—GENERAL BUSINESS LOAN PROGRAM

Sec. 201. Short title.
Sec. 202. Levels of participation.
Sec. 203. Loan amounts.
Sec. 204. Interest on defaulted loans.
Sec. 205. Prepayment of loans.
Sec. 206. Guarantee fees.
Sec. 207. Lease terms.

TITLE III—CERTIFIED DEVELOPMENT COMPANY PROGRAM

Sec. 301. Short title.
Sec. 302. Women-owned businesses.
Sec. 303. Maximum debenture size.
Sec. 304. Fees.
Sec. 305. Premier certified lenders program.
Sec. 306. Sale of certain defaulted loans.
Sec. 307. Loan liquidation.

TITLE IV—CORRECTIONS TO THE SMALL BUSINESS INVESTMENT ACT OF 1958

Sec. 401. Short title.
Sec. 402. Definitions.
Sec. 403. Investment in small business investment companies.
Sec. 404. Subsidy fees.
Sec. 405. Distributions.
Sec. 406. Conforming amendment.

TITLE V—REAUTHORIZATION OF SMALL BUSINESS PROGRAMS

Sec. 501. Short title.
Sec. 502. Reauthorization of small business programs.
Sec. 503. Additional reauthorizations.

TITLE VI—MISCELLANEOUS PROVISIONS

Sec. 601. Loan application processing.
Sec. 602. Application of ownership requirements.
Sec. 603. Eligibility for HUBZone program.
Sec. 604. Subcontracting preference for veterans.
Sec. 605. Small business development center program funding.
Sec. 606. Surety bonds.

TITLE I—SMALL BUSINESS INNOVATION RESEARCH PROGRAM

SEC. 101. SHORT TITLE.

(a) SHORT TITLE.—This title may be cited as the ''Small Business Innovation Research Program Reauthorization Act of 2000''.

SEC. 102. 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 the 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. 103. 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. 104. 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. 105. 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. 106. 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. 107. OUTPUT AND OUTCOME DATA.

(a) COLLECTION.—Section 9(g) of the Small Business Act (15 U.S.C. 638(g)), as amended by section 106 of this Act, is further 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 104 of this Act, is further 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 the 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 the 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. 108. 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 the 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 the 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 the enactment, an update of such report.

SEC. 109. 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 the 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. 110. 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 the 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. 111. 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, the following definitions apply:

''(1) APPLICANT.—The term 'applicant' means an entity, organization, or individual that submits a proposal for an award or a cooperative agreement under this section.

''(2) BUSINESS ADVICE AND COUNSELING.—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) FAST PROGRAM.—The term 'FAST program' means the Federal and State Technology Partnership Program established under this section.

''(4) MENTOR.—The term 'mentor' means an individual described in section 35(c)(2).

''(5) MENTORING NETWORK.—The term 'Mentoring Network' means an association, organization, coalition, or other entity (including an individual) that meets the requirements of section 35(c).

''(6) RECIPIENT.—The term 'recipient' means a person that receives an award or becomes party to a cooperative agreement under this section.

''(7) SBIR PROGRAM.—The term 'SBIR program' has the same meaning as in section 9(e)(4).

''(8) STATE.—The term 'State' means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and American Samoa.

''(9) STTR PROGRAM.—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 one 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 the 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 authority 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 one 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. 112. MENTORING NETWORKS.

The Small Business Act (15 U.S.C. 631 et seq.) is amended by inserting after section 34, as added by section 111(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. 113. SIMPLIFIED REPORTING REQUIREMENTS.

Section 9 of the Small Business Act (15 U.S.C. 638), as amended by this Act, is further 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. 114. 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,''.

TITLE II—GENERAL BUSINESS LOAN PROGRAM

SEC. 201. SHORT TITLE.

This title may be cited as the ''Small Business General Business Loan Improvement Act of 2000''.

SEC. 202. LEVELS OF PARTICIPATION.

Section 7(a)(2)(A) of the Small Business Act (15 U.S.C. 636(a)(2)(A)) is amended—

(1) in paragraph (i) by striking ''$100,000'' and inserting ''$150,000''; and

(2) in paragraph (ii)—

(A) by striking ''80 percent'' and inserting ''85 percent''; and

(B) by striking ''$100,000'' and inserting ''$150,000''.

SEC. 203. LOAN AMOUNTS.

Section 7(a)(3)(A) of the Small Business Act (15 U.S.C. 636(a)(3)(A)) is amended by striking ''$750,000,'' and inserting, ''$1,000,000 (or if the gross loan amount would exceed $2,000,000),''.

SEC. 204. INTEREST ON DEFAULTED LOANS.

Subparagraph (B) of section 7(a)(4) of the Small Business Act (15 U.S.C. 636(a)(4)) is amended by adding at the end the following:

''(iii) APPLICABILITY.—Clauses (i) and (ii) shall not apply to loans made on or after October 1, 2000.''.

SEC. 205. PREPAYMENT OF LOANS.

Section 7(a)(4) of the Small Business Act (15 U.S.C. 636(a)(4)) is further amended—

(1) by striking ''(4) INTEREST RATES AND FEES.—'' and inserting ''(4) INTEREST RATES AND PREPAYMENT CHARGES.—''; and

(2) by adding at the end the following:

''(C) PREPAYMENT CHARGES.—

''(i) IN GENERAL.—A borrower who prepays any loan guaranteed under this subsection shall remit to the Administration a subsidy recoupment fee calculated in accordance with clause (ii) if—

''(I) the loan is for a term of not less than 15 years;

''(II) the prepayment is voluntary;

''(III) the amount of prepayment in any calendar year is more than 25 percent of the outstanding balance of the loan; and

''(IV) the prepayment is made within the first 3 years after disbursement of the loan proceeds.

''(ii) SUBSIDY RECOUPMENT FEE.—The subsidy recoupment fee charged under clause (i) shall be—

''(I) 5 percent of the amount of prepayment, if the borrower prepays during the first year after disbursement;

''(II) 3 percent of the amount of prepayment, if the borrower prepays during the second year after disbursement; and

''(III) 1 percent of the amount of prepayment, if the borrower prepays during the third year after disbursement.''.

SEC. 206. GUARANTEE FEES.

Section 7(a)(18)(B) of the Small Business Act (15 U.S.C. 636(a)(18)(B)) is amended to read as follows:

''(B) EXCEPTION FOR CERTAIN LOANS.—

''(i) IN GENERAL.—Notwithstanding subparagraph (A), if the total deferred participation share of a loan guaranteed under this subsection is less than or equal to $150,000, the guarantee fee collected under subparagraph (A) shall be in an amount equal to 2 percent of the total deferred participation share of the loan.

''(ii) RETENTION OF FEES.—Lenders participating in the programs established under this subsection may retain not more than 25 percent of the fee collected in accordance with this subparagraph with respect to any loan not exceeding $150,000 in gross loan amount.''.

SEC. 207. LEASE TERMS.

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

''(28) LEASING.—In addition to such other lease arrangements as may be authorized by the Administration, a borrower may permanently lease to one or more tenants not more than 20 percent of any property constructed with the proceeds of a loan guaranteed under this subsection, if the borrower permanently occupies and uses not less than 60 percent of the total business space in the property.''.

TITLE III—CERTIFIED DEVELOPMENT COMPANY PROGRAM

SEC. 301. SHORT TITLE.

This title may be cited as the ''Certified Development Company Program Improvements Act of 2000''.

SEC. 302. WOMEN-OWNED BUSINESSES.

Section 501(d)(3)(C) of the Small Business Investment Act (15 U.S.C. 695(d)(3)(C)) is amended by inserting before the comma ''or women-owned business development''.

SEC. 303. MAXIMUM DEBENTURE SIZE.

Section 502(2) of the Small Business Investment Act of 1958 (15 U.S.C. 696(2)) is amended to read as follows:

''(2) Loans made by the Administration under this section shall be limited to $1,000,000 for each such identifiable small business concern, except loans meeting the criteria specified in section 501(d)(3), which shall be limited to $1,300,000 for each such identifiable small business concern.''.

