Let us pray. Almighty God, we come before You this morning conscious of a change in the seasons. We still see around us signs of a dry summer. Trees have suffered, and some have died. Others, with deeper roots, have reached well below the surface, found water, and grown even in the drought-like conditions, like President Nelson Mandela in his prison cell. We marvel at the ways You redeem Your creation.

We know, O God, that we could experience the coming season in this institution as one of spiritual drought, with little rain falling to nurture mutual respect and appreciation for each other across ideological and party lines. We could see streams of wisdom and statesmanship disappear into a desert of superficial and self-righteous postures.

Save us, we pray, from such a season. But if we must fully enter it, deepen the roots in our souls. Nourish our awareness, Lord, of truth, beauty, compassion, and understanding, that in even such a season, we may grow toward Your light. Amen.
For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Army National Guard while on duty under section 10211, 10302, or 12402 of title 10, United States Code, or while serving on duty under section 12301(d) of title 10, United States Code, in connection with performing duty specified in section 12304(a) of title 10, United States Code, or while undergoing reserve training, or while performing drills or equivalent duty or other duty, and for members of the Army Reserve, and expenses authorized by section 1631 of title 10, United States Code, and for payments to the Secretary of the Army for purposes: Provided, That of the funds appropriated in this paragraph, not less than $355,000,000 shall be made available only for conventional ammunition and military equipment; and communications; $1,747,696,000.

RESPORT PERSONNEL, NAVY RESERVE

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Navy Reserve on active duty under sections 10211, 10302, and 3038 of title 10, United States Code, or while serving on active duty under section 12301(d)(1) of title 10, United States Code, in connection with performing duty specified in section 12304(a) of title 10, United States Code, or while undergoing reserve training or while performing drills or equivalent duty or other duty, and for members of the Reserve Officers' Training Corps, and expenses authorized by section 1631 of title 10, United States Code, and for payments to the Department of Defense Military Retirement Fund; $2,167,052,000.

RESPORT PERSONNEL, NAVY

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Navy Reserve on active duty under sections 10211, 10302, and 3038 of title 10, United States Code, or while serving on active duty under section 12301(d)(1) of title 10, United States Code, in connection with performing duty specified in section 12304(a) of title 10, United States Code, or while undergoing reserve training or while performing drills or equivalent duty or other duty, and for members of the Reserve Officers' Training Corps, and expenses authorized by section 1631 of title 10, United States Code, and for payments to the Department of Defense Military Retirement Fund; $1,426,663,000.

RESPORT PERSONNEL, MARINE CORPS

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Marine Corps Reserve on active duty under sections 10211, 10302, and 3038 of title 10, United States Code, or while serving on active duty under section 12301(d)(1) of title 10, United States Code, in connection with performing duty specified in section 12304(a) of title 10, United States Code, or while undergoing reserve training or while performing drills or equivalent duty or other duty, and for members of the Marine Corps platoon leaders class, and expenses authorized by section 1631 of title 10, United States Code, and for payments to the Department of Defense Military Retirement Fund; $406,616,000.

RESPORT PERSONNEL, AIR FORCE

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Air Force Reserve on active duty under sections 10211, 10302, and 3038 of title 10, United States Code, or while serving on active duty under section 12301(d)(1) of title 10, United States Code, in connection with performing duty specified in section 12304(a) of title 10, United States Code, or while undergoing reserve training, or while performing drills or equivalent duty or other duty, and for members of the Air Reserve Officers' Training Corps, and expenses authorized by section 1631 of title 10, United States Code, and for payments to the Department of Defense Military Retirement Fund; $852,324,000.

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Army National Guard while on duty under section 10211, 10302, or 12402 of title 10, United States Code, or while serving on duty under section 12301(d) of title 10 or section 502(f) of title 32, United States Code, in connection with performing duty specified in section 12304(a) of title 10, United States Code, or while undergoing training, or while performing drills or equivalent duty or other duty, and expenses authorized by section 1631 of title 10, United States Code, and for payments to the Department of Defense Military Retirement Fund; $3,489,987,000.

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Air National Guard on duty under sections 10211, 10305, or 12402 of title 10 or section 708 of title 32, United States Code, or while serving on duty under sections 10211, 10305, or 12402 of title 10 or section 502(f) of title 32, United States Code, in connection with performing duty specified in section 12304(a) of title 10, United States Code, or while undergoing training, or while performing drills or equivalent duty or other duty, and expenses authorized by section 1631 of title 10, United States Code, and for payments to the Department of Defense Military Retirement Fund; $1,377,100,000.

TILE II
OPERATION AND MAINTENANCE
OPERATION AND MAINTENANCE, ARMY (INCLUDING TRANSFER OF FUNDS)

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Army, as authorized by law, and not to exceed $11,437,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Army, and not to exceed $11,437,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Army, and provided, That of the funds appropriated in this paragraph, not less than $355,000,000 shall be made available only for conventional ammunition and military equipment; and communications; $117,893,000.

OPERATION AND MAINTENANCE, AIR FORCE RESERVE

For expenses, not otherwise provided for, necessary for the operation and maintenance, including training, organizing, and administrating, of the Air Force Reserve; repair of facilities and equipment; hire of passenger motor vehicles; travel and transportation; care of the dead; recruiting; procurement of services, supplies, and equipment; and communications; $117,893,000.

OPERATION AND MAINTENANCE, AIR FORCE

For expenses, not otherwise provided for, necessary for the operation and maintenance, including training, organizing, and administrating, of the Air Force Reserve; repair of facilities and equipment; hire of passenger motor vehicles; travel and transportation; care of the dead; recruiting; procurement of services, supplies, and equipment; and communications; $117,893,000.

OPERATION AND MAINTENANCE, MARINE CORPS RESERVE

For expenses, not otherwise provided for, necessary for the operation and maintenance, including training, organizing, and administrating, of the Marine Corps Reserve; repair of facilities and equipment; hire of passenger motor vehicles; travel and transportation; care of the dead; recruiting; procurement of services, supplies, and equipment; and communications; $1,747,696,000.

OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD

For expenses of training, organizing, and administrating the Army National Guard, including medical and hospital treatment and related expenses in non-federal hospitals; maintenance, operation, and repairs to structures and facilities; travel of passengers, and services in the National Guard Bureau; travel expenses (other than mileage), as authorized by law for Army personnel on active duty, for Army National Guard division, regimental, and battalion commanders while inspecting units in compliance with National Guard Bureau regulations when specifically authorized by the Chief of the Army National Guard or by the Secretary of the Army; and expenses authorized by law for Army personnel on active duty, for the Army National Guard; and for hire of passenger motor vehicles; travel and transportation; care of the dead; recruiting; procurement of services, supplies, and equipment; and communications; $1,747,696,000.
OVERSEAS CONTINGENCY OPERATIONS TRANSFER FUND

For expenses directly relating to Overseas Contingency Operations by United States military forces, $125,000,000, to remain available until expended: Provided, That the Secretary of Defense may transfer these funds only to operate and maintain overseas military facilities already authorized in the United States military budget, or to construct overseas military facilities otherwise authorized in the United States military budget, or solely to construct facilities to be subsequently occupied by the Armed Forces while inspecting units in compliance with National Guard Bureau regulations when specifically authorized by the Chief, National Guard Bureau; $3,106,933,000.

ENVIRONMENTAL RESTORATION, ARMY
(INCLUDING TRANSFER OF FUNDS)

For the Department of the Army, $372,100,000, to remain available until transferred: Provided, That the Secretary of the Army shall, upon determining that all or part of the funds transferred from this appropriation are necessary for the purposes provided herein, such amounts may be transferred back to this appropriation.

ENVIRONMENTAL RESTORATION, NAVY
(INCLUDING TRANSFER OF FUNDS)

For the Department of the Navy, $372,100,000, to remain available until transferred: Provided, That the Secretary of the Navy shall, upon determining that all or part of the funds transferred from this appropriation are necessary for the purposes provided herein, such amounts may be transferred back to this appropriation.

ENVIRONMENTAL RESTORATION, AIR FORCE
(INCLUDING TRANSFER OF FUNDS)

For the Department of the Air Force, $372,100,000, to remain available until transferred: Provided, That the Secretary of the Air Force shall, upon determining that all or part of the funds transferred from this appropriation are necessary for the purposes provided herein, such amounts may be transferred back to this appropriation.
PROCUREMENT OF WEAPONS AND TRACKED

**COMBAT VEHICLES, ARMY**

For construction, procurement, production, and modification of weapons and tracked combat vehicles, equipment, including ordnance, spare parts, and associated thereof; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefor, and such lands and interests therein, may be acquired, and construction prosecuted therewith prior to approval of title; and procurement of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes, $1,211,419,000, to remain available for obligation until September 30, 2001.

**PROCUREMENT OF AMMUNITION, ARMY**

For construction, procurement, production, and modification of ammunition, and accessories thereof; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted therewith prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes, $484,203,000, to remain available for obligation until September 30, 2001.

**SHIPBUILDING AND CONVERSION, NAVY**

For expenses necessary for the construction, acquisition, or conversion of vessels as authorized by law, including armor and armament thereof, plant equipment, appliances, and machine tools and installation thereof in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes, $16,000,000; and

- NSSN, $1,498,155,000
- NSSN (AP), $504,736,000
- CVN-77 (AP), $124,515,000
- CVN Refuelings (AP), $274,980,000
- DDG-51 destroyer program (AP), $7,396,000
- LDP-17 amphibious transport dock ship, $638,780,000
- LHD-8 (AP), $45,000,000
- Oceanographic ship program, $60,341,000
- LCAC landing craft air cushion program, $15,000,000
- LPD-15 (AP)

For aircraft, outfitting, post delivery, conversion, and first destination transportation, $198,761,000.

In all: $6,035,752,000, to remain available for obligation until September 30, 2003. Provided, That additional obligations may be incurred after September 30, 2003, for engineering services, tests, evaluations, and other such budgeted work that must be performed in the final stage of ship construction: Provided further, That none of the funds provided under this heading for the construction or conversion of any naval vessel shall be expended in shipyards in the United States shall be expended in foreign facilities for the construction of major components of such vessel: Provided further, That none of the funds provided under this heading shall be used for the construction of any naval vessel in foreign shipyards.

**PROCUREMENT, MARINE CORPS**

For expenses necessary for the procurement, manufacture, and modification of missiles, armament systems, and related equipment, including ordnance, spare parts, and accessories thereof; plant equipment, appliances, and machine tools, and installation thereof in public and private plants; reserve plant and Government and contractor-owned equipment layaway; vehicles for the Marine Corps, including the purchase of not to exceed 37 passenger motor vehicles for replacement only; and $674,216,000, to remain available for obligation until September 30, 2001.

**OTHER PROCUREMENT, AIR FORCE**

For construction, procurement, production, and modification of missiles, spacecraft, rockets, and related equipment, including spare parts and accessories thereof, ground handling equipment, and transportation of things; $8,095,507,000, to remain available for obligation until September 30, 2003.

**MISSILE PROCUREMENT, AIR FORCE**

For construction, procurement, production, and modification of missiles, and accessories thereof, and ground handling equipment; expansion of public and private plants; including ammunition facilities authorized by section 2854 of title 10, United States Code, and the land necessary therefor, for the foregoing purposes; and such lands and interests therein, may be acquired, and construction prosecuted therewith prior to approval of title; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted therewith prior to approval of title; $2,592,277,000, to remain available for obligation until September 30, 2001.

**PROCUREMENT OF AMMUNITION, AIR FORCE**

For construction, procurement, production, and modification of ammunition, and accessories thereof; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefor, and such lands and interests therein, may be acquired, and construction prosecuted therewith prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes, $4,072,662,000, to remain available for obligation until September 30, 2001.

**PROCUREMENT, AIR FORCE**

For construction, procurement, production, and modification of equipment (including ground guidance and electronic communication equipment), and supplies, materials, and spare parts thereof, not otherwise
provided for; the purchase of not to exceed 267 passenger motor vehicles for replacement only; the purchase of one vehicle required for physical security of personnel, notwithstanding price limitations; the purchase of not to exceed $240,000 per vehicle; lease of passenger motor vehicles; and expansion of public and private plants. Government-owned equipment may be acquired, leased, or purchased in such amounts, erection of structures, and acquisition of land, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction of public and private plants, and acquisition of land, may be acquired, and construction prosecuted thereon prior to approval of title; reserve plant and Government and contractor-owned equipment layaway; $9,960,483,000, to remain available for obligation until September 30, 2001.

PROCUREMENT, DEFENSE-WIDE

For expenses of activities and agencies of the Department of Defense (other than the military departments) necessary for procurement, production, and modification of equipment, supplies, materials, and spare parts therefor, not otherwise provided for; the purchase of not to exceed 346 passenger motor vehicles for replacement only; the purchase of 4 vehicles required for physical security of personnel, notwithstanding price limitations applicable to passenger vehicles but not to exceed $165,000 per vehicle; and for public and private plants, equipment, and installation thereof in such plants, erection of structures, and acquisition of land for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; reserve plant and Government and contractor-owned equipment layaway; $1,944,500,000, to remain available for obligation until September 30, 2001.

NATIONAL GUARD AND RESERVE EQUIPMENT

For procurement of aircraft, missiles, tracked combat vehicles, ammunition, other weapons, and other items applicable to the reserve components of the Armed Forces; $352,000,000, to remain available for obligation until September 30, 2001. Provided, That the Chiefs of the Reserve and National Guard components shall, not later than 30 days after the enactment of this Act, individually submit to the congressional defense committees the modernization priority assessment of the respective Reserve or National Guard component.

TITLe IV

RESEARCH, DEVELOPMENT, TEST AND EVALUATION

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY

For expenses necessary for basic and applied scientific research, development, test and evaluation, including maintenance, rehabilitation, lease, and operation of facilities and equipment; $5,031,788,000, to remain available for obligation until September 30, 2001: Provided, That of the funds made available under this heading shall be made available only for the Sea-Based Wide Area Defense (Navy Upper-Tier) program: Provided further, That $1,944,500,000 of the funds made available under this heading shall be made available only for the Sea-Based Wide Area Defense (Navy Upper-Tier) program in this or any other Act shall be used for research, development and deployment: Provided further, That the Sea-Based Wide Area Defense (Navy Upper-Tier) program shall be for Operation and maintenance, of which not to exceed $224,000,000 shall be for Operation and maintenance of aircraft; $9,036,551,000, to remain available for obligation until September 30, 2001: Provided, That not less than $310,446,000 of the funds made available under this heading shall be made available only for the Sea-Based Wide Area Defense (Navy Upper-Tier) program; and in support of, production decisions; joint test and evaluation which is conducted prior to, or in preparation for, the independent activities of the Department of Defense, for transfer of funds made available under this heading: $3,156,000,000, to remain available for obligation until September 30, 2000: Provided, That funds appropriated in this paragraph which are available for the V-22 may be used to meet unique requirements of the Special Operation Forces: Provided further, That $19,500,000 of the amounts made available under this heading shall be used to award a new contract: Provided further, That funds which have been offered but not in accordance with the provisions of this Act shall be used only in accordance therewith; $1,000,000 shall be available until expended: Provided, That none of the funds provided in this paragraph shall be used to acquire capability for national security purposes.
to appropriations available to the Department of Defense for personnel of the reserve components serving under the provisions of title 10 and title 32, United States Code; for Operation and Maintenance of the Department of Defense; for Working Capital Funds of the Department of Defense; and for Research, development, test and evaluation; $735,582,000. Provided, That the funds appropriated under this heading shall be available for obligation and for payment; $123,064,000, of which $130,764,000 shall be for Operation and maintenance, of which not to exceed $500,000 is available for emergencies and extraordinary expenses to be expended on the approval or authority of the Inspector General, and payments may be made on his certificate of necessity for confidential military purposes; and of the amount appropriated to working capital funds and the `Foreign Currency Fund' balances in working capital funds of the Department of Defense established pursuant to section 2208 of title 10, United States Code, may be transferred not to exceed $1,650,000,000 of working capital funds and the `Foreign Currency Fund' balances in working capital funds of the Department of Defense or funds made available in this Act to the Department of Defense for military functions (except military construction) between such appropriations or funds made available in this Act to be merged with and to be available for the same purposes, and for the same time period as, the appropriation or fund to which transferred; $132,064,000, of which $130,764,000 shall be for retirement and disability system; $201,500,000. Provided, That no multiyear procurement contract can be initiated for which the economic order quantity advance procurement is not funded at least to the limits of the Government's liability: Provided further, That no portion of any appropriation contained in this Act shall be available to initiate multiyear procurement contracts for any systems or component thereof if the value of the multiyear contract for the same time period and for the same purposes as originally appropriated and in no case where the item for which funds are reprogrammed is one for which originally appropriated and in no case where the item for which funds are reprogrammed is one for which originally appropriated and the Secretary of Defense shall notify the Congress promptly of all transfers made pursuant to this Act: Provided further, That no part of the funds in this Act shall be available to initiate or fund a program to support and train military personnel during the last two months of the fiscal year: Provided, That no part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year, unless expressly so provided herein.

SEC. 8002. During the current fiscal year, appropriations for military construction (including transfer of funds) and for military facilities (including transfer of funds) shall remain available until September 30, 2001, shall be for Procurement, TITLe VII RELATED AGENCIES

CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM FUND

For payment to the Central Intelligence Agency Retirement and Disability System Fund, to maintain proper funding level for continuing the operation of the Central Intelligence Agency Retirement and Disability System; $201,500,000.

INTELLIGENCE COMMUNITY MANAGEMENT ACCOUNT

INCLUDING TRANSFER OF FUNDS

For necessary expenses of the Intelligence Community Management Account; $129,123,000, of which $30,200,000 is for the Advanced Research and Development and Establishment of the National Drug Intelligence Center to support the Department of Defense's counter-drug intelligence responsibilities, and of which $1,300,000, as provided under section 5332 of title 5, United States Code, or at a rate in excess of the percentage increase provided by the appropriate host nation to its own employees, whichever is higher: Provided further, That this provision shall remain available until September 30, 2001, shall be for Procurement.

PAYMENT TO KAHO'OLAWE ISLAND CONVEYANCE, REMEDIATION, AND ENVIRONMENTAL RESTORATION FUND

For payment to Kaho'olawe Island Conveyance, Remediation, and Environmental Restoration Fund, as authorized by law; $25,000,000, to remain available until expended.

NATIONAL SECURITY EDUCATION TRUST FUND

For the purposes of title VIII of Public Law 102-183, $3,000,000, to be derived from the National Security Education Trust Fund, to remain available until expended.

TITLe VIII GENERAL PROVISIONS

SEC. 8001. No part of any appropriation contained in this Act shall be used for propaganda purposes not authorized by the Congress.

SEC. 8002. During the current fiscal year, provisions of section 2002 of the National Defense Authorization Act for Fiscal Year 1999, as provided by section 2005(a)(1) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105-85), shall apply to appropriations available to the Defense Department for personnel of the reserve components serving under the provisions of title 10 and title 32, United States Code; for Operation and Maintenance of the Department of Defense; for Working Capital Funds of the Department of Defense; and for Research, development, test and evaluation; $735,582,000. Provided, That the funds appropriated under this heading shall be available for obligation and for payment; $123,064,000, of which $130,764,000 shall be for Operation and maintenance, of which not to exceed $500,000 is available for emergencies and extraordinary expenses to be expended on the approval or authority of the Inspector General, and payments may be made on his certificate of necessity for confidential military purposes; and of the amount appropriated to working capital funds and the `Foreign Currency Fund' balances in working capital funds of the Department of Defense or funds made available in this Act to the Department of Defense for military functions (except military construction) between such appropriations or funds made available in this Act to be merged with and to be available for the same purposes, and for the same time period as, the appropriation or fund to which transferred; $132,064,000, of which $130,764,000 shall be for retirement and disability system; $201,500,000. Provided, That no multiyear procurement contract can be initiated for which the economic order quantity advance procurement is not funded at least to the limits of the Government's liability: Provided further, That no portion of any appropriation contained in this Act shall be available to initiate multiyear procurement contracts for any systems or component thereof if the value of the multiyear contract for the same time period and for the same purposes as originally appropriated and in no case where the item for which funds are reprogrammed is one for which originally appropriated and in no case where the item for which funds are reprogrammed is one for which originally appropriated and the Secretary of Defense shall notify the Congress promptly of all transfers made pursuant to this Act: Provided further, That no part of the funds in this Act shall be available to initiate or fund a program to support and train military personnel during the last two months of the fiscal year: Provided, That no part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year, unless expressly so provided herein.

SEC. 8003. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year, unless expressly so provided herein.

SEC. 8004. No more than 20 per cent of the appropriations in this Act which are limited for obligation during the current fiscal year shall be available beyond the one hundred eightieth day of the fiscal year: Provided, That this section shall not apply to obligations for support of active duty training of reserve components or summer camp training of the Reserve Officers' Training Corps.

(TRANSFER OF FUNDS)

SEC. 8005. Upon determination by the Secretary of Defense that such action is necessary in the national interest, he may, with the approval of the Office of Management and Budget, transfer not to exceed $1,650,000,000 of working capital funds of Defense or funds made available in this Act to the Department of Defense for military functions (except military construction) between such appropriations or funds made available in this Act to be merged with and to be available for the same purposes, and for the same time period as, the appropriation or fund to which transferred; Provided, That such a transfer may not be used unless for higher priority items, based on unforeseen military requirements, than those for which originally appropriated and in no case where the item for which funds are requested has been denied by Congress: Provided further, That the Secretary of Defense shall notify the Congress promptly of all transfers made pursuant to this Act: Provided further, That no part of the funds in this Act shall be available to prepare or present a request to the Committees on Appropriations for reprogramming of funds, unless for higher priority items, based on unforeseen military requirements, than those for which originally appropriated and in no case where the item for which funds are requested has been denied by the Congress.

(TRANSFER OF FUNDS)

SEC. 8006. During the current fiscal year, cash balances in the Working Capital Fund of the Department of Defense established pursuant to section 2208 of title 10, United States Code, may be maintained in only such amounts as are necessary at any time for cash disbursements to be made from such funds: Provided, That transfers may be made between such funds: Provided further, That transfers may be made between working capital funds of the Department of Defense and the `Foreign Currency Fund' appropriation and the `Operation and Maintenance' appropriation accounts in such amounts as may be determined by the Secretary of Defense and the approval of the Office of Management and Budget, except that such transfers may not be made unless the Secretary of Defense has notified the Congress of the proposed transfer. Except in amounts equal to the amounts appropriated to working capital funds in this Act, no obligations may be made against a working capital fund to procure material or services which the Secretary of Defense has notified the Congress prior to any such obligation. Provided, That the Secretary of Defense may not be required to use the provisions of this section to implement a program to support and train military personnel during the last two months of the fiscal year: Provided further, That the execution of multiyear contracts for which such action is beneficial for graduate medical training is authorized: Provided further, That upon a determination by the Secretary of the Army that such action is beneficial for graduate medical training, funds shall be available to support and train medical personnel during any fiscal year: Provided further, That no multiyear procurement contract can be terminated without 30-day prior notification to providing humanitarian aid: Provided further, That the execution of multiyear authority shall require the use of a present value analysis to determine lowest cost compared to an annual procurement.

Funds appropriated in title III of this Act may be used for multiyear procurement contracts as follows: E-2C aircraft; Longbow Hellfire missile; Medium Tactical Vehicle Replacement (MTVR).

SEC. 8009. Within the funds appropriated for the operation and maintenance of the Armed Forces, funds are hereby appropriated pursuant to section 401 of title 10, United States Code, for humanitarian and civic assistance costs under chapter 20 of title 10, United States Code. Such funds may also be obligated for humanitarian assistance, and civilian assistance incidental to authorized operations and pursuant to authority granted in section 401 of chapter 20 of title 10, United States Code, and shall be reported to Congress on September 30 of each year: Provided, That funds available for operation and maintenance shall be available for such assistance and shall be available to provide humanitarian assistance by using Civic Action Teams in the Trust Territories of the Pacific Islands and freely associated states of Micronesia, pursuant to the Compact of Free Association under Public Law 99-239: Provided further, That upon a determination by the Secretary of the Army that such action is beneficial for graduate medical training programs conducted at Army medical facilities located in Hawaii, the Secretary of the Army may authorize the provision of medical services at such facilities and transportation to such facilities, on a reimbursable basis, for civilian patients from American Samoa, the Commonwealth of the Northern Mariana Islands, the Marshall Islands, the Federated States of Micronesia, Palau and Guam.

SEC. 8010. (a) During fiscal year 1999, the civil and military personnel of the Department of Defense may not be managed on the basis of any end-strength, or the management of any personnel during that fiscal year shall not be subject to any constraint or limitation (known as an end-strength) on the number of such personnel who may be employed on the last day of such fiscal year.

(b) The fiscal year 2000 budget request for the Department of Defense as well as all justification materials and other budgeting support is to be prepared and submitted to the congressional defense committees: Provided further, That (b) of this provision were effective with regard to fiscal year 2000.

(c) Nothing in this section shall be construed to apply to military personnel.

SEC. 8011. Notwithstanding any other provision of law, none of the funds made available by
this Act shall be used by the Department of Defense to exceed, outside the 50 United States, its territories, and the District of Columbia, 125,000 civilian workyears. Provided, That workyears shall be included in this workyear limitation.

SEC. 8012. None of the funds made available by this Act shall be used in any way, directly or indirectly, to influence congressional action on any legislation or appropriation matters pending before the Congress.

SEC. 8013. (a) None of the funds appropriated by this Act to the Department of Defense Education Benefits Fund pursuant to section 2006(g) of title 10, United States Code, representing the normal cost of future benefits under section 2006(c) of title 10, United States Code, for any member of the armed services who, on or after the date of enactment of this Act—

(1) enlists in the armed services for a period of active duty of less than three years; or

(2) receives an enlistment bonus under section 328a or 328f of title 37, United States Code.

(b) None of the funds appropriated by this Act shall be included in the workyears expended in dependent student hiring programs for disadvantaged youths shall not be considered in this workyear limitation.

SEC. 8016. None of the funds in this Act may be available to the Department of Defense (and its departments and agencies) of the United States from components which are substantially manufactured in the United States:

Provided, That for the purpose of this section substantially all of the components of anchor and mooring chain shall be considered to be produced or manufactured in the United States if the aggregate cost of the components produced or manufactured in the United States exceeds the aggregate cost of the components produced or manufactured outside the United States.

Provided further, That when adequate domestic supplies are not available to meet Department of Defense requirements on a timely basis, the Secretary of the service responsible for such acquisition may authorize the single relocation of an organization, unit, activity or function of the Department of Defense into or within the National Capital Region:

Provided, That this subsection is subject to the restrictions on a case-by-case basis by certifying in writing to the Committees on Appropriations that such an acquisition must be made in order to acquire capability for national security purposes.

SEC. 8017. None of the funds appropriated by this Act available for the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) shall be available for the reimbursement of any health care provider for inpatient mental health service for care received when a patient is referred to a provider of inpatient mental health care or residential treatment care by a medical or health care professional having an economic interest in the facility to which the patient is referred:

Provided, That this limitation does not apply in the case of inpatient mental health services provided under the program for the handicapped under subsection (d) of section 1079 of title 10, United States Code, provided as partial hospital care, or provided pursuant to a waiver authorized by the Secretary of Defense because of medical or psychological reason that such care is not delivered at a facility that are confirmed by a health professional who is not a Federal employee after a review, pursuant to rules prescribed by the Secretary, which takes into account the appropriate level of care for the patient, the intensity of services required by the patient, and the availability of that care.

SEC. 8018. Funds available in this Act may be used to provide transportation for the next-of-kin of individuals who have been prisoners of war or missing in action from the Vietnam Era and all other members of the Armed Forces between the United States and any foreign country, as defined by section 2105 of title 5, United States Code, for the pay, allowances, and benefits of an employee as defined by section 2105 of title 5, United States Code, viewed in writing to the congressional defense committees as the Secretary of Defense may prescribe.

SEC. 8019. Notwithstanding any other provision of law, during the current fiscal year, the Secretary of Defense may, by executive agreement, establish with host nation governments in NATO member states a separate account into which such credits are deposited or which such credits are used for the pay, allowances, and benefits of an employee as defined by section 2105 of title 5, United States Code, or an individual employed by the government of the District of Columbia, permanent or temporary indefinite, who—

(1) is a member of a Reserve component of the Armed Forces, as described in section 30101 of title 32, United States Code, or the National Guard, as described in section 301 of title 32, United States Code.

(2) performs, for the purpose of providing military force protection, military assistance to civil authorities in the protection or saving of life or property or prevention of injury—

(TRANSFER OF FUNDS)

SEC. 8015. Funds appropriated in title III of this Act for the Department of Defense Pilot Mentor-Protege Program may be transferred to any other appropriation contained in this Act solely for the purpose of implementing a Mentor-Protege Program developmental assistance grant to the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 10 U.S.C. 2301 note), as amended, under the authority of this section. Provided further, That the Secretary of Defense may transfer any other transfer authority contained in this Act.

SEC. 8020. None of the funds available to the Department of Defense may be used to emul-
(A) Federal service under sections 331, 332, 333, or 12406 of title 10, or other provision of law, as applicable; or

(B) full-time military service, including that of a reserve component, in the Commonwealth of Puerto Rico, or a territory of the United States; and

(3) requests and is granted:

(A) leave under the authority of this section; or

(B) annual leave, which may be granted without regard to the provisions of sections 5159 and 6323(b) of title 5, if such employee is otherwise entitled to such annual leave:

Provided, That any employee who requests leave under subsection (3)(A) for service described in subsection (2) of this section is entitled to annual leave:

Provided, That any employee who requests leave under subsection (3)(A) for service described in subsection (2) of this section is entitled to annual leave:

Provided, That any employee who requests leave under subsection (3)(A) for service described in subsection (2) of this section is entitled to annual leave:

Provided, That any employee who requests leave under subsection (3)(A) for service described in subsection (2) of this section is entitled to annual leave:

Provided, That any employee who requests leave under subsection (3)(A) for service described in subsection (2) of this section is entitled to annual leave:

Provided, That any employee who requests leave under subsection (3)(A) for service described in subsection (2) of this section is entitled to annual leave:

Provided, That any employee who requests leave under subsection (3)(A) for service described in subsection (2) of this section is entitled to annual leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:

Paid leave:
year ending June 30, 1934, and for other purposes', approved March 3, 1933 (41 U.S.C. 10a et seq.).

Sec. 8039. Appropriations contained in this Act that remain available at the end of the current fiscal year as a result of energy cost savings realized by the Department of Defense shall remain available for obligation for the next fiscal year after the date of enactment for the purposes specified by section 2865 of title 10, United States Code. (INCLUDING TRANSFER OF FUNDS)

Sec. 8040. Amounts deposited during the current fiscal year in special account established under 40 U.S.C. 485(h)(2) and to the special account established under 10 U.S.C. 2667(d)(1)(B) are appropriated and shall remain available until transferred by the Secretary of Defense to current applicable appropriations or funds of the Department of Defense under the terms and conditions specified by 40 U.S.C. 485(h)(1) and (8) and 10 U.S.C. 2667(d)(1)(B), to be merged with and to be available for the same time period and the same purposes as the appropriation to which transferred.

Sec. 8041. During the current fiscal year, appropriations available to the Department of Defense may be used to reimburse a member of a reserve component of the United States Armed Forces or a person not otherwise entitled to travel and transportation allowances and who occupies transient government housing while performing active duty for training or inactive duty training; Provided, That such members may be provided lodging in kind if transient government quarters are unavailable as if the member was entitled to such allowances under subsection (a) of section 404 of title 37, United States Code: Provided further, That if lodging in kind is provided, any authorized service charge or cost of such lodging may be charged to funds appropriated for operation and maintenance of the reserve component of the member concerned.

Sec. 8042. The President shall include with each budget for a fiscal year submitted to Congress under section 1105 of title 31, United States Code, materials that shall identify clearly and separately the amounts requested in the budget for appropriation for that fiscal year for salaries and expenses related to administrative activities of the Department of Defense, the military departments, and the Defense Agencies.

Sec. 8043. Nothing in this Act shall impair any other provision of law, funds available for "Drug Interdiction and Counter-Drug Activities, Defense" may be obligated for the Young Marines program.

Sec. 8044. During the current fiscal year, amounts contained in the Department of Defense Overseas Military Facility Investment Recovery Account established by section 292(c)(1) of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 10 U.S.C. 2667 note) shall be available until expended for the payments specified by section 292(c)(2) of that Act: Provided, That none of the funds made available for expenditure under this section may be transferred or obligated until thirty days after the Secretary of Defense submits a report which details the balance available in the Overseas Military Facility Investment Recovery Account, all projected income into the account during fiscal years 1999 and 2000, and the specific expenditures to be made with the funds transferred from this account during fiscal year 1999.

Sec. 8045. Of the funds appropriated or otherwise made available by this Act, not more than $159,200 shall be available for payment of the operating costs of NATO HQ Headquarters: Provided, That the Secretary of Defense may waive this section for Department of Defense support provided to forces in and around the former Yugoslavia.

Sec. 8046. During the current fiscal year, appropriations which are available to the Department of Defense for acquisition and modernization may be used to purchase items having an investment item unit cost of not more than $100,000.

Sec. 8047. (a) During the current fiscal year, none of the appropriations or funds available to the Department of Defense Working Capital Funds shall be used for the purchase of an item that requires marking the new inventory item for sale or anticipated sale during the current fiscal year or a subsequent fiscal year to customers of the Department of Defense who would not have been chargeable to the Department of Defense Business Operations Fund during the current fiscal year or to appropriations provided to the Department of Defense for procurement. (b) The current fiscal year 2000 budget request for the Department of Defense will include an item for those funds specified by section 2921(c)(2) of that Act: Provided, That none of the funds made available in this Act may be used to fill the commander's position in any military installation.

Sec. 8048. None of the funds appropriated by this Act for programs of the Central Intelligence Agency shall remain available for obligation beyond the current fiscal year, except for funds specifically designated as contract obligations, contingencies, or other funds which shall remain available until September 30, 2000: Provided, That funds appropriated, transferred, or otherwise credited to the Central Intelligence Agency Central Services Working Capital Fund during this or any prior or subsequent fiscal year shall remain available until expended.

Sec. 8049. Notwithstanding any other provision of law, funds made available in this Act for the Defense Intelligence Agency may be used for the design, development, and deployment of defense intelligence systems for the Services, the Unified and Specified Commands, and the component commands.

Sec. 8050. Of the funds appropriated by the Department of Defense under the heading "Operation and Maintenance, Defense-Wide", not to exceed $1,541,000 shall be available for maintenance activities of Defense Business Operations Fund during the current fiscal year pursuant to section 1459(g) of the Department of Defense Authorization Act, 1986, and deposited to the special account established under subsection 1459(g)(2) of that Act: Provided, That none of the funds made available under this section shall be expended for the operation and maintenance of the Center as provided for in subsection 1459(g)(2).

Sec. 8051. None of the funds appropriated in this Act may be used to fill the commander's position at any military medical facility with a health care professional unless the prospective candidate can demonstrate professional administrative skills.

Sec. 8052. (a) None of the funds appropriated in this Act may be expended by an entity of the Department of Defense unless the entity, in expending the funds, complies with the Buy American Act. For purposes of this subsection, the term "Buy American Act" means title II of the Miller amendment to the 1980 Defense Appropriations Act at 10 U.S.C. 2535: Provided, That notwithstanding any other provision of law, the Secretary of the Navy is authorized to lease real and personal property at Naval Air Facility, Adak, Alaska, pursuant to 10 U.S.C. 2667(f), for purposes other than industrial or military use: Provided further, That notwithstanding any other provision of law, the Secretary of the Navy may remove hazardous materials from facilities, buildings, and structures.

Sec. 8053. (a) None of the funds appropriated in this Act may be used by an entity of the Department of Defense to perform the proposed work; (b) The purpose of the contract is to explore an unsolicited proposal which offers significant scientific or technological promise, represents the interests of the national security, and was submitted in confidence by one source; or (c) The purpose of the contract is to take advantage of unique and significant industrial capability or potential for a specific purpose, or to ensure that a new product or idea of a specific concept is given financial support: Provided, That this limitation shall not apply to contracts related to improvements of equipment that is in development or production, or contracts as to which a civilian official of the Department of Defense, who has been confirmed by the Senate, determines that the award of such contract is in the interest of the national defense.

Sec. 8054. (a) Except as provided in subsections (b) and (c), none of the funds made available by this Act may be used— (1) to establish a field operating agency; or (2) to pay the basic pay of a member of the Armed Forces or civilian employee of the department who is transferred or reassigned from a headquarters activity if the member or employee's place of duty remains at the location of that headquarters.

(b) The Secretary of Defense or Secretary of a military department may waive the limitations in subsection (a), on a case-by-case basis, if the Secretary determines, as confirmed by the Committees on Appropriations of the House of Representatives and Senate that the granting of the waiver will reduce the personnel requirements or the financial requirements of the department.

(c) This section does not apply to field operating agencies funded within the National Foreign Intelligence Program.

Sec. 8055. Funds appropriated by this Act for intelligence activities are deemed to be specifically authorized by the Congress for purposes of section 504 of the National Security Act of 1947 (50 U.S.C. 414A) during fiscal year 1999 until the enactment of the Intelligence Authorization Act for Fiscal Year 1999.

Sec. 8057. Notwithstanding section 303 of Public Law 96-487 or any other provision of law, the Secretary of the Navy is authorized to lease real and personal property at Naval Air Facility, Adak, Alaska, pursuant to 10 U.S.C. 2667(f), for purposes other than industrial or military use: Provided, That notwithstanding any other provision of law, the Secretary of the Navy may remove hazardous materials from facilities, buildings, and structures.
SEC. 8058. Of the funds provided in Department of Defense Appropriations Acts, the following funds are hereby rescinded as of the date of enactment of this Act from the following accounts and programs in the specified amounts:

- TRIDENT ballistic missile submarine program, $3,062,696;
- SSN-688 attack submarine program, $8,146,796;
- CG-47 cruiser program, $4,000,000;
- LSD(x) 45/46 cargo variant ship program, $256,141;
- LHD-1 amphibious assault ship program, $505,938.

For craft, outfitting, and post delivery, $3,459,756.

- TRIDENT ballistic missile submarine program, $2,750,679.
- SSN-688 attack submarine program, $5,663,109;
- A O conversion program, $881,619.

For craft, outfitting, and post delivery, $2,521,000.

- TRIDENT ballistic missile submarine program, $6,746,000;
- LSD-41 cargo variant ship program, $8,701,615.
- Aircraft carrier service life extension program, $890,209.

For craft, outfitting, and post delivery, $2,636,339.

- Service craft program, $143,740.
- LAC landing craft air cushion program, $216,600.
- Aircraft carrier service life extension program, $3,178,524.