SEC. 304. FEES.

Section 503(f) of the Small Business Investment Act of 1958 (15 U.S.C. 697(f)) is amended to read as follows:

''(f) EFFECTIVE DATE.—The fees authorized by subsections (b) and (d) shall apply to financings approved by the Administration on or after October 1, 1996, but shall not apply to financings approved by the Administration on or after October 1, 2003.''.

SEC. 305. PREMIER CERTIFIED LENDERS PROGRAM.

Section 217(b) of the Small Business Reauthorization and Amendments Act of 1994 (relating to section 508 of the Small Business Investment Act) is repealed.

SEC. 306. SALE OF CERTAIN DEFAULTED LOANS.

Section 508 of the Small Business Investment Act of 1958 (15 U.S.C. 697e) is amended—

(1) in subsection (a), by striking ''On a pilot program basis, the'' and inserting ''The'';

(2) by redesignating subsections (d) though (i) as subsections (e) though (j), respectively;

(3) in subsection (f) (as redesignated by paragraph (2)), by striking ''subsection (f)'' and inserting ''subsection (g)'';

(4) in subsection (h) (as redesignated by paragraph (2)), by striking ''subsection (f)'' and inserting ''subsection (g)''; and

(5) by inserting after subsection (c) the following:

''(d) SALE OF CERTAIN DEFAULTED LOANS.—

''(1) NOTICE.—If, upon default in repayment, the Administration acquires a loan guaranteed under this section and identifies such loan for inclusion in a bulk asset sale of defaulted or repurchased loans or other financings, it shall give prior notice thereof to any certified development company which has a contingent liability under this section. The notice shall be given to the company as soon as possible after the financing is identified, but not less than 90 days before the date the Administration first makes any records on such financing available for examination by prospective purchasers prior to its offering in a package of loans for bulk sale.

''(2) LIMITATIONS.—The Administration shall not offer any loan described in paragraph (1) as part of a bulk sale unless it—

''(A) provides prospective purchasers with the opportunity to examine the Administration's records with respect to such loan; and

''(B) provides the notice required by paragraph (1).''.

SEC. 307. LOAN LIQUIDATION.

(a) LIQUIDATION AND FORECLOSURE.—Title V of the Small Business Investment Act of 1958 (15 U.S.C. 695 et seq.) is amended by adding at the end the following:

''SEC. 510. FORECLOSURE AND LIQUIDATION OF LOANS.

''(a) DELEGATION OF AUTHORITY.—In accordance with this section, the Administration shall delegate to any qualified State or local development company (as defined in section 503(e)) that meets the eligibility requirements of subsection (b)(1) the authority to foreclose and liquidate, or to otherwise treat in accordance with this section, defaulted loans in its portfolio that are funded with the proceeds of debentures guaranteed by the Administration under section 503.

''(b) ELIGIBILITY FOR DELEGATION.—

''(1) REQUIREMENTS.—A qualified State or local development company shall be eligible for a delegation of authority under subsection (a) if—

''(A) the company—

''(i) has participated in the loan liquidation pilot program established by the Small Business Programs Improvement Act of 1996 (15 U.S.C. 695 note), as in effect on the day before promulgation of final regulations by the Administration implementing this section;

''(ii) is participating in the Premier Certified Lenders Program under section 508; or

''(iii) during the 3 fiscal years immediately prior to seeking such a delegation, has made an average of not less than 10 loans per year that are funded with the proceeds of debentures guaranteed under section 503; and

''(B) the company—

''(i) has one or more employees—

''(I) with not less than 2 years of substantive, decision-making experience in administering the liquidation and workout of problem loans secured in a manner substantially similar to loans funded with the proceeds of debentures guaranteed under section 503; and

''(II) who have completed a training program on loan liquidation developed by the Administration in conjunction with qualified State and local development companies that meet the requirements of this paragraph; or

''(ii) submits to the Administration documentation demonstrating that the company has contracted with a qualified third-party to perform any liquidation activities and secures the

approval of the contract by the Administration with respect to the qualifications of the contractor and the terms and conditions of liquidation activities.

''(2) CONFIRMATION.—On request the Administration shall examine the qualifications of any company described in subsection (a) to determine if such company is eligible for the delegation of authority under this section. If the Administration determines that a company is not eligible, the Administration shall provide the company with the reasons for such ineligibility.

''(c) SCOPE OF DELEGATED AUTHORITY.—

''(1) IN GENERAL.—Each qualified State or local development company to which the Administration delegates authority under section (a) may with respect to any loan described in subsection (a)—

''(A) perform all liquidation and foreclosure functions, including the purchase in accordance with this subsection of any other indebtedness secured by the property securing the loan, in a reasonable and sound manner according to commercially accepted practices, pursuant to a liquidation plan approved in advance by the Administration under paragraph (2)(A);

''(B) litigate any matter relating to the performance of the functions described in subparagraph (A), except that the Administration may—

''(i) defend or bring any claim if—

''(I) the outcome of the litigation may adversely affect the Administration's management of the loan program established under section 502; or

''(II) the Administration is entitled to legal remedies not available to a qualified State or local development company and such remedies will benefit either the Administration or the qualified State or local development company; or

''(ii) oversee the conduct of any such litigation; and

''(C) take other appropriate actions to mitigate loan losses in lieu of total liquidation or foreclosures, including the restructuring of a loan in accordance with prudent loan servicing practices and pursuant to a workout plan approved in advance by the Administration under paragraph (2)(C).

''(2) ADMINISTRATION APPROVAL.—

''(A) LIQUIDATION PLAN.—

''(i) IN GENERAL.—Before carrying out functions described in paragraph (1)(A), a qualified State or local development company shall submit to the Administration a proposed liquidation plan.

''(ii) ADMINISTRATION ACTION ON PLAN.—

''(I) TIMING.—Not later than 15 business days after a liquidation plan is received by the Administration under clause (i), the Administration shall approve or reject the plan.

''(II) NOTICE OF NO DECISION.—With respect to any plan that cannot be approved or denied within the 15-day period required by subclause (I), the Administration shall within such period provide in accordance with subparagraph (E) notice to the company that submitted the plan.

''(iii) ROUTINE ACTIONS.—In carrying out functions described in paragraph (1)(A), a qualified State or local development company may undertake routine actions not addressed in a liquidation plan without obtaining additional approval from the Administration.

''(B) PURCHASE OF INDEBTEDNESS.—

''(i) IN GENERAL.—In carrying out functions described in paragraph (1)(A), a qualified State or local development company shall submit to the Administration a request for written approval before committing the Administration to the purchase of any other indebtedness secured by the property securing a defaulted loan.

''(ii) ADMINISTRATION ACTION ON REQUEST.—

''(I) TIMING.—Not later than 15 business days after receiving a request under clause (i), the Administration shall approve or deny the request.

''(II) NOTICE OF NO DECISION.—With respect to any request that cannot be approved or denied within the 15-day period required by subclause (I), the Administration shall within such period provide in accordance with subparagraph (E) notice to the company that submitted the request.

''(C) WORKOUT PLAN.—

''(i) IN GENERAL.—In carrying out functions described in paragraph (1)(C), a qualified State or local development company shall submit to the Administration a proposed workout plan.

''(ii) ADMINISTRATION ACTION ON PLAN.—

''(I) TIMING.—Not later than 15 business days after a workout plan is received by the Administration under clause (i), the Administration shall approve or reject the plan.

''(II) NOTICE OF NO DECISION.—With respect to any workout plan that cannot be approved or denied within the 15-day period required by subclause (I), the Administration shall within such period provide in accordance with subparagraph (E) notice to the company that submitted the plan.

''(D) COMPROMISE OF INDEBTEDNESS.—In carrying out functions described in paragraph (1)(A), a qualified State or local development company may—

''(i) consider an offer made by an obligor to compromise the debt for less than the full amount owing; and

''(ii) pursuant to such an offer, release any obligor or other party contingently liable, if the company secures the written approval of the Administration.

''(E) CONTENTS OF NOTICE OF NO DECISION.—Any notice provided by the Administration under subparagraphs (A)(ii)(II), (B)(ii)(II), or (C)(ii)(II)—

''(i) shall be in writing;

''(ii) shall state the specific reason for the Administration's inability to act on a plan or request;

''(iii) shall include an estimate of the additional time required by the Administration to act on the plan or request; and

''(iv) if the Administration cannot act because insufficient information or documentation was provided by the company submitting the plan or request, shall specify the nature of such additional information or documentation.

''(3) CONFLICT OF INTEREST.—In carrying out functions described in paragraph (1), a qualified State or local development company shall take no action that would result in an actual or apparent conflict of interest between the company (or any employee of the company) and any third party lender, associate of a third party lender, or any other person participating in a liquidation, foreclosure, or loss mitigation action.

''(d) SUSPENSION OR REVOCATION OF AUTHORITY.—The Administration may revoke or suspend a delegation of authority under this section to any qualified State or local development company, if the Administration determines that the company—

''(1) does not meet the requirements of subsection (b)(1);

''(2) has violated any applicable rule or regulation of the Administration or any other applicable law; or

''(3) fails to comply with any reporting requirement that may be established by the Administration relating to carrying out of functions described in paragraph (1).

''(e) REPORT.—

''(1) IN GENERAL.—Based on information provided by qualified State and local development companies and the Administration, the Administration shall annually submit to the Committees on Small Business of the House of Representatives and of the Senate a report on the results of delegation of authority under this section.

''(2) CONTENTS.—Each report submitted under paragraph (1) shall include the following information:

''(A) With respect to each loan foreclosed or liquidated by a qualified State or local development company under this section, or for which losses were otherwise mitigated by the company pursuant to a workout plan under this section—

''(i) the total cost of the project financed with the loan;

''(ii) the total original dollar amount guaranteed by the Administration;

''(iii) the total dollar amount of the loan at the time of liquidation, foreclosure, or mitigation of loss;

''(iv) the total dollar losses resulting from the liquidation, foreclosure, or mitigation of loss; and

''(v) the total recoveries resulting from the liquidation, foreclosure, or mitigation of loss, both as a percentage of the amount guaranteed and the total cost of the project financed.

''(B) With respect to each qualified State or local development company to which authority is delegated under this section, the totals of each of the amounts described in clauses (i) through (v) of subparagraph (A).

''(C) With respect to all loans subject to foreclosure, liquidation, or mitigation under this section, the totals of each of the amounts described in clauses (i) through (v) of subparagraph (A).

''(D) A comparison between—

''(i) the information provided under subparagraph (C) with respect to the 12-month period preceding the date on which the report is submitted; and

''(ii) the same information with respect to loans foreclosed and liquidated, or otherwise treated, by the Administration during the same period.

''(E) The number of times that the Administration has failed to approve or reject a liquidation plan in accordance with subparagraph (A)(i), a workout plan in accordance with subparagraph (C)(i), or to approve or deny a request for purchase of indebtedness under subparagraph (B)(i), including specific information regarding the reasons for the Administration's failure and any delays that resulted.''.

(b) REGULATIONS.—

(1) IN GENERAL.—Not later than 150 days after the date of the enactment of this Act, the Administrator shall issue such regulations as may be necessary to carry out section 510 of the Small Business Investment Act of 1958, as added by subsection (a) of this section.

(2) TERMINATION OF PILOT PROGRAM.—Beginning on the date which the final regulations are issued under paragraph (1), section 204 of the Small Business Programs Improvement Act of 1996 (15 U.S.C. 695 note) shall cease to have effect.

TITLE IV—CORRECTIONS TO THE SMALL BUSINESS INVESTMENT ACT OF 1958

SEC. 401. SHORT TITLE.

This title may be cited as the ''Small Business Investment Corrections Act of 2000''.

SEC. 402. DEFINITIONS.

(a) SMALL BUSINESS CONCERN.—Section 103(5)(A)(i) of the Small Business Investment Act of 1958 (15 U.S.C. 662(5)(A)(i)) is amended by inserting ''regardless of the allocation of control during the investment period under any investment agreement between the business concern and the entity making the investment'' before the semicolon at the end.

(b) LONG TERM.—Section 103 of the Small Business Investment Act of 1958 (15 U.S.C. 662) is amended—

(1) in paragraph (15), by striking ''and'' at the end;

(2) in paragraph (16), by striking the period at the end and inserting ''; and''; and

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

''(17) the term 'long term', when used in connection with equity capital or loan funds invested in any small business concern or smaller enterprise, means any period of time not less than 1 year.''.

SEC. 403. INVESTMENT IN SMALL BUSINESS INVESTMENT COMPANIES.

Section 302(b) of the Small Business Investment Act of 1958 (15 U.S.C. 682(b)) is amended—

(1) by striking ''(b) Notwithstanding'' and inserting the following:

''(b) FINANCIAL INSTITUTION INVESTMENTS.—

''(1) CERTAIN BANKS.—Notwithstanding''; and

(2) by adding at the end the following:

''(2) CERTAIN SAVINGS ASSOCIATIONS.—Notwithstanding any other provision of law, any Federal savings association may invest in any one or more small business investment companies, or in any entity established to invest solely in small business investment companies, except that in no event may the total amount of such investments by any such Federal savings association exceed 5 percent of the capital and surplus of the Federal savings association.''.

SEC. 404. SUBSIDY FEES.

(a) DEBENTURES.—Section 303(b) of the Small Business Investment Act of 1958 (15 U.S.C. 683(b)) is amended by striking ''plus an additional charge of 1 percent per annum which shall be paid to and retained by the Administration'' and inserting ''plus, for debentures issued after September 30, 2000, an additional charge, in an amount established annually by the Administration, of not more than 1 percent per year as necessary to reduce to zero the cost (as defined in section 502 of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a)) to the Administration of purchasing and guaranteeing debentures under this Act, which shall be paid to and retained by the Administration''.

(b) PARTICIPATING SECURITIES.—Section 303(g)(2) of the Small Business Investment Act of 1958 (15 U.S.C. 683(g)(2)) is amended by striking ''plus an additional charge of 1 percent per annum which shall be paid to and retained by the Administration'' and inserting ''plus, for participating securities issued after September 30, 2000, an additional charge, in an amount established annually by the Administration, of not more than 1 percent per year as necessary to reduce to zero the cost (as defined in section 502 of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a)) to the Administration of purchasing and guaranteeing participating securities under this Act, which shall be paid to and retained by the Administration''.

SEC. 405. DISTRIBUTIONS.

Section 303(g)(8) of the Small Business Investment Act of 1958 (15 U.S.C. 683(g)(8)) is amended—

(1) by striking ''subchapter s corporation'' and inserting ''subchapter S corporation'';

(2) by striking ''the end of any calendar quarter based on a quarterly'' and inserting ''any time during any calendar quarter based on an''; and

(3) by striking ''quarterly distributions for a calendar year,'' and inserting ''interim distributions for a calendar year,''.

SEC. 406. CONFORMING AMENDMENT.

Section 310(c)(4) of the Small Business Investment Act of 1958 (15 U.S.C. 687b(c)(4)) is amended by striking ''five years'' and inserting ''1 year''.

TITLE V—REAUTHORIZATION OF SMALL BUSINESS PROGRAMS

SEC. 501. SHORT TITLE.

This title may be cited as the ''Small Business Reauthorization Act of 2000''.

SEC. 502. REAUTHORIZATION OF SMALL BUSINESS PROGRAMS.

Section 20 of the Small Business Act (15 U.S.C. 631 note) is amended by adding at the end the following:

''(g) FISCAL YEAR 2001.—

''(1) PROGRAM LEVELS.—The following program levels are authorized for fiscal year 2001:

''(A) For the programs authorized by this Act, the Administration is authorized to make—

''(i) $45,000,000 in technical assistance grants as provided in section 7(m); and

''(ii) $60,000,000 in direct loans, as provided in 7(m).