For craft, outfitting, and post delivery, $3,307,524.

- For craft, outfitting, and post delivery, $4,540,746.
- "Missile Procurement, Air Force, 1997/1999", $8,000,000.
- "Other Procurement, Army, 1998/2000", $24,000,000.

Under the heading, "Shipbuilding and Conversion, Navy, 1993/2002":
- CVN refuelings, $35,000,000.

"National Defense Sealift Fund, Public Law 104-206, Title II, Segment 1", $2,000,000.

SEC. 8059. None of the funds available in this Act may be used to reduce the authorized positions for military (civilian) technicians of the Army National Guard, the Air National Guard, Army Reserve and Air Force Reserve for the purpose of applying any administratively imposed civilian personnel ceiling, freeze, or reduction on military (civilian) technicians, unless such reduction is a result of a reduction in military force structure.

SEC. 8060. None of the funds appropriated or otherwise made available in this Act may be used to obligate funds for the Acquisition of Medical Property and Services for national security purposes that is not available from United States Government manufacturers.

SEC. 8061. During the current fiscal year, none of the funds appropriated in this Act are available to the Department of Defense for the renovation of the Pentagon Reservation Maintenance Revolving Fund, or to be merged with any such resolution calling for international assistance from the United States Code: Provided, That the Secretary of Defense shall be under State command and control: Provided further, That such duty performed pursuant to a plan submitted by a Governor of a State and approved by the Secretary of Defense under section 112 of title 32, United States Code: Provided, That during the performance of such duty, the members of the National Guard shall be under State command and control: Provided further, That such duty shall be treated as full-time National Guard duty for purposes of sections 2(62)(a) and (b) of title 32, United States Code: Provided, That nothing in this section authorizes the Secretary of Labor to include in the calculation of unemployment as determined by the Secretary of Labor, anycooperation or contracting for non-United States Government facilities below the September 30, 1998 level: Provided, That the Service Surgeons General may waive this section by certifying to the congressional defense committees that the beneficiary has limited access to such facilities: Provided, That the Service Surgeons General may waive this section by certifying to the congressional defense committees that such an acquisition must be made in order to acquire capability for national security purposes that is not available from United States Government manufacturers.

SEC. 8062. Funds appropriated in this Act for operation and maintenance of the Military Departments, Unified and Specified Commands of the Department of Defense, and the National Guard and Reserve provide intelligence or counterintelligence support to Unified Commands, Defense Agencies and Joint Intelligence Activities, including programs included within the National Foreign Intelligence Program (NFIP), the Joint Military Intelligence Program (J MIP), and the Tactical Intelligence and Related Activities (T I R A), aggregate: Provided, That nothing in this section authorizes the Secretary of Defense for national security purposes that is not available from United States Government manufactur- ers.

SEC. 8063. None of the funds appropriated in this Act may be used to regulate the medical and medical equipment, and to be available for the same general purpose of applying any administratively imposed civilian personnel ceiling, freeze, or reduction on military (civilian) technicians, unless such reduction is a result of a reduction in military force structure.

SEC. 8064. None of the funds appropriated in this Act may be transferred to or obligated from the Pentagon Reservation Maintenance Revolving Fund, unless the Secretary of Defense certifies that the total cost for the planning, design, construction and installation of equipment for the renovation of the Pentagon Reservation will not exceed $11,000,000.

SEC. 8065. (a) None of the funds available to the Department of Defense for any fiscal year for drug interdiction or counter-drug activities may be transferred to any other department or agency of the United States except as specifically provided in an appropriations law.

SEC. 8066. Appropriations available in this Act under the heading "Operation and Maintenance, Defense-Wide" for increasing energy and water efficiency, to be merged with any such resolution calling for international assistance from the United States Code: Provided, That the Secretary of the Treasury, on a nonreimbursable basis, to American Samoa: Provided, That notwithstanding any other provision of law, funds available to the Department of Defense shall be made available to any Other Procurement, Air Force, 1998/2000, $3,451,287;
- T-AGOS surveillance ship program, $1,989,383;
- MHC coastal mine hunter program, $150,000;
- T-AO fleet oiler program, $1,989,383;
(b) The Secretary of Defense shall detail in the quarterly reports all efforts made to seek credit against past United Nations expenditures and all efforts made to seek compensation from the United Nations or other nations pursuant to the Department of Defense in implementing and supporting United Nations activities.

SECTION 8075.ATION ON TRANSFER OF DEFENSE ARTICLES AND SERVICES.—Notwithstanding any other provision of law, none of the funds available to the Department of Defense for the current fiscal year may be obligated or expended to transfer to another nation or an international organization any defense articles or services (other than intelligence services) for use in the activities described in subsection (b) or services (other than intelligence services) for international organization any defense articles or services or (other than intelligence services) for use in the activities described in subsection (a) unless the congressional defense committees, the Committee on International Relations of the House of Representatives, and the Committee on Foreign Relations of the Senate are notified 15 days in advance of such transfer.

(b) COVERED ACTIVITIES.—This section applies to—
(1) any international peacekeeping or peace-enforcement operation under the authority of chapter VI or chapter VII of the United Nations Charter under the authority of a United Nations Security Council resolution; and
(2) any other international peacekeeping, peace-enforcement, or humanitarian assistance operation.

(c) REQUIRED NOTICE.—A notice under subsection (a) shall include the following:
(1) a description of the equipment, supplies, or services to be transferred;
(2) a statement of the value of the equipment, supplies, or services to be transferred;
(3) in the case of a proposed transfer of equipment or supplies—
(A) a statement of whether the inventory requirements of all elements of the Armed Forces (including the reserve components) for the type of equipment or supplies to be transferred have been met and
(B) a statement of whether the items proposed to be transferred will have to be replaced and, if so, how the President proposes to provide funds for such replacement.

Sec. 8075. To the extent authorized by subchapter VI of chapter 148 of title 10, United States Code, the Secretary of Defense shall issue loan guarantees in support of United States defense exports not otherwise provided for: Provided, That the total contingent liability of the United States for guarantees issued under the authorities provided in this section may not exceed $15,000,000,000: Provided further, That the exposure fees charged and collected by the Secretary for each guarantee, shall be paid by the country involved, and shall be financed as part of a loan guaranteed by the United States: Provided further, That the Secretary shall provide quarterly reports to the Committees on Appropriations, National Security and International Relations in the House of Representatives on the implementation of this section: Provided further, That amounts charged for administrative fees and deposited to the special account provided for under section 2540(d) of title 10, shall be available for the payment of administrative expenses of the Department of Defense that are attributable to the loan guarantee program under subchapter VI of chapter 148 of title 10.

Sec. 8076. None of the funds available to the Department of Defense shall be obligated or expended to make a financial contribution to the United Nations or other component of a United Nations peacekeeping activity (whether pursuant to assessment or a voluntary contribution) or for payment of any United States arrearage to the United Nations.

Sec. 8077. None of the funds available to the Department of Defense under this Act shall be obligated or expended to pay a contractor under a contract with the Department of Defense any costs of any amount paid by the contractor to an employee when—
(1) such costs are for a bonus or otherwise in excess of the normal salary paid by the contractor to the employee; and
(2) such bonus is part of restructuring costs associated with defense conversions: Provided, That the amounts transferred shall be available for the same purposes as the appropriations to which transferred, and for the same time period as the appropriation, and from any available account: Provided further, That the amounts shall be transferred between the following appropriations in the amount specified:

Trident ballistic missile submarine program, $2,764,000; SSN±688 attack submarine program, $2,232,000; CG±73 cruiser program, $10,886,000; Carrier replacement program, $40,360,000; LHD±1 amphibious assault ship program, $3,001,000; LSD±41 cargo variant ship program, $790,000; To: Under the heading, “Shipbuilding and Conversion, Navy, 1995/2001”:
Carrier replacement program, $89,943,000; From: Under the heading, “Shipbuilding and Conversion, Navy, 1989/2000”:
Trident ballistic missile submarine program, $3,028,000; LHD±1 amphibious assault ship program, $2,153,000; MHC coastal minehunter program, $1,298,000; To: Under the heading, “Shipbuilding and Conversion, Navy, 1995/2000”:
Carrier replacement program, $6,479,000; From: Under the heading, “Shipbuilding and Conversion, Navy, 1990/2002”:
Trident ballistic missile submarine program, $10,796,000; SSN±688 attack submarine program, $1,000,000; DDG±51 destroyer program, $5,966,000; LCC landing craft, air cushioned program, $509,000; MCM mine countermeasures ship program, $1,200,000; AOE combat support ship program, $1,674,000; AO(j) jumboized oiler program, $1,899,000; Oceanographic research program, $394,000; To: Under the heading, “Shipbuilding and Conversion, Navy, 1995/2002”:
Carrier replacement program, $22,538,000; From: Under the heading, “Shipbuilding and Conversion, Navy, 1991/2001”:
DDG±51 destroyer program, $1,500,000; LHD±1 amphibious assault ship program, $7,500,000; LSD±41 cargo variant ship program, $1,227,000; LEAC landing craft, air cushioned program, $392,000; MHC coastal minehunter program, $2,400,000; To: Under the heading, “Shipbuilding and Conversion, Navy, 2001/2002”:
SSN±21 attack submarine program, $13,019,000; From: Under the heading, “Shipbuilding and Conversion, Navy, 1992/2001”:
Prior year escalation, $52,934,000; To: Under the heading, “Shipbuilding and Conversion, Navy, 1991/2001”:
SSN±21 attack submarine program, $16,967,000; From: Under the heading, “Shipbuilding and Conversion, Navy, 1994/2001”:
MCS(C) mine warfare command and control ship program, $5,729,000; To: Under the heading, “Shipbuilding and Conversion, Navy, 1995/2001”:
DDG±51 destroyer program, $24,261,000; Carrier replacement program, $5,977,000; From: Under the heading, “Shipbuilding and Conversion, Navy, 1993/2002”:
A $16,782,400.

Sec. 8098. None of the funds appropriated or made available in this Act may be obligated or expended to enter into, or renew a contract with a contractor that is subject to the reporting requirement set forth in subsection (d) of section 4212 of title 38, United States Code, and based on the most recent report required by such subsection for 1998 or a subsequent year.

Sec. 8099. None of the funds made available in this Act may be used to approve or license the sale of the F-22 advanced tactical fighter to any foreign government.

The amounts of the funds appropriated or otherwise made available by this Act may be used for the United States Man and the Biosphere Program, or related projects.

Sec. 8100. Notwithstanding 31 U.S.C. 1552(a), of the funds provided in Department of Defense Appropriations Acts, not more than the specified amounts from the following accounts shall be exercised for the payment or payment of a waiver granted under subsection (a).

(3) Appropriations Acts, not more than the specified amounts from the following accounts shall be exercised for the payment of a waiver granted under subsection (a).

(3) None of the funds in this Act may be obligated or expended to enter into or to perform contracts or services that are critical to national security for 1998 or a subsequent year.

Sec. 8101. None of the funds in this Act may be obligated or expended by the Federal Government, the Federal Reserve System, or any instrumentality of the Federal Government, or any other person or entity, on or after the date of enactment of this Act, and may be used for the payment of a waiver granted under subsection (a).

Sec. 8102. Funds made available to the Civil Air Patrol in this Act that are designated as "Missile Procurement, Air Force, 1996/1998" may be used for the purchase of personal protective equipment and auxiliary equipment for the purchase of equipment.

Sec. 8103. Funds made available in this Act that are designated as "Drug Interdiction and Counter-Drug Activities, Defense" may be used for the purchase of equipment.

Sec. 8104. The Secretary of Defense shall submit to the congressional committees, including the Senate, a joint report which includes a description of the equipment acquired with funds made available in this Act that are designated as "Drug Interdiction and Counter-Drug Activities, Defense".
the Department of the Air Force should waive funds, if the Secretary of Defense determines that it is in the best interest of the United States to waive reimbursement from the Federal, State and local government agencies for the use of these funds.

Sec. 8103. During fiscal year 1999, advance billing for services provided or work performed by the Working Capital Fund activities of the Department of the Air Force in excess of $100,000,000 is prohibited.

Sec. 8104. The Secretary of Defense shall undertake a review of all distributed learning education and training programs in the Department of Defense and shall issue a plan to implement a department-wide, standardized, cost-effective Advanced Distributed Learning framework to achieve the goals of commonality, interoperability, and reuse: Provided, That the Secretary shall report to Congress on the results of this review and present a detailed implementation and budget plan no later than July 30, 1999.

Sec. 8105. Notwithstanding any other provision in this Act, the total amount appropriated in title II is hereby reduced by $70,000,000 to reflect savings resulting from consolidations and personnel reductions as mandated in the Defense Reform Initiative.

Sec. 8106. The Secretary of Defense shall submit to the congressional defense committees an inter-departmental maintenance activities, Intermediate Level maintenance activities, or lower echelon maintenance activities.

Sec. 8107. Notwithstanding any other provision of law, the TRICARE managed care support contracts in effect, or in final stages of acquisition as of September 30, 1998, may be extended for two years: Provided, That any such extension may only take place if the Secretary of Defense determines that it is in the best interest of the United States to do so: Provided further, That any contract extension shall be based on the price in the final best and final offer for the last year of the existing contract as adjusted for inflation by factors mutually agreed to by the contractor and the government: Provided further, That notwithstanding any other provision of law, all future TRICARE managed care support contracts replacing contracts in effect, or in the final stages of acquisition as of September 30, 1998, may include a base period for transition and up to seven one-year option periods.

Sec. 8108. Notwithstanding any other provision in this Act, the total amount appropriated in this Act is hereby reduced by $400,600,000 to reflect savings from revised economic assumptions, to be distributed as follows:

- "Operation and Maintenance, Army National Guard", $4,000,000;
- "Drug Interdiction and Counter-Drug Activities, Defense", $2,000,000;
- "Environmental Restoration, Army", $1,000,000;
- "Environmental Restoration, Navy", $1,000,000;
- "Environmental Restoration, Air Force", $1,000,000;
- "Environmental Restoration, Defense-Wide", $1,000,000;
- "Defense Health Program", $36,000,000;
- "Aircraft Procurement, Army", $4,000,000;
- "Missle Procurement, Army", $4,000,000;
- "Procurement of Weapons and Tracking Combat Vehicles, Army", $4,000,000;
- "Procurement of Ammunition, Army", $3,000,000;
- "Other Procurement, Army", $9,000,000;
- "Aircraft Procurement, Navy", $22,000,000;
- "Weapons Procurement, Navy", $4,000,000;
- "Procurement of Ammunition, Navy and Marine Corps", $1,000,000;
- "Shipbuilding and Conversion, Navy", $18,000,000;
- "Other Procurement, Navy", $12,000,000;
- "Procurement, Marine Corps", $2,000,000;
- "Aircraft Procurement, Air Force", $23,000,000;
- "Missile Procurement, Air Force", $7,000,000;
- "Procurement of Ammunition, Air Force", $1,000,000;
- "Other Procurement, Air Force", $17,500,000;
- "Procurement, Defense-Wide", $5,000,000;
- "Chemical Agents and Munitions Destruction, Army", $3,000,000;
- "Research, Development, Test and Evaluation, Army", $10,000,000;
- "Research, Development, Test and Evaluation, Navy", $20,000,000;
- "Research, Development, Test and Evaluation, Air Force", $39,000,000; and
- "Research, Development, Test and Evaluation, Defense-Wide", $26,700,000: Provided, That these reductions shall be applied proportionally to each budget activity, budget group and subsystem activity and each program, project, and activity within each appropriation account.

Sec. 8109. (a) DISPOSAL OF CERTAIN MATERIALS IN NATIONAL DEFENSE STOCKPILE.—Subject to subsection (c), the President shall dispose of materials contained in the National Defense Stockpile and specified in the table in subsection (b) as to result in receipts to the United States in the amount of $100,000,000 by the end of fiscal year 1999.

(b) DISPOSAL QUANTITIES.—The total quantities of materials authorized for disposal by the President under subsection (a) may not exceed the amounts set forth in the following table:

<table>
<thead>
<tr>
<th>Material for disposal</th>
<th>Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beryllium Metal</td>
<td>20 short tons</td>
</tr>
<tr>
<td>Chromium Ferroalloy</td>
<td>25,000 short tons</td>
</tr>
<tr>
<td>Columbium Caride Powder</td>
<td>28,572 pounds of contained Columbium</td>
</tr>
<tr>
<td>Diamond, Stones</td>
<td>600,000 carats</td>
</tr>
<tr>
<td>Platinum</td>
<td>100,000 troy ounces</td>
</tr>
<tr>
<td>Platinum-Palladium</td>
<td>150,000 troy ounces</td>
</tr>
<tr>
<td>Tantalum Caride Powder</td>
<td>22,688 pounds of contained Tantalum</td>
</tr>
<tr>
<td>Tantalum Metal Ingots</td>
<td>100,000 pounds of contained Tantalum</td>
</tr>
<tr>
<td>Tantalum Metal Powder</td>
<td>25,000 pounds of contained Tantalum</td>
</tr>
</tbody>
</table>

(c) MINIMIZATION OF DISRUPTION AND LOSS.—The President may not dispose of materials under subsection (a) to the extent that the disposal will result in—

(1) undue disruption of the usual markets of producers, processors, and consumers of the materials proposed for disposal; or
(2) avoidable loss to the United States.

(d) RELATIONSHIP TO OTHER DISPOSAL AUTHORITY.—(1) The disposal authority provided in subsection (a) is new disposal authority and is in addition to, and shall not affect, any other disposal authority provided by law regarding the materials specified in such subsection.

(2) The disposal authority provided in subsection (a) is referred to in section 3303 of the National Defense Authorization Act for Fiscal Year 1999, and the quantities of the materials specified in the table in subsection (b) are included in the quantities specified in the table in subsection (b) of such section.

(f) DEFINITION.—In this section, the term “National Defense Stockpile” means the stockpile provided for in section 4 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98c).

Sec. 8110. (a) TRANSFERS OF VESSELS BY GRANT.—The Secretary of the Navy is authorized to transfer vessels on a grant basis under section 516 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j) as follows:

(1) To the Government of Argentina, the NEWPORT class tank landing ships NEWPORT (LST 1179).

(2) To the Government of Greece—

(A) the KNOX class frigate HEPBURN (FF 1055); and

(B) the ADAMS class guided missile destroyers STRAUSS (DDG 16), SEMMS (DDG 18), and WADDEL (DDG 24).

(3) To the Government of Portugal, the STALwart class ocean surveillance ship ASSURANCE (T-AGOS 5).

(4) To the Government of Turkey, the KNOX class frigates PAUL (FF 1080), MILLER (FF 1091), and W. S. SIMMS (FF 1059).

(b) TRANSFERS OF VESSELS BY SALE.—The Secretary of the Navy is authorized to sell to foreign countries on a grant basis under section 21 of the Arms Export Control Act (22 U.S.C. 2761) as follows:

(1) To the Government of Brazil, the NEWPORT class tank landing ships CAYUGA (LST 1186) and PEORIA (LST 1187).

(2) To the Government of Chile—

(A) the NEWPORT class tank landing ship SAN BERNARDINO (LST 1189); and

(B) the auxiliary repair dry dock WATERFORD (AR D 5).

(3) To the Government of Greece—

(A) the OAK RIDGE class medium dry dock ALAMAFORDO (ARD 2); and

(B) the KNOX class frigate VAN VREELAND (FF 1068) and TRIPPE (FF 1075).

(4) To the Government of Mexico—

(A) the auxiliary repair dock SAN ONOFRE (AR D 30); and

(B) the KNOX class frigate PHARRIS (FF 1094).

(5) To the Government of the Philippines, the STALwart class ocean surveillance ship TRI-UMPH (T-AGOS 4).

(6) To the Government of Spain, the NEWPORT class tank landing ships HARLAN COUNTY (LST 1196) and BARNSTABLE COUNTY (LST 1197).

(7) To the Taipei Economic and Cultural Representative Office in the United States (the Taipei Instrumental Office) designated pursuant to section 10(a) of the Taiwan Relations Act)—
The KNOX class frigates PEARY (FF 1073), JOSEPH HEWES (FF 1078), COOK (FF 1083), BREWTON (FF 1086), KIRK (FF 187), and BARBEY (FF 1088); (B) in PEARL HARBOUR class tank landing ships MANTOWOC (LST 1180) and SUMTER (LST 1181); (C) the floating dry dock COMPETENT (AFDM 6); and (D) the ANCHORAGE class dock landing ship PENSACOLA (LSD 38).

The Government of Turkey—(A) the OLIVER HAZARD PERRY class guided-missile frigates MAHLON S. TISDALE (FFG 57), REID (FFG 30), and DUNCAN (FFG 10); and (B) the KNOX class frigates REASONER (FF 1063), FANNING (FF 1076), BOWEN (FF 1079), MCCANDLESS (FF 1084), DONALD BEARY (FF 1090), THOMAS C. HART (FF 1092), and CAPODANNO (FF 1093).

To the Government of Venezuela, the medium auxiliary floating dry dock bearing hull number AFDM 2.

Transfers of Vessels on a Combined Lease-Basis.—The Secretary of the Navy is authorized to transfer vessels to foreign countries on a combined lease-basis under sections 61 and 21 of the Arms Control Act (22 U.S.C. 2796, 2761) and in accordance with subsection (d) as follows:

To the Government of Brazil, the CIMARRON class oiler MERRIMACK (AO 179).

To the Government of Greece, the KIDD class guided-missile destroyers DDG 993, CALLAGHAN (DDG 994), SCOTT (DDG 995), and CHANDLER (DDG 996).

Conditions Relating to Combined Lease-Sale Transfers.—A transfer of a vessel on a combined lease-sale basis authorized by subsection (c) shall be made in accordance with the following requirements:

(1) The Secretary may initially transfer the vessel by lease, with lease payments suspended for the term of the lease, if the country entering into the lease for the vessel simultaneously enters into a foreign military sales agreement for the transfer of title to the vessel.

(2) The Secretary may not deliver to the purchasing country title to the vessel until the purchase price of the vessel under such a foreign military sales agreement is paid in full.

(3) Upon payment of the purchase price in full under such a sales agreement and delivery of title to the recipient country, the Secretary shall terminate the lease.

(4) If the purchasing country fails to make full payment of the purchase price in accordance with the sales agreement by the date required under the sales agreement—

(A) the sales agreement shall be immediately terminated;

(B) the suspension of lease payments under the lease shall be vacated; and

(C) the United States shall be entitled to retain any funds received on or before the date of the termination under the sales agreement, up to the amount of the lease payments due and payable under the lease and all other costs required to be paid under paragraph (4).

(5) If a sales agreement is terminated pursuant to paragraph (4), the United States shall not be required to pay any interest to the recipient country on any amount paid to the United States by the recipient country under the sales agreement and not retained by the United States under the lease.

(6) Funding for Certain Costs of Transfers.—There is established in the Treasury of the United States a special account to be known as the Defense Vessels Transfer Program Account. Funds in this account shall be appropriated in addition to that account such sums as may be necessary for the costs (as defined in section 502 of the Congressional Budget Act of 1974 (2 U.S.C. 661a)) of the lease-sale transfers authorized by subsection (c). Funds in that account are available only for the purpose of covering those costs.

(7) Notification of Congress.—Not later than 30 days after the date of the enactment of this Act, the Secretary of the Navy shall submit to Congress, for each naval vessel that is to be transferred under this section before January 1, 1999, the notifications required under section 516 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j) and section 525 of the Foreign Operations, Accountability, and Border Security Appropriations Act, 1998 (Public Law 105-118; 111 Stat. 2431).

(8) Grants Counted in Annual Total of Transferred Excess Defense Articles.—The value of a vessel transferred to another country on a grant basis under section 516 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j(e)) pursuant to this section shall not be counted for the purposes of subsection (g) of that section in the aggregate value of excess defense articles transferred to countries under section in any fiscal year.

(9) Costs of Transfers.—Any expense incurred by the United States in connection with a transfer authorized by this section shall be charged to the recipient (notwithstanding section 516(e)(1) of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j(e)(1))) in the case of a transfer authorized to be made on a grant basis under subsection (d). In the case of a transfer of title to the vessel under the grant, the Secretary of the Navy shall submit to the Defense Commissary Agency a report stating the costs of the transfer and specifying the amount thereof for which the Defense Commissary Agency is entitled to reimbursement.

(10) Repair and Refurbishment in United States Shipyards.—To the maximum extent practicable, any repair or refurbishment of the vessel as is needed, before the vessel joins the naval forces of the country to which the vessel is transferred, shall be performed at a shipyard located in the United States, including a United States Navy shipyard.

(11) Expiration of Authority.—The authority to transfer a vessel under this section shall expire at the end of the two-year period beginning on the date of the enactment of this Act.

(12) None of the funds made available in this Act shall be used to compensate an employee of the Department of Defense who initiates a new start program without notification to the Office of the Secretary of Defense and the congressional defense committees, as required by Department of Defense financial management regulations.

(13) Operations and Maintenance, Air Force.—None of the funds in this Act may be used to compensate an employee of the Department of Defense who initiates a new start program without notification to the Office of the Secretary of Defense and the congressional defense committees, as required by Department of Defense financial management regulations.

(14) Operation and Maintenance, Navy.—None of the funds in this Act may be used to compensate an employee of the Department of Defense who initiates a new start program without notification to the Office of the Secretary of Defense and the congressional defense committees, as required by Department of Defense financial management regulations.

Expiration of Authority.—The Secretary may initially transfer the vessel by lease, with lease payments suspended for the term of the lease, if the country entering into the lease for the vessel simultaneously enters into a foreign military sales agreement for the transfer of title to the vessel.

The Secretary may not deliver to the purchasing country title to the vessel until the purchase price of the vessel under such a foreign military sales agreement is paid in full.

Upon payment of the purchase price in full under such a sales agreement and delivery of title to the recipient country, the Secretary shall terminate the lease.

If the purchasing country fails to make full payment of the purchase price in accordance with the sales agreement by the date required under the sales agreement—

(A) the sales agreement shall be immediately terminated;

(B) the suspension of lease payments under the lease shall be vacated; and

(C) the United States shall be entitled to retain any funds received on or before the date of the termination under the sales agreement, up to the amount of the lease payments due and payable under the lease and all other costs required to be paid under paragraph (4).

If a sales agreement is terminated pursuant to paragraph (4), the United States shall not be required to pay any interest to the recipient country on any amount paid to the United States by the recipient country under the sales agreement and not retained by the United States under the lease.

Funding for Certain Costs of Transfers.—There is established in the Treasury of the United States a special account to be known as the Defense Vessels Transfer Program Account. Funds in this account shall be appropriated in addition to that account such sums as may be necessary for the costs (as defined in section 502 of the Congressional Budget Act of 1974 (2 U.S.C. 661a)) of the lease-sale transfers authorized by subsection (c). Funds in that account are available only for the purpose of covering those costs.

(1) The anticipated effects of the deployment on the morale, retention, and effectiveness of United States forces engaged in the deployment.

(2) The costs associated with the deployment and the funding sources for paying those costs.

(3) The anticipated effects of the deployment on the national security interests of the United States.

(4) The mission and objectives of forces to be deployed.

(5) The expected schedule for accomplishing the objectives of the deployment.

(6) The extent to which the United States forces engaged in the deployment.

(7) The costs associated with the deployment and the funding sources for paying those costs.

(8) The anticipated effects of the deployment on the national security interests of the United States.

(9) The reasons why the deployment is in the national security interests of the United States.

(10) The costs associated with the deployment and the funding sources for paying those costs.

(11) The extent to which the United States forces engaged in the deployment.

(12) The costs associated with the deployment and the funding sources for paying those costs.

(13) The anticipated effects of the deployment on the national security interests of the United States.

(14) The reasons why the deployment is in the national security interests of the United States.

(15) The costs associated with the deployment and the funding sources for paying those costs.

(16) The extent to which the United States forces engaged in the deployment.

(17) The costs associated with the deployment and the funding sources for paying those costs.
made by or otherwise applicable to funds appro-

cess and transmit information from point of ori-

ant system or a system to be terminated in ac-

al mission or function of the Department of


dated to ensuring that the reported system

TEMS. The limitation in subsection (a) does not

year 2000, including the ability of the systems to ac-
cases, the system excluded shall be replaced in

system that is designated as mission critical in

Any person who within the preceding 15 years

S FUND TO APPLY TO MISSION CRITICAL SYSTEMS.—Funds appropriated or otherwise made available by this Act for mission critical systems are not subject to the reduced requirements made by or otherwise applicable to funds appro-

sure that the reported system achieve 2000 compliance.

The term "information technology" has

The Inspector General of the Department of Defense shall selectively audit information technology or national security systems in the event of a year 2000 problem in any such system.

Not later than December 30, 1998, the Secretary of Defense shall submit to the congressional defense committees a report describing—

An executable strategy to be used throughout the Department of Defense to test information technology or national security systems for year 2000 compliance (to include functional capability tests and military exercises);

The plans of the Department of Defense for ensuring compliance (such as testing facilities, tools, and personnel) are available to ensure that all mission critical systems achieve year 2000 compliance; and

The criteria and process to be used to certify a system as year 2000 complaint.

The report shall also include—

An updated list of all mission critical systems;

Guidelines for developing contingency plans for the functioning of each information technology or national security system in the event of a year 2000 problem in any such system.


capability tests and military exercises;

The plans of the Department of Defense for ensuring compliance (such as testing facilities, tools, and personnel) are available to ensure that all mission critical systems achieve year 2000 compliance; and

The criteria and process to be used to certify a system as year 2000 complaint.

The report shall also include—

An updated list of all mission critical systems;

Guidelines for developing contingency plans for the functioning of each information technology or national security system in the event of a year 2000 problem in any such system.


capability tests and military exercises;

The plans of the Department of Defense for ensuring compliance (such as testing facilities, tools, and personnel) are available to ensure that all mission critical systems achieve year 2000 compliance; and

The criteria and process to be used to certify a system as year 2000 complaint.

The report shall also include—

An updated list of all mission critical systems;

Guidelines for developing contingency plans for the functioning of each information technology or national security system in the event of a year 2000 problem in any such system.


capability tests and military exercises;

The plans of the Department of Defense for ensuring compliance (such as testing facilities, tools, and personnel) are available to ensure that all mission critical systems achieve year 2000 compliance; and

The criteria and process to be used to certify a system as year 2000 complaint.

The report shall also include—

An updated list of all mission critical systems;

Guidelines for developing contingency plans for the functioning of each information technology or national security system in the event of a year 2000 problem in any such system.


capability tests and military exercises;
(6) A discussion of the potential for each alternative action referred to in paragraph (3) or (4) to result in the elimination or a significant reduction in the need of such personnel for food stamps.

(c) Each potential alternative action included in the report under paragraph (3) or (4) of subsection (b) shall meet the following requirements:

(1) Apply only to persons referred to in paragraph (1) of such subsection.

(2) Be limited in cost to the lowest amount feasible to achieve the objectives.

(d) In this section:

(1) The term “fiscal year 2001 budget” means the budget for fiscal year 2001 that the President submits to Congress under section 1105(a) of title 31, United States Code.

(2) The term “food stamp” means assistance under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.).

Sec. 8210. None of the funds appropriated or otherwise made available by this Act in Titles III and IV may be used to enter into or renew a contract with any company owned, or partially owned, by the People’s Republic of China or the People’s Liberation Army of the People’s Republic of China.

Sec. 8211. (a) Chapter 157 of title 10, United States Code, is amended by inserting after section 2641 the following:

"§2641a. Transportation of American Samoa veterans on Department of Defense aircraft for certain medical care in Hawaii.

"(a) TRANSPORTATION AUTHORIZED.—The Secretary of Defense may provide transportation on Department of Defense aircraft for the purpose of transporting any veteran specified in subsection (b) between American Samoa and the State of Hawaii if such transportation is required in order to provide hospital care to such veteran as described in that subsection.

"(b) VETERANS ELIGIBLE FOR TRANSPORT.—A veteran eligible for transport under subsection (a) is any veteran:

(1) resides in and is located in American Samoa; and

(2) as determined by an official of the Department of Veterans Affairs, is either (A) under chapter 157 of title 10, United States Code, the Secretary of Veterans Affairs designated for that purpose by the Secretary of Veterans Affairs, must be transported to the State of Hawaii in order to receive hospital care to which such veteran is entitled; or (B) under chapter 157 of title 10, United States Code, the Secretary of Veterans Affairs designated for that purpose by the Secretary of Veterans Affairs, is entitled by reason of physical immaturity, are easily manipulated, and can be drawn into violence that they are too young to resist or understand.

(4) children are most likely to become child soldiers if they are poor, separated from their families, displaced, unlocatable, dead, or fearful of having their children return home;

(11) Graca Machel, the former United Nations expert on the impact of armed conflict on children, identified the immediate demobilization of all child soldiers as an urgent priority, and recommended the establishment through an optional protocol to the Convention on the Rights of the Child of 18 as the minimum age for recruitment and participation in armed forces; and

(12) the International Committee of the Red Cross, the United Nations Children’s Fund (UNICEF), the United Nations High Commissioner for Human Rights, and the United States Commission on Human Rights, as well as many nongovernmental organizations, also support the establishment of 18 as the minimum age for military recruitment and participation in armed conflict.

(b) IN GENERAL.—The Congress hereby—

(1) deplors the global use of child soldiers and supports their immediate demobilization;

(2) condemns the abduction of Ugandan children by the LRA;

(c) SENSE OF THE CONGRESS.—It is the sense of the Congress that the President and the Secretary of Defense shall—

(1) child experts estimate that as many as 250,000 children under the age of 18 are currently serving in armed forces or armed groups in more than 30 countries around the world; and

(2) not block efforts to establish 18 as the minimum age for participation in armed conflict through
an optional protocol to the Convention on the Rights of the Child; and

(3) provide greater support to United Nations agencies and nongovernmental organizations working for the rehabilitation and reintegration of former child soldiers into society.

SEC. 8129. Notwithstanding any other provi-

dion of law, the Secretary of Defense may, in con-
gress with the Secretary of State, enter into an agreement to lease under the program a parcel of real property, together with improvements thereon, to the Town of Newington, New Hampshire, all right, title, and interest of the United States in and to a parcel of real property, together with improvements thereon, consisting of approximately 1.3 acres located at the eastern terminus of the Pulsed Fast Neutron Analysis Project.

SEC. 8130. TRAINING AND OTHER PROGRAMS.

(a) PROHIBITION.—None of the funds made

available for the National Guard ChalleNGe "Operation and Maintenance, Navy", $11,500,000; and

"Operation and Maintenance, Defense-Wide", $11,500,000.

(b) PROCESSING OF REQUESTS.—(1) The Sec-

dary of Defense, in consultation with the Secretary of State, shall establish procedures to ensure that prior to a decision to lease a parcel of real estate referred to in subsection (a), full consideration is given to all information available to the Department of State relating to human rights violations by foreign security forces.

(c) WAIVER.—The Secretary of Defense, after consultation with the Secretary of State, may waive the prohibition in subsection (a) if he determines that such waiver is required by extraordinary circumstances.

(d) REPORT.—Not more than 15 days after the enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees describing the extraordinary circumstances, the purpose and duration of the program, and the information relating to human rights violations that necessitate the waiver.

SEC. 8131. Notwithstanding any other provi-

dion of law, and notwithstanding the provisions of section 509(b) of title 32, United States Code, the Secretary of Defense shall submit a report to the congressional defense committees describing the extraordinary circumstances, the purpose and duration of the program, and the information relating to human rights violations that necessitate the waiver.

(a) CONVEYANCE REQUIRED.—The Secretary of the Air Force应当 convey, without consideration, to Indian tribes located in the State of Montana relocatable military housing units located at Malmstrom Air Force Base, Montana, that are excess to the needs of the Air Force.

(b) PROCESSING OF REQUESTS.—(1) The Sec-
dary of the Air Force shall convey military housing units under subsection (a) in accordance with section 8129 of this title to the extent that such units are available for Civilian Adult Housing Programs to the Department of Defense in this Act, not less than $62,394,000 shall be made available for the National Guard Challenge Program.

SEC. 8132. (a) Notwithstanding any other provi-

dion of law, the Secretary of the Air Force may convey, without consideration, to Indian tribes located in the State of Montana relocatable military housing units located at Malmstrom Air Force Base, Montana, that are excess to the needs of the Air Force.

(b) PROCESSING OF REQUESTS.—(1) The Sec-
dary of the Air Force shall convey military housing units under subsection (a) in accordance with section 8129 of this title to the extent that such units are available for Civilian Adult Housing Programs to the Department of Defense in this Act, not less than $62,394,000 shall be made available for the National Guard Challenge Program.

SEC. 8133. (a) The Secretary of Defense, in co-

ordination with the Secretary of Health and Human Services, may carry out a program to distribute surplus dental equipment of the Department of Defense, at no cost to the Department of Defense, to Indian health service facilities to provide more currently-qualified health centers (within the meaning of section 1905(i)(2)(B) of the Social Security Act (42 U.S.C. 1396d(i)(2)(B))).

(b) Not later than March 15, 1999, the Secretary of Defense shall submit to Congress a report on the program, including the actions taken under the program.

SEC. 8134. The total amount appropriated in Title III of this Act is hereby reduced by $3,200,000.

SEC. 8135. The Secretary of the Navy may require such additional terms and conditions in connection with the lease authorized by subsection (a) as the Secretary considers appropriate to protect the interest of the United States.

SEC. 8136. Notwithstanding any other provi-

dion of law, the Secretary of the Navy may convey, without consideration, to the University of Central Florida the parcel of real property described in subsection (b), together with improvements on the property, in consideration for an annual rent not to exceed one dollar.

SEC. 8137. GLOBAL POSITIONING SYSTEM FRE-

quency spectrum guard against disruption of Global Positioning System services that are vital to the national security and eco-

nomic interests of the United States, the Secretary of Defense shall submit to the congressional defense committees a report setting forth a national strategy to (a) protect the integrity of the Global Positioning System frequency spectrum against interference and disruption; and (b) achieve full and effective use by GPS of radio frequency spectrum currently allocated by the International Telecommunications Union for transmission of navigation signals, and (c) provide for any additional allocation of spectrum necessary for GPS evolution. Such report shall be submitted to the congressional defense committees within 120 days of enactment of this Act.

SEC. 8138. The Secretary of Defense shall sub-

mit a report to Congress concurrent with sub-

section (a) and any report required by subsection (b) regarding past military deployment rates and future deployment rate goals. Such report shall contain a listing of the monthly overseas deployment rates for military personnel of each Service covering each fiscal year beginning with fiscal year 1989, the location and size of each deployment, a description of the methodology used to determine the deployment rates for each service, and a discussion of the maximum yearly deployment rates for each service that can be achieved without unduly straining the Department of Defense's ability to respond to national defense emergencies during fiscal year 1993 and thereafter.