''(B) For the programs authorized by this Act, the Administration is authorized to make $19,050,000,000 in deferred participation loans and other financings. Of such sum, the Administration is authorized to make—

''(i) $14,500,000,000 in general business loans as provided in section 7(a);

''(ii) $4,000,000,000 in financings as provided in section 7(a)(13) of this Act and section 504 of the Small Business Investment Act of 1958;

''(iii) $500,000,000 in loans as provided in section 7(a)(21); and

''(iv) $50,000,000 in loans as provided in section 7(m).

''(C) For the programs authorized by title III of the Small Business Investment Act of 1958, the Administration is authorized to make—

''(i) $2,500,000,000 in purchases of participating securities; and

''(ii) $1,500,000,000 in guarantees of debentures.

''(D) For the programs authorized by part B of title IV of the Small Business Investment Act of 1958, the Administration is authorized to enter into guarantees not to exceed $4,000,000,000 of which not more than 50 percent may be in bonds approved pursuant to section 411(a)(3) of that Act.

''(E) The Administration is authorized to make grants or enter cooperative agreements for a total amount of $5,000,000 for the Service Corps of Retired Executives program authorized by section 8(b)(1).

''(2) ADDITIONAL AUTHORIZATIONS.—

''(A) There are authorized to be appropriated to the Administration for fiscal year 2001 such sums as may be necessary to carry out the provisions of this Act not elsewhere provided for, including administrative expenses and necessary loan capital for disaster loans pursuant to section 7(b), and to carry out title IV of the Small Business Investment Act of 1958, including salaries and expenses of the Administration.

''(B) Notwithstanding any other provision of this paragraph, for fiscal year 2001—

''(i) no funds are authorized to be used as loan capital for the loan program authorized by section 7(a)(21) except by transfer from another Federal department or agency to the Administration, unless the program level authorized for general business loans under paragraph (1)(B)(i) is fully funded; and

''(ii) the Administration may not approve loans on its own behalf or on behalf of any other Federal department or agency, by contract or otherwise, under terms and conditions other than those specifically authorized under this Act or the Small Business Investment Act of 1958, except that it may approve loans under section 7(a)(21) of this Act in gross amounts of not more than $1,250,000.

''(h) FISCAL YEAR 2002.—

''(1) PROGRAM LEVELS.—The following program levels are authorized for fiscal year 2002:

''(A) For the programs authorized by this Act, the Administration is authorized to make—

''(i) $60,000,000 in technical assistance grants as provided in section 7(m); and

''(ii) $80,000,000 in direct loans, as provided in 7(m).

''(B) For the programs authorized by this Act, the Administration is authorized to make $20,050,000,000 in deferred participation loans and other financings. Of such sum, the Administration is authorized to make—

''(i) $15,000,000,000 in general business loans as provided in section 7(a);

''(ii) $4,500,000,000 in financings as provided in section 7(a)(13) of this Act and section 504 of the Small Business Investment Act of 1958;

''(iii) $500,000,000 in loans as provided in section 7(a)(21); and

''(iv) $50,000,000 in loans as provided in section 7(m).

''(C) For the programs authorized by title III of the Small Business Investment Act of 1958, the Administration is authorized to make—

''(i) $3,500,000,000 in purchases of participating securities; and

''(ii) $2,500,000,000 in guarantees of debentures.

''(D) For the programs authorized by part B of title IV of the Small Business Investment Act of 1958, the Administration is authorized to enter into guarantees not to exceed $5,000,000,000 of which not more than 50 percent may be in bonds approved pursuant to section 411(a)(3) of that Act.

''(E) The Administration is authorized to make grants or enter cooperative agreements for a total amount of $6,000,000 for the Service Corps of Retired Executives program authorized by section 8(b)(1).

''(2) ADDITIONAL AUTHORIZATIONS.—

''(A) There are authorized to be appropriated to the Administration for fiscal year 2002 such sums as may be necessary to carry out the provisions of this Act not elsewhere provided for, including administrative expenses and necessary loan capital for disaster loans pursuant to section 7(b), and to carry out title IV of the Small Business Investment Act of 1958, including salaries and expenses of the Administration.

''(B) Notwithstanding any other provision of this paragraph, for fiscal year 2002—

''(i) no funds are authorized to be used as loan capital for the loan program authorized by section 7(a)(21) except by transfer from another Federal department or agency to the Administration, unless the program level authorized for general business loans under paragraph (1)(B)(i) is fully funded; and

''(ii) the Administration may not approve loans on its own behalf or on behalf of any other Federal department or agency, by contract or otherwise, under terms and conditions other than those specifically authorized under this Act or the Small Business Investment Act of 1958, except that it may approve loans under section 7(a)(21) of this Act in gross amounts of not more than $1,250,000.

''(i) FISCAL YEAR 2003.—

''(1) PROGRAM LEVELS.—The following program levels are authorized for fiscal year 2003:

''(A) For the programs authorized by this Act, the Administration is authorized to make—

''(i) $70,000,000 in technical assistance grants as provided in section 7(m); and

''(ii) $100,000,000 in direct loans, as provided in 7(m).

''(B) For the programs authorized by this Act, the Administration is authorized to make $21,550,000,000 in deferred participation loans and other financings. Of such sum, the Administration is authorized to make—

''(i) $16,000,000,000 in general business loans as provided in section 7(a);

''(ii) $5,000,000,000 in financings as provided in section 7(a)(13) of this Act and section 504 of the Small Business Investment Act of 1958;

''(iii) $500,000,000 in loans as provided in section 7(a)(21); and

''(iv) $50,000,000 in loans as provided in section 7(m).

''(C) For the programs authorized by title III of the Small Business Investment Act of 1958, the Administration is authorized to make—

''(i) $4,000,000,000 in purchases of participating securities; and

''(ii) $3,000,000,000 in guarantees of debentures.

''(D) For the programs authorized by part B of title IV of the Small Business Investment Act of 1958, the Administration is authorized to enter into guarantees not to exceed $6,000,000,000 of which not more than 50 percent may be in bonds approved pursuant to section 411(a)(3) of that Act.

''(E) The Administration is authorized to make grants or enter into cooperative agreements for a total amount of $7,000,000 for the Service Corps of Retired Executives program authorized by section 8(b)(1).

''(2) ADDITIONAL AUTHORIZATIONS.—

''(A) There are authorized to be appropriated to the Administration for fiscal year 2003 such sums as may be necessary to carry out the provisions of this Act not elsewhere provided for, including administrative expenses and necessary

loan capital for disaster loans pursuant to section 7(b), and to carry out title IV of the Small Business Investment Act of 1958, including salaries and expenses of the Administration.

''(B) Notwithstanding any other provision of this paragraph, for fiscal year 2003—

''(i) no funds are authorized to be used as loan capital for the loan program authorized by section 7(a)(21) except by transfer from another Federal department or agency to the Administration, unless the program level authorized for general business loans under paragraph (1)(B)(i) is fully funded; and

''(ii) the Administration may not approve loans on its own behalf or on behalf of any other Federal department or agency, by contract or otherwise, under terms and conditions other than those specifically authorized under this Act or the Small Business Investment Act of 1958, except that it may approve loans under section 7(a)(21) of this Act in gross amounts of not more than $1,250,000.''.

SEC. 503. ADDITIONAL REAUTHORIZATIONS.

(a) SMALL BUSINESS DEVELOPMENT CENTERS PROGRAM.—Section 21(a)(4)(C)(iii)(III) of the Small Business Act (15 U.S.C. 648(a)(4)(C)(iii)(III)) is amended by striking ''$95,000,000'' and inserting ''$125,000,000''.

(b) DRUG-FREE WORKPLACE PROGRAM.—Section 27 of the Small Business Act (15 U.S.C. 654) is amended—

*(1) in the section heading, by striking ''**DRUG-FREE WORKPLACE DEMONSTRATION PROGRAM**'' and inserting ''**PAUL D. COVERDELL DRUG-FREE WORKPLACE PROGRAM**''; and*

(2) in subsection (g)(1), by striking ''$10,000,000 for fiscal years 1999 and 2000'' and inserting ''$5,000,000 for each of fiscal years 2001 through 2003''.

(c) HUBZONE PROGRAM.—Section 31 of the Small Business Act (15 U.S.C. 657a) is amended by adding at the end the following new subsection:

''(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out the program established by this section $10,000,000 for each of fiscal years 2001 through 2003.''.

(d) WOMEN'S BUSINESS ENTERPRISE DEVELOPMENT PROGRAMS.—Section 411 of the Women's Business Ownership Act (Public Law 105–135; 15 U.S.C. 631 note) is amended by striking ''$600,000, for each of fiscal years 1998 through 2000,'' and inserting ''$1,000,000 for each of fiscal years 2001 through 2003,''.

(e) VERY SMALL BUSINESS CONCERNS PROGRAM.—Section 304(i) of the Small Business Administration Reauthorization and Amendments Act of 1994 (Public Law 103–403; 15 U.S.C. 644 note) is amended by striking ''September 30, 2000'' and inserting ''September 30, 2003''.

(f) SOCIALLY AND ECONOMICALLY DISADVANTAGED BUSINESSES PROGRAM.—Section 7102(c) of the Federal Acquisition Streamlining Act of 1994 (Public Law 103–355; 15 U.S.C. 644 note) is amended by striking ''September 30, 2000'' and inserting ''September 30, 2003''.

TITLE VI—MISCELLANEOUS PROVISIONS

SEC. 601. LOAN APPLICATION PROCESSING.

(a) STUDY.—The Administrator of the Small Business Administration shall conduct a study to determine the average time that the Administration requires to process an application for each type of loan or loan guarantee made under the Small Business Act (15 U.S.C. 631 et seq.).

(b) TRANSMITTAL.—Not later than 1 year after the date of the enactment of this title, the Administrator shall transmit to Congress the results of the study conducted under subsection (a).

SEC. 602. APPLICATION OF OWNERSHIP REQUIREMENTS.

Section 2 of the Small Business Act (15 U.S.C. 631) is amended by adding at the end the following new subsection:

''(k) APPLICATION OF OWNERSHIP REQUIREMENTS.—Each ownership requirement established under this Act or the Small Business Investment Act of 1958 (15 U.S.C. 661 et seq.) shall be applied without regard to any possible future ownership interest of a spouse arising from the application of any State community property law established for the purpose of determining marital interest.''.

SEC. 603. ELIGIBILITY FOR HUBZONE PROGRAM.

Section 3(p)(5) of the Small Business Act (15 U.S.C. 632(p)(5)) is amended by adding at the end the following new subparagraph:

''(E) EXTENSION OF ELIGIBILITY.—If a geographic area that qualified as a HUBZone under this subsection ceases to qualify as a result of a change in official government data or boundary designations, each small business concern certified as HUBZone small business concern in connection with such geographic area shall remain certified as such for a period of 1 year after the effective date of the change in HUBZone status, if the small business concern continues to meet each of the other qualifications applicable to a HUBZone small business concern.''.

SEC. 604. SUBCONTRACTING PREFERENCE FOR VETERANS.

Section 8(d) of the Small Business Act (15 U.S.C. 637(d)) is amended—

(1) in paragraph (1), by inserting ''small business concerns owned and controlled by veterans,'' after ''small business concerns,'' the first place that term appears in each of the first and second sentences;

(2) in paragraph (3)—

(A) in subparagraph (A), by inserting ''small business concerns owned and controlled by service-disabled veterans,'' after ''small business concerns owned and controlled by veterans,'' in each of the first and second sentences; and

(B) in subparagraph (F), by inserting ''small business concern owned and controlled by service-disabled veterans,'' after ''small business concern owned and controlled by veterans,''; and

(3) in each of paragraphs (4)(D), (4)(E), (6)(A), (6)(C), (6)(F), and (10)(B), by inserting ''small business concern owned and controlled by service-disabled veterans,'' after ''small business concerns owned and controlled by veterans,''.

SEC. 605. SMALL BUSINESS DEVELOPMENT CENTER PROGRAM FUNDING.

(a) AUTHORIZATION.—

(1) IN GENERAL.—Section 20(a)(1) of the Small Business Act (15 U.S.C. 631 note) is amended by striking ''For fiscal year 1985'' and all that follows through ''expended.'' and inserting the following: ''For fiscal year 2000 and each fiscal year thereafter, there are authorized to be appropriated such sums as may be necessary and appropriate, to remain available until expended, and to be available solely—

''(A) to carry out the Small Business Development Center Program under section 21, but not to exceed the annual funding level, as specified in section 21(a);

''(B) to pay the expenses of the National Small Business Development Center Advisory Board, as provided in section 21(i);

''(C) to pay the expenses of the information sharing system, as provided in section 21(c)(8);

''(D) to pay the expenses of the association referred to in section 21(a)(3)(A) for conducting the certification program, as provided in section 21(k)(2); and

''(E) to pay the expenses of the Administration, including salaries of examiners, for conducting examinations as part of the certification program conducted by the association referred to in section 21(a)(3)(A).''.

(2) TECHNICAL AMENDMENT.—Section 20(a) of the Small Business Act (15 U.S.C. 631 note) is further amended by moving paragraphs (3) and (4), including subparagraphs (A) and (B) of paragraph (4), 2 ems to the left.

(b) FUNDING FORMULA.—Section 21(a)(4)(C) of the Small Business Act (15 U.S.C. 648(a)(4)(C)) is amended to read as follows:

''(C) FUNDING FORMULA.—

''(i) IN GENERAL.—Subject to clause (iii), the amount of a formula grant received by a State under this subparagraph shall be equal to an amount determined in accordance with the following formula:

''(I) The annual amount made available under section 20(a) for the Small Business Development Center Program, less any reductions made for expenses authorized by clause (v) of this subparagraph, shall be divided on a pro rata basis, based on the percentage of the population of each State, as compared to the population of the United States.

''(II) If the pro rata amount calculated under subclause (I) for any State is less than the minimum funding level under clause (iii), the Administration shall determine the aggregate amount necessary to achieve that minimum funding level for each such State.

''(III) The aggregate amount calculated under subclause (II) shall be deducted from the amount calculated under subclause (I) for States eligible to receive more than the minimum funding level. The deductions shall be made on a pro rata basis, based on the population of each such State, as compared to the total population of all such States.

''(IV) The aggregate amount deducted under subclause (III) shall be added to the grants of those States that are not eligible to receive more than the minimum funding level in order to achieve the minimum funding level for each such State, except that the eligible amount of a grant to any State shall not be reduced to an amount below the minimum funding level.

''(ii) GRANT DETERMINATION.—The amount of a grant that a State is eligible to apply for under this subparagraph shall be the amount determined under clause (i), subject to any modifications required under clause (iii), and shall be based on the amount available for the fiscal year in which performance of the grant commences, but not including amounts distributed in accordance with clause (iv). The amount of a grant received by a State under any provision of this subparagraph shall not exceed the amount of matching funds from sources other than the Federal Government, as required under subparagraph (A).

''(iii) MINIMUM FUNDING LEVEL.—The amount of the minimum funding level for each State shall be determined for each fiscal year based on the amount made available for that fiscal year to carry out this section, as follows:

''(I) If the amount made available is not less than $81,500,000 and not more than $90,000,000, the minimum funding level shall be $500,000.

''(II) If the amount made available is less than $81,500,000, the minimum funding level shall be the remainder of $500,000 minus a percentage of $500,000 equal to the percentage amount by which the amount made available is less than $81,500,000.

''(III) If the amount made available is more than $90,000,000, the minimum funding level shall be the sum of $500,000 plus a percentage of $500,000 equal to the percentage amount by which the amount made available exceeds $90,000,000.

''(iv) DISTRIBUTIONS.—Subject to clause (iii), if any State does not apply for, or use, its full funding eligibility for a fiscal year, the Administration shall distribute the remaining funds as follows:

''(I) If the grant to any State is less than the amount received by that State in fiscal year 2000, the Administration shall distribute such remaining funds, on a pro rata basis, based on the percentage of shortage of each such State, as compared to the total amount of such remaining funds available, to the extent necessary in order to increase the amount of the grant to the amount received by that State in 2000, or until such funds are exhausted, whichever first occurs.