(b) Inapplicability of Certain Disposal Au-

thorities.—The Secretary shall make the con-

clusions required by subsection (a) without re-

gard to the provisions of section 204(b) of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100-526; 10 U.S.C. 2687 note).

(c) DESCRIPTION OF PROPERTY.—The exact

acreage and legal description of the real prop-

erty, together with a description of the plan-

ning, design, and construction required to estab-

lish the center referred to in that subsection; and

SEC. 8140. (a) The Secretary of the Navy may
donate, without consideration, to the University of Central Florida (in this section referred to as the "University"), or a representative or agent of the University designated by the University, such portion of the property referred to in subsection (b) as the Secretary considers appropriate as a location for the establishment of a center for research in the fields of science, technology, public safety, civil defense, and national defense.

(b) Notwithstanding any other provision of law, the term under subsection (a) may not exceed 50 years.

(c) As consideration for the lease under subsection (a), the University shall—

(i) undertake and pay the cost of the planning, design, and construction required to establish the center referred to in that subsection;

(ii) during the term of the lease, provide the Secretary such space in the center for activities of the Navy as the Secretary and the University jointly consider appropriate.

(d) The Secretary may require such additional terms and conditions in connection with the lease authorized by subsection (a) as the Secretary considers appropriate to protect the interest of the United States.
SEC. 8142. Notwithstanding any other provision of law, the Secretary of Defense may retain all or a portion of the family housing at Fort Buchanan, Puerto Rico, as the Secretary deems necessary to ensure the family housing is not removed from the community arising out of the relocation of elements of the U.S. Army South to Fort Buchanan.

SEC. 8143. (a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey to the City of Seattle, Washington (in this section referred to as the “City”), all right, title, and interest of the United States in and to a parcel of real property, together with improvements thereon, consisting of approximately 11.82 acres, the location of the Magnolia housing area, Seattle, Washington, less such areas as the Secretary determines necessary to support continued Navy family housing requirements.

(b) CONSIDERATION.—As consideration for the conveyance authorized under subsection (a), the City shall pay to the United States an amount equal to the fair market value (as determined by the Secretary) of the portion of the real property to be conveyed under subsection (a) that was donated to the United States by the City. The portion of the real property to be conveyed under subsection (a) that was donated to the United States by the City shall be returned to the City at no cost.

(c) CONDITION.—The conveyance authorized under subsection (a) shall be subject to the condition that the City shall have no continuing obligation to provide any services to any persons arising out of any actions taken by the City in connection with the conveyance under subsection (a).

(d) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the City.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions as may be necessary in order to ensure that such conveyance is consistent with the administration of this section for the six-month period ending on September 30, 1999.

(f) USE OF FUNDS.—(1) The Secretary shall use any amount received under this section for the administration of this section for the six-month period ending on September 30, 1999.

(2) The Secretary shall submit to the Committee on Armed Services of the Senate, the Committee on National Security of the House of Representatives, and the congressional defense subcommittees for military construction and military facilities the following:

(A) a description of the property conveyed under this section and the purpose for which it is conveyed;

(B) information concerning any actions taken by the City in connection with the conveyance under subsection (a), together with the costs of any such actions;

(C) a description of any services to which the City is not entitled arising out of the conveyance under subsection (a) and the manner in which such services shall be provided;

(D) a description of the manner in which the City shall comply with the conditions in connection with the conveyance under subsection (a);

(E) the manner in which the City shall ensure that all services to which the City is not entitled arising out of the conveyance under subsection (a) are provided;

(F) a description of any other actions taken by the City in connection with the conveyance under subsection (a); and

(G) any other information the Secretary determines appropriate.

(2) Notwithstanding section 9002 of title 10, United States Code, the Secretary of Defense shall be deemed to have accepted amounts provided by the City under this section for the six-month period ending on September 30, 1999.

(g) LIQUIDITY OF WORKING-CAPITAL FUNDS. (a) INCREASED CASH BALANCES.—The Secretary of Defense shall in the fiscal year 1999 merge with any funds of the Department of Defense in a fiscal year ending on September 30, 1999, the total amount of such funds on September 30, 1999, exceeds the total amount of the cash balances in such funds on September 30, 1998, by an amount not to exceed $3,300,000,000.

(b) ACTIONS REGARDING UNBUDGETED LOSSES.—The Secretary of Defense shall take such actions regarding unbudgeted losses as may be necessary in order to ensure that such unbudgeted losses do not preclude the Secretary of Defense from achieving the increase in cash balances in working-capital funds required under subsection (a).

(c) WAIVER.—The Secretary of Defense may waive the requirements of this section upon certifying to Congress, in writing, that the waiver is necessary to meet requirements associated with—

(A) contingency operations as defined in section 101(a)(3) of title 10, United States Code;

(B) an operation of the Armed Forces that commenced prior to October 1, 1997, and continues during fiscal year 1999.

(2) The waiver authority under paragraph (1) may not be delegated to any official other than the Deputy Secretary of Defense.

(3) The waiver authority under paragraph (1) does not apply to the limitation in subsection (d) or the limitation in section 2208(l)(3) of title 10, United States Code (as added by subsection (e)).

(d) PERMANENT LIMITATION ON ADVANCE BILINGS.—(1) Section 2208(l)(3) of title 10, United States Code, is amended—

(A) by redesignating paragraph (3) as paragraph (4); and

(B) by inserting after paragraph (2) the following new paragraph (3):—

(3) The amount of advance billings rendered or imposed for all working-capital funds of the Department of Defense in a fiscal year may not exceed 10 percent of the cash balances on hand as of the beginning of such fiscal year.

(2) Section 2208(l)(3) of title 10, United States Code, as added by subsection (e), applies to fiscal years after fiscal year 1999.

(e) ANNUAL REPORT.—(1) The Secretary shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives—

(A) not later than May 1, 1999, a report on the administration of this section for the six-month period ending on March 31, 1999; and

(B) not later than November 1, 1999, a report on the administration of this section for the six-month period ending on September 30, 1999.

(2) Each report shall include, for the period covered by the report, the following:

(A) The profit and loss status of each working-capital fund activity.

(B) Any actions taken by the Secretary of each military department to use assessments of surcharges to correct for unbudgeted losses.

(C) The Secretary shall establish, through a revised Defense Integrated Military Human Resources System (DIMHRS), a defense reform initiative enterprise pilot program for military manpower and personnel information: Provided, That this pilot program should include all functions and systems currently included in DIMHRS and shall be expanded to include all systems within the enterprise of personnel, manpower, training, and compensation: Provided further, That in establishing a revised DIMHRS enterprise program for manpower and personnel information superiority the functions of this program shall include, but not be limited to: (1) an analysis and determination of the number and kinds of information systems necessary to support manpower and personnel within the Department of Defense; and (2) the establishment of programs to develop and implement information systems in support of manpower and personnel to include an enterprise level strategic approach, performance and results based management, business process improvement and other initiatives, the use of modern off-the-shelf technology, the use of modular contracting as defined by Public Law 104-106, and the integration and consolidation of all manpower and personnel information systems: Provided further, That the Secretary of Defense shall re-instate fulfillment standards designated as ADS-97-03-GD, dated January 22, 1997, as the baseline against which this section should be implemented not later than six months after the date of enactment of this Act.

SEC. 8144. (a) The Secretary of Defense, after consultation with the Chairman of the Joint Chiefs of Staff and the military service chiefs, shall conduct a comprehensive reassessment of existing military compensation, benefits, and related programs. The Secretary shall consider the effectiveness of these programs in providing an adequate standard of living and family support for service members and dependents, the current and projected effects of these programs on recruiting and retention of service members, and improvements which could be gained by potential changes in these programs.

(b) In conducting this assessment, the Secretary’s analysis shall consider, but not be limited to, the following:

(1) Military pay and benefits, to include special pay and targeted bonus programs;

(2) The military retirement system, including an assessment of the effects of the significant changes made to the retirement system in 1986;

(3) Health care programs; and

(4) Housing, family support, and morale, welfare and recreation programs.

(c) The Secretary shall consider the cumulative and complementary ability of these programs, and the effects of potential modifications to these programs, taking into account the necessity to contribute to the attainment of existing and future manpower requirements of the military services, as well as the provision of a fair and equitable quality of life for service members and their dependents.

(d) The Secretary shall provide an initial report on these issues to the Senate and House defense committees within 60 days of the enactment of this Act.

(e) Concurrent with submission of the fiscal year 2000 budget, the Secretary shall provide a comprehensive assessment of these issues, and proposed changes in existing programs should be determined they are warranted, to the Congress.

This Act may be cited as the “Department of Defense Appropriations Act, 1999”.
And the Senate agree to the same.


Managers on the Part of the Senate.


Managers on the Part of the House.

J OINT EXPLANATORY STATEMENT

The managers on the part of the Senate and the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4103), making appropriations for the Department of Defense for the fiscal year ending September 30, 1999, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report.

The conference agreement on the Department of Defense Appropriations Act, 1999, incorporates some of the provisions of both the House and Senate versions of the bill. The language and allocations set forth in House Report 105-591 and Senate Report 105-200 should be complied with unless specifically addressed in the accompanying bill and statement of the managers to the contrary.

Senate Amendment: The Senate deleted the entire House bill after the enacting clause and inserted the Senate bill. The conference agreement includes a revised bill.

DEFINITION OF PROGRAM, PROJECT, AND ACTIVITY

The conferees agree that for the purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99-177) as amended by the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1997 (Public Law 105-223) and by the Budget Enforcement Act of 1990 (Public Law 101-508), the term program, project, and activity for appropriations contained in this Act shall be defined as the most specific level of budget activity in the Department of Defense Appropriations Act, 1999, the accompanying House and Senate Committee reports, the conference report, and accompanying joint explanatory statement of the managers of the Committee of Conference, the related classified annexes and reports, and the P-1 and R-1 budget justification documents as subsequently modified by Congressional action. The following exception to the above definition shall apply:

For the Military Personnel and the Operation and Maintenance accounts, the term "program, project, and activity" is defined as the appropriations accounts contained in the Department of Defense Appropriations Act. At the time the President submits his budget for fiscal year 2000, the conferees direct the Department of Defense to transmit to the congressional defense committees budget justification documents to be known as the "M-1" and "O-1" which shall identify, at the budget activity, activity group, and subactivity group level, the amounts requested by the President to be appropriated to the Department of Defense for operation and maintenance in any budget request, or amended budget request, for fiscal year 2000.

SPECIAL INTEREST ITEMS

Items for which the conferees have specifically provided funds through a conference agreement or through adoption of original House or Senate recommendations in Research, Development, Test, and Evaluation or Procurement appropriations are Congressional special interest items for the purpose of the Base for Reprogramming (DD Form 1414). These items are identified in the respective committee or conference reports using the phrases "only for" or "only to" or are specifically identified in the tables. Each item will be carried on the DD form 1414 in the amount agreed to by the conferees. The Department of Defense shall consult with the congressional defense committees before issuing the DD form 1414 so there is common agreement on items of special interest. In no case will the Department of Defense transfer funds from special interest items through the below threshold reprogramming process. In addition, the term program in Section 8111 includes any subprogram, modification, project, or subproject not previously justified and appropriated in a given appropriation account by the Congress through the normal budget process.

TITLE I—MILITARY PERSONNEL

The conferees agree to the following amounts for the Military Personnel accounts as follows:

<table>
<thead>
<tr>
<th>Activity</th>
<th>Budget</th>
<th>House</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Active personnel:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Army</td>
<td>21,002,051</td>
<td>20,908,851</td>
<td>20,841,687</td>
</tr>
<tr>
<td>Navy</td>
<td>16,613,053</td>
<td>16,560,253</td>
<td>16,570,754</td>
</tr>
<tr>
<td>Marine Corps</td>
<td>6,270,069</td>
<td>6,241,189</td>
<td>6,263,387</td>
</tr>
<tr>
<td>Air Force</td>
<td>17,311,683</td>
<td>17,201,583</td>
<td>17,211,987</td>
</tr>
<tr>
<td>Reserve personnel:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Army</td>
<td>2,600,000</td>
<td>2,471,675</td>
<td>2,471,675</td>
</tr>
<tr>
<td>Navy</td>
<td>1,387,379</td>
<td>1,427,979</td>
<td>1,387,379</td>
</tr>
<tr>
<td>Marine Corps</td>
<td>1,376,097</td>
<td>1,382,997</td>
<td>1,377,109</td>
</tr>
<tr>
<td>Air Force</td>
<td>856,176</td>
<td>850,576</td>
<td>852,324</td>
</tr>
<tr>
<td>Total, Military Personnel</td>
<td>34,045,915</td>
<td>34,113,795</td>
<td>34,489,587</td>
</tr>
</tbody>
</table>

PAY RAISE INCREASE

The conferees recommend an increase of $202,455,000 to active and Guard and Reserve personnel and civilian technicians over the budget request of 3.1 percent over the budget request of 3.1 percent.

FORCE STRUCTURE CHANGES

The conferees recommend a total of $106,200,000 in the Military Personnel and Operation and Maintenance accounts for restoration of force structure that was reduced in the budget request, as follows:

<table>
<thead>
<tr>
<th>Category</th>
<th>Budget</th>
<th>House</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Air Force B-52 aircraft</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>3,600</td>
<td>40,100</td>
<td>30,100</td>
</tr>
<tr>
<td></td>
<td>15,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Navy Reserve P-3 aircraft</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>26,000</td>
<td>7,600</td>
<td>10,200</td>
</tr>
<tr>
<td>Army National Guard civilian technicians</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>27,000</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

PERSONNEL UNDEREXECUTION SAVINGS

The conferees recommend a total reduction of $220,800,000 for active and reserve military personnel accounts due to a lower than projected end strengths, and differences in the actual grade mix of officers and enlisted personnel. As a result, the fiscal year 1999 requirements are overstated.
The conference encourages the Secretary of Defense to take all actions necessary to eliminate the backlog of requests of former service members for replacement medals and decorations.

**Replacement Medals and Decorations**

The conferees direct the Secretary of Defense to take all actions necessary to eliminate any backlog of unpaid retired pay for former service members, to include those retired from the Guard and Reserve. Not later than ninety days after enactment of this Act, the Secretary of Defense shall submit a report on the backlog of unpaid retired pay. The report shall include the actions taken to eliminate any backlog; the extent of any remaining backlog; and a description of any additional actions required to ensure that retired pay is paid in a timely manner.

### Active End Strength

*(Fiscal year 1999)*

<table>
<thead>
<tr>
<th>Activity</th>
<th>Budget</th>
<th>Conference</th>
<th>Conference vs. Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Army</td>
<td>480,000</td>
<td>480,000</td>
<td>0</td>
</tr>
<tr>
<td>Navy</td>
<td>372,698</td>
<td>372,698</td>
<td>0</td>
</tr>
<tr>
<td>Marine Corps</td>
<td>172,200</td>
<td>172,200</td>
<td>0</td>
</tr>
<tr>
<td>Air Force</td>
<td>376,884</td>
<td>376,884</td>
<td>0</td>
</tr>
<tr>
<td>Total, Active Personnel</td>
<td>1,395,778</td>
<td>1,395,880</td>
<td>402</td>
</tr>
</tbody>
</table>

### Military Personnel, Army

The conference agreement on items addressed by either the House or the Senate is as follows:

**[In thousands of dollars]**

<table>
<thead>
<tr>
<th>Activity</th>
<th>Budget</th>
<th>Conference</th>
<th>Conference vs. Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pay and Allowances of Officer - Basic Pay</td>
<td>3,439,898</td>
<td>3,439,898</td>
<td>0</td>
</tr>
<tr>
<td>Pay Raise Increase</td>
<td>60,636</td>
<td>60,636</td>
<td>0</td>
</tr>
<tr>
<td>Military Pay Shortfall</td>
<td>74,000</td>
<td>74,000</td>
<td>0</td>
</tr>
<tr>
<td>Personnel Underexecution</td>
<td>534</td>
<td>534</td>
<td>0</td>
</tr>
<tr>
<td>Less Reimbursables</td>
<td>193,000</td>
<td>193,000</td>
<td>0</td>
</tr>
<tr>
<td>Pay Raise Increase</td>
<td>60,000</td>
<td>60,000</td>
<td>60,000</td>
</tr>
<tr>
<td>Total, Military Personnel, Army</td>
<td>21,002,051</td>
<td>20,908,851</td>
<td>20,822,051</td>
</tr>
</tbody>
</table>

### Adjustments to Budget Activities

Adjustments to the budget activities are as follows:

<table>
<thead>
<tr>
<th>Activity</th>
<th>Budget</th>
<th>Conference</th>
<th>Conference vs. Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pay and Allowances of Enlisted Personnel - Basic Pay</td>
<td>7,437,252</td>
<td>7,437,252</td>
<td>0</td>
</tr>
<tr>
<td>Pay Raise Increase</td>
<td>193,000</td>
<td>193,000</td>
<td>0</td>
</tr>
<tr>
<td>Military Pay Shortfall</td>
<td>534</td>
<td>534</td>
<td>0</td>
</tr>
<tr>
<td>Personnel Underexecution</td>
<td>193,000</td>
<td>193,000</td>
<td>0</td>
</tr>
<tr>
<td>Less Reimbursables</td>
<td>5,500</td>
<td>5,500</td>
<td>0</td>
</tr>
<tr>
<td>Pay Raise Increase</td>
<td>60,000</td>
<td>60,000</td>
<td>60,000</td>
</tr>
<tr>
<td>Total, Military Personnel, Navy</td>
<td>2,419,133</td>
<td>2,419,133</td>
<td>2,419,133</td>
</tr>
</tbody>
</table>
ADJUSTMENTS TO BUDGET ACTIVITIES

[In thousands of dollars]

<table>
<thead>
<tr>
<th>Activity</th>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Military Personnel Costs:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pay Raise Increase</td>
<td>69,000</td>
<td>69,000</td>
<td>69,000</td>
<td>69,000</td>
</tr>
<tr>
<td>ADVANCE MILITARY PAY</td>
<td>158,294</td>
<td>158,294</td>
<td>158,294</td>
<td>158,294</td>
</tr>
<tr>
<td>TOTAL, MILITARY PAY</td>
<td>158,294</td>
<td>158,294</td>
<td>158,294</td>
<td>158,294</td>
</tr>
<tr>
<td>LESS: REIMBURSABLES</td>
<td>8,000</td>
<td>8,000</td>
<td>8,000</td>
<td>8,000</td>
</tr>
<tr>
<td>FOREIGN CURRENCY FLUCTUATION</td>
<td>9,000</td>
<td>9,000</td>
<td>9,000</td>
<td>9,000</td>
</tr>
<tr>
<td>PERSONNEL UNDEREXECUTION</td>
<td>4,000</td>
<td>4,000</td>
<td>4,000</td>
<td>4,000</td>
</tr>
<tr>
<td>ACTIVE DUTY SPECIAL WORK</td>
<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
</tr>
<tr>
<td>PAY RAISE INCREASE</td>
<td>46,701</td>
<td>46,701</td>
<td>46,701</td>
<td>46,701</td>
</tr>
<tr>
<td>TOTAL, MILITARY PERSONNEL, NAVY</td>
<td>16,570,754</td>
<td>16,570,754</td>
<td>16,570,754</td>
<td>16,570,754</td>
</tr>
</tbody>
</table>

The conference agreement on items addressed by either the House or the Senate is as follows:

<table>
<thead>
<tr>
<th>Activity</th>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>MILITARY PERSONNEL, MARINE CORPS</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pay Raise Increase</td>
<td>8,000</td>
<td>8,000</td>
<td>8,000</td>
<td>8,000</td>
</tr>
<tr>
<td>ACTIVE DUTY SPECIAL WORK</td>
<td>4,000</td>
<td>4,000</td>
<td>4,000</td>
<td>4,000</td>
</tr>
<tr>
<td>PAY RAISE INCREASE</td>
<td>46,701</td>
<td>46,701</td>
<td>46,701</td>
<td>46,701</td>
</tr>
<tr>
<td>TOTAL, MILITARY PERSONNEL, NAVY</td>
<td>16,613,053</td>
<td>16,613,053</td>
<td>16,613,053</td>
<td>16,613,053</td>
</tr>
</tbody>
</table>

ADJUSTMENTS TO BUDGET ACTIVITIES

[In thousands of dollars]

<table>
<thead>
<tr>
<th>Activity</th>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>MILITARY PERSONNEL, NAVY</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pay Raise Increase</td>
<td>69,000</td>
<td>69,000</td>
<td>69,000</td>
<td>69,000</td>
</tr>
<tr>
<td>ADVANCE MILITARY PAY</td>
<td>158,294</td>
<td>158,294</td>
<td>158,294</td>
<td>158,294</td>
</tr>
<tr>
<td>TOTAL, MILITARY PAY</td>
<td>158,294</td>
<td>158,294</td>
<td>158,294</td>
<td>158,294</td>
</tr>
<tr>
<td>LESS: REIMBURSABLES</td>
<td>8,000</td>
<td>8,000</td>
<td>8,000</td>
<td>8,000</td>
</tr>
<tr>
<td>FOREIGN CURRENCY FLUCTUATION</td>
<td>9,000</td>
<td>9,000</td>
<td>9,000</td>
<td>9,000</td>
</tr>
<tr>
<td>PERSONNEL UNDEREXECUTION</td>
<td>4,000</td>
<td>4,000</td>
<td>4,000</td>
<td>4,000</td>
</tr>
<tr>
<td>ACTIVE DUTY SPECIAL WORK</td>
<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
</tr>
<tr>
<td>PAY RAISE INCREASE</td>
<td>46,701</td>
<td>46,701</td>
<td>46,701</td>
<td>46,701</td>
</tr>
<tr>
<td>TOTAL, MILITARY PERSONNEL, NAVY</td>
<td>16,570,754</td>
<td>16,570,754</td>
<td>16,570,754</td>
<td>16,570,754</td>
</tr>
</tbody>
</table>

The conference agreement on items addressed by either the House or the Senate is as follows:

<table>
<thead>
<tr>
<th>Activity</th>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>MILITARY PERSONNEL, MARINE CORPS</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pay Raise Increase</td>
<td>8,000</td>
<td>8,000</td>
<td>8,000</td>
<td>8,000</td>
</tr>
<tr>
<td>ACTIVE DUTY SPECIAL WORK</td>
<td>4,000</td>
<td>4,000</td>
<td>4,000</td>
<td>4,000</td>
</tr>
<tr>
<td>PAY RAISE INCREASE</td>
<td>46,701</td>
<td>46,701</td>
<td>46,701</td>
<td>46,701</td>
</tr>
<tr>
<td>TOTAL, MILITARY PERSONNEL, NAVY</td>
<td>16,613,053</td>
<td>16,613,053</td>
<td>16,613,053</td>
<td>16,613,053</td>
</tr>
</tbody>
</table>

ADJUSTMENTS TO BUDGET ACTIVITIES

[In thousands of dollars]

<table>
<thead>
<tr>
<th>Activity</th>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>MILITARY PERSONNEL, NAVY</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pay Raise Increase</td>
<td>69,000</td>
<td>69,000</td>
<td>69,000</td>
<td>69,000</td>
</tr>
<tr>
<td>ADVANCE MILITARY PAY</td>
<td>158,294</td>
<td>158,294</td>
<td>158,294</td>
<td>158,294</td>
</tr>
<tr>
<td>TOTAL, MILITARY PAY</td>
<td>158,294</td>
<td>158,294</td>
<td>158,294</td>
<td>158,294</td>
</tr>
<tr>
<td>LESS: REIMBURSABLES</td>
<td>8,000</td>
<td>8,000</td>
<td>8,000</td>
<td>8,000</td>
</tr>
<tr>
<td>FOREIGN CURRENCY FLUCTUATION</td>
<td>9,000</td>
<td>9,000</td>
<td>9,000</td>
<td>9,000</td>
</tr>
<tr>
<td>PERSONNEL UNDEREXECUTION</td>
<td>4,000</td>
<td>4,000</td>
<td>4,000</td>
<td>4,000</td>
</tr>
<tr>
<td>ACTIVE DUTY SPECIAL WORK</td>
<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
</tr>
<tr>
<td>PAY RAISE INCREASE</td>
<td>46,701</td>
<td>46,701</td>
<td>46,701</td>
<td>46,701</td>
</tr>
<tr>
<td>TOTAL, MILITARY PERSONNEL, NAVY</td>
<td>16,570,754</td>
<td>16,570,754</td>
<td>16,570,754</td>
<td>16,570,754</td>
</tr>
</tbody>
</table>

The conference agreement on items addressed by either the House or the Senate is as follows:

<table>
<thead>
<tr>
<th>Activity</th>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>MILITARY PERSONNEL, MARINE CORPS</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pay Raise Increase</td>
<td>8,000</td>
<td>8,000</td>
<td>8,000</td>
<td>8,000</td>
</tr>
<tr>
<td>ACTIVE DUTY SPECIAL WORK</td>
<td>4,000</td>
<td>4,000</td>
<td>4,000</td>
<td>4,000</td>
</tr>
<tr>
<td>PAY RAISE INCREASE</td>
<td>46,701</td>
<td>46,701</td>
<td>46,701</td>
<td>46,701</td>
</tr>
<tr>
<td>TOTAL, MILITARY PERSONNEL, NAVY</td>
<td>16,613,053</td>
<td>16,613,053</td>
<td>16,613,053</td>
<td>16,613,053</td>
</tr>
</tbody>
</table>
### Adjustments to Budget Activities

#### Miltary Personnel, Air Force

The conference agreement on items addressed by either the House or the Senate is as follows:

<table>
<thead>
<tr>
<th>Activity</th>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pay Raise Increase</td>
<td>18,598</td>
<td>18,598</td>
<td>18,598</td>
<td>18,598</td>
</tr>
<tr>
<td>Personnel Underexecution</td>
<td>-9,300</td>
<td>-9,300</td>
<td>-9,300</td>
<td>-9,300</td>
</tr>
<tr>
<td>Advance Military Pay</td>
<td>-18,000</td>
<td>-18,000</td>
<td>-18,000</td>
<td>-18,000</td>
</tr>
</tbody>
</table>

### ADJUSTMENTS TO BUDGET ACTIVITIES

Adjustments to the budget activities are as follows:

<table>
<thead>
<tr>
<th>Activity</th>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pay Raise Increase</td>
<td>18,343</td>
<td>18,343</td>
<td>18,343</td>
<td>18,343</td>
</tr>
<tr>
<td>Personnel Underexecution</td>
<td>-9,300</td>
<td>-9,300</td>
<td>-9,300</td>
<td>-9,300</td>
</tr>
<tr>
<td>Advance Military Pay</td>
<td>-18,000</td>
<td>-18,000</td>
<td>-18,000</td>
<td>-18,000</td>
</tr>
</tbody>
</table>

### MILITARY PERSONNEL, AIR FORCE

#### ADJUSTMENTS TO BUDGET ACTIVITIES

Adjustments to the budget activities are as follows:

<table>
<thead>
<tr>
<th>Activity</th>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pay Raise Increase</td>
<td>18,598</td>
<td>18,598</td>
<td>18,598</td>
<td>18,598</td>
</tr>
<tr>
<td>Personnel Underexecution</td>
<td>-9,300</td>
<td>-9,300</td>
<td>-9,300</td>
<td>-9,300</td>
</tr>
<tr>
<td>Advance Military Pay</td>
<td>-18,000</td>
<td>-18,000</td>
<td>-18,000</td>
<td>-18,000</td>
</tr>
</tbody>
</table>

### MILITARY PERSONNEL, AIR FORCE

#### ADJUSTMENTS TO BUDGET ACTIVITIES

Adjustments to the budget activities are as follows:

<table>
<thead>
<tr>
<th>Activity</th>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pay Raise Increase</td>
<td>18,598</td>
<td>18,598</td>
<td>18,598</td>
<td>18,598</td>
</tr>
<tr>
<td>Personnel Underexecution</td>
<td>-9,300</td>
<td>-9,300</td>
<td>-9,300</td>
<td>-9,300</td>
</tr>
<tr>
<td>Advance Military Pay</td>
<td>-18,000</td>
<td>-18,000</td>
<td>-18,000</td>
<td>-18,000</td>
</tr>
</tbody>
</table>

### MILITARY PERSONNEL, AIR FORCE

#### ADJUSTMENTS TO BUDGET ACTIVITIES

Adjustments to the budget activities are as follows:

<table>
<thead>
<tr>
<th>Activity</th>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pay Raise Increase</td>
<td>18,598</td>
<td>18,598</td>
<td>18,598</td>
<td>18,598</td>
</tr>
<tr>
<td>Personnel Underexecution</td>
<td>-9,300</td>
<td>-9,300</td>
<td>-9,300</td>
<td>-9,300</td>
</tr>
<tr>
<td>Advance Military Pay</td>
<td>-18,000</td>
<td>-18,000</td>
<td>-18,000</td>
<td>-18,000</td>
</tr>
</tbody>
</table>

### MILITARY PERSONNEL, AIR FORCE

#### ADJUSTMENTS TO BUDGET ACTIVITIES

Adjustments to the budget activities are as follows:

<table>
<thead>
<tr>
<th>Activity</th>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pay Raise Increase</td>
<td>18,598</td>
<td>18,598</td>
<td>18,598</td>
<td>18,598</td>
</tr>
<tr>
<td>Personnel Underexecution</td>
<td>-9,300</td>
<td>-9,300</td>
<td>-9,300</td>
<td>-9,300</td>
</tr>
<tr>
<td>Advance Military Pay</td>
<td>-18,000</td>
<td>-18,000</td>
<td>-18,000</td>
<td>-18,000</td>
</tr>
</tbody>
</table>

### MILITARY PERSONNEL, AIR FORCE

#### ADJUSTMENTS TO BUDGET ACTIVITIES

Adjustments to the budget activities are as follows:

<table>
<thead>
<tr>
<th>Activity</th>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pay Raise Increase</td>
<td>18,598</td>
<td>18,598</td>
<td>18,598</td>
<td>18,598</td>
</tr>
<tr>
<td>Personnel Underexecution</td>
<td>-9,300</td>
<td>-9,300</td>
<td>-9,300</td>
<td>-9,300</td>
</tr>
<tr>
<td>Advance Military Pay</td>
<td>-18,000</td>
<td>-18,000</td>
<td>-18,000</td>
<td>-18,000</td>
</tr>
</tbody>
</table>

### MILITARY PERSONNEL, AIR FORCE

#### ADJUSTMENTS TO BUDGET ACTIVITIES

Adjustments to the budget activities are as follows:

<table>
<thead>
<tr>
<th>Activity</th>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pay Raise Increase</td>
<td>18,598</td>
<td>18,598</td>
<td>18,598</td>
<td>18,598</td>
</tr>
<tr>
<td>Personnel Underexecution</td>
<td>-9,300</td>
<td>-9,300</td>
<td>-9,300</td>
<td>-9,300</td>
</tr>
<tr>
<td>Advance Military Pay</td>
<td>-18,000</td>
<td>-18,000</td>
<td>-18,000</td>
<td>-18,000</td>
</tr>
</tbody>
</table>

### MILITARY PERSONNEL, AIR FORCE

#### ADJUSTMENTS TO BUDGET ACTIVITIES

Adjustments to the budget activities are as follows:

<table>
<thead>
<tr>
<th>Activity</th>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pay Raise Increase</td>
<td>18,598</td>
<td>18,598</td>
<td>18,598</td>
<td>18,598</td>
</tr>
<tr>
<td>Personnel Underexecution</td>
<td>-9,300</td>
<td>-9,300</td>
<td>-9,300</td>
<td>-9,300</td>
</tr>
<tr>
<td>Advance Military Pay</td>
<td>-18,000</td>
<td>-18,000</td>
<td>-18,000</td>
<td>-18,000</td>
</tr>
</tbody>
</table>

### MILITARY PERSONNEL, AIR FORCE

#### ADJUSTMENTS TO BUDGET ACTIVITIES

Adjustments to the budget activities are as follows:

<table>
<thead>
<tr>
<th>Activity</th>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pay Raise Increase</td>
<td>18,598</td>
<td>18,598</td>
<td>18,598</td>
<td>18,598</td>
</tr>
<tr>
<td>Personnel Underexecution</td>
<td>-9,300</td>
<td>-9,300</td>
<td>-9,300</td>
<td>-9,300</td>
</tr>
<tr>
<td>Advance Military Pay</td>
<td>-18,000</td>
<td>-18,000</td>
<td>-18,000</td>
<td>-18,000</td>
</tr>
</tbody>
</table>

### MILITARY PERSONNEL, AIR FORCE

#### ADJUSTMENTS TO BUDGET ACTIVITIES

Adjustments to the budget activities are as follows:

<table>
<thead>
<tr>
<th>Activity</th>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pay Raise Increase</td>
<td>18,598</td>
<td>18,598</td>
<td>18,598</td>
<td>18,598</td>
</tr>
<tr>
<td>Personnel Underexecution</td>
<td>-9,300</td>
<td>-9,300</td>
<td>-9,300</td>
<td>-9,300</td>
</tr>
<tr>
<td>Advance Military Pay</td>
<td>-18,000</td>
<td>-18,000</td>
<td>-18,000</td>
<td>-18,000</td>
</tr>
</tbody>
</table>
Adjustments to the budget activities are as follows:

<table>
<thead>
<tr>
<th>Activity</th>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Military Personnel Costs</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unemployment Benefits</td>
<td>$4,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Advance Military Pay</td>
<td>$53,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personel Underexecution</td>
<td>$97,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>B-52 Force Structure</td>
<td>$3,600</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pay Raise Increase</td>
<td>$50,704</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The conference agrees to provide $9,719,751,000 in Reserve personnel appropriations, $9,810,390,000 in Operation and maintenance appropriations and $352,000,000 in National Guard and Reserve equipment appropriation. These funds support a Selected Reserve strength of 877,290 as shown below.