''(II) If any funds remain after the application of subclause (I), the remaining amount may

be distributed as supplemental grants to any State, as the Administration determines, in its discretion, to be appropriate, after consultation with the association referred to in subsection (a)(3)(A).

''(v) USE OF AMOUNTS.—

''(I) IN GENERAL.—Of the amounts made available in any fiscal year to carry out this section—

''(aa) not more than $500,000 may be used by the Administration to pay expenses enumerated in subparagraphs (B) through (D) of section 20(a)(1); and

''(bb) not more than $500,000 may be used by the Administration to pay the examination expenses enumerated in section 20(a)(1)(E).

''(II) LIMITATION.—No funds described in subclause (I) may be used for examination expenses under section 20(a)(1)(E) if the usage would reduce the amount of grants made available under clause (i)(I) to less than $85,000,000 (after excluding any amounts provided in appropriations Acts for specific institutions or for purposes other than the general small business development center program) or would further reduce the amount of such grants below such amount.

''(vi) EXCLUSIONS.—Grants provided to a State by the Administration or another Federal agency to carry out subsection (c)(3)(G) or (a)(6) or supplemental grants set forth in clause (iv)(II) of this subparagraph, shall not be included in the calculation of maximum funding for a State under clause (ii) of this subparagraph.

''(vii) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subparagraph $125,000,000 for each of fiscal years 2001, 2002, and 2003.

''(viii) STATE DEFINED.—In this subparagraph, the term 'State' means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and any other commonwealth, territory, or possession of the United States.''.

SEC. 606. SURETY BONDS.

(a) CONTRACT AMOUNTS.—Section 411 of the Small Business Investment Act of 1958 (15 U.S.C. 694b) is amended—

(1) in subsection (a)(1), by striking ''$1,250,000'' and inserting ''$2,000,000''; and

(2) in subsection (e)(2), by striking ''$1,250,000'' and inserting ''$2,000,000''.

(b) EXTENSION OF CERTAIN AUTHORITY.—Section 207 of the Small Business Administration Reauthorization and Amendment Act of 1988 (15 U.S.C. 694b note) is amended by striking ''2000'' and inserting ''2003''.

AMENDMENT NO. 4286

(Purpose: To provide for a complete substitute)

Mr. KYL. I ask unanimous consent that the Senate concur in the amendment of the House, with a further amendment which is at the desk.

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

The amendment (No. 4286) was agreed to.

(The text of the amendment is printed in today's RECORD under ''Amendments Submitted.'')

Mr. BOND. Mr. President, I rise today in support of important legislation to re-authorize the Small Business Innovation and Research (SBIR) program and other essential programs at the Small Business Administration (SBA). On Monday, September 25, 2000, the House of Representatives amended the Senate-passed version of H.R. 2392, the Small Business Innovation Research Program Reauthorization Act of 2000, by adding the following bills to this legislation: H.R. 2614 (The Certified Development Company Program Improvement Act of 2000), H.R. 2615, (to make improvements to the 7(a) guaranteed business loan program), H.R. 3843, (the Small Business Reauthorization Act of 2000), and H.R. 3845, (the Small Business Investment Corrections Act of 2000).

While the House-passed bill includes many important programs to help small businesses, there are some serious omissions. Although I strongly support H.R. 2392 as amended by the House, Senator JOHN KERRY and I are offering an amendment in the nature of a substitute to restore some of the most serious omissions to H.R. 2392. Our amendment adds to, but does not remove, any provisions from the House-passed bill.

The House-passed version of H.R. 2392 failed to include some very key provisions that are critical to the mission of SBA in Fiscal Year 2001. The House bill did include the Senate-passed bill to improve and extend the SBIR program for eight years, and it did adopt authorization levels for SBA programs included in the Senate version of the Small Business Reauthorization Act of 2000. However, the House bill failed to include many key provisions that were approved by the Senate Committee on Small Business earlier this year. Our Substitute Amendment will restore some of the most important omitted provisions.

The following is a list of the program amendments that were excluded from the House bill that we have included in the Bond-Kerry substitute amendment: Senator KERRY's Microloan program amendments that make extensive improvements in this key small business credit program; re-authorization of the National Women's Business Council, an amendment sponsored by Senator LANDRIEU during the committee markup; a change in the small business size standard system proposed by Senator FEINSTEIN that will help small fresh fruit and vegetable packing houses to qualify for Federal disaster relief; comprehensive amendments that I sponsored to improve the HUBZone program, which is designed to create jobs and investments in economically distressed inner cities and rural counties; the Native American Small Business Development Center Network; and 7(a) guarantee business loan guarantee fee simplification plan.

The Senate Committee on Small Business has approved the provisions being added to this legislation. In the case of the SBIR Reauthorization Act, the full Senate has also passed separate legislation. Most of the provisions included in the Bond-Kerry substitute amendment to H.R. 2392 are discussed at length in the following committee reports that have been filed in the Senate: Senate Report 106–289, Small Business Innovation Research Program Reauthorization Act of 2000; and Senate Report 106–422, Small Business Reauthorization Act of 2000.

There are two major provisions that were included in S. 3121, the Small Business Reauthorization Act of 2000, which was reported favorably from the Senate Committee on Small Business, but which have not been included in the Bond-Kerry substitute amendment. I have withdrawn the two provisions in order to expedite congressional passage and the enactment of this important SBA and SBIR re-authorization legislation. It is my intention to make passage of these provisions a high priority in the next Congress.

Earlier this year, the Committee on Small Business approved an important provision that would reverse a serious problem caused by the SBA in its implementation of the HUBZone Program, which the Congress enacted in 1997 as part of the Small Business Reauthorization Act. As many of my colleagues in the Senate know, the HUBZone Program directs a portion of the Federal contracting dollars into economically distressed areas of the country that have been out of the economic mainstream for far too long.

HUBZone areas, which include qualified census tracts, rural counties, and Indian reservations, often are relatively out-of-the-way places that the stream of commerce often by-passe. They tend to be low-traffic areas that do not have a reliable customer base to support business development. As a result, business has been reluctant to move into these areas. It simply has not been profitable absent a customer base to keep them operating.

The HUBZone Act seeks to overcome this problem by making it possible for the Federal government to become a customer for small businesses that locate in HUBZones. While a small business works to establish its regular customer base, a Federal contract can help it stabilize its revenues and its profitability. This program provides small business a chance to gain an economic foothold and to provide jobs to these areas. New businesses, more investments and new job opportunities mean new life and new hope for these communities.

When Congress enacted the HUBZone program in 1997, a lot of people were concerned about how the HUBZone program would interact with the 8(a) minority enterprise program. We in Congress agreed at that time to protect the 8(a) program by saying the two programs would have parity—neither one would have an automatic preference over the other in getting Federal government contracts.

Notwithstanding the 1997 Act, SBA has decided to disregard the instructions of the Congress and put 8(a) ahead of HUBZones in every case. Even if the Government is failing to reach its HUBZone goal and is meeting its Small Disadvantaged Business goal (of which 8(a) is a part), SBA insists that the 8(a) program still has a priority over the HUBZone Program.

SBA has abandoned the protection Congress included in the 1997 law when

it enacted the HUBZone Program. Contrary to the law, SBA is setting up the two programs in competition with each other, which is precisely what Congress sought to prevent. Putting either program in competition with the other is a prescription for one of the programs to fail.

SBA's position does real harm to minority communities as well. The 8(a) program has a role to play in ensuring minority communities own assets in the economy. It ensures minority business owners get the opportunity to be self-supporting, independent citizens with a full stake in our economy. It's important that all Americans have a piece of the economic pie.

HUBZones and 8(a) are two prongs of the same fork. They both have a vital role to play in ensuring opportunity. That's why it's important to correct SBA's current position and to keep the two programs from competing with each other. The remedial language that I have withdrawn from the Substitute Amendment would have reversed the SBA position and restore the equal footing Congress established when it created the HUBZone program three years ago. I intend to pursue a comprehensive remedy to this problem early next year.