**Reserve End Strength**

<table>
<thead>
<tr>
<th>Activity</th>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reserve Personnel, Army</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Activity 1: Unit and Individual Training</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pay Group A (Training 15 Days &amp; Drills 24/48)</td>
<td>$869,736</td>
<td>$869,736</td>
<td>$869,736</td>
<td>$869,736</td>
</tr>
<tr>
<td>Pay Group B (Train and Drill Support)</td>
<td>$26,345</td>
<td>$26,345</td>
<td>$26,345</td>
<td>$26,345</td>
</tr>
<tr>
<td>Pay Group P (Training)</td>
<td>$140,498</td>
<td>$140,498</td>
<td>$140,498</td>
<td>$140,498</td>
</tr>
<tr>
<td>Pay Group T (Train and Drill Support)</td>
<td>$8,024</td>
<td>$8,024</td>
<td>$8,024</td>
<td>$8,024</td>
</tr>
<tr>
<td>Total, Budget Activity 1</td>
<td>$1,044,603</td>
<td>$1,044,603</td>
<td>$1,044,603</td>
<td>$1,044,603</td>
</tr>
<tr>
<td>Activity 2: Other Training and Support</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mobilization Training</td>
<td>$7,330</td>
<td>$7,330</td>
<td>$7,330</td>
<td>$7,330</td>
</tr>
<tr>
<td>Special Training</td>
<td>$47,702</td>
<td>$47,702</td>
<td>$47,702</td>
<td>$47,702</td>
</tr>
<tr>
<td>Administration and Support</td>
<td>$101,455</td>
<td>$101,455</td>
<td>$101,455</td>
<td>$101,455</td>
</tr>
<tr>
<td>Education Benefits</td>
<td>$20,996</td>
<td>$20,996</td>
<td>$20,996</td>
<td>$20,996</td>
</tr>
<tr>
<td>ROTC—Senior, Junior, Scholarship</td>
<td>$92,702</td>
<td>$92,702</td>
<td>$92,702</td>
<td>$92,702</td>
</tr>
<tr>
<td>Health Profession Scholarship Program</td>
<td>$20,996</td>
<td>$20,996</td>
<td>$20,996</td>
<td>$20,996</td>
</tr>
<tr>
<td>Other Programs</td>
<td>$10,780</td>
<td>$10,780</td>
<td>$10,780</td>
<td>$10,780</td>
</tr>
<tr>
<td>Total, Budget Activity 2</td>
<td>$1,107,472</td>
<td>$1,107,472</td>
<td>$1,107,472</td>
<td>$1,107,472</td>
</tr>
<tr>
<td>Reserve Personnel, Navy</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Activity 1: Unit and Individual Training</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pay Group B (Train and Drill Support)</td>
<td>$22,750</td>
<td>$22,750</td>
<td>$22,750</td>
<td>$22,750</td>
</tr>
<tr>
<td>Pay Group P (Training)</td>
<td>$15,590</td>
<td>$15,590</td>
<td>$15,590</td>
<td>$15,590</td>
</tr>
<tr>
<td>Pay Group T (Train and Drill Support)</td>
<td>$991</td>
<td>$991</td>
<td>$991</td>
<td>$991</td>
</tr>
<tr>
<td>Total, Budget Activity 1</td>
<td>$195,282</td>
<td>$195,282</td>
<td>$195,282</td>
<td>$195,282</td>
</tr>
<tr>
<td>Activity 2: Other Training and Support</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mobilization Training</td>
<td>$7,330</td>
<td>$7,330</td>
<td>$7,330</td>
<td>$7,330</td>
</tr>
<tr>
<td>Special Training</td>
<td>$47,702</td>
<td>$47,702</td>
<td>$47,702</td>
<td>$47,702</td>
</tr>
<tr>
<td>Administration and Support</td>
<td>$101,455</td>
<td>$101,455</td>
<td>$101,455</td>
<td>$101,455</td>
</tr>
<tr>
<td>Education Benefits</td>
<td>$20,996</td>
<td>$20,996</td>
<td>$20,996</td>
<td>$20,996</td>
</tr>
<tr>
<td>ROTC—Senior, Junior, Scholarship</td>
<td>$92,702</td>
<td>$92,702</td>
<td>$92,702</td>
<td>$92,702</td>
</tr>
<tr>
<td>Health Profession Scholarship Program</td>
<td>$20,996</td>
<td>$20,996</td>
<td>$20,996</td>
<td>$20,996</td>
</tr>
<tr>
<td>Other Programs</td>
<td>$10,780</td>
<td>$10,780</td>
<td>$10,780</td>
<td>$10,780</td>
</tr>
<tr>
<td>Total, Budget Activity 2</td>
<td>$218,282</td>
<td>$218,282</td>
<td>$218,282</td>
<td>$218,282</td>
</tr>
</tbody>
</table>

The conference agreement on items addressed by either the House or the Senate is as follows:

**Reserve Personnel, Army**

<table>
<thead>
<tr>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pay Raise Increase</td>
<td>$5,400</td>
<td>$5,400</td>
<td>$5,400</td>
</tr>
<tr>
<td>Total Reserve Personnel, Army</td>
<td>$2,152,075</td>
<td>$2,717,675</td>
<td>$2,152,075</td>
</tr>
</tbody>
</table>

**Reserve Personnel, Navy**

<table>
<thead>
<tr>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pay Raise Increase</td>
<td>$5,400</td>
<td>$5,400</td>
<td>$5,400</td>
</tr>
<tr>
<td>Total Reserve Personnel, Navy</td>
<td>$1,387,379</td>
<td>$1,427,979</td>
<td>$1,387,379</td>
</tr>
</tbody>
</table>

**Reserve Personnel, Marine Corps**

<table>
<thead>
<tr>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pay Raise Increase</td>
<td>$3,684</td>
<td>$3,684</td>
<td>$3,684</td>
</tr>
<tr>
<td>Total Reserve Personnel, Marine Corps</td>
<td>$317,399</td>
<td>$317,399</td>
<td>$317,399</td>
</tr>
</tbody>
</table>
### ADJUSTMENTS TO BUDGET ACTIVITIES

Adjustments to the budget activities are as follows:

<table>
<thead>
<tr>
<th>Budget House Senate Conference</th>
</tr>
</thead>
</table>
| **ADJUSTMENTS TO BUDGET ACTIVITIES**

<table>
<thead>
<tr>
<th>[In thousands of dollars]</th>
<th>JROTC Program</th>
<th>Pay Raise Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>RESERVE PERSONNEL, AIR FORCE</strong></td>
<td>3,400</td>
<td>1,103</td>
</tr>
<tr>
<td><strong>ACTIVITY 1: UNIT AND INDIVIDUAL TRAINING</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pay Group A Training (15 Days &amp; Drills 24/48)</td>
<td>419,362</td>
<td>419,362</td>
</tr>
<tr>
<td>Pay Group B Training (Backfill for Active Duty)</td>
<td>78,998</td>
<td>78,998</td>
</tr>
<tr>
<td>Pay Group F Training (Recruits)</td>
<td>4,452</td>
<td>4,452</td>
</tr>
<tr>
<td><strong>TOTAL, ACTIVITY 1</strong></td>
<td>502,812</td>
<td>502,812</td>
</tr>
</tbody>
</table>

| **ACTIVITY 2: OTHER TRAINING AND SUPPORT** | | |
| Mobilization Training | 2,779 | 2,779 | 2,779 | 2,779 |
| Special Training | 126,402 | 126,402 | 126,402 | 126,402 |
| Administration and Support | 14,240 | 14,240 | 14,240 | 14,240 |
| Education Benefits | 3,184 | 3,184 | 3,184 | 3,184 |
| **TOTAL, ACTIVITY 2** | 242,902 | 242,902 | 242,902 | 242,902 |

| **PERSONNEL UNDEREXECUTION** | | |
| JROTC Program | 225 | 225 |
| Pay Raise Increase | 1,103 | |
| **TOTAL, PERSONNEL UNDEREXECUTION** | 1,328 | | |

| **TOTAL, RESERVE PERSONNEL, AIR FORCE** | 856,176 | 850,576 | 856,176 | 852,324 |

### NATIONAL GUARD PERSONNEL, ARMY

Adjustments to the budget activities are as follows:

<table>
<thead>
<tr>
<th>Budget House Senate Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ADJUSTMENTS TO BUDGET ACTIVITIES</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>[In thousands of dollars]</th>
<th>JROTC Program</th>
<th>Pay Raise Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>RESERVE PERSONNEL, AIR FORCE</strong></td>
<td>-6,000</td>
<td>2,148</td>
</tr>
<tr>
<td><strong>ACTIVITY 1: UNIT AND INDIVIDUAL TRAINING</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pay Group A Training (15 Days &amp; Drills 24/48)</td>
<td>1,650,385</td>
<td>1,650,385</td>
</tr>
<tr>
<td>Pay Group F Training (Recruits)</td>
<td>154,688</td>
<td>154,688</td>
</tr>
<tr>
<td>Pay Group P Training (Pipeline Recruits)</td>
<td>12,867</td>
<td>12,867</td>
</tr>
<tr>
<td><strong>TOTAL, ACTIVITY 1</strong></td>
<td>1,817,940</td>
<td>1,817,940</td>
</tr>
</tbody>
</table>

| **ACTIVITY 2: OTHER TRAINING AND SUPPORT** |
| School Training | 143,526 | 143,526 | 143,526 | 143,526 |
| Special Training | 34,922 | 34,922 | 34,922 | 34,922 |
| Administration and Support | 85,601 | 85,601 | 85,601 | 85,601 |
| Education Benefits | 3,184 | 3,184 | 3,184 | 3,184 |
| **TOTAL, ACTIVITY 2** | 214,951 | 214,951 | 214,951 | 214,951 |

| **PERSONNEL UNDEREXECUTION** |
| Pay Raise Increase | 6,000 | |
| **TOTAL, PERSONNEL UNDEREXECUTION** | 6,000 | |

| **TOTAL, NATIONAL GUARD PERSONNEL, ARMY** | 3,404,595 | 3,403,195 | 3,404,595 | 3,409,907 |

### NATIONAL GUARD PERSONNEL, AIR FORCE

Adjustments to the budget activities are as follows:

<table>
<thead>
<tr>
<th>Budget House Senate Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ADJUSTMENTS TO BUDGET ACTIVITIES</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>[In thousands of dollars]</th>
<th>JROTC Program</th>
<th>Pay Raise Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>NATIONAL GUARD PERSONNEL, AIR FORCE</strong></td>
<td>-10,000</td>
<td>9,392</td>
</tr>
<tr>
<td><strong>ACTIVITY 1: UNIT AND INDIVIDUAL TRAINING</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pay Group A Training (15 Days &amp; Drills 24/48)</td>
<td>65,000</td>
<td>65,000</td>
</tr>
<tr>
<td>Pay Group B Training (Backfill for Active Duty)</td>
<td>21,000</td>
<td>21,000</td>
</tr>
<tr>
<td><strong>TOTAL, ACTIVITY 1</strong></td>
<td>86,000</td>
<td>86,000</td>
</tr>
</tbody>
</table>

The conference agreement on items addressed by either the House or the Senate is as follows:
MILITARY READINESS
The conferees agree with the concerns delineated in Section 810 of the Senate-passed fiscal year 1999 Defense Appropriations bill, and the concerns expressed in the report accompanying the House-passed fiscal year 1999 defense Appropriations bill with regards to the indications of declining readiness within the Military Services. Accordingly, the conferees direct the Secretary of Defense to submit a report to the congressional defense committees not later than June 1, 1999, on the readiness of the Armed Forces of the United States. The Secretary should include in the report detailed information on each of the following issues: (1) An assessment of current force structure and its sufficiency to execute the National Security Strategy; (2) A service-by-service outline of the force structure expected to be committed to a major regional contingency as envisioned in the National Security Strategy; (3) A comparison of the force structure outlined in item (2) with the service-by-service order of battle in Desert Shield/Desert Storm as a representative recent major regional conflict; (4) An assessment of the force structure and projected defense appropriations increases necessary to execute the National Security Strategy of the United States assuming current projected ground force levels assigned to the peacekeeping mission in Bosnia are unchanged; (5) A discussion of the United States ground, naval and air force levels in Bosnia that can be sustained without impacting the ability of the Armed Forces to execute the National Security Strategy assuming no increase in force structure or defense appropriations during the period in which forces are assigned to Bosnia; and (6) A complete assessment of recent trends in the measured readiness of United States forces with a focus on current manning shortfalls, recent declines in aviation mission capable rates, and below standard levels of ground forces training.

OPERATION AND MAINTENANCE
REPROGRAMMINGS
The conferees agree that proposed transfers between O-1 budget activities in excess of $15,000,000 are subject to normal, prior approval reprogramming procedures. In addition, due to continuing concerns about force readiness and the diversion of Operation and Maintenance funds, the conferees agree that the Department should provide written notification to the congressional defense committees for the cumulative value of any and all transfers in excess of $15,000,000 from the following budget activities and sub-activity group categories:

The conferees direct the Secretary of the Air Force to report no later than March 1, 1999, on how Air National Guard and Air Force Reserve civil engineering personnel are utilized in the war plans. The report should have the concurrence or view of the Chief of the National Guard Bureau and the Chief of the Air Force Reserve.

TITLe II—OPERATION AND MAINTENANCE
A summary of the conference agreement on the items addressed by either the House or Senate is as follows:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Budget</td>
<td>590,972</td>
<td>22,395</td>
<td>486,124</td>
<td>3,283</td>
</tr>
<tr>
<td>House</td>
<td>590,972</td>
<td>22,395</td>
<td>486,124</td>
<td>3,283</td>
</tr>
<tr>
<td>Senate</td>
<td>590,972</td>
<td>22,395</td>
<td>486,124</td>
<td>3,283</td>
</tr>
<tr>
<td>Conference</td>
<td>614,431</td>
<td>1,064</td>
<td>614,431</td>
<td>1,064</td>
</tr>
</tbody>
</table>

**ADJUSTMENTS TO BUDGET ACTIVITIES**
Adjustments to the budget activities are as follows:

<table>
<thead>
<tr>
<th>Adjustments to Budget Activities</th>
<th>[In thousands of dollars]</th>
</tr>
</thead>
<tbody>
<tr>
<td>Undistributed:</td>
<td></td>
</tr>
<tr>
<td>Personnel Underexecution</td>
<td>-3,100</td>
</tr>
<tr>
<td>Pay Raise Increase</td>
<td>4,112</td>
</tr>
<tr>
<td>Total, National Guard Personnel, Air Force</td>
<td>1,376,097</td>
</tr>
<tr>
<td></td>
<td>1,372,997</td>
</tr>
<tr>
<td></td>
<td>1,376,097</td>
</tr>
<tr>
<td></td>
<td>1,377,109</td>
</tr>
</tbody>
</table>

**RECAPITULATION**

<table>
<thead>
<tr>
<th>ACTIVITY</th>
<th>O &amp; M, ARMY</th>
<th>O &amp; M, NAVY</th>
<th>O &amp; M, MARINE CORPS</th>
<th>O &amp; M, AIR FORCE</th>
<th>O &amp; M, AIR NATIONAL GUARD</th>
<th>O &amp; M, NAVY RESERVE</th>
<th>O &amp; M, MARINE CORPS RESERVE</th>
<th>OVERSEAS CONTINGENCY OPERATIONS TRANSFER FUND</th>
<th>PENTAGON RENOVATION TRANSFER FUND</th>
</tr>
</thead>
<tbody>
<tr>
<td>TRANSFER</td>
<td>1,203,623</td>
<td>928,639</td>
<td>154,933</td>
<td>3,939</td>
<td>3,369</td>
<td>940,391</td>
<td>330,593</td>
<td>746,900</td>
<td>279,820</td>
</tr>
<tr>
<td>STOCKPILE</td>
<td>1,203,623</td>
<td>928,639</td>
<td>154,933</td>
<td>3,939</td>
<td>3,369</td>
<td>940,391</td>
<td>330,593</td>
<td>746,900</td>
<td>279,820</td>
</tr>
<tr>
<td>TRANSFER TO QUALITY OF LIFE ENHANCEMENTS</td>
<td>3,100</td>
<td>9,513</td>
<td>32,087</td>
<td>9,513</td>
<td>32,087</td>
<td>9,513</td>
<td>32,087</td>
<td>9,513</td>
<td>32,087</td>
</tr>
<tr>
<td>TRANSFER TO PENTAGON RENOVATION TRANSFER FUND</td>
<td>1,376,097</td>
<td>1,372,997</td>
<td>1,376,097</td>
<td>1,377,109</td>
<td>1,376,097</td>
<td>1,372,997</td>
<td>1,376,097</td>
<td>1,377,109</td>
<td>1,376,097</td>
</tr>
</tbody>
</table>

**GRAND TOTAL, O & M**

<table>
<thead>
<tr>
<th>TOTAL FUNDS AVAILABLE, O &amp; M</th>
<th>83,692,237</th>
</tr>
</thead>
<tbody>
<tr>
<td>[In thousands of dollars]</td>
<td>84,062,459</td>
</tr>
<tr>
<td></td>
<td>83,402,493</td>
</tr>
<tr>
<td></td>
<td>84,192,814</td>
</tr>
</tbody>
</table>
### Operation and Maintenance, Army

**Operation and Maintenance, Army**

- Land Forces: Divisions, Corps combat forces, Corps support forces, Echelon above corps forces, Land forces operations support; Land Forces Readiness: Land forces depot maintenance; Logistics Operations: Ammunition management.


- Operation and Maintenance, Navy

- Air Operations: Primary combat forces, Primary combat weapons, Air operations training, Depot maintenance, Mobility Operations: Airlift operations, Depot maintenance, Basic Skills and Advanced Training: Depot maintenance, Logistics Operations: Depot maintenance.

- Operation and Maintenance, Marine Corps

- Expeditionary Forces: Operational forces, Depot maintenance.

- Operation and Maintenance, Air Force

- Air Operations: Primary combat forces, Primary combat weapons, Air operations training, Depot maintenance, Mobility Operations: Airlift operations, Depot maintenance, Basic Skills and Advanced Training: Depot maintenance, Logistics Operations: Depot maintenance.

### Budget Activity 1: Operating Forces

#### Operation and Maintenance Budget Execution Data

<table>
<thead>
<tr>
<th>Budget Activity 1: Operating Forces</th>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>LAND FORCES DIVISIONS</td>
<td>1,091,723</td>
<td>1,051,472</td>
<td>1,098,729</td>
<td>1,127,932</td>
</tr>
<tr>
<td>CORPS COMBAT FORCES</td>
<td>299,739</td>
<td>299,739</td>
<td>299,739</td>
<td>299,739</td>
</tr>
<tr>
<td>CORPS SUPPORT FORCES</td>
<td>316,361</td>
<td>316,361</td>
<td>316,361</td>
<td>316,361</td>
</tr>
<tr>
<td>ECHELON ABOVE Corps FORCES</td>
<td>434,579</td>
<td>434,579</td>
<td>434,579</td>
<td>434,579</td>
</tr>
<tr>
<td>LAND FORCES OPERATIONS SUPPORT</td>
<td>824,557</td>
<td>824,557</td>
<td>824,557</td>
<td>824,557</td>
</tr>
<tr>
<td>LAND FORCES RECREATION</td>
<td>973,814</td>
<td>973,814</td>
<td>974,814</td>
<td>974,814</td>
</tr>
<tr>
<td>FORCE RECRUITING OPERATIONS SUPPORT</td>
<td>375,038</td>
<td>375,038</td>
<td>372,038</td>
<td>372,038</td>
</tr>
<tr>
<td>LAND FORCES SYSTEMS READINESS</td>
<td>570,723</td>
<td>570,723</td>
<td>566,723</td>
<td>566,723</td>
</tr>
<tr>
<td>LAND FORCE DEPOT MAINTENANCE</td>
<td>641,851</td>
<td>641,851</td>
<td>641,851</td>
<td>641,851</td>
</tr>
<tr>
<td>LAND FORCE DEPOT MAINTENANCE</td>
<td>129,538</td>
<td>129,538</td>
<td>129,538</td>
<td>129,538</td>
</tr>
<tr>
<td>UNIFIED COMMAND</td>
<td>71,980</td>
<td>71,980</td>
<td>71,980</td>
<td>71,980</td>
</tr>
<tr>
<td>MISCELLANEOUS ACTIVITIES</td>
<td>63,478</td>
<td>63,478</td>
<td>63,478</td>
<td>63,478</td>
</tr>
<tr>
<td>TOTAL BUDGET ACTIVITY 1</td>
<td>8,015,931</td>
<td>8,034,079</td>
<td>8,114,834</td>
<td>8,210,631</td>
</tr>
</tbody>
</table>

### Operation and Maintenance, Army

**The conference agreement on items addressed by either the House or the Senate is as follows:**

- **LAND FORCES READINESS:**
  - **MISCELLANEOUS ACTIVITIES:**
    - **BUDGET ACTIVITY 2:**
      - **BUDGET ACTIVITY 3:**
        - **TRAINING AND RECRUITING:**
          - **ACCESSION TRAINING:**
            - **OFFICER ACQUISITION:**

---

**Competitive Banking Procedures**

It is the conferees' intent that the provisions of this section shall be made available in Operation and Maintenance, Marine Corps to be used only for the acquisition of lightweight maintenance enclosures.

---

**Lightweight Maintenance Enclosures**

The conference directs that $5,000,000 of the funds made available in Operation and Maintenance, Marine Corps be used only for the acquisition of lightweight maintenance enclosures.
<table>
<thead>
<tr>
<th>Budget Activity 3: Training</th>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recruit training</td>
<td>12,624</td>
<td>12,624</td>
<td>12,624</td>
<td>12,624</td>
</tr>
<tr>
<td>One Station Unit Training</td>
<td>12,609</td>
<td>12,609</td>
<td>12,609</td>
<td>12,609</td>
</tr>
<tr>
<td>Reserve Officer Training</td>
<td>130,270</td>
<td>130,270</td>
<td>130,270</td>
<td>130,270</td>
</tr>
<tr>
<td>Basic Skills Training</td>
<td>42,979</td>
<td>42,979</td>
<td>42,979</td>
<td>42,979</td>
</tr>
<tr>
<td>Specialized skill training</td>
<td>215,964</td>
<td>215,964</td>
<td>215,964</td>
<td>215,964</td>
</tr>
<tr>
<td>Professional/development Education</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Training support</td>
<td>488,799</td>
<td>488,799</td>
<td>488,799</td>
<td>488,799</td>
</tr>
<tr>
<td>Base support (other training)</td>
<td>782,265</td>
<td>782,265</td>
<td>782,265</td>
<td>782,265</td>
</tr>
<tr>
<td>Maintenance of real property (other training)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Recruiting/other training</td>
<td>234,154</td>
<td>234,154</td>
<td>234,154</td>
<td>234,154</td>
</tr>
<tr>
<td>Recruiting and advertising</td>
<td>271,591</td>
<td>271,591</td>
<td>271,591</td>
<td>271,591</td>
</tr>
<tr>
<td>Foreign students</td>
<td>108,000</td>
<td>108,000</td>
<td>108,000</td>
<td>108,000</td>
</tr>
<tr>
<td>Domestic Preparedness</td>
<td>81,300</td>
<td>81,300</td>
<td>81,300</td>
<td>81,300</td>
</tr>
<tr>
<td>Total funding available</td>
<td>17,273,063</td>
<td>16,936,503</td>
<td>17,212,463</td>
<td>17,185,623</td>
</tr>
</tbody>
</table>

**ADJUSTMENTS TO BUDGET ACTIVITIES**

Adjustments to the budget activities are as follows:

- [In thousands of dollars]
  - Budget Activity 4: Admin & Servicewide Activities:
    - Security programs
      - Security programs $404,340
    - International military headquarters $227,377
    - Support of other nations $34,144
  - Total, operation and maintenance, Army $17,223,063
  - Memorial Events $400

**DOMESTIC PREPAREDNESS SUSTAINMENT TRAINING**

The conferences direct that of the funds provided in operation and maintenance, Army, $3,500,000 be used only to commence establishment of a Domestic Preparedness Sustainment Training Center at Pine Bluff Arsenal, as recommended in Senate Report 105-200.

**DOMESTIC PREPAREDNESS SUSTAINMENT**

The conferees are concerned about the effect of DoD’s outsourcing and privatization initiatives in certain critical defense functions. Accordingly, the conferences direct that the Army provide 90 days prior notice to the congressional defense committees before awarding any new contracts pursuant to A-76 related studies at Pine Bluff Arsenal, Pine Bluff, Arkansas; Rock Island Arsenal, Rock...
The conferees direct that $3,500,000 shall be used for the rotary wing aircraft sustainment project at the Corpus Christi Army Depot, from within the funds provided in Operation and Maintenance, Army.

The conferees agree that of the funds provided for Operation and Maintenance, Army,

**Operation and Maintenance, Navy**

The conference agreement on items addressed by either the House or the Senate is as follows:

<table>
<thead>
<tr>
<th>[in thousands of dollars]</th>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
</table>

**4300 Budget Activity 1: Operating Forces:**

<table>
<thead>
<tr>
<th>Activity</th>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>AIR OPERATIONS</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MISSION AND OTHER FLIGHT OPERATIONS</td>
<td>2,089,630</td>
<td>2,134,630</td>
<td>2,142,130</td>
<td>2,089,630</td>
</tr>
<tr>
<td>FLEET AIR TRAINING</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>INTERMEDIATE MAINTENANCE</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AIR OPERATIONS AND SAFETY SUPPORT</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AIRCRAFT DEPT MAINTENANCE</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AIRCRAFT DEPT OPERATIONS SUPPORT</td>
<td>315,874</td>
<td>315,874</td>
<td>315,874</td>
<td>315,874</td>
</tr>
<tr>
<td>MAINTENANCE OF REAL PROPERTY</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SHIP OPERATIONS</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MISSION AND OTHER SHIP OPERATIONS</td>
<td>1,087,673</td>
<td>1,087,673</td>
<td>1,087,673</td>
<td>1,087,673</td>
</tr>
<tr>
<td>AIRCRAFT OPERATIONAL AND TRAINING</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>INTERMEDIATE MAINTENANCE</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AIRCRAFT DEPT MAINTENANCE</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AIRCRAFT DEPT OPERATIONS SUPPORT</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>DEPOT OPERATIONS SUPPORT</td>
<td>312,259</td>
<td>312,259</td>
<td>312,259</td>
<td>312,259</td>
</tr>
<tr>
<td>MAINTENANCE OF REAL PROPERTY</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>WEAPONS SUPPORT</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ELECTRONIC WARFARE</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SPACE SYSTEMS AND SURVEILLANCE</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>WARRIOR TACTICS</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>OPERATIONAL METEOROLOGY AND OCEANOGRAPHY</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>COMBAT SUPPORT FORCES</td>
<td>444,072</td>
<td>444,072</td>
<td>444,072</td>
<td>444,072</td>
</tr>
<tr>
<td>EQUIPMENT MAINTENANCE</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>DEPOT OPERATIONS SUPPORT</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MAINTENANCE OF REAL PROPERTY</td>
<td>52,603</td>
<td>52,603</td>
<td>52,603</td>
<td>52,603</td>
</tr>
<tr>
<td>TOTAL, BUDGET ACTIVITY 1</td>
<td>15,184,514</td>
<td>15,395,614</td>
<td>15,317,514</td>
<td>15,270,114</td>
</tr>
</tbody>
</table>

**4301 Budget Activity 2: Mobilization:**

<table>
<thead>
<tr>
<th>Activity</th>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ready Reserve and Prepositioning Forces</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MOBILIZATION PREPAREDNESS</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AIR DELIVERY</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IN-SERVICE WEAPONS SYSTEMS SUPPORT</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>WEAPONS SUPPORT</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MAINTENANCE OF REAL PROPERTY</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>WORKING CAPITAL FUND SUPPORT</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NMC SUPPORT</td>
<td>43,300</td>
<td>43,300</td>
<td>43,300</td>
<td>43,300</td>
</tr>
<tr>
<td>TOTAL, BUDGET ACTIVITY 2</td>
<td>998,293</td>
<td>996,593</td>
<td>1,011,793</td>
<td>1,008,093</td>
</tr>
</tbody>
</table>

**BUDGET ACTIVITY 3: Training and Recruiting:**

<table>
<thead>
<tr>
<th>Activity</th>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACCESSION TRAINING</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>OFFICER ACQUISITION</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>RECRUITING TRAINING</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>RESERVE OFFICERS TRAINING CORPS (ROTC)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BASE SUPPORT</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BASIC SKILLS AND ADVANCED TRAINING</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SPECIALIZED SKILL TRAINING</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PROFESSIONAL DEVELOPMENT EDUCATION</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TRAINEE SUPPORT</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MAINTENANCE OF REAL PROPERTY</td>
<td>92,400</td>
<td>92,400</td>
<td>92,400</td>
<td>92,400</td>
</tr>
<tr>
<td>TOTAL, BUDGET ACTIVITY 3</td>
<td>1,741,640</td>
<td>1,769,240</td>
<td>1,743,540</td>
<td>1,748,540</td>
</tr>
</tbody>
</table>

**BUDGET ACTIVITY 4: Admin & Servicewide Activities:**

<table>
<thead>
<tr>
<th>Activity</th>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>SERVICE COVERAGE SUPPORT</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ADMINISTRATION</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EXTERNAL RELATIONS</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CIVILIAN MANPOWER AND PERSON MANAGEMENT</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MILITARY MANPOWER AND PERSON MANAGEMENT</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>OTHER PERSONNEL SUPPORT</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SERVICEWIDE COMMUNICATIONS</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BASE SUPPORT</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MAINTENANCE OF REAL PROPERTY</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>COMMISSARY OPERATIONS</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LOGISTICS OPERATIONS AND TECHNICAL SUPPORT</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SERVICEWIDE TRANSPORTATION</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PLANNING, DESIGN AND CONSTRUCTION</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ACQUISITION AND PROGRAM MANAGEMENT</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AIR SYSTEMS SUPPORT</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HULL, MECHANICAL AND ELECTRICAL SUPPORT</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>COMBAT/WEAPONS SYSTEMS</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SPACE AND ELECTRONIC WARFARE SYSTEMS</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BASE SUPPORT</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**TOTAL, BUDGET ACTIVITY 4**
<table>
<thead>
<tr>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>40,722</td>
<td>40,722</td>
<td>55,722</td>
<td>55,722</td>
</tr>
<tr>
<td>568,257</td>
<td>568,257</td>
<td>568,257</td>
<td>568,257</td>
</tr>
<tr>
<td>8,614</td>
<td>8,614</td>
<td>8,614</td>
<td>8,614</td>
</tr>
<tr>
<td>1,426</td>
<td>1,426</td>
<td>1,426</td>
<td>1,426</td>
</tr>
<tr>
<td>8,435</td>
<td>8,435</td>
<td>8,435</td>
<td>8,435</td>
</tr>
<tr>
<td>4,002,955</td>
<td>3,969,405</td>
<td>3,987,868</td>
<td>4,003,805</td>
</tr>
<tr>
<td>37,367</td>
<td>30,000</td>
<td>50,000</td>
<td>17,867</td>
</tr>
<tr>
<td>-50,000</td>
<td>50,000</td>
<td>-50,000</td>
<td>-50,000</td>
</tr>
<tr>
<td>35,900</td>
<td>-7,900</td>
<td>-7,900</td>
<td></td>
</tr>
<tr>
<td>14,000</td>
<td>106,000</td>
<td>14,300</td>
<td></td>
</tr>
<tr>
<td>35,000</td>
<td>35,000</td>
<td>39,000</td>
<td></td>
</tr>
<tr>
<td>40,000</td>
<td>40,000</td>
<td>40,000</td>
<td></td>
</tr>
<tr>
<td>22,900</td>
<td>22,900</td>
<td></td>
<td></td>
</tr>
<tr>
<td>32,000</td>
<td>32,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>-3,000</td>
<td>-3,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>100,700</td>
<td>167,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3,000</td>
<td>3,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>15,000</td>
<td>15,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>87,820</td>
<td>-87,820</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4,000</td>
<td>3,000</td>
<td>3,000</td>
<td>3,000</td>
</tr>
<tr>
<td>(50,000)</td>
<td>(50,000)</td>
<td>(50,000)</td>
<td>(50,000)</td>
</tr>
<tr>
<td>(1,000)</td>
<td>(1,000)</td>
<td>(1,000)</td>
<td>(1,000)</td>
</tr>
<tr>
<td>21,872,202</td>
<td>21,638,999</td>
<td>21,813,315</td>
<td>21,872,399</td>
</tr>
<tr>
<td>50,000</td>
<td>50,000</td>
<td>50,000</td>
<td>50,000</td>
</tr>
<tr>
<td>32,087)</td>
<td>(32,087)</td>
<td>(32,087)</td>
<td>(32,087)</td>
</tr>
<tr>
<td>1,400</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1,500</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>18,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2,500</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>350</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>15,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>17,867</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9,900</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>39,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>22,900</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>81,325</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>81,325</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>81,325</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>81,325</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4,328</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4,328</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4,328</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4,328</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1,746,522</td>
<td>1,801,045</td>
<td>1,760,022</td>
<td>1,781,522</td>
</tr>
</tbody>
</table>

**ADJUSTMENTS TO BUDGET ACTIVITIES**

Adjustments to the budget activities are as follows:

- **Budget Activity 1: Operating Forces**
- **ALQ-165 maintenance and repair**
- **Ship depot maintenance**
- **PMRF**
- **Navy Meteorology and Oceanography Command**
- **Reverse Osmosis Desalination**
- **Tactical Tomahawk recertification**
- **MK-45 overhaul line**
- **Budget Activity 2: Mobilization**
- **6550 Dredging support in active Reserve fleet**
- **6450 Ship disposal initiative**
- **6560 Industrial Preparedness**

- **Budget Activity 3: Training and Recruiting**
- **Experimentation MBA Program**
- **Interactive Distance Learning Courses-Electricty & Electronics**
- **Budget Activity 4: Administration and Servicewide Activities**
- **Naval Meteorology and Oceanography Command**

The conference agreement on items addressed by either the House or the Senate is as follows:

- **Ship Disposal Initiative**
- The conference agrees with the Senate allocation of $7,500,000 for a ship disposal initiative. This program is not related to Section 8124 of this Act regarding ship scrapping.

**NAS Lemoore Quality of Life Projects**

The conference agrees that the Navy must place priority on constructing and upgrading quality of life facilities at Naval Air Station Lemoore. The lack of adequate support facilities at this location is having an adverse impact on F/A-18 pilot retention rates. The conference directs the Secretary of the Navy to review the five-year plan for quality of life projects at this location and take appropriate actions to add new projects to the plan and to accelerate implementation of all quality of life projects at this location.

**Operation and Maintenance, Marine Corps**

The conference agreement on items addressed by either the House or the Senate is as follows:
<table>
<thead>
<tr>
<th>Budget Activity 1: Operating Forces:</th>
<th>Marine Corps Junior ROTC</th>
<th>1,415</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initial Issue Gear</td>
<td>12,600</td>
<td></td>
</tr>
<tr>
<td>NBC defense equipment</td>
<td>1,700</td>
<td></td>
</tr>
<tr>
<td>Depot Maintenance</td>
<td>20,700</td>
<td></td>
</tr>
<tr>
<td>Budget Activity 3: Training and Recruiting:</td>
<td>Distance learning</td>
<td>6,000</td>
</tr>
</tbody>
</table>

### ADJUSTMENTS TO BUDGET ACTIVITIES

Adjustments to the budget activities are as follows:

<table>
<thead>
<tr>
<th>Budget Activity 1: Operating Forces:</th>
<th>Temporary Duty Travel</th>
<th>- 5,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marine Corps Depot Maintenance</td>
<td>18,000</td>
<td></td>
</tr>
</tbody>
</table>

**OPERATION AND MAINTENANCE, AIR FORCE**

The conference agreement on items addressed by either the House or the Senate is as follows:

<table>
<thead>
<tr>
<th>Budget Activity 1: Operating Forces:</th>
<th>Air Operations: Primary Combat Forces</th>
<th>2,311,299</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Primary Combat Weapons</td>
<td>236,147</td>
</tr>
<tr>
<td></td>
<td>Combat Enhancement Forces</td>
<td>296,509</td>
</tr>
<tr>
<td></td>
<td>Air Operations Training</td>
<td>92,798</td>
</tr>
<tr>
<td></td>
<td>Depot Maintenance</td>
<td>134,807</td>
</tr>
<tr>
<td></td>
<td>Combat Commissions</td>
<td>1,022,087</td>
</tr>
<tr>
<td></td>
<td>Base Support</td>
<td>1,538,126</td>
</tr>
<tr>
<td></td>
<td>Maintenance of Real Property</td>
<td>575,656</td>
</tr>
<tr>
<td>Combat Related Operations: Global C2 and Early Warning</td>
<td>669,379</td>
<td></td>
</tr>
<tr>
<td>Navigation/Weather Support</td>
<td>118,337</td>
<td></td>
</tr>
<tr>
<td>Other Combat C2PS Support Programs</td>
<td>221,993</td>
<td></td>
</tr>
<tr>
<td>ICS Exercises</td>
<td>30,621</td>
<td></td>
</tr>
<tr>
<td>Management and Operational Headquarters</td>
<td>230,740</td>
<td></td>
</tr>
<tr>
<td>Tactical Intelligence and Other Special Activities</td>
<td>227,980</td>
<td></td>
</tr>
<tr>
<td>Space Operations: Launch Facilities</td>
<td>221,046</td>
<td></td>
</tr>
<tr>
<td>Launch Vehicles</td>
<td>102,064</td>
<td></td>
</tr>
<tr>
<td>Space Control Systems</td>
<td>246,940</td>
<td></td>
</tr>
<tr>
<td>Satellite Systems</td>
<td>36,152</td>
<td></td>
</tr>
<tr>
<td>Other Space Operations</td>
<td>185,920</td>
<td></td>
</tr>
<tr>
<td>Base Support</td>
<td>309,406</td>
<td></td>
</tr>
<tr>
<td>Maintenance of Real Property</td>
<td>224,668</td>
<td></td>
</tr>
</tbody>
</table>

**TOTAL, BUDGET ACTIVITY 1**

9,868,622

**BUDGET ACTIVITY 2: MOBILIZATION, MOBILITY OPERATIONS:**

| Airlift Operations | 1,326,774 |
| Airlift Operations Cycl | 241,759 |
| Mobilization Preparedness | 316,485 |
| Depot Maintenance | 470,000 |
| Payments to Transportation Business Area | 390,876 |

**TOTAL, BUDGET ACTIVITY 2**

9,909,671
## BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES:

<table>
<thead>
<tr>
<th>ServiceWide Activities</th>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Logistics Operations</td>
<td>370,253</td>
<td>370,253</td>
<td>370,253</td>
<td>370,253</td>
</tr>
<tr>
<td>Personnel Management</td>
<td>100,000</td>
<td>100,000</td>
<td>100,000</td>
<td>100,000</td>
</tr>
<tr>
<td>Real Property Maintenance</td>
<td>215,000</td>
<td>215,000</td>
<td>215,000</td>
<td>215,000</td>
</tr>
<tr>
<td>Total, Budget Activity 4</td>
<td>785,506</td>
<td>785,506</td>
<td>785,506</td>
<td>785,506</td>
</tr>
</tbody>
</table>

---

**Adjutments to Budget Activities**

Adjustments to the budget activities are as follows:

- **[In thousands of dollars]**
  - **Budget Activity 1: Operating Forces:**
    - B-52 attrition reserve ....... 40,100
    - Battalions ............... 4,000
    - LANTIRN PMA Offices ....... 10,000
    - Combat training ranges .... 5,100
    - Depot Maintenance-Air Operations ........ 13,300
    - SIMVAL ................ 1,288
    - Maintenance of Delta-1/ Delta-9 facilities .... 5,000
    - Test refurbishment ....... 10,000
    - SPECCOM Operations ........ 7,000
    - University partnering for operational support .... 5,000
  - **Budget Activity 2: Mobilization:**
    - Industrial Preparedness .... 13,700
  - **Budget Activity 3: Training and Recruiting:**
    - Service academies; foreign students .............. 1,400
    - Educational Satellite Training System ........ 5,770
    - Airspace Training System ..................... 2,613
    - Budget Activity 4: Administration and Service-wide Support:
      - Personnel Management program growth ........ 3,000
    - Undistributed:
      - Classified Programs
      - REMIS Base support shortfalls ........ 2,000
      - Temporary Duty Travel ........ 77,500
  - **Budget Activity 5: Civil Air Patrol:**
    - The conference recognizes that changes have occurred in the relationship between the Air Force and the Civil Air Patrol Corporation, in that the principal source of support from the Air Force to the Civil Air Patrol Corporation is not excess supplies and equipment, but appropriated funds from the Air Force budget. Also, changes in the Civil Air Patrol Corporation headquarters staff have affected the relationship and funding between Air Force and the Civil Air Patrol. Of
the funds appropriated for the Civil Air Patrol Corporation, the conferees direct that no more than fifteen percent may be spent for the Civil Air Patrol Corporation headquarters staff, and operations and the National Executive Committee and Board. Further, the Civil Air Patrol Corporation shall provide the Secretary of the Air Force with a quarterly utilization report, detailing the utilization of appropriated funds.