On November 5, 1999, the Senate approved unanimously S. 1346, a bill I introduced to make the SBA Office of Advocacy a stronger, more effective advocate for all small businesses throughout the United States. This bill was referred to the House Committee on Small Business on November 8, 1999, and it has failed since then to take action on this important legislation that has the strong support of almost every segment of the small business community.

Consequently, when the Senate Small Business Committee marked up the S. 3121, the Small Business Reauthorization Act of 2000, it incorporated the entire text of S. 1346 as a separate title. It was the committee's intention that this action might spur the House committee to take action on this bill. Unfortunately, the Houses remains adamant in its opposition. Both Chairman JIM TALENT and Ranking Democrat, NYDIA VELÁZQUEZ from the House Small Business Committee have insisted that the title to strengthen SBA's Office of Advocacy be stricken from the bill. Therefore, I am withdrawing S. 1346 in order to clear the way for swift passage by the Senate and House of Representatives of H.R. 2392 with the Bond/Kerry substitute amendment.

Senator KERRY and I have taken some very dramatic steps to insure that the Small Business Reauthorization Act of 2000 is enacted as soon as possible. It is critical that the Senate act quickly to adopt the substitute amendment to H.R. 2392. Our substitute amendment will have a positive impact on nearly every SBA program, from guaranteed business loans, to equity investments, to management and technical assistance for small businesses and budding entrepreneurs. Now is not the time to turn our backs on the critical role played by small businesses in our vibrant economy. We need to enact this comprehensive legislation now so that small businesses and their employees can receive the full benefit of these programs.

I urge my colleagues in the Senate to vote in favor of this much needed bill.

Mr. KERRY. Mr. President, let me say a few words about the Small Business Reauthorization Act of 2000 and the managers' amendment that the Senate is considering today. While I applaud the House for their action to ensure the continuation of important Small Business Administration (SBA) programs, the managers' amendment offered by Chairman BOND and myself includes key provisions extending and improving important SBA programs. This bill, with the inclusion of the managers' amendment, is comprehensive. It reauthorizes all of the SBA's programs, setting the funding levels for the credit and business development programs, and making improvements where needed. Without this legislation, the 504 loan program would shut down; the venture capital debenture program would shut down; and funding to the states for their small business development centers would be in jeopardy. The list goes on. I just can't emphasize enough how important this legislation is.

The SBA's contribution is significant. In the past eight years, the SBA has helped almost 375,000 small businesses get more than $80 billion in loans. That's double what it has loaned in the preceding 40 years since the agency's creation. The SBA is better run than ever before, with four straight years of clean financial audits; it has a quarter less staff, but makes twice as many loans; and its credit and finance programs are a bargain. For a relatively small investment, taxpayers are leveraging their money to help thousands of small businesses every year and fuel the economy.

Let me just give you one example. In the 7(a) program, taxpayers spend $1.24 for every $100 loaned to small business owners. Well known successes like Winnebago and Ben & Jerry's are clear examples of the program's effectiveness.

Overall, I agree with the program levels in the three-year reauthorization bill. As I said during the Small Business Committee's hearing on SBA's budget earlier in the year, I believe the program levels are realistic and appropriate based on the growing demand for the programs and the prosperity of the country. I also think they are adequate should the economy slow down and lenders have less cash to invest. Consistent with SBA's mission, in good times or bad, we need to make sure that small businesses have access to credit and capital so that our economy benefits from the services, products and jobs they provide. As First Lady Hillary Rodham Clinton says, we don't want good ideas dying in the parking lot of banks. We also want a safety net when our states are hit hard by a natural disaster. There are many members of this Chamber, and their constituents, who know all too well the value of SBA disaster loans after floods, fires and tornadoes.

I will only take a short time to talk about some of important the provisions of this bill and our managers' amendment.

I am pleased that we are considering legislation to extend the Small Business Innovation Research (SBIR) program for 8 more years as part of this comprehensive SBA reauthorization bill. As many of my colleagues may know, this program is set to expire on September 30, along with many other important programs critical to our nation's small businesses. While I am sorry the process has taken this long, in no way should it imply that there is not strong support for the SBIR program, the Small Business Administration, or our nation's innovative small businesses.

The SBIR program is of vital importance to the high-technology sector throughout the country. For the past decade, growth in the high-technology field has been a major source of the resurgence of the American economy we now enjoy. While many Americans know of the success of Microsoft, Oracle, and many of the dot.com companies, few realize that it is America's small businesses that are working in industries like software, hardware, medical research, aerospace technologies, and bio-technology that are helping to fuel this resurgence—and that it is the SBIR program that makes much of this possible. By setting aside Federal research and development dollars specifically for small high-tech businesses, SBIR is making important contributions to our economy.

These companies have helped launch the space shuttle; found a vaccine for Hepatitis C; and made B–2 Bomber missions safer and more effective.

Since the start of the SBIR program in 1983, more than 17,600 firms have received over $9.8 billion in assistance. In 1999 alone, nearly $1.1 billion was awarded to small high-tech firms through the SBIR program, assisting more than 4,500 firms.

The SBIR program has been, and remains, an excellent example of how government and small business can work together to advance the cause of both science and our economy. Access to risk capital is vital to the growth of small high technology companies, which accounted for over 40 percent of all jobs in the high technology sector of our economy in 1998. The SBIR program gives these companies access to Federal research and development money and encourages those who do the research to commercialize their results. Because research is crucial to ensuring that our nation is the leader in

knowledge-based industries, which will generate the largest job growth in the next century, the SBIR program is a good investment for the future.

I am proud of the many SBIR successes that have come from my state of Massachusetts. Companies like Advanced Magnetics of Cambridge, Massachusetts, illustrate that success. Advanced Magnetics used SBIR funding to develop a drug making it easier for hospitals to find tumors in patients. The development of this drug increased company sales and allowed Advanced Magnetics to hire additional employees. This is exactly the kind of economic growth we need in this nation, because jobs in the high-technology field pay well and raise everyone's standard of living. That is why I am such a strong supporter and proponent of the SBIR program and fully support its reauthorization.

This legislation also includes H.R. 2614, which reauthorizes SBA's 504 loan program, which passed the Senate on June 14, 2000. The bill and our managers' amendment make common-sense changes to this critical economic development tool. These changes will greatly increase the opportunity for small business owners to build a facility, buy more equipment, or acquire a new building. In turn, small business owners will be able to expand their companies and hire new workers, ultimately resulting in an improved local economy.

Since 1980, over 25,000 businesses have received more than $20 billion in fixed-asset financing through the 504 program. In my home state of Massachusetts, over the last decade small businesses have received $318 million in 504 loans that created more than 10,000 jobs. The stories behind those numbers say a lot about how SBA's 504 loans help business owners and communities. For instance, in Fall River, Massachusetts, owners Patricia Ladino and Russell Young developed a custom packing plant for scallops and shrimp that has grown from ten to 30 employees in just two short years and is in the process of another expansion that will add as many as 25 new jobs.

Under this reauthorization bill, the maximum debenture size for Section 504 loans has been increased from $750,000 to $1 million. For loans that meet special public policy goals, the maximum debenture size has been increased from $1 million to $1.3 million. It has been a decade since we increased the maximum guarantee amount. If we were to change it to keep pace with inflation, the maximum guarantee would be approximately $1.25 million instead of $1 million. Instead of implementing such a sharp increase, we are striking a balance between rising costs and increasing the government's exposure and only seeking to increase the cap to $1 million.

I am pleased to say that this legislation also includes a provision assisting women-owned businesses, which I first introduced in 1998 as part of S. 2448, the Small Business Loan Enhancement Act. This provision adds women-owned businesses to the current list of businesses eligible for the larger public policy loans. As the role of women-owned businesses in our economy continues to increase, we would be remiss if we did not encourage their growth and success by adding them to this list.

The 504 loan program gets results. It expands the opportunities of small businesses, creates jobs and betters communities. It is crucial that it be reauthorized, and that is what this legislation does.