The conference agreement on items addressed by either the House or the Senate is as follows:

<table>
<thead>
<tr>
<th>BUDGET ACTIVITY 1: OPERATING FORCES:</th>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Joint Chiefs of Staff</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Special Operations Command</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL BUDGET ACTIVITY 1</td>
<td>1,559,393</td>
<td>1,567,043</td>
<td>417,065</td>
<td>1,575,043</td>
</tr>
</tbody>
</table>

| BUDGET ACTIVITY 2: MOBILIZATION: |        |       |        |            |
| Defense Logistics Agency             |        |       |        |            |
| TOTAL BUDGET ACTIVITY 2             | 38,934 | 38,934 | 38,934 | 38,934     |

| BUDGET ACTIVITY 3: TRAINING AND RECRUITING: |        |       |        |            |
| Defense Acquisition University       |        |       |        |            |
| American Forces Information Service  |        |       |        |            |
| Special Operations Command           |        |       |        |            |
| TOTAL BUDGET ACTIVITY 3              | 53,467 | 148,167 | 11,059 | 148,467 |

| BUDGET ACTIVITY 4: ADMIN & SERVICE-WIDE ACTIVITIES: |        |       |        |            |
| American Forces Information Service  |        |       |        |            |
| Civil Military Programs               |        |       |        |            |
| Classified and Intelligence           |        |       |        |            |
| Defense Contract Audit Agency        |        |       |        |            |
| Defense Financial and Accounting Service |      |       |        |            |
| Defense Human Resources Activity      |        |       |        |            |
| Defense Information Systems Agency   |        |       |        |            |
| Defense Legal Services Agency        |        |       |        |            |
| Defense Logistics Agency             |        |       |        |            |
| Procurement Technical Assistance Program |    |       |        |            |
| Defense Procurement Persons Office   |        |       |        |            |
| Defense Security Assistance Agency   |        |       |        |            |
| Defense 

| TOTAL BUDGET ACTIVITY 4 | 9,037,407 | 9,020,000 | 8,498,170 | 9,008,547 |

| BUDGET ACTIVITY 5: SPECIAL OPERATIONS COMMAND: |        |       |        |            |
| Legacy                                    |        |       |        |            |
| Civilian Personnel, Understrength         |        |       |        |            |
| Foreign Currency, fluctuation             |        |       |        |            |
| Unobligated, Federal Reserve              |        |       |        |            |
| IMPACT AD                                 |        |       |        |            |
| ADP Legacy Systems, Efficiencies          |        |       |        |            |
| Administrative and Contractor Support     |        |       |        |            |
| Fuel Savings                             |        |       |        |            |
| Military Personnel, Information System    |        |       |        |            |
| MPC Technical Support                    |        |       |        |            |
| TOTAL BUDGET ACTIVITY 5                  | 3,000  | 5,000  | 3,000  | 5,000       |

| TOTAL OPERATION AND MAINTENANCE, DEFENSE-WIDE | 10,750,601 | 10,804,542 | 10,259,231 | 10,814,076 |

| TOTAL FUNDING AVAILABLE                  | 10,750,601 | 10,804,542 | 10,259,231 | 10,824,266 |

**ADJUSTMENTS TO BUDGET ACTIVITIES**

Adjustments to the budget activities are as follows:

- Budget Activity 1: Operating Forces - $38,934
- Budget Activity 2: Mobilization - $53,467
- Budget Activity 3: Training and Recruiting - $1,559,393
- Budget Activity 4: Admin & Service-Wide Activities - $9,037,407
- Budget Activity 5: Special Operations Command - $3,000

**BUDGET ACTIVITY 1: OPERATING FORCES**

- Joint Chiefs of Staff
- Special Operations Command

**BUDGET ACTIVITY 2: MOBILIZATION**

- Defense Logistics Agency

**BUDGET ACTIVITY 3: TRAINING AND RECRUITING**

- Defense Acquisition University
- American Forces Information Service
- Special Operations Command

**BUDGET ACTIVITY 4: ADMIN & SERVICE-WIDE ACTIVITIES**

- American Forces Information Service
- Civil Military Programs
- Classified and Intelligence
- Defense Contract Audit Agency
- Defense Financial and Accounting Service
- Defense Human Resources Activity
- Defense Information Systems Agency
- Defense Legal Services Agency
- Defense Logistics Agency
- Procurement Technical Assistance Program
- Defense Procurement Persons Office
- Defense Security Assistance Agency
- Defense Support Office
- Foreign Currency Fluctuation

**BUDGET ACTIVITY 5: SPECIAL OPERATIONS COMMAND**

- Legacy
- Civilian Personnel, Understrength
- Foreign Currency, fluctuation
- Unobligated, Federal Reserve
- IMPACT AD
- ADP Legacy Systems, Efficiencies
- Administrative and Contractor Support
- Fuel Savings
- Military Personnel, Information System
- MPC Technical Support

**TOTAL FUNDING AVAILABLE**

- $10,750,601
- $10,804,542
- $10,259,231
- $10,824,266
CONGRESSIONAL RECORD – HOUSE

The conferees understand that there are two Army Reserve Centers in Florida and one in Youngstown, Ohio which are in extensive need of repair and renovation. In addition, the Navy Reserve has a facility located in Youngstown, Ohio, which is vacant and needs remediation. The conferees have provided additional funds for Real Property Maintenance for the Army Reserve and Navy Reserve, and directs that $2,000,000 be designated to each component to meet these requirements.

J OINT MILITARY TRAINING COMPLEX

The conferees understand that several Reserve units in central Florida have been impacted by the closure of the Orlando Naval Training Center, and the Department is considering the possibility of developing a joint complex in the Orlando area. The conferees recommend that $300,000 of the funds provided for "Operation and Maintenance, Army Reserve" be used for feasibility studies and coordinate involvement of existing qualified service providers through the Joint Training Partnership Act, facilitate municipal offering of community outreach services and provide data for the evaluation of federal job placement programs.
### Adjustments to Budget Activities

**Budget Activity 1: Operating Forces**

<table>
<thead>
<tr>
<th>Item</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mission and Other Ship Operations/MCM</td>
<td>10,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Steaming Days</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Undistributed: P-3 Squadrions</td>
<td>7,600</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Operative Activities**

<table>
<thead>
<tr>
<th>Item</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aircraft Depot Maintenance/C-20 Repair</td>
<td>11,000</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### ADJUSTMENTS TO BUDGET ACTIVITIES

The conference agreement on items addressed by either the House or the Senate is as follows:

**Operative Forces**

<table>
<thead>
<tr>
<th>Item</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aircraft Depot Maintenance/C-20 Repair</td>
<td>11,000</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Mission and Other Ship Operations/MCM**


**Operation and Maintenance, Marine Corps Reserve**

The conference agreement on items addressed by either the House or the Senate is as follows:

<table>
<thead>
<tr>
<th>Item</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operational and Service wide activities:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administration and Service wide activities:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Recruiting and Advertising</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Special Support</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service Wide Transportation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administration</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Base Support</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Increased Use of Guard and Reserve</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Active Duty for Special Work</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Operative Activities**

<table>
<thead>
<tr>
<th>Item</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aircraft Depot Maintenance/C-20 Repair</td>
<td>11,000</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### ADJUSTMENTS TO BUDGET ACTIVITIES

The conference agrees the City of Gary, Indiana objects to the current leasing arrangement between the Navy and the City of Gary relating to the presence of a Naval Reserve Training Center on city-owned property. The conference urge the Navy to negotiate with the City of Gary the relocation of its facility.

**Operation and Maintenance, Air Force Reserve**

<table>
<thead>
<tr>
<th>Item</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Active Duty for Special Work</td>
<td></td>
<td></td>
<td>2,100</td>
</tr>
</tbody>
</table>

The conference agreement on items addressed by either the House or the Senate is as follows:

<table>
<thead>
<tr>
<th>Item</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aircraft Depot Maintenance/C-20 Repair</td>
<td>11,000</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
ADJUSTMENTS TO BUDGET ACTIVITIES

Adjustment to the budget activities is as follows:

<table>
<thead>
<tr>
<th>Budget Activity 4: Admin &amp; Servicewide Activities</th>
<th>[In thousands of dollars]</th>
<th>Operation and Maintenance, Army National Guard</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>The conference agreement on items addressed by either the House or the Senate is as follows:</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3,000</td>
</tr>
</tbody>
</table>

ADJUSTMENTS TO BUDGET ACTIVITIES

Adjustments to the budget activities are as follows:

<table>
<thead>
<tr>
<th>[In thousands of dollars]</th>
<th>Budget Activity 1: Operating Forces:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land Forces/Ground Optempo</td>
<td>Land Forces Readiness/Depot Maintenance</td>
</tr>
<tr>
<td>100,000</td>
<td>20,000</td>
</tr>
<tr>
<td>Land Forces Readiness Support/Angel Gate Academy</td>
<td>4,200</td>
</tr>
<tr>
<td>Maintenance of Real Property</td>
<td>Information Management/Distance Learning</td>
</tr>
<tr>
<td>Budget Activity 4: Administra-</td>
<td>Information Management/Communications Shortfall</td>
</tr>
<tr>
<td>tion and Servicewide Activities:</td>
<td>35,000</td>
</tr>
<tr>
<td></td>
<td>10,000</td>
</tr>
<tr>
<td></td>
<td>Undistributed: Military (civilian) Technicians 27,000</td>
</tr>
<tr>
<td></td>
<td>ARMY NATIONAL GUARD DISTANCE LEARNING</td>
</tr>
<tr>
<td></td>
<td>The conference recommends that $10,000,000 of the funds available for Real Property Maintenance in Operation and Maintenance, Army National Guard be used for repair of storm damage at Camp Dodge, Iowa.</td>
</tr>
</tbody>
</table>

CHICAGO MILITARY ACADEMY

The conferees recommend that $7,000,000 of the funds provided for Operation and Maintenance, Army National Guard and an increase of $28,000,000 in Other Procurement, Army for distance learning and information management requirements.

CAMP DAWSON, WEST VIRGINIA

The conferees urge the Army National Guard to develop a concept plan for the future of Camp Dawson.

CAMP DODGE, IOWA

The conferees recommend that $6,000,000 of the funds available for Real Property Maintenance in Operation and Maintenance, Army National Guard be used for repair of storm damage at Camp Dodge, Iowa.
The conferees direct that the Air National Guard provide support for Coast Guard seasonal search and rescue mission requirements at the Francis S. Gabreski Airport in Hampton, New York. Assistance to the Coast Guard will include access to necessary facilities, runway, hangar, operations center, berthing, and maintenance spaces. Seasonal Coast Guard access will be maintained between April 15 and October 15, 1999. The Director of the Air National Guard and the Commandant of the Coast Guard shall enter into a memorandum of agreement (MOA) for use of these facilities and shall provide copies of that agreement to the Committees on Appropriations not later than December 1, 1998.

**DEFENSE SYSTEMS EVALUATION PROGRAM**

The conferees direct that $2,250,000 of the funds provided for Operation and Maintenance, Air National Guard be for the Defense Systems Evaluation Program for support of test and training operations at White Sands Missile Range, New Mexico, and Fort Bliss, Texas.

**OVERSEAS CONTINGENCY OPERATIONS TRANSFER FUND**

The conferees agree to provide $439,400,000 for the Overseas Contingency Operations Transfer Fund. This amount covers estimated DoD costs of continuing operations in Southwest Asia.

**UNITED STATES COURT OF APPEALS FOR THE ARMED FORCES**

The conference agreement provides $7,324,000 for the United States Court of Appeals for the Armed Forces as requested in the budget.

**ENVIRONMENTAL RESTORATION, ARMY**

The conferees agree to provide $370,640,000 for Environmental Restoration, Army.

**ENVIRONMENTAL RESTORATION, NAVY**

The conferees agree to provide $274,600,000 for Environmental Restoration, Navy.

**ENVIRONMENTAL RESTORATION, AIR FORCE**

The conferees agree to provide $327,100,000 for Environmental Restoration, Air Force.

**ENVIRONMENTAL RESTORATION, DEFENSE-WIDE**

The conferees agree to provide $26,091,000 for Environmental Restoration, Defense-Wide.

**ENVIRONMENTAL RESTORATION, FORMERLY USED DEFENSE SITES**

The conferees agree to provide $225,000,000 for Environmental Restoration, Formerly Used Defense Sites.

**BUILDING DEMOLITION AND DEBRIS REMOVAL**

To minimize mobilization costs at remote sites, the Department may perform building demolition and debris removal at formerly used defense sites (FUDS) using fiscal year 1999 funds available under this heading. The conferees direct the Department to conduct building demolition and debris removal at the following formerly used defense sites: Collision Point, Grumman Point and Cape Scharie, Alaska, or alternative sites in Alaska to optimize cost effectiveness on a regional basis.

**CHARLESTON MACALLOY SITE**

The conferees concur with the Senate's recommended reporting requirements regarding the Defense Logistics Agency inventory location in Charleston, South Carolina. The conferees expect that, if the Department determines that this site is eligible for formerly used defense sites (FUDS) funding, $10,000,000 shall be made available as expeditiously as possible considering departmental policies on the allocation of such funds.

**GOVERNMENT OWNED CONTRACTOR OPERATED (GOCO) FACILITIES**

The conferees are concerned about the Army's limited progress in recovering the costs associated with environmental restoration at former ammunition production GOCO facilities. The conferees direct the Army to take the following actions and, by the dates noted, report on their findings to the congressional defense committees.

- Not later than March 30, 1999, the Army should (1) identify all GOCO ammunition production facilities, the contractors that operated the facilities, and the prime contractor numbers of each contract for the operation of the facilities (2) document the current environmental cleanup status, including past and projected clean up costs, for each GOCO facility (3) compile a summary of historical third-party insurance coverage for each GOCO facility, including the names of all the insurers, policy numbers, policy periods, and terms, conditions, and limits of coverage (4) ascertain whether notices of accidents or occurrences, or other appropriate notices, have been given to each of the insurers, including any notices provided by the operating contractor, and (5) determine if any of the GOCO facilities was placed on a standby status and whether insurance coverage remained in force during that period.

**MITIGATION OF ENVIRONMENTAL DAMAGE**

In entering into contracts for the mitigation of environmental damage on Indian lands, the Department is encouraged to extend a preference to Native American owned or operated businesses with experience in the mitigation of environmental damage or environmental technology.

**OVERSEAS HUMANITARIAN, DISASTER, AND CIVIC AID**

The conferees agree to provide $50,000,000 for Overseas Humanitarian, Disaster, and Civic Aid.

**FORMER SOVIET UNION THREAT REDUCTION**

The conferees agree to provide $440,400,000, for the Former Soviet Union Threat Reduction program.

**QUALITY OF LIFE ENHANCEMENT, DEFENSE**

The conferees agree to provide a total of $455,000,000 for Quality of Life Enhancement, Defense. Given the substantial backlog of real property maintenance in the areas of barracks, dormitories and related facilities, the conferees direct that these funds be applied to workload for such projects within the United States and its territories. In the case of the Reserve components, these additional funds should be utilized to reduce the backlog in mission and support facilities. The conferees further direct the Secretaries of each of the Military Services to provide the congressional defense committees with a report on each additional project to be funded from funds available in this account prior to solicitation for these projects. This report shall include the location, estimated cost and projected commencement and completion dates for each project.
### Procurement of Weapons and Tracked Combat Vehicles, Army

<table>
<thead>
<tr>
<th>Item Description</th>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bradely Base Sustainment</td>
<td>205,844</td>
<td>371,844</td>
<td>283,844</td>
<td>356,844</td>
</tr>
<tr>
<td>BPIV Sustainment</td>
<td>54,998</td>
<td>56,998</td>
<td>78,998</td>
<td>75,498</td>
</tr>
<tr>
<td>Improved Recovery Vehicle (M113 Mod)</td>
<td>38,175</td>
<td>38,175</td>
<td>55,075</td>
<td>51,075</td>
</tr>
<tr>
<td>Heavy Assault Bridge (HAB Sys Mod)</td>
<td>50,411</td>
<td>50,411</td>
<td>43,748</td>
<td>41,948</td>
</tr>
<tr>
<td>M1 Abrams Tank (Mod)</td>
<td>52,301</td>
<td>52,301</td>
<td>96,691</td>
<td>96,691</td>
</tr>
<tr>
<td>Abrams Upgrade Program</td>
<td>412,661</td>
<td>403,661</td>
<td>406,061</td>
<td>419,061</td>
</tr>
</tbody>
</table>

### Procurement of Aircraft, Army

#### Aircraft Procurement, Army

<table>
<thead>
<tr>
<th>Item Description</th>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>C-IK (Medium Range) Aircraft</td>
<td>218,820</td>
<td>297,320</td>
<td>292,765</td>
<td>272,365</td>
</tr>
<tr>
<td>UH-60 Blackhawk (MYP)</td>
<td>52,902</td>
<td>55,902</td>
<td>54,402</td>
<td>56,902</td>
</tr>
<tr>
<td>CH-47 Cargo Helicopter Mods (MYP)</td>
<td>279,641</td>
<td>318,461</td>
<td>351,461</td>
<td>376,425</td>
</tr>
<tr>
<td>C-12 Cargo Airplane Mods</td>
<td>2,858</td>
<td>9,058</td>
<td>8,658</td>
<td>8,658</td>
</tr>
<tr>
<td>Kiowa Warrior</td>
<td>4,046</td>
<td>56,446</td>
<td>52,646</td>
<td>52,646</td>
</tr>
<tr>
<td>AH-64 Quickfix Mods</td>
<td>3,015</td>
<td>3,015</td>
<td>3,015</td>
<td></td>
</tr>
<tr>
<td>Aviation Survivability Equipment</td>
<td>5,041</td>
<td>17,544</td>
<td>18,944</td>
<td>12,544</td>
</tr>
<tr>
<td>Advisory and Assistance Services</td>
<td>7,604</td>
<td>7,604</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### Explanation of Project Level Adjustments

<table>
<thead>
<tr>
<th>Item Description</th>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>UH-60 Blackhawk (MYP):</td>
<td>218,820</td>
<td>297,320</td>
<td>292,765</td>
<td>272,365</td>
</tr>
<tr>
<td>Additional aircraft</td>
<td>0</td>
<td>78,500</td>
<td>78,500</td>
<td>58,100</td>
</tr>
<tr>
<td>Engineering change orders</td>
<td>0</td>
<td>0</td>
<td>4,555</td>
<td>4,555</td>
</tr>
<tr>
<td>AH-64 Mods</td>
<td>52,902</td>
<td>55,902</td>
<td>54,402</td>
<td>56,902</td>
</tr>
<tr>
<td>VMEP for National Guard</td>
<td>0</td>
<td>3,000</td>
<td>0</td>
<td>3,000</td>
</tr>
<tr>
<td>AH-64 T701C engine upgrade</td>
<td>0</td>
<td>1,500</td>
<td>1,000</td>
<td></td>
</tr>
<tr>
<td>Kiowa Warrior</td>
<td>40,446</td>
<td>56,446</td>
<td>52,646</td>
<td>52,646</td>
</tr>
<tr>
<td>System safety enhancement</td>
<td>0</td>
<td>16,000</td>
<td>9,600</td>
<td>9,600</td>
</tr>
<tr>
<td>Crew station mission equipment trainer</td>
<td>0</td>
<td>2,600</td>
<td>2,600</td>
<td></td>
</tr>
</tbody>
</table>

### Missile Procurement, Army

#### Missile Procurement, Army

<table>
<thead>
<tr>
<th>Item Description</th>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hellfire Sys Summary</td>
<td>360,625</td>
<td>313,325</td>
<td>360,625</td>
<td>2,000</td>
</tr>
<tr>
<td>Javelin (LAARS-M) System Summary</td>
<td>319,988</td>
<td>319,988</td>
<td>349,988</td>
<td>3,316</td>
</tr>
<tr>
<td>MLRS Rocket</td>
<td>16,513</td>
<td>3,413</td>
<td>3,413</td>
<td></td>
</tr>
<tr>
<td>MLRS Launcher Systems</td>
<td>85,387</td>
<td>110,387</td>
<td>143,787</td>
<td>24</td>
</tr>
<tr>
<td>ATACMS</td>
<td>49,083</td>
<td>49,083</td>
<td>24,083</td>
<td>10,083</td>
</tr>
<tr>
<td>BAT</td>
<td>100,425</td>
<td>100,425</td>
<td>50,225</td>
<td>40,000</td>
</tr>
<tr>
<td>Avenger Mods</td>
<td>8,425</td>
<td>8,425</td>
<td>8,425</td>
<td></td>
</tr>
</tbody>
</table>

#### Explanation of Project Level Adjustments

<table>
<thead>
<tr>
<th>Item Description</th>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>MLRS Launcher Systems</td>
<td>85,387</td>
<td>110,387</td>
<td>143,787</td>
<td>123,787</td>
</tr>
<tr>
<td>National Guard Launchers</td>
<td>0</td>
<td>25,000</td>
<td>50,000</td>
<td>50,000</td>
</tr>
<tr>
<td>COTS to procure (st) technical architecture</td>
<td>0</td>
<td>0</td>
<td>8,400</td>
<td>8,400</td>
</tr>
<tr>
<td>National Guard MLRS support equipment</td>
<td>0</td>
<td>0</td>
<td>30,000</td>
<td></td>
</tr>
</tbody>
</table>

### Conclusion

The conference agreement on items addressed by either the House or the Senate is as follows:
The conference agreement on items addressed by either the House or the Senate is as follows:

### PROCUREMENT OF AMMUNITION, ARMY

<table>
<thead>
<tr>
<th>Item Description</th>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Qty</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>CTG, 5.56MM, ALL TYPES</td>
<td>91,620</td>
<td>97,220</td>
<td>77,620</td>
<td>94,420</td>
<td></td>
</tr>
<tr>
<td>CTG, 7.62MM ALL TYPES</td>
<td>10,463</td>
<td>14,463</td>
<td>7,263</td>
<td>12,463</td>
<td></td>
</tr>
<tr>
<td>CTG, 20MM, ALL TYPES</td>
<td>58,818</td>
<td>80,418</td>
<td>71,618</td>
<td>80,418</td>
<td></td>
</tr>
<tr>
<td>CTG MORTAR 40MM PRACTICE M766</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>CTG MORTAR 120MM HE M62A4 WWII FUCE</td>
<td>29,087</td>
<td>38,087</td>
<td>29,087</td>
<td>33,087</td>
<td></td>
</tr>
<tr>
<td>CTG MORTAR 120MM APFSDS® T M62A4 WWII M9</td>
<td>9,732</td>
<td>9,732</td>
<td>7,263</td>
<td>14,732</td>
<td></td>
</tr>
<tr>
<td>CTG 120MM HEAT (APFSDS® T M62A4)</td>
<td>9,732</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>CTG ARTY 105MM APFSDS® T M62A4</td>
<td>7,500</td>
<td>7,500</td>
<td>5,000</td>
<td>5,000</td>
<td></td>
</tr>
<tr>
<td>CTG ARTY 105MM HEAT T M62A4</td>
<td>7,500</td>
<td>7,500</td>
<td>5,000</td>
<td>5,000</td>
<td></td>
</tr>
<tr>
<td>PRO ARTY 155MM SADM4 M988B</td>
<td>26,650</td>
<td>25,650</td>
<td>20,000</td>
<td>22,650</td>
<td></td>
</tr>
<tr>
<td>FUE ARTY ELECT TUBE M697</td>
<td>5,000</td>
<td>5,000</td>
<td>0</td>
<td>5,000</td>
<td></td>
</tr>
<tr>
<td>MINE AT M97 (VOLCANO)</td>
<td>0</td>
<td>15,000</td>
<td>0</td>
<td>15,000</td>
<td></td>
</tr>
<tr>
<td>BUNKER DEFENSE MODIFICATION (BDM)</td>
<td>0</td>
<td>0</td>
<td>10,000</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>PROVISION OF INDUSTRIAL FACILITIES</td>
<td>47,660</td>
<td>0</td>
<td>0</td>
<td>50,660</td>
<td></td>
</tr>
<tr>
<td>CONVENTIONAL AMM OR DETRIFICATION</td>
<td>97,961</td>
<td>97,961</td>
<td>82,961</td>
<td>97,961</td>
<td></td>
</tr>
</tbody>
</table>

### KINETIC ENERGY TANK AMMUNITION

The conference encourages the Army to include funding for the M830A1 and M830A1 to XM908 conversion programs in its fiscal year 2000 budget submission.

### MEDIA-TANK AMMUNITION

The conference encourages the Army to include funding for the M830A1 and M830A1 to XM908 conversion programs in its fiscal year 2000 budget submission.

### OTHER PROCUREMENT, ARMY

The conference agreement on items addressed by either the House or the Senate is as follows:

<table>
<thead>
<tr>
<th>Item Description</th>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Qty</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>TACTICAL TRAILERS/DOOLLY SETS</td>
<td>11,948</td>
<td>11,948</td>
<td>19,448</td>
<td>17,948</td>
<td></td>
</tr>
<tr>
<td>PRC155M W/BT/155MM</td>
<td>12,144</td>
<td>58,476</td>
<td>77,644</td>
<td>110</td>
<td>67,144</td>
</tr>
<tr>
<td>FAMILY OF MEDIUM TACTICAL VEH (FMTV)</td>
<td>332,044</td>
<td>312,424</td>
<td>382,044</td>
<td>2,038</td>
<td>334,044</td>
</tr>
<tr>
<td>MEDIUM TRUCK EXTENDED SVC PGM (ESP)</td>
<td>37,247</td>
<td>37,247</td>
<td>63,647</td>
<td>1,085</td>
<td>50,447</td>
</tr>
<tr>
<td>LINE HAUL ESS</td>
<td>4,883</td>
<td>4,969</td>
<td>4,883</td>
<td>62</td>
<td>4,969</td>
</tr>
<tr>
<td>HEAVY ARMORED SEDAN</td>
<td>5,956</td>
<td>5,956</td>
<td>5,956</td>
<td>54</td>
<td>5,956</td>
</tr>
<tr>
<td>PASSENGER CARRYING VEHICLES</td>
<td>867</td>
<td>867</td>
<td>0</td>
<td>867</td>
<td></td>
</tr>
<tr>
<td>GENERAL PURPOSE VEHICLES</td>
<td>1,078</td>
<td>1,078</td>
<td>1,078</td>
<td>1,078</td>
<td></td>
</tr>
<tr>
<td>PROJECT MANAGEMENT SUPPORT</td>
<td>2,437</td>
<td>2,437</td>
<td>1,437</td>
<td>2,437</td>
<td></td>
</tr>
<tr>
<td>SYSTEM FIELDING SUPPORT (TACOM)</td>
<td>1,366</td>
<td>1,366</td>
<td>1,366</td>
<td>1,366</td>
<td></td>
</tr>
<tr>
<td>SMART-T (SPACE)</td>
<td>57,743</td>
<td>33,143</td>
<td>57,743</td>
<td>57,743</td>
<td></td>
</tr>
<tr>
<td>ARMY DATA DISTRIBUTION SYSTEM (ADDSS)</td>
<td>24,048</td>
<td>27,048</td>
<td>52,048</td>
<td>47,048</td>
<td></td>
</tr>
<tr>
<td>SINCARS FAMILY OF MEDIUM TACTICAL VEH</td>
<td>13,212</td>
<td>51,212</td>
<td>63,212</td>
<td>57,212</td>
<td></td>
</tr>
<tr>
<td>ACUS MOD PROGRAM (WIN-T)</td>
<td>97,080</td>
<td>97,080</td>
<td>122,080</td>
<td>129,080</td>
<td></td>
</tr>
<tr>
<td>INFORMATION SYSTEM SECURITY PROGRAM—ISSP</td>
<td>29,714</td>
<td>31,714</td>
<td>33,714</td>
<td>33,714</td>
<td></td>
</tr>
<tr>
<td>INFORMATION SYSTEMS</td>
<td>95,213</td>
<td>91,213</td>
<td>122,213</td>
<td>119,213</td>
<td></td>
</tr>
<tr>
<td>ALL SOURCE ANALYSIS SYS (ASAS) (TIRAN)</td>
<td>24,117</td>
<td>24,117</td>
<td>24,117</td>
<td>24,117</td>
<td></td>
</tr>
<tr>
<td>TTS/CBS-I (TIRAN)</td>
<td>5,340</td>
<td>10,340</td>
<td>5,340</td>
<td>56</td>
<td>10,340</td>
</tr>
<tr>
<td>TPS-20 BASE COMMON SENSORS (TIRAN)</td>
<td>25,388</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>JOINT STARS (JSTAR) (TIRAN)</td>
<td>87,229</td>
<td>90,229</td>
<td>87,229</td>
<td>87,229</td>
<td></td>
</tr>
<tr>
<td>TACTICAL EXPLOITATION OF NATIONAL CAPABILITY</td>
<td>1,690</td>
<td>1,690</td>
<td>1,690</td>
<td>1,690</td>
<td></td>
</tr>
<tr>
<td>COMMON IMAGERY GRD/SURFACE SYS</td>
<td>1,500</td>
<td>1,500</td>
<td>1,500</td>
<td>1,500</td>
<td></td>
</tr>
<tr>
<td>ITEMS LESS THAN $2.0M (TIARA)</td>
<td>530</td>
<td>530</td>
<td>2,530</td>
<td>1,530</td>
<td></td>
</tr>
<tr>
<td>SHORTFALL</td>
<td>15,000</td>
<td>15,000</td>
<td>15,000</td>
<td>15,000</td>
<td></td>
</tr>
<tr>
<td>NIGHT VISION DEVICES</td>
<td>29,636</td>
<td>36,436</td>
<td>53,136</td>
<td>43,636</td>
<td></td>
</tr>
<tr>
<td>LITV VIDEO MONITOR SYSTEM (LITV)</td>
<td>3,364</td>
<td>3,364</td>
<td>3,364</td>
<td>3,364</td>
<td></td>
</tr>
<tr>
<td>MOD OF IN-SVC EQP (TAC SURV)</td>
<td>5,477</td>
<td>22,277</td>
<td>5,477</td>
<td>16,477</td>
<td></td>
</tr>
<tr>
<td>LOGISTICS</td>
<td>2,227</td>
<td>2,227</td>
<td>2,227</td>
<td>2,227</td>
<td></td>
</tr>
<tr>
<td>GUN LAYING AND POS SYS (GLPS)</td>
<td>11,798</td>
<td>6,331</td>
<td>11,798</td>
<td>126</td>
<td>6,331</td>
</tr>
<tr>
<td>SYSTEMS EQUIPMENT</td>
<td>34,175</td>
<td>34,175</td>
<td>34,175</td>
<td>34,175</td>
<td></td>
</tr>
<tr>
<td>ARMY TRAINING MODERNIZATION</td>
<td>32,635</td>
<td>32,635</td>
<td>32,635</td>
<td>32,635</td>
<td></td>
</tr>
<tr>
<td>AUTOMATED DATA PROCESSING EQUIP</td>
<td>130,712</td>
<td>130,712</td>
<td>130,712</td>
<td>123,712</td>
<td></td>
</tr>
</tbody>
</table>
September 25, 1998

CONGRESSIONAL RECORD – HOUSE

H8695

[In thousands of dollars]

<table>
<thead>
<tr>
<th>ITEM</th>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>HYDRAULIC EXCAVATOR</td>
<td>4,749</td>
<td>4,749</td>
<td>4,749</td>
<td>5,749</td>
</tr>
<tr>
<td>CRANE, WHEEL, MT, 2ST, 1/4 CU YD, RT</td>
<td>4,492</td>
<td>8,002</td>
<td>4,602</td>
<td>8,002</td>
</tr>
<tr>
<td>CRANE, LML, MD</td>
<td>2,134</td>
<td>9,543</td>
<td>9,543</td>
<td>9,543</td>
</tr>
<tr>
<td>CRANE, WHEEL, MT, 75T, 1/4 CU YD, RT</td>
<td>11,553</td>
<td>11,553</td>
<td>11,553</td>
<td>11,553</td>
</tr>
<tr>
<td>CRANE, LML, MD</td>
<td>2,134</td>
<td>9,543</td>
<td>9,543</td>
<td>9,543</td>
</tr>
<tr>
<td>ROUGH TERRAIN CONTAINER CRANE</td>
<td>13,613</td>
<td>13,613</td>
<td>13,613</td>
<td>13,613</td>
</tr>
<tr>
<td>MODIFICATION OF IN-SERVICE EQUIPMENT (OPA-3)</td>
<td>17,667</td>
<td>22,467</td>
<td>17,667</td>
<td>22,467</td>
</tr>
<tr>
<td>MODIFICATION OF IN-SERVICE EQUIPMENT (TAC SURV)</td>
<td>5,477</td>
<td>23,227</td>
<td>5,477</td>
<td>16,477</td>
</tr>
<tr>
<td>TRAINING DEVICES, NONSYSTEM</td>
<td>44,655</td>
<td>60,755</td>
<td>60,755</td>
<td>60,755</td>
</tr>
<tr>
<td>JOINT STARS (ARMY) (TIARA)</td>
<td>87,229</td>
<td>90,229</td>
<td>87,229</td>
<td>87,229</td>
</tr>
<tr>
<td>TACTICAL EXPLOITATION OF NATIONAL CAPABILITY</td>
<td>1,690</td>
<td>1,690</td>
<td>1,690</td>
<td>6,090</td>
</tr>
<tr>
<td>CRANE, WHEEL MTD, 25T, 3/4 CU YD, RT</td>
<td>11,553</td>
<td>11,553</td>
<td>11,553</td>
<td>11,553</td>
</tr>
<tr>
<td>HYDRAULIC EXCAVATOR</td>
<td>6,402</td>
<td>8,902</td>
<td>6,402</td>
<td>6,402</td>
</tr>
<tr>
<td>ITEMS LESS THAN $2.0M (CSS-EQ)</td>
<td>4,749</td>
<td>4,749</td>
<td>4,749</td>
<td>5,749</td>
</tr>
<tr>
<td>BASE LEVEL COM'L EQUIPMENT</td>
<td>9,697</td>
<td>9,697</td>
<td>9,697</td>
<td>12,697</td>
</tr>
<tr>
<td>FIRE SUPPORT COMBINED ARMS TACTICAL TRAINER</td>
<td>28,124</td>
<td>28,124</td>
<td>16,000</td>
<td></td>
</tr>
<tr>
<td>ALL SOURCE ANALYSIS SYS (ASAS) (TIARA)</td>
<td>24,117</td>
<td>24,117</td>
<td>24,117</td>
<td>30,867</td>
</tr>
<tr>
<td>ITEMS LESS THAN $2.0M (CSS-EQ)</td>
<td>4,749</td>
<td>4,749</td>
<td>4,749</td>
<td>5,749</td>
</tr>
<tr>
<td>HYDRAULIC EXCAVATOR</td>
<td>6,402</td>
<td>8,902</td>
<td>6,402</td>
<td>6,402</td>
</tr>
<tr>
<td>ITEMS LESS THAN $2.0M (CSS-EQ)</td>
<td>4,749</td>
<td>4,749</td>
<td>4,749</td>
<td>5,749</td>
</tr>
</tbody>
</table>

### TACTICAL RADIOS

The conferees encourage FORSCOM to procure off-the-shelf radios such as the AN/PRC-138 and AKLR/MIBTR to meet the 82nd Airborne Division’s requirement to replace its aging non-secure radios.

### AIRCRAFT PROCUREMENT, NAVY

The conference agreement on items addressed by either the House or the Senate is as follows:

#### AIRCRAFT PROCUREMENT, NAVY:

<table>
<thead>
<tr>
<th>Aircraft</th>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Qty</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>F/A-18E/F (FIGHTER) HORNET</td>
<td>2,787,783</td>
<td>2,568,083</td>
<td>2,787,783</td>
<td>30</td>
<td>2,772,783</td>
</tr>
<tr>
<td>AV-8B (V/STOL) HARRIER</td>
<td>282,713</td>
<td>279,513</td>
<td>282,713</td>
<td>12</td>
<td>279,513</td>
</tr>
<tr>
<td>AV-8 SERIES</td>
<td>279,513</td>
<td>279,513</td>
<td>279,513</td>
<td>279,513</td>
<td></td>
</tr>
<tr>
<td>CH-53D (SH-60D)</td>
<td>82,673</td>
<td>82,673</td>
<td>82,673</td>
<td>30</td>
<td>82,673</td>
</tr>
<tr>
<td>CH-46</td>
<td>82,673</td>
<td>82,673</td>
<td>82,673</td>
<td>82,673</td>
<td></td>
</tr>
<tr>
<td>H-60 SERIES</td>
<td>82,673</td>
<td>82,673</td>
<td>82,673</td>
<td>82,673</td>
<td></td>
</tr>
<tr>
<td>EP-3 SERIES</td>
<td>82,673</td>
<td>82,673</td>
<td>82,673</td>
<td>82,673</td>
<td></td>
</tr>
<tr>
<td>EP-3 SERIES (AP-3)</td>
<td>82,673</td>
<td>82,673</td>
<td>82,673</td>
<td>82,673</td>
<td></td>
</tr>
<tr>
<td>E-6 SERIES</td>
<td>82,673</td>
<td>82,673</td>
<td>82,673</td>
<td>82,673</td>
<td></td>
</tr>
<tr>
<td>COMMON ECM EQUIPMENT</td>
<td>82,673</td>
<td>82,673</td>
<td>82,673</td>
<td>82,673</td>
<td></td>
</tr>
<tr>
<td>SPARES AND REPAIR PARTS</td>
<td>82,673</td>
<td>82,673</td>
<td>82,673</td>
<td>82,673</td>
<td></td>
</tr>
<tr>
<td>ADVISORY AND ASSISTANCE SERVICES</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>

#### EXPLANATION OF PROJECT LEVEL ADJUSTMENTS

[In thousands of dollars]

<table>
<thead>
<tr>
<th>ITEM</th>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>HYDRAULIC EXCAVATOR</td>
<td>4,749</td>
<td>4,749</td>
<td>4,749</td>
<td>5,749</td>
</tr>
<tr>
<td>ITEMS LESS THAN $2.0M (CSS-EQ)</td>
<td>4,749</td>
<td>4,749</td>
<td>4,749</td>
<td>5,749</td>
</tr>
<tr>
<td>V-22 (HEAVY LIFT)</td>
<td>2,787,783</td>
<td>2,568,083</td>
<td>2,787,783</td>
<td>30</td>
</tr>
<tr>
<td>COMMON GROUND EQUIPMENT</td>
<td>150,000</td>
<td>115,000</td>
<td>150,000</td>
<td>150,000</td>
</tr>
<tr>
<td>ADVISORY AND ASSISTANCE SERVICES</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

### EXPLANATION OF PROJECT LEVEL ADJUSTMENTS

[In thousands of dollars]

<table>
<thead>
<tr>
<th>ITEM</th>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>HYDRAULIC EXCAVATOR</td>
<td>4,749</td>
<td>4,749</td>
<td>4,749</td>
<td>5,749</td>
</tr>
<tr>
<td>ITEMS LESS THAN $2.0M (CSS-EQ)</td>
<td>4,749</td>
<td>4,749</td>
<td>4,749</td>
<td>5,749</td>
</tr>
<tr>
<td>V-22 (HEAVY LIFT)</td>
<td>2,787,783</td>
<td>2,568,083</td>
<td>2,787,783</td>
<td>30</td>
</tr>
<tr>
<td>COMMON GROUND EQUIPMENT</td>
<td>150,000</td>
<td>115,000</td>
<td>150,000</td>
<td>150,000</td>
</tr>
<tr>
<td>ADVISORY AND ASSISTANCE SERVICES</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>
The conference agreement on items addressed by either the House or the Senate is as follows:

### WEAPONS PROCUREMENT, NAVY

<table>
<thead>
<tr>
<th>Item Description</th>
<th>House</th>
<th>Senate</th>
<th>Qty</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trident I (AP-CY)</td>
<td>63,800</td>
<td>62,800</td>
<td>42,800</td>
<td>52,800</td>
</tr>
<tr>
<td>Tomahawk</td>
<td>128,758</td>
<td>32,258</td>
<td>128,758</td>
<td>32,258</td>
</tr>
<tr>
<td>ARAAM</td>
<td>62,841</td>
<td>55,641</td>
<td>51,641</td>
<td>115,342</td>
</tr>
<tr>
<td>JASSM</td>
<td>123,207</td>
<td>110,607</td>
<td>109,607</td>
<td>117,907</td>
</tr>
<tr>
<td>SLAM-ER</td>
<td>39,506</td>
<td>39,506</td>
<td>39,506</td>
<td>39,506</td>
</tr>
<tr>
<td>Standard Missile</td>
<td>225,702</td>
<td>215,702</td>
<td>210,702</td>
<td>210,702</td>
</tr>
<tr>
<td>Penguin</td>
<td>10,000</td>
<td>10,000</td>
<td>10,000</td>
<td>10,000</td>
</tr>
<tr>
<td>Aerial Targets</td>
<td>75,474</td>
<td>72,774</td>
<td>72,774</td>
<td>72,774</td>
</tr>
<tr>
<td>drones and decoys</td>
<td>298</td>
<td>298</td>
<td>298</td>
<td>298</td>
</tr>
<tr>
<td>Harpoon Mod</td>
<td>284,596</td>
<td>30,596</td>
<td>30,596</td>
<td>30,596</td>
</tr>
<tr>
<td>Weapons Industrial Facilities</td>
<td>27,133</td>
<td>25,133</td>
<td>27,133</td>
<td>27,133</td>
</tr>
<tr>
<td>Mk-48 Torpedo ADCP mods</td>
<td>53,812</td>
<td>50,612</td>
<td>50,612</td>
<td>50,612</td>
</tr>
<tr>
<td>COWS Mod</td>
<td>2,778</td>
<td>2,778</td>
<td>2,778</td>
<td>2,778</td>
</tr>
<tr>
<td>5/15 Gun Mount mods</td>
<td>909</td>
<td>909</td>
<td>909</td>
<td>909</td>
</tr>
<tr>
<td>Advisory and Assistance services</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

### EXPLANATION OF PROJECT LEVEL ADJUSTMENTS

<table>
<thead>
<tr>
<th>Item Description</th>
<th>House</th>
<th>Senate</th>
<th>Qty</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amraam</td>
<td>62,641</td>
<td>55,641</td>
<td>51,641</td>
<td>51,641</td>
</tr>
<tr>
<td>Program reduction/merger savings</td>
<td>7,000</td>
<td>7,000</td>
<td>7,000</td>
<td>7,000</td>
</tr>
<tr>
<td>Standard Missile</td>
<td>225,702</td>
<td>215,702</td>
<td>210,702</td>
<td>210,702</td>
</tr>
<tr>
<td>Support costs</td>
<td>70,000</td>
<td>70,000</td>
<td>70,000</td>
<td>70,000</td>
</tr>
<tr>
<td>Program reduction/merger savings</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

### PROCUREMENT OF AMMUNITION, NAVY AND MARINE CORPS

<table>
<thead>
<tr>
<th>Item Description</th>
<th>House</th>
<th>Senate</th>
<th>Qty</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Purpose Bombs</td>
<td>22,907</td>
<td>22,907</td>
<td>22,907</td>
<td>22,907</td>
</tr>
<tr>
<td>IOSM</td>
<td>41,363</td>
<td>41,363</td>
<td>41,363</td>
<td>41,363</td>
</tr>
<tr>
<td>Practice Bombs</td>
<td>40,134</td>
<td>40,134</td>
<td>40,134</td>
<td>40,134</td>
</tr>
<tr>
<td>Extended Range Guided Munitions (ERGM)</td>
<td>27,452</td>
<td>27,452</td>
<td>27,452</td>
<td>27,452</td>
</tr>
<tr>
<td>50 Caliber</td>
<td>1,000</td>
<td>1,000</td>
<td>1,000</td>
<td>1,000</td>
</tr>
<tr>
<td>60 MM, All Types</td>
<td>1,000</td>
<td>1,000</td>
<td>1,000</td>
<td>1,000</td>
</tr>
<tr>
<td>105MM, All Types</td>
<td>14,054</td>
<td>14,054</td>
<td>14,054</td>
<td>14,054</td>
</tr>
<tr>
<td>120MM TPSG-9 T-M886</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>120MM TP-T M899</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>120MM TP-T M999</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>120MM TP-T M999</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>9 MM, All Types</td>
<td>2,332</td>
<td>2,332</td>
<td>2,332</td>
<td>2,332</td>
</tr>
<tr>
<td>Grenade, All Types</td>
<td>4,893</td>
<td>4,893</td>
<td>4,893</td>
<td>4,893</td>
</tr>
<tr>
<td>Rockets, All Types</td>
<td>22,346</td>
<td>22,346</td>
<td>22,346</td>
<td>22,346</td>
</tr>
<tr>
<td>Demolition MUNITIONS, All Types</td>
<td>7,275</td>
<td>7,275</td>
<td>7,275</td>
<td>7,275</td>
</tr>
<tr>
<td>Fuzes, All Types</td>
<td>13,645</td>
<td>13,645</td>
<td>13,645</td>
<td>13,645</td>
</tr>
<tr>
<td>Advisory and Assistance Services</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

### SHIPBUILDING AND CONVERSION, NAVY

<table>
<thead>
<tr>
<th>Item Description</th>
<th>House</th>
<th>Senate</th>
<th>Qty</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>DDG-51</td>
<td>2,672,078</td>
<td>2,672,078</td>
<td>3</td>
<td>2,672,078</td>
</tr>
</tbody>
</table>
### NIMITZ OVERHAUL

The conference withdraws direction in the fiscal year 1998 conference report that $20,000,000 of the amount budgeted for the Nimitz overall is only for the ship self-defense system (SDESS) and Navy plans to ensure the post delivery availability or backfit of enhanced combat systems and self-defense alternatives for the LPD-17 class ships.

The Navy desires to move to the more capable advanced enclosed mast system (EMS) for the LPD-17 class ships and has informed the Appropriations Committees it has sufficient funds for this program. The conferees direct the Navy to include the AEMS on LPD 17 and 18 and to provide sufficient funds for the AEMS on subsequent ships. Should additional funding be required the Navy is directed to request reprogramming or ship cost adjustments next year. The conferees concur with the House direction regarding the evaluation of combat systems and ship self-defense alternatives for the LPD-17 class ships.

Currently planned systems are not sufficient to meet the anti-ship cruise missile and other threat scenarios. The report to the Appropriations Committees shall include, but not be limited to, alternatives such as multifunction radars together with an evolved sea sparrow to enhance cruise missile defense and plans to ensure the post delivery availability or backfit of enhanced combat system and ship self defense alternatives for the LPD-17 class ships.

### OTHER PROCUREMENT, NAVY

- **The conference agreement on items addressed by either the House or the Senate is as follows:**

<table>
<thead>
<tr>
<th>Item Description</th>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Qty</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OTHER PROCUREMENT, NAVY</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>OTHER GENERATORS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>9,637</td>
<td>9,637</td>
<td>9,637</td>
<td>9,437</td>
<td></td>
</tr>
<tr>
<td><strong>OTHER NAVIGATION EQUIPMENT</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>45,259</td>
<td>61,259</td>
<td>57,259</td>
<td>59,259</td>
<td></td>
</tr>
<tr>
<td><strong>MINEFIELD DETECTION</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>149,669</td>
<td>139,669</td>
<td>123,669</td>
<td>139,669</td>
<td></td>
</tr>
<tr>
<td><strong>BATTLEFIELD SPECTRAL DESCRIPTORS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>58,394</td>
<td>55,394</td>
<td>58,394</td>
<td>58,394</td>
<td></td>
</tr>
<tr>
<td><strong>NAVIGATIONAL RADAR</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>277,338</td>
<td>201,038</td>
<td>227,338</td>
<td>227,338</td>
<td></td>
</tr>
<tr>
<td><strong>NAVIGATION EQUIPMENT</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>13,542</td>
<td>13,542</td>
<td>13,542</td>
<td>13,542</td>
<td></td>
</tr>
<tr>
<td><strong>LAUNCHER SYSTEMS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>9,637</td>
<td>9,637</td>
<td>8,437</td>
<td>8,437</td>
<td></td>
</tr>
<tr>
<td><strong>ENGAGEMENT SYSTEMS SUPPORT</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>47,332</td>
<td>82,332</td>
<td>19,432</td>
<td>82,332</td>
<td></td>
</tr>
<tr>
<td><strong>COMMAND, CONTROL, COMMUNICATIONS, COMPUTERS, AND INTELLIGENCE (C3) SYSTEMS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>17,167</td>
<td>17,167</td>
<td>17,167</td>
<td>17,167</td>
<td></td>
</tr>
<tr>
<td><strong>OTHER NAVIGATION EQUIPMENT</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>274,332</td>
<td>58,539</td>
<td>58,539</td>
<td>58,539</td>
<td></td>
</tr>
<tr>
<td><strong>SHORE ELECTRICAL ITEMS UNDER $2.0 MILLION</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2,559</td>
<td>10,559</td>
<td>2,559</td>
<td>10,559</td>
<td></td>
</tr>
<tr>
<td><strong>NAVIGATION EQUIPMENT</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>56,583</td>
<td>56,583</td>
<td>50,283</td>
<td>60,583</td>
<td></td>
</tr>
<tr>
<td><strong>WEAPONS RANGE SUPPORT EQUIPMENT</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>8,064</td>
<td>13,064</td>
<td>23,064</td>
<td>26,064</td>
<td></td>
</tr>
<tr>
<td><strong>NAVIGATION EQUIPMENT</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>279,028</td>
<td>247,528</td>
<td>271,028</td>
<td>247,528</td>
<td></td>
</tr>
<tr>
<td><strong>COMMAND SUPPORT EQUIPMENT</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>17,916</td>
<td>19,916</td>
<td>17,916</td>
<td>19,916</td>
<td></td>
</tr>
<tr>
<td><strong>WEAPONS RANGE SUPPORT EQUIPMENT</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>8,064</td>
<td>13,064</td>
<td>23,064</td>
<td>26,064</td>
<td></td>
</tr>
<tr>
<td><strong>NAVIGATION EQUIPMENT</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>279,028</td>
<td>247,528</td>
<td>271,028</td>
<td>247,528</td>
<td></td>
</tr>
</tbody>
</table>

### EXPLANATION OF PROJECT LEVEL ADJUSTMENTS

- **[In thousands of dollars]**

<table>
<thead>
<tr>
<th>Item Description</th>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Qty</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>WEAPON RANGE SUPPORT EQUIPMENT</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>11,100</td>
<td>11,100</td>
<td>11,100</td>
<td>11,100</td>
<td></td>
</tr>
<tr>
<td><strong>NAVIGATION EQUIPMENT</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>9,437</td>
<td>9,437</td>
<td>9,437</td>
<td>9,437</td>
<td></td>
</tr>
<tr>
<td><strong>NAVIGATION EQUIPMENT</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>65,827</td>
<td>65,827</td>
<td>65,827</td>
<td>65,827</td>
<td></td>
</tr>
</tbody>
</table>
The conference agreement on items addressed by either the House or the Senate is as follows:

**PROCUREMENT, MARINE CORPS**

<table>
<thead>
<tr>
<th>MODIFICATION KITS (TRKD VEH)</th>
<th>5,726</th>
<th>5,726</th>
<th>25,326</th>
<th>7,726</th>
</tr>
</thead>
<tbody>
<tr>
<td>MOD KITS (ARTILLERY)</td>
<td>1,003</td>
<td>1,003</td>
<td>4,309</td>
<td>2,009</td>
</tr>
<tr>
<td>FEDERAL MOUNTED STINGER (FMS)</td>
<td>218</td>
<td>218</td>
<td>5,218</td>
<td>3,218</td>
</tr>
<tr>
<td>AUTO TEST EQUIP SYS</td>
<td>18,312</td>
<td>18,312</td>
<td>34,312</td>
<td>29,312</td>
</tr>
<tr>
<td>NIGHT VISION EQUIPMENT</td>
<td>7,497</td>
<td>7,497</td>
<td>7,891</td>
<td>7,391</td>
</tr>
<tr>
<td>COMMAND POST SYSTEMS</td>
<td>11,563</td>
<td>11,563</td>
<td>50,063</td>
<td>33,063</td>
</tr>
<tr>
<td>COMM &amp; ELECTRIC INFRASTRUCTURE SUPPORT</td>
<td>57,862</td>
<td>57,862</td>
<td>89,692</td>
<td>105,862</td>
</tr>
<tr>
<td>MOD KITS (INTEL)</td>
<td>27,427</td>
<td>27,427</td>
<td>27,427</td>
<td>33,927</td>
</tr>
<tr>
<td>COMMERCIAL CARGO VEHICLES</td>
<td>8,821</td>
<td>8,821</td>
<td>7,624</td>
<td>8,821</td>
</tr>
<tr>
<td>MEDIUM TACTICAL VEHICLE REPLACEMENT</td>
<td>83,717</td>
<td>83,717</td>
<td>119,817</td>
<td>120,592</td>
</tr>
<tr>
<td>LT TACTICAL VEHICLE REMANUFACTURE (LTVR)</td>
<td>39,263</td>
<td>72,763</td>
<td>66,263</td>
<td>69,263</td>
</tr>
<tr>
<td>COMMERCIAL INFRARED VEHICLES</td>
<td>5,972</td>
<td>5,972</td>
<td>11,372</td>
<td>8,372</td>
</tr>
<tr>
<td>COMM &amp; ELEC INFRASTRUCTURE SUPPORT</td>
<td>7,134</td>
<td>7,134</td>
<td>12,134</td>
<td>17,134</td>
</tr>
<tr>
<td>COMMAND POST SYSTEMS</td>
<td>7,134</td>
<td>7,134</td>
<td>12,134</td>
<td>17,134</td>
</tr>
<tr>
<td>COMM &amp; ELECTRIC INFRASTRUCTURE SUPPORT</td>
<td>5,972</td>
<td>5,972</td>
<td>14,592</td>
<td>9,592</td>
</tr>
<tr>
<td>MOD KITS MAGTF C41</td>
<td>27,427</td>
<td>27,427</td>
<td>27,427</td>
<td>33,927</td>
</tr>
<tr>
<td>MATERIAL HANDLING EQUIP</td>
<td>6,453</td>
<td>11,453</td>
<td>16,853</td>
<td>11,453</td>
</tr>
<tr>
<td>ADVISORY &amp; ASSISTANCE SERVICES</td>
<td>-1,140</td>
<td>-1,140</td>
<td>-1,140</td>
<td>-1,140</td>
</tr>
</tbody>
</table>

**EXPLANATION OF PROJECT LEVEL ADJUSTMENTS**

<table>
<thead>
<tr>
<th>MODIFICATION KITS (TRKD VEH)</th>
<th>5,726</th>
<th>5,726</th>
<th>25,326</th>
<th>7,726</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mod kits for tracked vehicles</td>
<td>0</td>
<td>0</td>
<td>4,600</td>
<td>2,000</td>
</tr>
<tr>
<td>(ITF enhanced core communications)</td>
<td>0</td>
<td>0</td>
<td>15,000</td>
<td>0</td>
</tr>
<tr>
<td>Note: Funds are provided under Command Post Systems</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AUTO TEST EQUIP SYS</td>
<td>19,312</td>
<td>19,312</td>
<td>34,312</td>
<td>29,312</td>
</tr>
<tr>
<td>OSE-SAV, TOWD and Abrams</td>
<td>0</td>
<td>0</td>
<td>15,000</td>
<td>10,000</td>
</tr>
<tr>
<td>NIGHT VISION EQUIPMENT</td>
<td>11,563</td>
<td>11,563</td>
<td>50,063</td>
<td>33,063</td>
</tr>
<tr>
<td>Boreights</td>
<td>0</td>
<td>0</td>
<td>1,000</td>
<td>1,000</td>
</tr>
<tr>
<td>Laser aiming modules</td>
<td>0</td>
<td>0</td>
<td>8,000</td>
<td>2,000</td>
</tr>
<tr>
<td>Gen III tubes</td>
<td>0</td>
<td>0</td>
<td>5,000</td>
<td>3,000</td>
</tr>
<tr>
<td>AN/AE-8 night vision pogo OMNI retrofit</td>
<td>5,972</td>
<td>5,972</td>
<td>14,592</td>
<td>9,592</td>
</tr>
<tr>
<td>COMMAND POST SYSTEMS</td>
<td>7,134</td>
<td>7,134</td>
<td>12,134</td>
<td>17,134</td>
</tr>
<tr>
<td>(ITF enhanced core communications)</td>
<td>0</td>
<td>0</td>
<td>10,000</td>
<td>0</td>
</tr>
<tr>
<td>Note: Senate added $13,000,000 under Modification Kits (Tracked Vehicles)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>COMM &amp; ELECTRIC INFRASTRUCTURE SUPPORT</td>
<td>57,862</td>
<td>57,862</td>
<td>89,692</td>
<td>105,862</td>
</tr>
<tr>
<td>Upgrade - Quantico, 29 Palms, Barstow</td>
<td>0</td>
<td>0</td>
<td>12,000</td>
<td>10,000</td>
</tr>
<tr>
<td>Upgrades - non-specific</td>
<td>0</td>
<td>0</td>
<td>74,100</td>
<td>16,000</td>
</tr>
<tr>
<td>Note: Funds are provided for Quantico MCB, 29 Palms MCB, Barstow MCB, and Albany MCB</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MOD KITS MAGTF C41</td>
<td>27,427</td>
<td>27,427</td>
<td>27,427</td>
<td>33,927</td>
</tr>
<tr>
<td>MONOS</td>
<td>0</td>
<td>0</td>
<td>6,500</td>
<td>6,500</td>
</tr>
</tbody>
</table>

**DIRECT SUPPORT ELECTRICAL SYSTEM TEST SETS**

The conference agreement on items addressed by either the House or the Senate is as follows:

**AIRCRAFT PROCUREMENT, AIR FORCE**

The conference agreement on items addressed by either the House or the Senate is as follows:

| ADVANCED TACTICAL FIGHTER (F-22) | 509,094 | 525,094 | 595,094 | 381,094 |
| F-16 C/D (MYP)                   | 60,000 | 60,000 | 60,000 | 60,000 |
| F-15 C/D (MYP)                   | 60,000 | 60,000 | 60,000 | 60,000 |
| B-1B                             | 91,614 | 91,614 | 95,614 | 91,614 |
| B-22                             | 20,000 | 20,000 | 20,000 | 20,000 |
| B-52                             | 229,319 | 229,319 | 229,319 | 229,319 |
| B-5                                | 229,319 | 229,319 | 229,319 | 229,319 |
| B-10                              | 53,700 | 53,700 | 53,700 | 53,700 |
| C-13                              | 119,563 | 119,563 | 119,563 | 119,563 |
| C-135                             | 291,070 | 341,070 | 381,070 | 291,070 |
| E-3                               | 139,242 | 139,242 | 139,242 | 139,242 |
| E-4                               | 139,242 | 139,242 | 139,242 | 139,242 |
### Defense Airborne Reconnaissance Program

The conferees direct that the Air Force use the previously appropriated funds and, if necessary, a below threshold reprogramming to complete the demonstration and test of the Theater Airborne Warning System (TAWS). The conferees believe that any continuation of this program should be budgeted for in the Air Force’s fiscal year 2000 request.

### Missile Procurement Air Force

The conference agreement on items addressed by either the House or the Senate is as follows:

**EXPLANATION OF PROJECT LEVEL ADJUSTMENTS**

**[In thousands of dollars]**

<table>
<thead>
<tr>
<th>Category</th>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Qty</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>AIRRAAM</td>
<td>114,927</td>
<td>93,727</td>
<td>87,323</td>
<td>100</td>
<td>93,727</td>
</tr>
<tr>
<td>TARGET DRONES</td>
<td>36,263</td>
<td>36,263</td>
<td>26,263</td>
<td>50,000</td>
<td>26,263</td>
</tr>
<tr>
<td>MM III MODIFICATIONS</td>
<td>90,618</td>
<td>136,018</td>
<td>120,618</td>
<td>200,000</td>
<td>120,618</td>
</tr>
<tr>
<td>AGM-130 MAVERICK</td>
<td>9,000</td>
<td>9,000</td>
<td>3,000</td>
<td>3,000</td>
<td></td>
</tr>
<tr>
<td>GLOBAL POSITIONING (MYP) SPACE (AP-CY)</td>
<td>77,400</td>
<td>77,400</td>
<td>77,400</td>
<td>77,400</td>
<td></td>
</tr>
<tr>
<td>INERTIAL UPPER STAGES SPACE</td>
<td>48,012</td>
<td>48,012</td>
<td>37,812</td>
<td>44,012</td>
<td></td>
</tr>
<tr>
<td>TITAN SPACE BOOSTERS SPACE</td>
<td>378,540</td>
<td>550,540</td>
<td>548,540</td>
<td>548,540</td>
<td></td>
</tr>
<tr>
<td>MEDIUM LAUNCH VEHICLE SPACE</td>
<td>188,406</td>
<td>177,406</td>
<td>188,406</td>
<td>177,406</td>
<td></td>
</tr>
<tr>
<td>DEFENSE SUPPORT PROGRAM SPACE</td>
<td>89,904</td>
<td>89,904</td>
<td>89,904</td>
<td>89,904</td>
<td></td>
</tr>
<tr>
<td>SPECIAL WEAPON PROGRAMS</td>
<td>224,299</td>
<td>204,999</td>
<td>151,299</td>
<td>151,299</td>
<td></td>
</tr>
<tr>
<td>COMMON ECM EQUIPMENT</td>
<td>616,271</td>
<td>576,271</td>
<td>531,271</td>
<td>531,271</td>
<td></td>
</tr>
<tr>
<td>ADVISORY AND ASSISTANCE SERVICES</td>
<td>-11,676</td>
<td>-11,676</td>
<td>-11,676</td>
<td>-11,676</td>
<td></td>
</tr>
</tbody>
</table>

**EXPLANATION OF PROJECT LEVEL ADJUSTMENTS**

**[In thousands of dollars]**

<table>
<thead>
<tr>
<th>Category</th>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Qty</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>AIRRAAM</td>
<td>114,927</td>
<td>93,727</td>
<td>87,323</td>
<td>100</td>
<td>93,727</td>
</tr>
<tr>
<td>Merger savings program reduction</td>
<td>0</td>
<td>-20,900</td>
<td>-20,900</td>
<td>-20,900</td>
<td>0</td>
</tr>
<tr>
<td>Restructured program</td>
<td>0</td>
<td>0</td>
<td>-10,000</td>
<td>-10,000</td>
<td>0</td>
</tr>
</tbody>
</table>

### Procurement of Ammunition, Air Force

The conference agreement on items addressed by either the House or the Senate is as follows:

**[In thousands of dollars]**

<table>
<thead>
<tr>
<th>Category</th>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Qty</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>AIRRAAM</td>
<td>114,927</td>
<td>93,727</td>
<td>87,323</td>
<td>100</td>
<td>93,727</td>
</tr>
<tr>
<td>Merger savings program reduction</td>
<td>0</td>
<td>-20,900</td>
<td>-20,900</td>
<td>-20,900</td>
<td>0</td>
</tr>
<tr>
<td>Restructured program</td>
<td>0</td>
<td>0</td>
<td>-10,000</td>
<td>-10,000</td>
<td>0</td>
</tr>
</tbody>
</table>
## Other Procurement, Air Force

The conference agreement on items addressed by either the House or the Senate is as follows:

<table>
<thead>
<tr>
<th>Item Description</th>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Qty</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sedan, 4 DR 4X2</td>
<td>780</td>
<td>780</td>
<td>.......</td>
<td>.....</td>
<td>....</td>
</tr>
<tr>
<td>Station Wagon, 4X2</td>
<td>413</td>
<td>413</td>
<td>.......</td>
<td>.....</td>
<td>....</td>
</tr>
<tr>
<td>Buses</td>
<td>5,174</td>
<td>5,174</td>
<td>.......</td>
<td>.....</td>
<td>....</td>
</tr>
<tr>
<td>Ambulances</td>
<td>306</td>
<td>306</td>
<td>.......</td>
<td>.....</td>
<td>....</td>
</tr>
<tr>
<td>Armored Sedan</td>
<td>239</td>
<td>239</td>
<td>.......</td>
<td>.....</td>
<td>....</td>
</tr>
<tr>
<td>Truck, Cargo-Utility, 1/2 T, 4X4</td>
<td>6,160</td>
<td>6,160</td>
<td>.......</td>
<td>.....</td>
<td>....</td>
</tr>
<tr>
<td>Truck, Cargo-Utility, 1/2 T, 4X2</td>
<td>2,612</td>
<td>2,612</td>
<td>.......</td>
<td>.....</td>
<td>....</td>
</tr>
<tr>
<td>Truck, Pick-up, Compact</td>
<td>3,379</td>
<td>3,379</td>
<td>.......</td>
<td>.....</td>
<td>....</td>
</tr>
<tr>
<td>Truck, Utility</td>
<td>3,347</td>
<td>3,347</td>
<td>124</td>
<td>3,347</td>
<td>....</td>
</tr>
<tr>
<td>Cap Vehicles</td>
<td>744</td>
<td>1,400</td>
<td>744</td>
<td>1,400</td>
<td>....</td>
</tr>
<tr>
<td>Intelligence Data Handling Sys</td>
<td>17,574</td>
<td>21,174</td>
<td>17,574</td>
<td>.....</td>
<td>20,674</td>
</tr>
<tr>
<td>Intelligence Comm Equip</td>
<td>5,697</td>
<td>8,097</td>
<td>5,697</td>
<td>.....</td>
<td>8,697</td>
</tr>
<tr>
<td>National Airspace System</td>
<td>45,308</td>
<td>45,308</td>
<td>45,308</td>
<td>.....</td>
<td>46,000</td>
</tr>
<tr>
<td>Theater Air Control Sys Improvement</td>
<td>30,002</td>
<td>32,502</td>
<td>30,002</td>
<td>.....</td>
<td>35,002</td>
</tr>
<tr>
<td>Tac Flight Support</td>
<td>9,893</td>
<td>9,893</td>
<td>.......</td>
<td>.....</td>
<td>....</td>
</tr>
<tr>
<td>Automatic Data Processing Equip</td>
<td>33,156</td>
<td>33,156</td>
<td>33,156</td>
<td>.....</td>
<td>36,156</td>
</tr>
<tr>
<td>AF Global Command &amp; Control Sys</td>
<td>8,105</td>
<td>8,105</td>
<td>8,105</td>
<td>.....</td>
<td>8,105</td>
</tr>
<tr>
<td>Combat Training Ranges</td>
<td>13,154</td>
<td>12,994</td>
<td>13,154</td>
<td>.....</td>
<td>12,994</td>
</tr>
<tr>
<td>C3 Countermesures</td>
<td>10,208</td>
<td>10,208</td>
<td>10,208</td>
<td>.....</td>
<td>10,208</td>
</tr>
<tr>
<td>Base Level Data Program</td>
<td>28,876</td>
<td>28,876</td>
<td>28,876</td>
<td>.....</td>
<td>28,876</td>
</tr>
<tr>
<td>Base Information Infrastructure</td>
<td>199,398</td>
<td>200,398</td>
<td>199,398</td>
<td>.....</td>
<td>199,398</td>
</tr>
<tr>
<td>AFE Satellite Control Network Space</td>
<td>26,007</td>
<td>26,007</td>
<td>26,007</td>
<td>.....</td>
<td>26,007</td>
</tr>
<tr>
<td>Tactical, C-E Equipment</td>
<td>31,056</td>
<td>31,056</td>
<td>31,056</td>
<td>.....</td>
<td>31,056</td>
</tr>
<tr>
<td>Combat Surveillance/Refueling Station Radio</td>
<td>13,757</td>
<td>13,757</td>
<td>13,757</td>
<td>.....</td>
<td>13,757</td>
</tr>
<tr>
<td>Cap &amp; Com 6 Elect</td>
<td>378</td>
<td>400</td>
<td>378</td>
<td>400</td>
<td>....</td>
</tr>
<tr>
<td>Night Vision Goggles</td>
<td>8,118</td>
<td>8,118</td>
<td>8,118</td>
<td>.....</td>
<td>8,118</td>
</tr>
<tr>
<td>Mechanized Material Handling Equip</td>
<td>14,516</td>
<td>14,516</td>
<td>14,516</td>
<td>.....</td>
<td>16,516</td>
</tr>
<tr>
<td>Base Procured Equipment</td>
<td>5,644</td>
<td>5,644</td>
<td>5,644</td>
<td>.....</td>
<td>5,644</td>
</tr>
<tr>
<td>Air Base Operations</td>
<td>9,762</td>
<td>9,762</td>
<td>9,762</td>
<td>.....</td>
<td>9,762</td>
</tr>
<tr>
<td>Productivity Investments</td>
<td>12,304</td>
<td>12,304</td>
<td>12,304</td>
<td>.....</td>
<td>12,304</td>
</tr>
<tr>
<td>Intelligence Production Activity</td>
<td>72,605</td>
<td>72,605</td>
<td>72,605</td>
<td>.....</td>
<td>72,605</td>
</tr>
<tr>
<td>Common Imagery/GPS/SM/ISR Sys</td>
<td>3,083</td>
<td>3,083</td>
<td>3,083</td>
<td>.....</td>
<td>3,083</td>
</tr>
<tr>
<td>DARPA ACTS</td>
<td>5,322,644</td>
<td>5,405,644</td>
<td>5,256,344</td>
<td>.....</td>
<td>5,324,744</td>
</tr>
<tr>
<td>Selected Activities</td>
<td>179,813</td>
<td>180,813</td>
<td>180,813</td>
<td>.....</td>
<td>180,813</td>
</tr>
<tr>
<td>Special Update Program</td>
<td>179,813</td>
<td>180,813</td>
<td>180,813</td>
<td>.....</td>
<td>180,813</td>
</tr>
<tr>
<td>First Destination Transportation</td>
<td>16,000</td>
<td>16,000</td>
<td>16,000</td>
<td>.....</td>
<td>16,000</td>
</tr>
<tr>
<td>SPM 6 and Repair Parts</td>
<td>52,712</td>
<td>52,712</td>
<td>52,712</td>
<td>.....</td>
<td>53,000</td>
</tr>
<tr>
<td>Vehicular Leases</td>
<td>4,887</td>
<td>2,400</td>
<td>.......</td>
<td>.....</td>
<td>....</td>
</tr>
<tr>
<td>Vehicle Purchase</td>
<td>4,887</td>
<td>2,400</td>
<td>.......</td>
<td>.....</td>
<td>....</td>
</tr>
<tr>
<td>Advisory and Assistance Services</td>
<td>4,887</td>
<td>2,400</td>
<td>.......</td>
<td>.....</td>
<td>....</td>
</tr>
<tr>
<td>Explanation of Project Level Adjustments</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Explanation of Project Level Adjustments

<table>
<thead>
<tr>
<th>Item Description</th>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mobile Radar Approach Control (RAPCON) for Air National Guard</td>
<td>30,002</td>
<td>32,502</td>
<td>30,002</td>
<td>35,002</td>
</tr>
<tr>
<td>Contract savings</td>
<td>0</td>
<td>8,000</td>
<td>0</td>
<td>8,000</td>
</tr>
<tr>
<td>Automatic Data Processing Equip</td>
<td>33,156</td>
<td>33,156</td>
<td>33,156</td>
<td>36,656</td>
</tr>
<tr>
<td>Base Level Data Program</td>
<td>28,876</td>
<td>28,876</td>
<td>28,876</td>
<td>28,876</td>
</tr>
<tr>
<td>Combat Training Ranges</td>
<td>13,154</td>
<td>12,994</td>
<td>13,154</td>
<td>12,994</td>
</tr>
<tr>
<td>Supply Asset Tracking System (transfer)</td>
<td>0</td>
<td>5,000</td>
<td>0</td>
<td>5,000</td>
</tr>
<tr>
<td>Base Information Infrastructure</td>
<td>199,398</td>
<td>200,398</td>
<td>199,398</td>
<td>200,398</td>
</tr>
<tr>
<td>Office of Security and Investigations Computer Crime Investigations</td>
<td>0</td>
<td>1,000</td>
<td>0</td>
<td>1,000</td>
</tr>
<tr>
<td>Program reduction</td>
<td>0</td>
<td>-1,000</td>
<td>0</td>
<td>-1,000</td>
</tr>
<tr>
<td>Mechanized Material Handling Equip (transfer)</td>
<td>14,516</td>
<td>14,516</td>
<td>14,516</td>
<td>14,516</td>
</tr>
<tr>
<td>Automated Integrated Surveying Equipment</td>
<td>0</td>
<td>800</td>
<td>0</td>
<td>800</td>
</tr>
<tr>
<td>Ultimate Building Machines for Air National Guard</td>
<td>0</td>
<td>800</td>
<td>0</td>
<td>800</td>
</tr>
</tbody>
</table>

## Procurement, Defense-Wide

The conference agreement on items addressed by either the House or the Senate is as follows:

<table>
<thead>
<tr>
<th>Item Description</th>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Major Equipment, OSD</td>
<td>100,245</td>
<td>137,245</td>
<td>100,245</td>
<td>120,245</td>
</tr>
<tr>
<td>DARPA</td>
<td>77,435</td>
<td>77,435</td>
<td>77,435</td>
<td>94,435</td>
</tr>
<tr>
<td>Defense Airborne Reconnaissance Program</td>
<td>11,988</td>
<td>11,988</td>
<td>11,988</td>
<td>11,988</td>
</tr>
<tr>
<td>Defense Support Activities</td>
<td>68,682</td>
<td>68,682</td>
<td>68,682</td>
<td>68,682</td>
</tr>
<tr>
<td>Automatic Data Processing Conversion System</td>
<td>16,214</td>
<td>16,214</td>
<td>.......</td>
<td>.....</td>
</tr>
<tr>
<td>Major Equipment, DSPO</td>
<td>343,235</td>
<td>363,235</td>
<td>323,235</td>
<td>40,235</td>
</tr>
<tr>
<td>C-130 Modifications</td>
<td>58,599</td>
<td>58,599</td>
<td>58,599</td>
<td>60,599</td>
</tr>
<tr>
<td>SOF Organic Acquisition</td>
<td>15,399</td>
<td>15,399</td>
<td>15,399</td>
<td>15,399</td>
</tr>
<tr>
<td>Maritime Equipment Modifications</td>
<td>28,012</td>
<td>28,012</td>
<td>28,012</td>
<td>28,012</td>
</tr>
<tr>
<td>Classified Programs</td>
<td>73,991</td>
<td>73,991</td>
<td>73,991</td>
<td>73,991</td>
</tr>
<tr>
<td>Consequence Management</td>
<td>15,000</td>
<td>15,000</td>
<td>15,000</td>
<td>15,000</td>
</tr>
<tr>
<td>Classified Programs</td>
<td>349,694</td>
<td>407,694</td>
<td>349,694</td>
<td>370,694</td>
</tr>
<tr>
<td>Military Personnel Information System</td>
<td>42,000</td>
<td>42,000</td>
<td>42,000</td>
<td>42,000</td>
</tr>
</tbody>
</table>
Patriot Advanced Capability 3 (PAC-3)

The conferees agree to provide $248,235,000, a decrease of $95,000,000 to the budget request for Patriot PAC-3 procurement, based on delays in the test program and in execution of the fiscal year (FY) 1998 Low Rate Initial Procurement (LRIP). The conferees direct that the FY 1998 PAC-3 LRIP funds may not be obligated until the PAC-3 missile successfully completes two intercept flight tests.