Another important program reauthorized under this legislation and strengthened by the managers' amendment is the Microloan program. I have long been a believer in microloans and their power to help people gain economic independence while improving the communities in which they live. This bill authorizes lower levels for the microloan program than the Administration requested. Of course, I would prefer to have full funding because I believe it is important to expand the program so that it is available everywhere. But, compromise is part of the legislative process, and a moderate increase is better than none at all. Nevertheless, I will be monitoring usage of microloan technical assistance and have told Chairman BOND that the Senate Committee on Small Business should revisit the issue before the end of the three-year reauthorization period if the level authorized is inadequate to meet program needs.

In addition to funding, our managers' amendment also makes important changes to the microloan program. We have heard from intermediaries and economic development activists around the country that with some administrative and legislative changes, this program could have a greater impact. This bill takes some important steps in the right direction. Right now we have 156 microlending intermediaries. This bill will permit the program to grow to 250 in FY 2001; to 300 in FY 2002, and to 350 in FY 2003. It also increases loan levels and technical assistance levels over three years. With more technical assistance, we will be able to increase the number of intermediaries, and therefore reach more borrowers in rural areas or large states. I also support the provision to raise the cap on microloans from $25,000 to $35,000, making it adequate to help micro-entrepreneurs in states and urban areas where operating costs are more expensive. Senator SNOWE's provision to establish $1 million for peer-to-peer training for microlenders is also included. I strongly support this concept because it will help the program grow while maintaining its high quality and low loss rates.

Small Business Development Centers (SBDC) are also reauthorized under this legislation. SBDCs serve tens of thousands of small business owners and prospective owners every year. This bill takes a giant step to retool the formula that determines how much funding each state receives. This is an important program for all of our states and we want no confusion about its funding. Without this change, some states would have suffered sharp decreases in funding, disproportionate to their needs. I appreciate and am glad that the SBA and the Association of Small Business Development Centers worked with me to develop an acceptable formula so that small businesses continue to be adequately served.

This legislation also reauthorized the National Women's Business Council. For such a tiny office, with minimal funding and staff, it has managed to make a significant contribution to our understanding of the impact of women-owned businesses in our economy. It has also done pioneer work in raising awareness of business practices that work against women-owned business, such as some in the area of Federal procurement. Recently, they completed two studies that documented the world of Federal procurement and its impact on women-owned businesses.

According to the National Foundation for Women Business Owners, over the past decade, the number of women-owned businesses in this country has grown by 103 percent to an estimated 9.1 million firms. These firms generate almost $3.6 trillion in sales annually and employ more than 27.5 million workers. With the impact of women-owned businesses on our economy increasing at an unprecedented rate, Congress relies on the Council to serve as its eyes and ears as it anticipates the needs of this burgeoning entrepreneurial sector. Since it was established in 1988, the bipartisan Council has provided important unbiased advice and counsel to Congress.

This Act recognizes the Council's work and reauthorizes it for three years, from FY 2001 to 2003. It also increases the annual appropriation from $600,000 to $1 million. The increase in funding will allow the council to: support new and ongoing research; produce and distribute reports and recommendations prepared by the Council; and create an infrastructure to assist states develop women's business advisory councils, coordinate summits and establish an interstate communication network.

The Historically Underutilized Business Zone, or ''HUBZone'' program, which passed this Committee in 1997, has tremendous potential to create economic prosperity and development in those areas of our Nation that have not seen great rewards, even in this time of unprecedented economic health and stability. This program is similar to my New Markets legislation in that it creates an incentive to hire from, and perform work in, areas of this country that need assistance the most. This bill would authorize the HUBZone program at $10 million for the next 3 years, which is $5 million above the Administration's request.

Additionally, the managers' amendment included very important provisions to include those areas which were inadvertently missed when this legislation was crafted—namely, Indian tribal lands. I appreciate the willingness of the Committee on Indian Affairs to work with our Committee to create HUBZone opportunities in the states of Alaska and Hawaii, and in other Indian tribal lands.

The HUBZone section does not contain any provision addressing the interaction of the HUBZone and 8(a) minority contracting programs. I believe that the 8(a) program is an important and necessary tool to help minority small businesses receive access to government contracts. The Chairman and I agree that there is a need to enhance the participation of both 8(a) and HUBZone companies in Federal procurement. It is my intention that the Senate Committee on Small Business consider the issue of enhancing small business procurement in the next Congress.

The Senate managers' amendment also includes a provision relating to SBA's cosponsorship authority. This authority allows SBA and its programs to cosponsor events and activities with private sector entities, thus leveraging the Agency's limited resources. The managers' amendment extends the authority for three additional years. This provision also adds ''information and education'' to the types of assistance that can be provided to small businesses by public and private sector organizations working with the SBA. This provision was recommended by the SBA as an effective change to training programs that are jointly run by the SBA and partner organizations.

Mr. President, let me conclude by reminding my colleagues that all of our states benefit from the success and abundance of small businesses. This legislation makes their jobs a little easier. I ask my colleagues for their support of this important legislation.

REFERRAL OF S. 1840

Mr. KYL. Mr. President, I ask unanimous consent that when the Committee on Indian Affairs reports S. 1840, a bill to provide for the transfer of public lands to certain California Indian tribes, it then be referred to the Energy Committee for a period not to exceed 7 calendar days. I further ask consent that if S. 1840 is not reported prior to the 7 days, the bill then be discharged from the Energy Committee and placed on the calendar.

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

ORDERS FOR TUESDAY, OCTOBER 3, 2000

Mr. KYL. Mr. President, I ask unanimous consent that when the Senate completes its business today, it recess until the hour of 9:30 a.m. on Tuesday, October 3. I further ask unanimous consent that on Tuesday, immediately following the prayer, the Journal of proceedings be approved to date, the time for the two leaders be reserved for their use later in the day, and the Senate then begin final remarks on the H–1B visa legislation under the previous order.

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

Mr. KYL. I further ask unanimous consent that the Senate stand in recess for the weekly party conferences to meet from 12:30 to 2:15 p.m.

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

PROGRAM

Mr. KYL. For the information of all Senators, the Senate will begin closing remarks on the H–1B visa bill at 9:30 a.m. Following 30 minutes of debate, the Senate will proceed to vote on the bill. The Senate will then proceed to executive session with several hours of debate on judges and up to four votes could occur after 2 p.m.

RECESS UNTIL TUESDAY, OCTOBER 3, 2000

Mr. KYL. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent the Senate stand in recess under the previous order.

There being no objection, the Senate, at 6:32 p.m., recessed until Tuesday, October 3, 2000, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate October 2, 2000:

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

RANDOLPH J. AGLEY, OF MICHIGAN, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE CORPORATION FOR NATIONAL AND COMMUNITY SERVICE FOR A TERM OF ONE YEAR. (NEW POSITION)

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

REGINALD EARL JONES, OF MARYLAND, TO BE A MEMBER OF THE EQUAL EMPLOYMENT OPPORTUNITY COMMISSION FOR A TERM EXPIRING JULY 1, 2005. (REAPPOINTMENT)

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

HSIN-MING FUNG, OF CALIFORNIA, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE ARTS FOR A TERM EXPIRING SEPTEMBER 3, 2006, VICE SPEIGHT JENKINS, TERM EXPIRED.

UNITED STATES PAROLE COMMISSION

EDWARD F. REILLY, JR., OF KANSAS, TO BE A COMMISSIONER OF THE UNITED STATES PAROLE COMMISSION FOR A TERM OF SIX YEARS, VICE JOHN R. SIMPSON, TERM EXPIRED.

SOCIAL SECURITY ADVISORY BOARD

MARK A. WEINBERGER, OF MARYLAND, TO BE A MEMBER OF THE SOCIAL SECURITY ADVISORY BOARD FOR A TERM EXPIRING SEPTEMBER 30, 2006, VICE HARLAN MATHEWS, RESIGNED.

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICERS FOR REGULAR APPOINTMENT IN THE GRADE INDICATED IN THE UNITED STATES AIR FORCE UNDER TITLE 10, U.S.C., SECTION 2114:

TO BE CAPTAIN

JOHN B. STETSON, 0000
CHRISTINE E. THOLEN, 0000