National Guard and Reserve Equipment

The conference agreement on items addressed by either the House or the Senate is as follows:

<table>
<thead>
<tr>
<th>Item Description</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>$232,000,000</td>
<td>$40,000,000</td>
<td>$192,000,000</td>
<td></td>
</tr>
</tbody>
</table>

Title IV—Research, Development, Test and Evaluation

The conference agreement is as follows:

<table>
<thead>
<tr>
<th>Item Description</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>RECAPITULATION</td>
<td>4,780,545</td>
<td>4,907,446</td>
<td>4,891,640</td>
</tr>
<tr>
<td>RDT &amp; EVALUATION</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY</td>
<td>36,078,577</td>
<td>35,928,042</td>
<td>36,107,571</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Item Description</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>IN-HOUSE LABORATORY INDEPENDENT RESEARCH</td>
<td>14,902</td>
<td>13,678</td>
<td>14,902</td>
</tr>
<tr>
<td>DEFENSE RESEARCH SCIENCES</td>
<td>137,399</td>
<td>121,827</td>
<td>129,463</td>
</tr>
<tr>
<td>TRACTOR KIDS</td>
<td>6,000</td>
<td>6,000</td>
<td>6,000</td>
</tr>
<tr>
<td>MATERIALS TECHNOLOGY</td>
<td>10,137</td>
<td>10,137</td>
<td>10,137</td>
</tr>
<tr>
<td>SENSORS AND ELECTRONIC SURVIVABILITY</td>
<td>18,736</td>
<td>18,736</td>
<td>18,736</td>
</tr>
<tr>
<td>AVIATION TECHNOLOGY</td>
<td>25,184</td>
<td>25,184</td>
<td>25,184</td>
</tr>
<tr>
<td>MISSILE TECHNOLOGY</td>
<td>27,981</td>
<td>24,063</td>
<td>24,063</td>
</tr>
<tr>
<td>MODELING AND SIMULATION TECHNOLOGY</td>
<td>40,107</td>
<td>30,107</td>
<td>44,362</td>
</tr>
<tr>
<td>COMBAT VEHICLE AND AUTOMOTIVE TECHNOLOGY</td>
<td>27,981</td>
<td>24,063</td>
<td>24,063</td>
</tr>
</tbody>
</table>

CONGRESSIONAL RECORD – HOUSE

September 25, 1998

H8701

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS

[In thousands of dollars]
<table>
<thead>
<tr>
<th>Category</th>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medical Advanced Technology</td>
<td>11,012</td>
<td>179,012</td>
<td>20,000</td>
<td>2,000</td>
</tr>
<tr>
<td>Disaster Relief and Emergency Medical Services</td>
<td>0</td>
<td>15,000</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Assistive Technology</td>
<td>8,000</td>
<td>0</td>
<td>4,000</td>
<td>4,000</td>
</tr>
<tr>
<td>Glaucoma</td>
<td>9,000</td>
<td>0</td>
<td>4,000</td>
<td>4,000</td>
</tr>
<tr>
<td>Digital x-ray</td>
<td>5,000</td>
<td>0</td>
<td>4,000</td>
<td>4,000</td>
</tr>
<tr>
<td>National Medical Testbed</td>
<td>11,000</td>
<td>0</td>
<td>8,000</td>
<td>8,000</td>
</tr>
<tr>
<td>Nutrition Research</td>
<td>0</td>
<td>2,000</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Breast Cancer Peer Review</td>
<td>135,000</td>
<td>0</td>
<td>135,000</td>
<td>135,000</td>
</tr>
<tr>
<td>Intracranial Hernia Repair</td>
<td>0</td>
<td>1,000</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Prostate</td>
<td>0</td>
<td>50,000</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Volume Irrigation</td>
<td>2,000</td>
<td>0</td>
<td>4,000</td>
<td>4,000</td>
</tr>
<tr>
<td>WEAPONS AND MUNITIONS ADVANCED TECHNOLOGY</td>
<td>24,555</td>
<td>27,055</td>
<td>29,055</td>
<td>25,055</td>
</tr>
<tr>
<td>MURS Smart Tactical Rocket</td>
<td>0</td>
<td>5,000</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>ER fluid recoil system</td>
<td>5,000</td>
<td>0</td>
<td>5,000</td>
<td>5,000</td>
</tr>
<tr>
<td>Precision guided mortar munition</td>
<td>0</td>
<td>3,000</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>COMBAT VEHICLES AUTOMOTIVE ADVANCED TECHNOLOGY</td>
<td>54,435</td>
<td>54,435</td>
<td>49,173</td>
<td>61,735</td>
</tr>
<tr>
<td>Aluminum metal matrix</td>
<td>0</td>
<td>6,500</td>
<td>0</td>
<td>4,000</td>
</tr>
<tr>
<td>Heavy brake propulsion systems</td>
<td>0</td>
<td>3,500</td>
<td>0</td>
<td>2,500</td>
</tr>
<tr>
<td>Getzl engine testing</td>
<td>0</td>
<td>2,000</td>
<td>800</td>
<td>800</td>
</tr>
<tr>
<td>Program reduction</td>
<td>0</td>
<td>17,000</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>MISSLE AND ROCKET ADVANCED TECHNOLOGY</td>
<td>86,096</td>
<td>47,896</td>
<td>92,096</td>
<td>71,896</td>
</tr>
<tr>
<td>OTS</td>
<td>0</td>
<td>26,700</td>
<td>0</td>
<td>15,700</td>
</tr>
<tr>
<td>MURS Smart Tactical Rocket</td>
<td>0</td>
<td>2,500</td>
<td>0</td>
<td>2,500</td>
</tr>
<tr>
<td>Future missile technology</td>
<td>0</td>
<td>6,000</td>
<td>0</td>
<td>4,000</td>
</tr>
<tr>
<td>JOINT SERVICE SMALL ARMS PROGRAM</td>
<td>5,173</td>
<td>10,873</td>
<td>8,873</td>
<td>9,873</td>
</tr>
<tr>
<td>Objective crew served weapon</td>
<td>0</td>
<td>3,500</td>
<td>3,500</td>
<td>3,500</td>
</tr>
<tr>
<td>Objective individual combat weapon</td>
<td>0</td>
<td>3,500</td>
<td>3,500</td>
<td>3,500</td>
</tr>
<tr>
<td>NIGHT VISION ADVANCED TECHNOLOGY</td>
<td>23,960</td>
<td>23,960</td>
<td>24,960</td>
<td>24,960</td>
</tr>
<tr>
<td>Military wave technology (Note: funds are to be allocated for low cost millimeter wave technology ($500,000) and passive millimeter wave cameras technology ($3,000,000).)</td>
<td>0</td>
<td>2,500</td>
<td>3,500</td>
<td>0</td>
</tr>
<tr>
<td>JOINT TACTICAL RADIO</td>
<td>15,600</td>
<td>15,600</td>
<td>15,600</td>
<td>10,100</td>
</tr>
<tr>
<td>General Provision</td>
<td>0</td>
<td>10,981</td>
<td>0</td>
<td>5,500</td>
</tr>
<tr>
<td>ARMY MISSILE DEFENSE SYSTEMS INTEGRATION</td>
<td>12,240</td>
<td>21,240</td>
<td>38,240</td>
<td>37,740</td>
</tr>
<tr>
<td>SSGD Battalions</td>
<td>0</td>
<td>6,500</td>
<td>11,000</td>
<td>6,000</td>
</tr>
<tr>
<td>Tactical High Energy Laser</td>
<td>0</td>
<td>15,000</td>
<td>0</td>
<td>12,500</td>
</tr>
<tr>
<td>Range Upgrade/Air support upper state flight experiments (Note: Senate provided funds under 06334018)</td>
<td>26,526</td>
<td>46,526</td>
<td>28,526</td>
<td>36,026</td>
</tr>
<tr>
<td>ARMAMENT ENHANCEMENT INITIATIVE</td>
<td>0</td>
<td>20,000</td>
<td>0</td>
<td>17,500</td>
</tr>
<tr>
<td>Tank Extended Range Munition – Kinetic Energy</td>
<td>0</td>
<td>8,000</td>
<td>0</td>
<td>5,000</td>
</tr>
<tr>
<td>M203 grenade</td>
<td>0</td>
<td>8,000</td>
<td>0</td>
<td>5,000</td>
</tr>
<tr>
<td>ARMY DATA DISTRIBUTION SYSTEM</td>
<td>17,281</td>
<td>6,281</td>
<td>6,100</td>
<td>15,281</td>
</tr>
<tr>
<td>New Terminal/Backpack Radio</td>
<td>0</td>
<td>11,000</td>
<td>0</td>
<td>2,000</td>
</tr>
<tr>
<td>General Provision</td>
<td>0</td>
<td>10,981</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>ARTILLERY SYSTEMS – DENIAL</td>
<td>313,166</td>
<td>331,166</td>
<td>311,166</td>
<td>311,166</td>
</tr>
<tr>
<td>Alternative transmission</td>
<td>0</td>
<td>1,000</td>
<td>0</td>
<td>4,000</td>
</tr>
<tr>
<td>EW DEVELOPMENT</td>
<td>85,989</td>
<td>90,989</td>
<td>90,589</td>
<td>86,989</td>
</tr>
<tr>
<td>ATIRCM/CONWIC integration</td>
<td>0</td>
<td>5,000</td>
<td>8,000</td>
<td>5,000</td>
</tr>
<tr>
<td>Ground base common sensor</td>
<td>0</td>
<td>3,000</td>
<td>1,250</td>
<td>8,300</td>
</tr>
<tr>
<td>Trailer development</td>
<td>0</td>
<td>3,000</td>
<td>2,500</td>
<td>2,500</td>
</tr>
<tr>
<td>ARMY MORTAR DEFENSE SYSTEMS INTEGRATION</td>
<td>12,240</td>
<td>21,240</td>
<td>38,240</td>
<td>37,740</td>
</tr>
<tr>
<td>SSGD Battalions</td>
<td>0</td>
<td>6,500</td>
<td>11,000</td>
<td>6,000</td>
</tr>
<tr>
<td>Tactical High Energy Laser</td>
<td>0</td>
<td>15,000</td>
<td>0</td>
<td>12,500</td>
</tr>
<tr>
<td>Range Upgrade/Air support upper state flight experiments (Note: Senate provided funds under 06334018)</td>
<td>26,526</td>
<td>46,526</td>
<td>28,526</td>
<td>36,026</td>
</tr>
<tr>
<td>ARMAMENT ENHANCEMENT INITIATIVE</td>
<td>0</td>
<td>20,000</td>
<td>0</td>
<td>17,500</td>
</tr>
<tr>
<td>Tank Extended Range Munition – Kinetic Energy</td>
<td>0</td>
<td>8,000</td>
<td>0</td>
<td>5,000</td>
</tr>
<tr>
<td>M203 grenade</td>
<td>0</td>
<td>8,000</td>
<td>0</td>
<td>5,000</td>
</tr>
<tr>
<td>ARMY DATA DISTRIBUTION SYSTEM</td>
<td>17,281</td>
<td>6,281</td>
<td>6,100</td>
<td>15,281</td>
</tr>
<tr>
<td>New Terminal/Backpack Radio</td>
<td>0</td>
<td>11,000</td>
<td>0</td>
<td>2,000</td>
</tr>
<tr>
<td>General Provision</td>
<td>0</td>
<td>10,981</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>ARTILLERY SYSTEMS – DENIAL</td>
<td>313,166</td>
<td>331,166</td>
<td>311,166</td>
<td>311,166</td>
</tr>
<tr>
<td>Alternative transmission</td>
<td>0</td>
<td>1,000</td>
<td>0</td>
<td>4,000</td>
</tr>
<tr>
<td>EW DEVELOPMENT</td>
<td>85,989</td>
<td>90,989</td>
<td>90,589</td>
<td>86,989</td>
</tr>
<tr>
<td>ATIRCM/CONWIC integration</td>
<td>0</td>
<td>5,000</td>
<td>8,000</td>
<td>5,000</td>
</tr>
<tr>
<td>Ground base common sensor</td>
<td>0</td>
<td>3,000</td>
<td>1,250</td>
<td>8,300</td>
</tr>
<tr>
<td>Trailer development</td>
<td>0</td>
<td>3,000</td>
<td>2,500</td>
<td>2,500</td>
</tr>
<tr>
<td>ARMY MORTAR DEFENSE SYSTEMS INTEGRITION</td>
<td>12,240</td>
<td>21,240</td>
<td>38,240</td>
<td>37,740</td>
</tr>
<tr>
<td>SSGD Battalions</td>
<td>0</td>
<td>6,500</td>
<td>11,000</td>
<td>6,000</td>
</tr>
<tr>
<td>Tactical High Energy Laser</td>
<td>0</td>
<td>15,000</td>
<td>0</td>
<td>12,500</td>
</tr>
<tr>
<td>Range Upgrade/Air support upper state flight experiments (Note: Senate provided funds under 06334018)</td>
<td>26,526</td>
<td>46,526</td>
<td>28,526</td>
<td>36,026</td>
</tr>
<tr>
<td>ARMAMENT ENHANCEMENT INITIATIVE</td>
<td>0</td>
<td>20,000</td>
<td>0</td>
<td>17,500</td>
</tr>
<tr>
<td>Tank Extended Range Munition – Kinetic Energy</td>
<td>0</td>
<td>8,000</td>
<td>0</td>
<td>5,000</td>
</tr>
<tr>
<td>M203 grenade</td>
<td>0</td>
<td>8,000</td>
<td>0</td>
<td>5,000</td>
</tr>
<tr>
<td>ARMY DATA DISTRIBUTION SYSTEM</td>
<td>17,281</td>
<td>6,281</td>
<td>6,100</td>
<td>15,281</td>
</tr>
<tr>
<td>New Terminal/Backpack Radio</td>
<td>0</td>
<td>11,000</td>
<td>0</td>
<td>2,000</td>
</tr>
<tr>
<td>General Provision</td>
<td>0</td>
<td>10,981</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>ARTILLERY SYSTEMS – DENIAL</td>
<td>313,166</td>
<td>331,166</td>
<td>311,166</td>
<td>311,166</td>
</tr>
<tr>
<td>Alternative transmission</td>
<td>0</td>
<td>1,000</td>
<td>0</td>
<td>4,000</td>
</tr>
</tbody>
</table>
AEROSTAT | JOINT PROJECT OFFICE

The conferees have provided $35,000,000 for the Aerostat program to participate in joint demonstrations of surveillance technologies and to continue development efforts. Within the available funds, the conferees urge the Department to investigate issues associated with developing and demonstrating a deployable mobile large aerostate system platform.

LANDMINE WARFARE/BARRIER—ENG DEV

The conferees understand that the Department has launched a search for alternatives to anti-personnel landmines with the goal of fielding such alternatives as soon as practicable. The conferees support this effort relating to the identification, adoption, modification, research, and development of existing and new technologies and concepts that are militarily equivalent cost effective and safe. These efforts should result in: (1) a combat capability that is equivalent to the combat capability provided by anti-personnel landmines; and (2) a combat capability that is equivalent to the combat capability provided by anti-personnel landmines and anti-personnel landmine systems used in mixed systems.

ARMY MISSILE DEFENSE SYSTEMS INTEGRATION

The conferees are aware of the High Accuracy Guidance (HAG) system and its potential to improve the capability of the seeker found in certain missile defense interceptors. Therefore, the conferees strongly urge the Department to conduct additional tests of the HAG system.

ANTI-ARMOR WEAPONS MASTER PLAN

The conferees agree with the House direction with regard to submission of an Anti-Tank Weapon Master Plan and further direct that the scope of the report be expanded to include all DoD weapon systems with an anti-armor capability.

ULTRA-LIGHT STEEL BASED HIGH MOBILITY MULTI-PURPOSE WHEELED VEHICLE (HMMWV)

The conferees direct the Secretary of the Army to submit a report to the congressional defense committees with the fiscal
year 2000 budget request assessing the potential benefits of integrating advanced commercially based tactical truck platforms into its HMMWV fleet replacement plan.

**MEDICAL RESEARCH PROGRAM MANAGEMENT**

The conferees commend the Army for organizing outstanding medical research initiatives in various fields of study that have received high marks from independent review panels and from various advocacy groups. The conferees note especially the 1997 review of the Army’s breast cancer research program by the Institute of Medicine of the National Research Council. This review concluded that the Army’s program “fills a unique niche among public and private funding sources for cancer research... and is a promising vehicle for forging new ideas and scientific breakthroughs in the nation’s fight against breast cancer.” The conferees have received similar reports about the other medical research programs managed by the Army. The conferees expect the Army to continue its emphasis on coordinating and integrating its medical research programs with those of the National Institutes of Health to avoid duplication and to accelerate promising avenues of treatment. In setting annual research priorities, the Army should consider ways to maximize involvement from responsible advocate and survivor groups, especially in the Prostate research program. The conferees also urge the Army to consider ways to lengthen the terms of peer review group members for the Neurofibromatosis program and other smaller programs to promote consistency of guidance and direction.

**DIABETES RESEARCH**

The conferees urge the Department to provide up to $2,750,000 for a diabetes research demonstration project at Wheeler Army Air Field. This project would demonstrate the potential of technology in the fragile Pacific ecosystems and potentially reduce infrastructure and environmental cleanup costs.

**DISTRIBUTED SURVEILLANCE SYSTEM**

The conference agreement includes $4,500,000 to continue the successful diabetes research program identified in House Report 105-591.

**RESEARCH, DEVELOPMENT, TEST AND EVALUATION, NAVY**

The conference agreement on items addressed by either the House or the Senate is as follows

<table>
<thead>
<tr>
<th>Item Description</th>
<th>[In thousands of dollars]</th>
</tr>
</thead>
<tbody>
<tr>
<td>IN-HOUSE LABORATORY INDEPENDENT RESEARCH</td>
<td>14,734</td>
</tr>
<tr>
<td>DEFENSE RESEARCH SCIENCES</td>
<td>347,945</td>
</tr>
<tr>
<td>AIR AND SURFACE LAUNCHED WEAPONS TECHNOLOGY</td>
<td>37,140</td>
</tr>
<tr>
<td>SHIP SUBMARINE &amp; LOGISTICS TECHNOLOGY</td>
<td>43,177</td>
</tr>
<tr>
<td>AIRCRAFT TECHNOLOGY</td>
<td>23,229</td>
</tr>
<tr>
<td>MARINE CORPS LAUNCHING FORCE TECHNOLOGY</td>
<td>12,132</td>
</tr>
<tr>
<td>HISTORICALLY BLACK COLLEGES AND UNIVERSITIES</td>
<td>65,033</td>
</tr>
<tr>
<td>COMMUNICATIONS, COMMAND AND CONTROL, INTELLIGENCE</td>
<td>29,722</td>
</tr>
<tr>
<td>HUMAN SYSTEMS &amp; PERFORMANCE</td>
<td>77,617</td>
</tr>
<tr>
<td>MATERIALS, ELECTRONICS AND COMPUTER TECHNOLOGY</td>
<td>56,722</td>
</tr>
<tr>
<td>ELECTRONIC WARFARE TECHNOLOGY</td>
<td>39,182</td>
</tr>
<tr>
<td>UNDERSEA WARFARE SURVEILLANCE TECHNOLOGY</td>
<td>50,019</td>
</tr>
<tr>
<td>GEODESIC, PHYSICAL &amp; ATMOSPHERIC TECHNOLOGY</td>
<td>34,956</td>
</tr>
<tr>
<td>CARRIER APPLICATIONS</td>
<td>20,000</td>
</tr>
<tr>
<td>AIR SYSTEMS AND WEAPONS ADVANCED TECHNOLOGY</td>
<td>48,143</td>
</tr>
<tr>
<td>PRECISION STRIKE AND AIR DEFENSE TECHNOLOGY</td>
<td>58,306</td>
</tr>
<tr>
<td>SURFACE SHIP &amp; SURFACE WAVE ADVANCED TECHNOLOGY</td>
<td>39,254</td>
</tr>
<tr>
<td>MARINE CORPS ADVANCED TECHNOLOGY DEMONSTRATION (ATD)</td>
<td>41,931</td>
</tr>
<tr>
<td>MEDICAL DEVELOPMENT</td>
<td>21,042</td>
</tr>
<tr>
<td>MAPMAN, NAVIGATION AND TARGETING ADV TECH DEV</td>
<td>18,728</td>
</tr>
<tr>
<td>ENVIRONMENTAL, QUALITY AND LIFE SCIENCES ADVANCED TECHNOLOGY</td>
<td>41,710</td>
</tr>
<tr>
<td>UNDERSEA WARFARE ADVANCED TECHNOLOGY</td>
<td>50,027</td>
</tr>
<tr>
<td>SPACE AND ELECTRONIC WARFARE (SEW) ARCHITECTURE/ENGINEERING</td>
<td>17,454</td>
</tr>
<tr>
<td>EW DEVELOPMENT</td>
<td>17,954</td>
</tr>
<tr>
<td>HARD AND DEEPLY BURIED TARGET DEFEAT SYSTEM (HDSTDS)</td>
<td>9,827</td>
</tr>
<tr>
<td>SSN-21 DEVELOPMENT</td>
<td>27,456</td>
</tr>
<tr>
<td>JOINT STANDOFF SYSTEMS</td>
<td>73,022</td>
</tr>
<tr>
<td>NAVY ENERGY PROGRAM</td>
<td>5,544</td>
</tr>
<tr>
<td>SUBMARINE TACTICAL WARFARE SYSTEM</td>
<td>28,573</td>
</tr>
<tr>
<td>SHIP SELF DEFENSEÐEMD</td>
<td>148,165</td>
</tr>
<tr>
<td>MEDICAL DEVELOPMENT</td>
<td>4,321</td>
</tr>
<tr>
<td>DISTRIBUTED weaponeers and command, control, intelligence</td>
<td>148,165</td>
</tr>
<tr>
<td>COMMERCIAL OPERATIONS AND SUPPORT SAVINGS INITIATIVE</td>
<td>28,500</td>
</tr>
<tr>
<td>MEDICAL DEVELOPMENT</td>
<td>5,544</td>
</tr>
<tr>
<td>DISTRIBUTED common Grid Systems</td>
<td>4,666</td>
</tr>
</tbody>
</table>
### EXPLANATION OF PROJECT LEVEL ADJUSTMENTS

#### [In thousands of dollars]

<table>
<thead>
<tr>
<th>Defense Category</th>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>DOE RESEARCH SCIENCES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Note: Other than marine mammal research, Defense Research Sciences funds may not be diverted to or augmented via below-threshold reprogramming for projects not requested in the fiscal year 1999 budget)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>SHIPS, SUBMARINE &amp; LOGISTICS TECHNOLOGY</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ship machinery component level intelligent distributed control systems for AUV</td>
<td>43,177</td>
<td>45,177</td>
<td>46,177</td>
<td>56,677</td>
</tr>
<tr>
<td>Stabilized mission data link</td>
<td>0</td>
<td>2,000</td>
<td>1,500</td>
<td>2,000</td>
</tr>
<tr>
<td>High precision fabrication technology for large steel structural components requiring compound curvatures and precise dimensional control to be used in advanced ship designs</td>
<td>0</td>
<td>3,000</td>
<td>2,000</td>
<td>3,000</td>
</tr>
<tr>
<td><strong>BIOMEDICAL TECHNOLOGY</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bioenvironmental hazards</td>
<td>0</td>
<td>0</td>
<td>5,000</td>
<td>3,000</td>
</tr>
<tr>
<td><strong>AIRCRAFT TECHNOLOGY</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Advanced 100 plus line resolution charged coupled device ii night vision camera</td>
<td>0</td>
<td>1,800</td>
<td>1,000</td>
<td>1,000</td>
</tr>
<tr>
<td><strong>COMMUNICATIONS, COMMAND AND CONTROL INTELLIGENCE</strong></td>
<td>65,033</td>
<td>60,033</td>
<td>68,033</td>
<td>64,033</td>
</tr>
<tr>
<td>Hybrid wireless fiber optic communications</td>
<td>0</td>
<td>0</td>
<td>1,000</td>
<td>1,000</td>
</tr>
<tr>
<td><strong>INTEGRATED BROADCAST SERVICE</strong></td>
<td>14,580</td>
<td></td>
<td></td>
<td>14,580</td>
</tr>
<tr>
<td><strong>DEFENSE MAINTENANCE</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>DEPOT MAINTENANCE (NON-IF)</td>
<td>49,967</td>
<td>61,954</td>
<td>69,967</td>
<td>63,954</td>
</tr>
<tr>
<td><strong>INDUSTRIAL PREPAREDNESS</strong></td>
<td>59,060</td>
<td>59,060</td>
<td>68,060</td>
<td>68,060</td>
</tr>
<tr>
<td><strong>CLASSIFIED PROGRAMS</strong></td>
<td>521,341</td>
<td>542,045</td>
<td>528,241</td>
<td>531,741</td>
</tr>
<tr>
<td><strong>CIVILIAN PERSONNEL UNDEREXECUTION</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Note:** Bioenvironmental hazards was funded in a different line in the House bill.

### EXPLANATION OF PROGRAM LEVEL ADJUSTMENTS

#### [In thousands of dollars]

<table>
<thead>
<tr>
<th>Program Category</th>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OCEANOGRAFIC AND ATMOSPHERIC TECHNOLOGY</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>MATERIALS ELECTRONICS AND COMPUTER TECHNOLOGY</strong></td>
<td>77,617</td>
<td>80,617</td>
<td>93,117</td>
<td>88,117</td>
</tr>
<tr>
<td><strong>ADVANCED SYSTEMS AND WEAPONS ADVANCED TECHNOLOGY</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Advanced energy device</td>
<td>0</td>
<td>3,000</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Nanoscale materials and devices</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Advanced materials intelligent processing center</td>
<td>0</td>
<td>0</td>
<td>5,000</td>
<td>3,000</td>
</tr>
<tr>
<td>High temperature superconducting ship propulsion/auxiliary systems</td>
<td>0</td>
<td>0</td>
<td>2,000</td>
<td>2,000</td>
</tr>
<tr>
<td><strong>SUPERCONDUCTING WAVEFORM GENERATOR</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>MATERIALS MICROINIZATION TECHNOLOGY</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Materials microinization technology</td>
<td>0</td>
<td>3,000</td>
<td>0</td>
<td>1,000</td>
</tr>
<tr>
<td><strong>CARBON-CARBON MATERIALS FOR REENTRY BODIES</strong></td>
<td>0</td>
<td>1,900</td>
<td>2,500</td>
<td>1,500</td>
</tr>
<tr>
<td><strong>SILICON CARBIDE SEMICONDUCTOR SUBSTRATES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>HIGH-TEMPERATURE CARBON-FIBER COMPOSITES</strong></td>
<td>0</td>
<td>2,500</td>
<td>1,500</td>
<td>2,500</td>
</tr>
<tr>
<td><strong>THERMAL CONDUCTIVITY FIBERS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>THERMAL CONDUCTIVITY FIBERS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>GENERAL REDUCTION</strong></td>
<td></td>
<td>-1,000</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>DEFENSE MAINTENANCE</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>POWER ELECTRONIC BUILDING BLOCKS</strong></td>
<td></td>
<td>6,000</td>
<td>3,000</td>
<td>6,000</td>
</tr>
<tr>
<td><strong>COMPOSITE HELICOPTER HANGER</strong></td>
<td>0</td>
<td>2,000</td>
<td>0</td>
<td>2,000</td>
</tr>
<tr>
<td><strong>ADVANCED ELECTRONIC SYSTEMS</strong></td>
<td>0</td>
<td>0</td>
<td>5,000</td>
<td>3,000</td>
</tr>
<tr>
<td><strong>MARINE CORPS ADVANCED TECHNOLOGY</strong></td>
<td>41,931</td>
<td>51,931</td>
<td>52,931</td>
<td>56,931</td>
</tr>
<tr>
<td><strong>BURLINGTON PROJECT</strong></td>
<td>0</td>
<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
</tr>
<tr>
<td><strong>SMALL PRODUCT IMPROVEMENT PROGRAM</strong></td>
<td>0</td>
<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
</tr>
<tr>
<td><strong>WARRIORS睁LAB MODELING AND SIMULATION</strong></td>
<td>0</td>
<td>0</td>
<td>4,000</td>
<td>4,000</td>
</tr>
<tr>
<td><strong>K-HEAT TRAINING AND TEST INSTRUMENTATION SYSTEM</strong></td>
<td>0</td>
<td>0</td>
<td>1,000</td>
<td>1,000</td>
</tr>
<tr>
<td><strong>MEDICAL RESEARCH</strong></td>
<td>18,720</td>
<td>69,020</td>
<td>20,718</td>
<td>68,718</td>
</tr>
<tr>
<td><strong>BONE MARROW DONOR PROGRAM</strong></td>
<td>0</td>
<td>34,000</td>
<td>0</td>
<td>34,000</td>
</tr>
<tr>
<td><strong>NAVY BPL RESEARCH LABORATORY</strong></td>
<td>0</td>
<td>3,000</td>
<td>0</td>
<td>1,500</td>
</tr>
<tr>
<td><strong>DENTAL RESEARCH</strong></td>
<td>0</td>
<td>0</td>
<td>3,000</td>
<td>3,000</td>
</tr>
<tr>
<td><strong>NATIONAL BIOMEDICAL RESEARCH</strong></td>
<td>0</td>
<td>1,800</td>
<td>0</td>
<td>1,800</td>
</tr>
<tr>
<td><strong>MEDICAL READINESS TELEMEDICINE INITIATIVE</strong></td>
<td>0</td>
<td>4,500</td>
<td>0</td>
<td>3,000</td>
</tr>
<tr>
<td><strong>AURAL HEALTH</strong></td>
<td>0</td>
<td>3,000</td>
<td>0</td>
<td>3,000</td>
</tr>
<tr>
<td><strong>FROZEN BLOOD</strong></td>
<td>0</td>
<td>0</td>
<td>1,000</td>
<td>850</td>
</tr>
<tr>
<td><strong>DIRECTLY TRANSFUSIBLE CRYOPROTECTED BLOOD PRODUCTS</strong></td>
<td>0</td>
<td>0</td>
<td>1,000</td>
<td>850</td>
</tr>
<tr>
<td>Project Description</td>
<td>Budget</td>
<td>House</td>
<td>Senate</td>
<td>Conference</td>
</tr>
<tr>
<td>-----------------------------------------------------------------------------------</td>
<td>----------</td>
<td>---------</td>
<td>---------</td>
<td>-------------</td>
</tr>
<tr>
<td>Telerehabilitation (Note: $2,000,000 is only for the University of Southern California)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>MANPOWER PERSONNEL AND TRAINING ADVANCED TECH DEVELOPMENT</td>
<td>21,042</td>
<td>26,042</td>
<td>23,042</td>
<td>25,919</td>
</tr>
<tr>
<td>Advanced distributed learning</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Integrated manufacturing studies</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>ENVIRONMENTAL QUALITY AND LOGISTICS ADVANCED TECHNOLOGY</td>
<td>20,916</td>
<td>20,916</td>
<td>0</td>
<td>20,916</td>
</tr>
<tr>
<td>Asbestos removal</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Visualization of technical information</td>
<td>0</td>
<td>4,000</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>UNDERSEA WARFARE ADVANCED TECHNOLOGY</td>
<td>56,827</td>
<td>64,827</td>
<td>0</td>
<td>58,827</td>
</tr>
<tr>
<td>Terfeol-O</td>
<td>0</td>
<td>5,320</td>
<td>0</td>
<td>2,000</td>
</tr>
<tr>
<td><strong>AVIATION SURVIVABILITY</strong></td>
<td>11,164</td>
<td>11,164</td>
<td>0</td>
<td>11,164</td>
</tr>
<tr>
<td>Escape system dynamic flow test facility</td>
<td>0</td>
<td>3,000</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Helicopter aircrew integrated life support system</td>
<td>0</td>
<td>2,000</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>ASW SYSTEMS DEVELOPMENT</td>
<td>20,184</td>
<td>23,184</td>
<td>0</td>
<td>20,184</td>
</tr>
<tr>
<td><strong>MARINE CORPS GROUND COMBAT/SUPPORT SYSTEM</strong></td>
<td>37,133</td>
<td>39,633</td>
<td>0</td>
<td>50,633</td>
</tr>
<tr>
<td><strong>SHIP PRELIMINARY DESIGN &amp; FEASIBILITY STUDIES</strong></td>
<td>42,668</td>
<td>42,668</td>
<td>8,000</td>
<td>44,596</td>
</tr>
<tr>
<td><strong>MANPOWER, PERSONNEL AND TRAINING ADVANCED TECH DEVELOPMENT</strong></td>
<td>21,042</td>
<td>26,042</td>
<td>23,042</td>
<td>26,542</td>
</tr>
<tr>
<td><strong>ENVIRONMENTAL QUALITY AND LOGISTICS ADVANCED TECHNOLOGY</strong></td>
<td>11,004</td>
<td>0</td>
<td>9,000</td>
<td>9,000</td>
</tr>
<tr>
<td><strong>AVIATION SURVIVABILITY</strong></td>
<td>11,164</td>
<td>11,164</td>
<td>0</td>
<td>11,164</td>
</tr>
<tr>
<td>Escape system dynamic flow test facility</td>
<td>0</td>
<td>3,000</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Helicopter aircrew integrated life support system</td>
<td>0</td>
<td>2,000</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>ASW SYSTEMS DEVELOPMENT</td>
<td>20,184</td>
<td>23,184</td>
<td>0</td>
<td>20,184</td>
</tr>
<tr>
<td><strong>MARINE CORPS GROUND COMBAT/SUPPORT SYSTEM</strong></td>
<td>37,133</td>
<td>39,633</td>
<td>0</td>
<td>50,633</td>
</tr>
<tr>
<td><strong>SHIP PRELIMINARY DESIGN &amp; FEASIBILITY STUDIES</strong></td>
<td>42,668</td>
<td>42,668</td>
<td>8,000</td>
<td>44,596</td>
</tr>
</tbody>
</table>
COMMON INTEGRATED ELECTRIC DRIVE SYSTEMS

The conferees agree to Senate direction requiring a common integrated electric drive system for surface combatant ships, but direct that development of superconducting DC homopolar motor technology also be addressed in the report.

VECTORED THrust DUCTED PROPELLER (VTDP) HELICOPTER

The conferees direct the Navy to submit to the Congress by December 1, 1998, a specific plan for accomplishing a flight demonstration of the VTDP compound helicopter technology. The conferees reiterate last year's language which directed that the Navy's H-60 program office shall have the responsibility for the management and execution of this program.

SEMI-AUTONOMOUS UNDERWATER VEHICLE FOR INTERVENTION MISSIONS

The conference report has just been advised of a potential funding shortfall for the Semi-Autonomous Underwater Vehicle for Intervention Missions (SAUVM) program in the upcoming year. The conferees encourage the Navy to ensure that sufficient funding is provided for this program to carry it through until the end of 1999.

The Navy has yet to obligate funds for a surface ship application. Of the amount requested in the fiscal year 1999 budget and appropriated under that contract. Accordingly, the Navy should avoid duplication in development costs and take advantage of the economies of scale and infrastructure support by developing the Tactical Tomahawk display under this contract.

SEAWOLF SHOCK TEST

The conferees agree to House language concerning system-level, live-fire shock testing of Seawolf submarines and note that the Commander in Chief of the Atlantic Command has recently indicated that he has no requirement for such a test. The Seawolf shock test is not being funded as a precedent for other weapon systems testing but as a precedent for development of future weapon systems.
The House proposed to terminate the Joint Tactical Combat Training System (JTCTS) and expedite a total of $17,300,000 in four procurement or RDT&E line items. The House also proposed an alternate system, the Integrated Large Area Tracking Range (LATR)/Kadena Interim Training System (KITS), and provided a total of $15,000,000 in three procurement or RDT&E line items. The Senate provided the amount requested by the House for Department for JTCTS, with an increase of $9,827,000 in the Navy RDT&E account to provide an initial JTCTS system to support Cope Thunder exercises. The conferees therefore agree to provide the full amount requested in RDT&E for JTCTS, plus an additional $2,500,000 in the Navy RDT&E account only for LATR/KITS integration. The conferees agree to a reduction of a total of $9,000,000 in Air Force procurement accounts requested for JTCTS, but an increase of a total of $20,000,000 in Navy and Air Force Procurement accounts which is only for purchase of equipment needed to conduct the technical evaluation, and purchase of objective systems once reporting requirements in the next paragraph have been met. Of this amount, $8,000,000 is only to begin installation of a rangeless training system to support Cope Thunder exercises. Further, the conferees direct that the JTCTS RDT&E funds are provided to proceed with equipping CAG 5 with an initial JTCTS training capability in fiscal year 1999.

The goal of the technical evaluation is to ensure that the Defense Department has identified the best technical solution to meet DOD rangeless training needs which minimizes technical risk at lowest life cycle cost based on performance of real equipment in a realistic environment. The conferees direct that no funds may be obligated for rangeless training production, other than those needed to conduct the technical evaluation, until the following criteria have been met:

The Director of Operational Test and Evaluation in the Office of the Secretary of Defense has certified to the congressional defense committees that the Defense Department has established a technical evaluation between JTCTS and integrated LATR/KITS which is reasonable, realistic, and objective in order to determine the relative performance of the systems;

The technical evaluation has been conducted in the required reporting to the congressional defense committees; and

The Undersecretary of Defense for Acquisition and Technology has certified to the congressional defense committees that the best technical solution to meet DOD rangeless training requirements at the best value has been identified and validated by the results of the technical evaluation. His certification should include a determination whether the most cost effective method to satisfy future Navy and Air Force training needs is to continue development and deployment of JTCTS, begin an evolutionary LATR/KITS system development and deployment, or expand the JTCTS program to include integrated LATR/KITS features.

The conference agreement on items addressed by either the House or the Senate is as follows:

**RESEARCH, DEVELOPMENT, TEST AND EVALUATION, AIR FORCE**

The conference agreement on items addressed by either the House or the Senate is as follows:

- **Budget**
- **House**
- **Senate**
- **Conference**

### RESEARCH DEVELOPMENT TEST AND EVALUATION, AIR FORCE

<table>
<thead>
<tr>
<th>Program Area</th>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Joint Tactical Combat Training System (JTCTS)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Integrated Large Area Tracking Range (LATR)/Kadena Interim Training System (KITS)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Procurement accounts which is only to begin installation of a rangeless training system to support Cope Thunder exercises</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Required for JTCTS, but an increase of a total of $20,000,000 in Navy and Air Force Procurement accounts which is only for purchase of equipment needed to conduct the technical evaluation, and purchase of objective systems once reporting requirements in the next paragraph have been met.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Of this amount, $8,000,000 is only to begin installation of a rangeless training system to support Cope Thunder exercises. Further, the conferees direct that the JTCTS RDT&amp;E funds are provided to proceed with equipping CAG 5 with an initial JTCTS training capability in fiscal year 1999.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The goal of the technical evaluation is to ensure that the Defense Department has identified the best technical solution to meet DOD rangeless training needs which minimizes technical risk at lowest life cycle cost based on performance of real equipment in a realistic environment. The conferees direct that no funds may be obligated for rangeless training production, other than those needed to conduct the technical evaluation, until the following criteria have been met:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The Director of Operational Test and Evaluation in the Office of the Secretary of Defense has certified to the congressional defense committees that the Defense Department has established a technical evaluation between JTCTS and integrated LATR/KITS which is reasonable, realistic, and objective in order to determine the relative performance of the systems;</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The technical evaluation has been conducted in the required reporting to the congressional defense committees; and</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The Undersecretary of Defense for Acquisition and Technology has certified to the congressional defense committees that the best technical solution to meet DOD rangeless training requirements at the best value has been identified and validated by the results of the technical evaluation. His certification should include a determination whether the most cost effective method to satisfy future Navy and Air Force training needs is to continue development and deployment of JTCTS, begin an evolutionary LATR/KITS system development and deployment, or expand the JTCTS program to include integrated LATR/KITS features.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Defense Research Sciences

<table>
<thead>
<tr>
<th>Description</th>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coal derived jet fuel</td>
<td>209,395</td>
<td>207,795</td>
<td>209,395</td>
<td>210,395</td>
</tr>
<tr>
<td>Center for Adaptive Optics</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Basic Research reduction</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Sacramento Peak Observatory</td>
<td>21,006</td>
<td>21,006</td>
<td>21,006</td>
<td>21,006</td>
</tr>
<tr>
<td>Air Force Research Lab mission-focused research projects through AFIT</td>
<td>62,578</td>
<td>62,578</td>
<td>62,578</td>
<td>62,578</td>
</tr>
<tr>
<td>Advanced Material Research</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Friction stir welding</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Environmental safety aircraft coating</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Inorganic/organic optical limits</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>AEOPHASE PROPULSION</td>
<td>40,153</td>
<td>40,153</td>
<td>40,153</td>
<td>40,153</td>
</tr>
<tr>
<td>Variable displacement vane pump for KC-135</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Program reduction</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Thrombophilia</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>PHILLIPS LAB EXPLORATORY DEVELOPMENT</td>
<td>116,139</td>
<td>116,139</td>
<td>125,139</td>
<td>129,139</td>
</tr>
<tr>
<td>Terabit</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>COMMAND CONTROL AND COMMUNICATIONS</td>
<td>65,175</td>
<td>65,175</td>
<td>65,175</td>
<td>65,175</td>
</tr>
<tr>
<td>Protein memory</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Cyber security program</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Advanced Materials for Weapon Systems</td>
<td>21,006</td>
<td>21,006</td>
<td>21,006</td>
<td>21,006</td>
</tr>
<tr>
<td>Advanced low observable coatings</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Advanced materials for weapon systems</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>National Center for Industrial Competencies</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Aesthetic metal programs</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>CREW SYSTEMS AND PERSONNEL PROTECTION TECHNOLOGY</td>
<td>16,603</td>
<td>16,603</td>
<td>16,603</td>
<td>16,603</td>
</tr>
<tr>
<td>Ejection seat technology</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Aircrane laser eye protection</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Panoramic night vision gogglens</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>AEOS II risk reduction</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Helmet display technology</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>BALLISTIC MISSILE TECHNOLOGY</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Missile and GPS range safety technology and demonstration</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>ADVANCED SPACECRAFT TECHNOLOGY</td>
<td>42,571</td>
<td>42,571</td>
<td>42,571</td>
<td>42,571</td>
</tr>
<tr>
<td>Scopius</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Miniature satellite threat reporting system</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Range upgrades to support upper stage flight experiments</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Solar orbital transfer vehicle</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Mirc Satellite Technology Program</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>ADVANCED WEAPONS TECHNOLOGY</td>
<td>40,153</td>
<td>40,153</td>
<td>40,153</td>
<td>40,153</td>
</tr>
<tr>
<td>Geo Space Object Imaging</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Field laser radar upgrade</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>AIRBORNE LASER PROGRAM</td>
<td>292,219</td>
<td>292,219</td>
<td>292,219</td>
<td>292,219</td>
</tr>
<tr>
<td>Aircraft purchase and integration</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Ground testing and targets</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Concurrency</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>INTERCONTINENTAL BALLISTIC MISSILE—DEVALI</td>
<td>29,360</td>
<td>29,360</td>
<td>29,360</td>
<td>29,360</td>
</tr>
<tr>
<td>Conventional ICBM ACTD</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Advanced ICBM</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>AIM-9M interferometer fiber optic gyro</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Sensor/instrumentation integration</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Evaluate force applications technologies of AF Global Studies</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>VARIABLE STABILITY IN FLIGHT SIMULATOR TEST AIRCRAFT</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>3NF-160 VISTA support</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>IMPROVEMENTS</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Ground simulator</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Hotbox</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>HARD AND DEEPLY BURIED TARGET DETECTION SYSTEM (HORBTDI)</td>
<td>9,803</td>
<td>9,803</td>
<td>9,803</td>
<td>9,803</td>
</tr>
<tr>
<td>Complete Joint Analysis of Alternatives</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>F-22 EMD</td>
<td>1,582,217</td>
<td>1,582,217</td>
<td>1,582,217</td>
<td>1,579,417</td>
</tr>
<tr>
<td>Unused award fees identified by GA</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>EW DEVELOPMENT</td>
<td>90,126</td>
<td>90,126</td>
<td>101,126</td>
<td>98,626</td>
</tr>
<tr>
<td>Advanced fluxes for B-1 and C-17</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Classified adjustment</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>PLAD for AN/ALR-69 (transfer from 0603270F)</td>
<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
</tr>
<tr>
<td>THREAT SIMULATION DEVELOPMENT</td>
<td>32,582</td>
<td>32,582</td>
<td>32,582</td>
<td>32,582</td>
</tr>
<tr>
<td>IMAX Radars</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>REDCAP/RODS</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Major Tile Investment</td>
<td>34,518</td>
<td>34,518</td>
<td>34,518</td>
<td>34,518</td>
</tr>
<tr>
<td>Santa Rosa Island range complex</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>EPL Range Complex</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Project flight test</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Technology proliferation</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Test and Evaluation Support</td>
<td>370,168</td>
<td>370,168</td>
<td>370,168</td>
<td>370,168</td>
</tr>
<tr>
<td>Air Force Flight Test</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Joint Surveillance and Target Attack Radar System</td>
<td>123,793</td>
<td>123,793</td>
<td>123,793</td>
<td>123,793</td>
</tr>
<tr>
<td>RTP reduction</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>STARS multi-service datalink competition</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>SEEK EAGLE</td>
<td>17,590</td>
<td>17,590</td>
<td>17,590</td>
<td>17,590</td>
</tr>
<tr>
<td>Londerl</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>
The Committee understands that the U.S. Air Force is working with the Federal Aviation Administration (FAA) to use the capabilities at the FAA Airworthiness Assurance Center of Excellence and other FAA research resources for projects that will enhance the safety of both military and civilian aircraft. The Committee encourages increased coordination to maximize improvements in safety research and to avoid duplicative efforts.

**AIRCRAFT SAFETY**

The conferees continue to support the Warfighter-1 program. The conferees believe that if the Defense Department decides to acquire additional sensors for the Air Force's Tactical Air Reconnaissance System (TARS) program, the Department should consider the CA 261, the MAEO and other sensors based on best value, capability and stated Air Force requirements.

**TACTICAL AIR RECONNAISSANCE SYSTEM**

The conferees agree to provide $260,297,000 for the Evolved Expendable Launch Vehicle Program, a reduction of $20,000,000 to the budget request. The conferees also agree to House language directing that reports and certifications regarding the EELV program be provided to the Committees on Appropriations and necessary program information be provided to the Comptroller General. The conferees do not agree that the obligation of fiscal year 1999 appropriations for the EELV program should be restricted pending the receipt of said reports and certifications.

**DEFENSE SATELLITE COMMUNICATIONS SYSTEM (DSCS)**

The conferees agree to the House language requiring the Air Force to report to the Committees on Appropriations on the resolution of difficulties associated with the completion of the operational requirements documents for the DSCS follow-on system. The conferees do not agree that the report needs to be provided prior to the release of any draft RF for the DSCS follow-on system.
H8712

September 25, 1998

CONGRESSIONAL RECORD — HOUSE
[In thousands of dollars]

VERIFICATION TECHNOLOGY DEMONSTRATION ...........................................................................................................................................................................................................
GENERIC LOGISTICS R&D TECHNOLOGY DEMONSTRATIONS ......................................................................................................................................................................................
STRATEGIC ENVIRONMENTAL RESEARCH PROGRAM ..................................................................................................................................................................................................
JOINT WARFIGHTING PROGRAM ..................................................................................................................................................................................................................................
COOPERATIVE DOD/VA MEDICAL RESEARCH ..............................................................................................................................................................................................................
ADVANCED ELECTRONICS TECHNOLOGIES .................................................................................................................................................................................................................
MARITIME TECHNOLOGY .............................................................................................................................................................................................................................................
ELECTRIC VEHICLES ...................................................................................................................................................................................................................................................
ADVANCED CONCEPT TECHNOLOGY DEMONSTRATIONS .............................................................................................................................................................................................
HIGH PERFORMANCE COMPUTING MODERNIZATION PROGRAM .................................................................................................................................................................................
COMMAND, CONTROL AND COMMUNICATIONS SYSTEMS ...........................................................................................................................................................................................
COMMUNICATION AND SIMULATION TECHNOLOGY .....................................................................................................................................................................................................
SENSOR AND GUIDANCE TECHNOLOGY ......................................................................................................................................................................................................................
LAND WARFARE TECHNOLOGY ....................................................................................................................................................................................................................................
CLASSIFIED DARPA PROGRAMS ..................................................................................................................................................................................................................................
DUAL USE APPLICATION PROGRAMS ..........................................................................................................................................................................................................................
JOINT WARGAMING SIMULATION MANAGEMENT OFFICE .............................................................................................................................................................................................
PHYSICAL SECURITY EQUIPMENT ...............................................................................................................................................................................................................................
ADVANCED SENOR APPLICATIONS PROGRAM .............................................................................................................................................................................................................
CALS INITIATIVE ..........................................................................................................................................................................................................................................................
NATO RESEARCH AND DEVELOPMENT ........................................................................................................................................................................................................................
THEATER HIGH-ALTITUDE AREA DEFENSE SYSTEM—TMD .........................................................................................................................................................................................
NAVY THEATER WIDE ..................................................................................................................................................................................................................................................
MEADS CONCEPTS—DEM/VAL ...................................................................................................................................................................................................................................
BOOST PHASE INTERCEPT THEATER MISSILE DEFENSE ACQUISIT .............................................................................................................................................................................
JOINT THEATER MISSILE DEFENSE—DEM/VAL ...........................................................................................................................................................................................................
BMD TECHNICAL OPERATIONS ....................................................................................................................................................................................................................................
INTERNATIONAL COOPERATIVE PROGRAMS ................................................................................................................................................................................................................
THREAT AND COUNTERMEASURES .............................................................................................................................................................................................................................
HUMANITARIAN DEMINING ..........................................................................................................................................................................................................................................
JOINT ROBOTICS PROGRAM—ENG DEV .....................................................................................................................................................................................................................
COMMERCIAL OPERATIONS AND SUPPORT SAVINGS INITIATIVE ................................................................................................................................................................................
THEATER HIGH-ALTITUDE AREA DEFENSE SYSTEM—TMD—EMD .............................................................................................................................................................................
PATRIOT PAC–3 THEATER MISSILE DEFENSE ACQUISITION .......................................................................................................................................................................................
JOINT THEATER AIR AND MISSILE DEFENSE ORGANIZATION ......................................................................................................................................................................................
CLASSIFIED PROGRAM USD(P) ...................................................................................................................................................................................................................................
CLASSIFIED PROGRAMS—C3I ....................................................................................................................................................................................................................................
DEFENSE TECHNOLOGY ANALYSIS ..............................................................................................................................................................................................................................
DEFENSE TECHNICAL INFORMATION SERVICES (DTIC) ...............................................................................................................................................................................................
INFORMATION SYSTEMS SECURITY PROGRAM ...........................................................................................................................................................................................................
DEFENSE IMAGERY AND MAPPING PROGRAM ............................................................................................................................................................................................................
DISTRIB/IMAGERY COMMON GRD SYS .......................................................................................................................................................................................................................
DISTRIB COMMON GRD SYS .......................................................................................................................................................................................................................................
DEFENSE RECONNAISSANCE SUPPORT ACTIVITIES (SPACE) ......................................................................................................................................................................................
AIRBORNE RECONNAISSANCE SYSTEMS .....................................................................................................................................................................................................................
MANNED RECONNAISSANCE SYSTEMS .......................................................................................................................................................................................................................
MANNED RECONNAISSANCE SYSTEMS .......................................................................................................................................................................................................................
DISTRIBUTED COMMON GROUND SYSTEMS ...............................................................................................................................................................................................................
TACTICAL CRYPTOLOGIC ACTIVITIES ...........................................................................................................................................................................................................................
PARTNERSHIP FOR PEACE ACTIVITIES ........................................................................................................................................................................................................................
SPECIAL OPERATIONS ADVANCED TECHNOLOGY DEVELOPMENT ...............................................................................................................................................................................
SPECIAL OPERATIONS TACTICAL SYSTEMS DEVELOPMENT ........................................................................................................................................................................................
SPECIAL OPERATIONS INTELLIGENCE SYSTEMS DEVELOPMENT .................................................................................................................................................................................
SOF OPERATIONAL ENHANCEMENTS ...........................................................................................................................................................................................................................
CLASSIFIED PROGRAMS ..............................................................................................................................................................................................................................................
ADVISORY AND ASSISTANCE SERVICE ........................................................................................................................................................................................................................
CIVILIAN PERSONNEL UNDEREXECUTION ...................................................................................................................................................................................................................

Budget

House

Senate

Conference

63,052
17,788
........................
23,700
........................
244,737
15,000
........................
116,330
140,927
200,100
56,114
213,154
108,490
55,500
6,000
70,696
31,792
15,147
1,863
10,762
497,752
190,446
43,027
........................
176,846
190,147
50,676
22,113
17,234
11,307
13,410
323,942
137,265
17,423
........................
439
5,010
46,469
239,081
114,417
........................
........................
40,504
162,666
10,840
4,085
34,985
104,510
1,957
8,020
106,238
1,805
33,799
1,057,100
........................
........................

48,052
25,388
59,419
23,700
11,000
264,537
15,000
........................
81,076
120,927
172,600
56,114
203,654
96,890
42,000
........................
70,696
31,792
15,147
11,363
........................
392,752
340,446
43,027
........................
176,846
190,147
50,676
22,113
8,234
11,307
13,410
22,942
177,265
17,423
3,387
439
5,010
46,469
239,081
109,417
9,358
2,540
30,617
........................
........................
4,085
........................
201,810
5,957
34,020
106,238
10,805
47,604
1,141,826
¥50,000
........................

63,052
21,788
........................
19,100
........................
261,337
........................
........................
110,330
163,927
177,000
56,114
233,054
93,490
55,500
6,000
61,496
25,792
17,147
6,863
8,462
497,752
295,446
10,027
10,000
209,346
192,147
62,676
25,113
19,234
18,307
13,410
........................
182,265
17,423
........................
6,439
8,010
45,469
239,081
114,417
........................
........................
48,504
15,000
5,874
4,085
4,200
104,510
1,957
8,020
113,238
1,805
33,799
1,163,100
........................
........................

58,052
23,788
59,419
19,100
6,000
264,637
........................
9,000
89,830
153,927
181,300
54,114
208,054
92,990
51,000
6,000
61,496
25,792
18,147
7,863
5,762
445,252
338,446
10,027
6,500
207,846
191,147
59,676
24,613
18,734
15,307
8,000
........................
182,265
109,923
3,387
6,439
8,010
45,469
251,081
109,417
5,080
........................
44,609
........................
........................
9,959
........................
115,564
4,957
29,020
107,738
8,805
45,599
1,157,958
¥50,000
¥7,200

Budget

House

Senate

Conference

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS

[In thousands of dollars]

DEFENSE RESEARCH SCIENCES .................................................................................................................................................................................................................................
Interdisciplinary research in anticorrosion .......................................................................................................................................................................................................
Research on applications of spectral hole burning .........................................................................................................................................................................................
UNIVERSITY RESEARCH INITIATIVES ...........................................................................................................................................................................................................................
Southern observatory for astronomical research (SOAR) .................................................................................................................................................................................
Anticorrosion research on aluminum clad systems used in aircraft fleets ....................................................................................................................................................
Defense Experimental Program to Stimulate Competitive Research ...............................................................................................................................................................
Software quality and productivity .....................................................................................................................................................................................................................
Photoacoustic detection device .........................................................................................................................................................................................................................
Medical ultrasound technology .........................................................................................................................................................................................................................
Program reduction .............................................................................................................................................................................................................................................
Military Family Research Institute ....................................................................................................................................................................................................................
Acoustic sensor technology development planning ..........................................................................................................................................................................................
New Starts .........................................................................................................................................................................................................................................................
Computational neuroscience (Note: $2,000,000 shall be available only to add a multi-disciplinary URI topic area on computational neuroscience and vision studies
for learning and human/machine interaction.) ...........................................................................................................................................................................................
NEXT GENERATION INTERNET .....................................................................................................................................................................................................................................
Program reduction .............................................................................................................................................................................................................................................
Program increase ..............................................................................................................................................................................................................................................
Partnerships between centers with super computers purchased with DOD RDT&E funds and DOD MSRCs ................................................................................................
SUPPORT TECHNOLOGIES—APPLIED RESEARCH .......................................................................................................................................................................................................
Wideband gap semiconductor research ............................................................................................................................................................................................................
Space-based laser ............................................................................................................................................................................................................................................
COMPUTING SYSTEMS AND COMMUNICATIONS TECHNOLOGY ...................................................................................................................................................................................
Hand free interface ...........................................................................................................................................................................................................................................
Joint infrastructure protection ..........................................................................................................................................................................................................................
Software security research ................................................................................................................................................................................................................................
Asset source for software engineering technology [ASSET] .............................................................................................................................................................................
Reuse technology adoption program ................................................................................................................................................................................................................
Multi-spectral imaging .....................................................................................................................................................................................................................................
Computer security .............................................................................................................................................................................................................................................
Networking .........................................................................................................................................................................................................................................................
Applied Software Engineering (Note: $3,000,000 is only for the National Applied Software Engineering Center to perform a Microelectronics and Very Large-Scale Integration (VSLI) software initiative to demonstrate the integration of artificial intelligence software technologies with VLSI microelectronics circuits.) ....................
BIOLOGICAL WARFARE DEFENSE ................................................................................................................................................................................................................................
Program reduction .............................................................................................................................................................................................................................................
Biological warfare multimedia demonstration .................................................................................................................................................................................................
CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM ......................................................................................................................................................................................................
Chemical and biological detection sensor .......................................................................................................................................................................................................
Safeguard ..........................................................................................................................................................................................................................................................
TACTICAL TECHNOLOGY ..............................................................................................................................................................................................................................................
Center of excellence for research in ocean sciences [CEROS] ........................................................................................................................................................................
Simulation-based design ..................................................................................................................................................................................................................................
Microadaptive flow control ................................................................................................................................................................................................................................
Counterartillery force protection .......................................................................................................................................................................................................................
High performance algorithm development .......................................................................................................................................................................................................
Advanced fire support system ..........................................................................................................................................................................................................................
Program reduction .............................................................................................................................................................................................................................................

65,102
0
0
216,320
0
0
0
0
0
0
0
0
0
0

65,102
0
0
218,400
0
0
15,000
0
1,800
1,600
¥16,320
[9,000]
0
0

65,102
[1,200]
[2,000]
219,320
3,000
[1,250]
[20,000]
[1,300]
0
0
0
0
[1,000]
0

65,102
[1,000]
[1,400]
229,420
2,200
[1,250]
[20,000]
[1,300]
1,200
1,200
0
[8,000]
1,000
5,500

0
40,000
0
0
0
86,866
0
0
417,723
0
0
0
0
0
0
0
0

0
53,000
0
13,000
0
81,866
5,000
¥10,000
390,723
0
0
0
0
0
5,000
2,000
¥34,000

0
30,000
¥10,000
0
0
100,866
14,000
0
346,323
¥7,500
¥69,900
500
2,500
3,000
0
0
0

2,000
50,000
0
10,000
[5,000]
97,866
11,000
0
331,323
¥7,500
¥69,900
500
2,500
2,000
2,000
1,000
¥20,000

0
88,000
0
0
57,683
0
0
188,995
0
0
0
0
0
0
0

0
88,000
0
0
57,683
0
0
151,995
0
2,000
0
0
¥5,600
¥8,000
¥25,400

0
82,500
¥7,000
1,500
66,683
5,000
4,000
192,995
7,000
5,000
¥3,000
¥5,000
0
0
0

3,000
82,000
¥7,000
1,000
63,583
3,500
2,400
175,395
7,000
2,000
¥3,000
¥5,000
¥5,600
¥4,000
¥5,000


<table>
<thead>
<tr>
<th>MATERIALS AND ELECTRONICS TECHNOLOGY</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Multi-electronics integration in mixed-mode electronics (MMIE)</td>
<td>244,408</td>
<td>253,408</td>
<td>271,408</td>
</tr>
<tr>
<td>3D diamond electronics</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Semiconductors: high all chip connectivity (SHOC)</td>
<td>0</td>
<td>7,500</td>
<td>0</td>
</tr>
<tr>
<td>Cryogenic/superconducting electronics</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Electromagnetic pulse (EMP)</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Sensors/miniaturization</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>MEMS deep silicon etching process technology</td>
<td>0</td>
<td>7,500</td>
<td>0</td>
</tr>
<tr>
<td>Nanophase magnetic particulate advanced materials research institute</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Polymer materials and processing</td>
<td>0</td>
<td>1,000</td>
<td>0</td>
</tr>
<tr>
<td>Strategic Materials Manufacturing</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Laser word array alignment (Note: $3,000,000 is only for the development of automated laser diode bar mounting techniques)</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>WMD RELATED TECHNOLOGIES</td>
<td>203,598</td>
<td>204,598</td>
<td>215,598</td>
</tr>
<tr>
<td>Nuclear weapons effects technology</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Theoretical nuclear weapons effects</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Deep dive</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Facial recognition technology</td>
<td>0</td>
<td>1,000</td>
<td>0</td>
</tr>
<tr>
<td>Pulsed fast neutron analysis</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Transfer</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>COUNTERPROLIFERATION SUPPORT-- ADV DEV</td>
<td>70,611</td>
<td>55,611</td>
<td>77,611</td>
</tr>
<tr>
<td>HAARP</td>
<td>0</td>
<td>1,000</td>
<td>0</td>
</tr>
<tr>
<td>GPS program development</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Transfer (special reconnaissance capabilities)</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>SUPPORT TECHNOLOGY-- ADVANCED TNCM DEVELOPMENT</td>
<td>166,876</td>
<td>193,676</td>
<td>299,676</td>
</tr>
<tr>
<td>Scorpion space launch tech</td>
<td>0</td>
<td>5,000</td>
<td>0</td>
</tr>
<tr>
<td>Excalibur space launch tech</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Space-based laser demonstrator</td>
<td>0</td>
<td>94,000</td>
<td>0</td>
</tr>
<tr>
<td>Atmospheric interception technology</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Photocatalyzer on active pixel sensors</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Silicon block film steering coatings</td>
<td>0</td>
<td>2,000</td>
<td>0</td>
</tr>
<tr>
<td>CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM-- ADVANCED DEV</td>
<td>42,762</td>
<td>55,262</td>
<td>51,762</td>
</tr>
<tr>
<td>Biological countermass technology</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Exposure to low-intensity chemical agents and sub-chronic exposures</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>VERIFICATION TECHNOLOGY DEMONSTRATION</td>
<td>63,052</td>
<td>48,052</td>
<td>63,052</td>
</tr>
<tr>
<td>Program reduction</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Nuclear detection, analysis and forensics systems (Note: $5,000,000 is only for continuation of the industry based program and $5,000,000 is only for accelerated development of nuclear detection systems)</td>
<td>0</td>
<td>10,000</td>
<td>0</td>
</tr>
<tr>
<td>High performance computing modernization program</td>
<td>140,927</td>
<td>120,927</td>
<td>133,927</td>
</tr>
<tr>
<td>Operation and upgrade of supercomputer centers, purchased with RDT&amp;E funds</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Program reduction</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>COMMAND, CONTROL AND COMMUNICATIONS SYSTEMS</td>
<td>200,100</td>
<td>172,600</td>
<td>181,300</td>
</tr>
<tr>
<td>Dynamic data sharing program</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Joint forward air component commander (JFACC)</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Dynamic multiuser information fusion (DMIF)</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>DHS program reduction</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Program reduction</td>
<td>0</td>
<td>27,500</td>
<td>0</td>
</tr>
<tr>
<td>SENSOR AND GUIDANCE TECHNOLOGY</td>
<td>213,164</td>
<td>203,664</td>
<td>215,364</td>
</tr>
<tr>
<td>Enhanced global positioning receiver (EGP)</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Low cost cruise missile defense architecture and integration</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Air directed surface-to-air missile demonstration (ASADM)</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Large millimeter telescope</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>GPS Guidance Package</td>
<td>0</td>
<td>6,500</td>
<td>0</td>
</tr>
<tr>
<td>GEOSAR (transit to Army)</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Tactical Theater (called IT &amp; C)</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>LAND WARFARE TECHNOLOGY</td>
<td>108,490</td>
<td>96,890</td>
<td>103,890</td>
</tr>
<tr>
<td>Reconnaissance, surveillance, and targeting vehicle</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Tactical mobile robots</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Optimal awareness system program growth</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Program reduction</td>
<td>0</td>
<td>11,600</td>
<td>0</td>
</tr>
<tr>
<td>CLASSIFIED DARPAD PROGRAMS</td>
<td>55,500</td>
<td>42,500</td>
<td>51,000</td>
</tr>
<tr>
<td>Program reduction-- UCNAV</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>PHYSICAL SECURITY EQUIPMENT</td>
<td>31,792</td>
<td>31,792</td>
<td>25,792</td>
</tr>
<tr>
<td>Analytic system software for safeguards and security</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Program reduction</td>
<td>0</td>
<td>6,600</td>
<td>0</td>
</tr>
<tr>
<td>ADVANCED SENSOR APPLICATIONS PROGRAM</td>
<td>35,147</td>
<td>35,147</td>
<td>38,147</td>
</tr>
<tr>
<td>HAARP</td>
<td>0</td>
<td>2,000</td>
<td>0</td>
</tr>
<tr>
<td>Stochastic resonance technology</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>CALS INITIATIVE</td>
<td>1,883</td>
<td>11,363</td>
<td>7,863</td>
</tr>
<tr>
<td>ICE/continuous acquisition and life-cycle support</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Commercially managed</td>
<td>0</td>
<td>3,000</td>
<td>0</td>
</tr>
<tr>
<td>Paperless contracting</td>
<td>0</td>
<td>2,500</td>
<td>0</td>
</tr>
<tr>
<td>THEATER HIGH-ALTITUDE AREA DEFENSE SYSTEM-- TMD</td>
<td>497,752</td>
<td>392,752</td>
<td>445,252</td>
</tr>
<tr>
<td>User operational evaluation system (40 missiles, 2000)</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Demonstration/validation</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>User operational evaluation system (40 missiles)</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>NAVY THEATER WDC</td>
<td>190,446</td>
<td>190,446</td>
<td>190,446</td>
</tr>
<tr>
<td>Program increase</td>
<td>0</td>
<td>150,000</td>
<td>0</td>
</tr>
<tr>
<td>Radar improvements competition</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>MEADS CONCEPTS-- DEMIL</td>
<td>43,027</td>
<td>43,027</td>
<td>10,027</td>
</tr>
<tr>
<td>Program termination</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Joint THREAT Missile defense-- DEMIL</td>
<td>176,846</td>
<td>176,846</td>
<td>207,846</td>
</tr>
<tr>
<td>Extended air defense centers</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Pacific Missile Range Facility TMD upgrades</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Optical-electric sensors</td>
<td>0</td>
<td>5,000</td>
<td>0</td>
</tr>
<tr>
<td>Kepi test facility</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>FAMILY OF SYSTEMS ENGINEERING AND INTEGRATION</td>
<td>96,915</td>
<td>96,915</td>
<td>96,915</td>
</tr>
<tr>
<td>Air directed surface-to-air missile demonstration (ASADM)</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>BMD TECHNICAL OPERATIONS</td>
<td>190,147</td>
<td>190,147</td>
<td>192,147</td>
</tr>
</tbody>
</table>
MISSILE DEFENSE
The conferees are concerned by recent evidence that missile threat is emerging more rapidly and in a more sophisticated form than previously projected. Further, the recent ballistic missile launch from North Korea clearly demonstrates that longer range missiles, even interservice, can be within the reach of our adversaries. Thus, world events continue to clearly validate the Defense Department requirement for national missile defense systems as well as a mix of upper and lower tier TMD systems to defend U.S. interests and forward-deployed forces.

Testimony this year by the Chief of Naval Operations, Army Chief of Staff, and Director of the Ballistic Missile Defense Organization convinced the conferees that the Department's two upper tier systems, THAAD and Navy Theater Wide, are complements, not substitutes, for each other. The conferees are concerned by the THAAD program's failure to achieve an intercept in five attempts, however. Believing that additional testing is the appropriate course of action, the conferees have provided $455,292,000 to continue the THAAD Demonstration and Validation flight test program during fiscal year 1999.

The Navy Theater Wide program offers the capability to defend a large area against the medium and longer range ballistic missiles our adversaries are seeking to acquire. The deployability of Navy Theater Wide systems will allow this nation to respond to the theater ballistic missile threat whenever and wherever required. The conferees have a dedicated $137,265,000 to Navy Theater Wide development and strongly urge the Department of Defense to proceed aggressively with development and adequate testing.

The conferees have also provided $950,473,000 for the development of a national missile defense system. The conferees are pleased that this program is now poised to confirm critical progress given the recent NMD contract award. The conferees view NMD as a national priority and place full responsibility on the Department of Defense to prudently and aggressively complete the technical work and testing necessary for an effective national missile defense system which can provide protection for all 50 states.

The conferees also recognize the Airborne Laser as a high priority and promising program for our nation's defense. The program is proceeding on budget and schedule, and the conferees look forward to the results of ground demonstrations which will provide confidence in the capability of the ABL design.

INFORMATION SYSTEMS SECURITY PROGRAM (ISSP)
The conferees have agreed to provide a total of $251,081,000 for the Information Systems Security Program (ISSP): $12,000,000 over the amount proposed by both the House and the Senate. In its recommendation, the House included a $15,000,000 increase in a different program element and directed that the funding be transferred to the ISSP. The conferees believe this increase is appropriate and recommend that $12,000,000 transferred to provide the system. The conferees are particularly concerned that additional resources and attention are being paid to research and development in computational neuroscience.

NUCLEAR EFFECTS TESTING CAPABILITY
The conferees are concerned that insufficient resources and attention are being paid to ensure the continued survivability of weapon platforms and supporting C3I systems from the effects of a nuclear explosion, particularly in light of India and Pakistan's recent nuclear testing. With the termination of underground nuclear testing and the emerging nuclear capability of some states, there is an urgent national security requirement for continued above ground qualification and verification testing of new and upgraded military components and subsystems. The conferees agree that the current industry-based Defense Threat Reduction Agency X-ray simulator program should have increased funding for timely development of affordable pulsed power based x-ray test capabilities that were lost with the cessation of underground nuclear tests and encourage the Department to proceed with this program at adequate levels in future budgets.
CONGRESSIONAL RECORD — HOUSE  

September 25, 1998

H8715

DEVELOPMENT TEST AND EVALUATION

<table>
<thead>
<tr>
<th>Project</th>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>...</td>
<td>96,253</td>
<td>96,253</td>
<td>94,253</td>
<td>94,253</td>
</tr>
</tbody>
</table>

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS

<table>
<thead>
<tr>
<th>Project</th>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>CENTRAL TEST AND EVALUATION</td>
<td>...</td>
<td>...</td>
<td>...</td>
<td>...</td>
</tr>
<tr>
<td>...</td>
<td>122,169</td>
<td>134,669</td>
<td>122,169</td>
<td>131,669</td>
</tr>
<tr>
<td>...</td>
<td>0</td>
<td>9,500</td>
<td>0</td>
<td>8,000</td>
</tr>
<tr>
<td>Strand simulator</td>
<td>3,000</td>
<td>0</td>
<td>1,500</td>
<td>...</td>
</tr>
</tbody>
</table>

OPERATION TEST AND EVALUATION, DEFENSE

The conference agreement on items addressed by either the House or the Senate is as follows:

<table>
<thead>
<tr>
<th>Project</th>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>LIVE FIRE TESTING</td>
<td>...</td>
<td>...</td>
<td>...</td>
<td>...</td>
</tr>
<tr>
<td>...</td>
<td>9,934</td>
<td>10,934</td>
<td>9,934</td>
<td>18,934</td>
</tr>
</tbody>
</table>

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS

<table>
<thead>
<tr>
<th>Project</th>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>LIVE FIRE TESTING</td>
<td>...</td>
<td>...</td>
<td>...</td>
<td>...</td>
</tr>
<tr>
<td>...</td>
<td>9,934</td>
<td>10,934</td>
<td>9,934</td>
<td>18,934</td>
</tr>
</tbody>
</table>

TITLE V—REVOLVING AND MANAGEMENT FUNDS

The conferees agree to the following amounts for Revolving and Management Funds programs:

<table>
<thead>
<tr>
<th>Project</th>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Defense Working Capital Funds</td>
<td>...</td>
<td>...</td>
<td>...</td>
<td>...</td>
</tr>
<tr>
<td>...</td>
<td>94,500</td>
<td>94,500</td>
<td>94,500</td>
<td>94,500</td>
</tr>
<tr>
<td>National Defense Sealift Fund</td>
<td>418,166</td>
<td>673,366</td>
<td>699,566</td>
<td>703,366</td>
</tr>
<tr>
<td>Total, Revolving and Management Funds</td>
<td>512,666</td>
<td>767,866</td>
<td>764,066</td>
<td>797,866</td>
</tr>
</tbody>
</table>

DEFENSE WORKING CAPITAL FUNDS

The conferees agree to provide $94,500,000 for the Defense Working Capital Fund.

COMMISSARY FUNDING

In view of the Department of Defense decision to move the appropriations requested in support of commissary operations back into the Military Services' operation and maintenance accounts, the conferees expect to see a significant adjustment in the fiscal year 2000 budget request for the Defense Commissary Agency (DeCA) headquarters. The conferees direct the Department of Defense to report to the congressional defense committees on the adjusted responsibilities and purposes of the DeCA headquarters organization in light of this development, no later than December 1, 1998.

NATIONAL DEFENSE SEALIFT FUND

The conferees agree to provide $7,083,366,000, an increase of $2,500,000,000 to the budget request. The increase consists of $2,501,400,000 for a Large Medium Speed Roll-on/Roll-off (LMSR) ship, $2,680,000 to be transferred as specified in the House bill, and $10,000,000 only for Marine Corps' maritime prepositioning ship research and development.

In fiscal year 1997, the Congress provided $250,000,000 above the budget as an initiative to enhance the capabilities of the Maritime Prepositioning Force through procurement of two ships. The Congress recognized that these ships could not only significantly enhance the capability of the Marine Corps during combat operations but also provide a strategic national asset. In order to expedite fielding of the ships, the Marine Corps chose to convert used commercial ships rather than build new ones. The conference recently discovered that, as was the case in conversion of used commercial ships for Army strategic sealift, the second and third MPF-E ship conversions have suffered significant cost and schedule difficulties. The conferees understand that the Navy issued a solicitation for the third MPF-E ship, but subsequently cancelled it after issues arose on the second ship. The conferees further understand that the Marine Corps must now divert a substantial amount of funds from the third ship to finance increased costs on the second ship in order to make it viable. Given the unfortunate recent events in this program, the conferees have rescinded $65,000,000 from the fiscal year 1997 funds for the third MPF-E ship to keep their fielding on track. Since the third ship is no longer viable, the conferees agree to provide $10,000,000 only for maritime prepositioning ship research and development to begin work on design of a new-construction ship to meet MPF-2010 requirements. The conferees suggest that the CVN-77 "transition-ship" model, to bridge from the capabilities of current MPF sealift ships to the objective future configuration, should be considered. The conferees direct the Secretary of Defense to develop and budget for a new-construction maritime prepositioning ship program and to report by February 1, 1999 to the congressional defense committees on how technical issues in the MPF-E conversion program will be resolved and the new-construction program implemented.

The conferees also agree to rescind funding appropriated in fiscal year 1996 for the National Defense Features (NDF) program by $20,000,000 because of serious funding shortages. The conferees continue to believe that the NDF program would provide great benefits to the defense sealift capabilities of the nation. Therefore, the conferees direct that the remaining $20,000,000 funding be available only for the NDF program and that no funds may be reprogrammed from this program without the approval of the Committees on Appropriations.

TITLE VI—OTHER DEPARTMENT OF DEFENSE PROGRAMS

The conferees agreement is as follows:

<table>
<thead>
<tr>
<th>Program</th>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Defense Health</td>
<td>...</td>
<td>...</td>
<td>...</td>
<td>...</td>
</tr>
<tr>
<td>Chemical Agents and Munitions Destruction, Army</td>
<td>10,055,022</td>
<td>10,127,622</td>
<td>10,137,022</td>
<td>10,149,072</td>
</tr>
<tr>
<td>Drug Interdiction and Counter-Drug Activities, Defense</td>
<td>850,100</td>
<td>796,100</td>
<td>780,150</td>
<td>785,150</td>
</tr>
<tr>
<td>Office of the Inspector General</td>
<td>727,582</td>
<td>764,595</td>
<td>742,582</td>
<td>735,582</td>
</tr>
<tr>
<td>Total, Other Department of Defense Programs</td>
<td>132,064</td>
<td>132,064</td>
<td>132,064</td>
<td>132,064</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Program</th>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total, Other Department of Defense Programs</td>
<td>11,770,568</td>
<td>11,820,381</td>
<td>11,992,118</td>
<td>11,797,668</td>
</tr>
</tbody>
</table>
The conference has provided $10,000,000 to continue this activity, including implementation of automated clinical practice guidelines and outcome management on an individual, as well as a population, basis.

MEDICAL RESEARCH ACTIVITIES

Within the Defense Health Program, the conference provides an additional $39,500,000 for medical research activities conducted by the Department. The funds are to be used for research that focuses on issues pertinent to our military forces.

Such efforts would include: alcoholism research; sleep management; chemical weapons treatment; disease management; healthcare information protection; lung research; laser eye injury/eye cancer research and treatment; mustard gas anecdote; prostate cancer research; laser eye injury/eye cancer research; sleep management; chemical weapons research; and pediatric asthma. The conferees believe that such a study may likely benefit from such assistance in a manner that does not impose costs on the individual.

ABLATABLE DISC LASER VISION CORRECTION

The conferees are aware of the successful clinical trials involving laser vision correction technology and believe this could have the potential to enhance the combat effectiveness, especially in critical night operations, for nearsighted military personnel. The conferees therefore encourage the Department to prepare and submit a report regarding the policies, practices and experience of the uniformed services pertaining to the provision of dental care to dependents, 18 years of age and younger, of active duty members of the uniformed services to the defense congressional oversight committees not later than March 15, 1999.

IMPROVING PATIENT CARE

The conferees are encouraged by Department of Defense efforts to reengineer medical care in accordance with Program Decision Memorandum (PDM) number 1, directed by the Under Secretary of Defense for Personnel and Readiness, the Director of Program Analysis and Evaluation and the Surgeon General. This initiative should improve inpatient and outpatient care in several major urban centers and provide for greater efficiency in the Military Health System. The conferees strongly urge the Department to continue such reengineering efforts and direct the Department to provide a report to the congressional defense committees on subsequent initiatives to accomplish these goals by February 15, 1999.

GALLO INSTITUTE

The conferees strongly support the comprehensive efforts of the Cancer Institute of New Jersey and commend the work of the Gallo Institute to address prostate cancer.

The conference agreement is as follows:

[In thousands of dollars]

<table>
<thead>
<tr>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>531,650</td>
<td>508,650</td>
<td>493,700</td>
<td>493,700</td>
</tr>
<tr>
<td>140,670</td>
<td>124,670</td>
<td>115,670</td>
<td>115,670</td>
</tr>
<tr>
<td>182,780</td>
<td>162,780</td>
<td>172,780</td>
<td>172,780</td>
</tr>
</tbody>
</table>

The conference agreement is as follows:

[In thousands of dollars]

<table>
<thead>
<tr>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>12,830</td>
<td>12,730</td>
<td>12,830</td>
<td>12,730</td>
</tr>
<tr>
<td>500</td>
<td>1,400</td>
<td>1,900</td>
<td>1,900</td>
</tr>
<tr>
<td>86,669</td>
<td>112,069</td>
<td>106,669</td>
<td>121,869</td>
</tr>
<tr>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1,000</td>
</tr>
<tr>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

The conference agreement is as follows:

[In thousands of dollars]

<table>
<thead>
<tr>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,417</td>
<td>10,147</td>
<td>10,147</td>
<td>10,147</td>
</tr>
<tr>
<td>0</td>
<td>2,229</td>
<td>2,229</td>
<td>3,809</td>
</tr>
<tr>
<td>2,007</td>
<td>6,207</td>
<td>6,207</td>
<td>6,207</td>
</tr>
<tr>
<td>0</td>
<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
</tr>
<tr>
<td>0</td>
<td>5,200</td>
<td>5,200</td>
<td>5,200</td>
</tr>
<tr>
<td>0</td>
<td>2,000</td>
<td>2,000</td>
<td>2,000</td>
</tr>
</tbody>
</table>
### CARIBBEAN COUNTER-DRUG ENHANCEMENT

The conferees direct that up to $8,500,000 may be made available to support restoration of Caribbean counter-narcotics operations around the island of Hispaniola, for procurement of 2 Schweizer observation/spray aircraft, and for upgrades for 3 UH-1N helicopters for Colombia.

**Office of the Inspector General**
The conferees agree to provide $132,064,000 for the Office of the Inspector General.

### TITLE VII—RELATED AGENCIES
The conferees agree to the following amounts for Related Agencies:

<table>
<thead>
<tr>
<th>Related Agency</th>
<th>Budget</th>
<th>House</th>
<th>Senate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intelligence Community Management Account</td>
<td>$132,064,000</td>
<td>$134,123</td>
<td>$138,623</td>
<td>$141,123</td>
</tr>
<tr>
<td>Central Intelligence Agency Retirement and Disability System</td>
<td>$20,500,000</td>
<td>$20,500</td>
<td>$21,000</td>
<td>$21,500</td>
</tr>
<tr>
<td>Payment to Kilo/delaw Island Conveyance, Remediation, and Environmental Restoration Trust Fund</td>
<td>$25,000,000</td>
<td>$25,000</td>
<td>$25,000</td>
<td>$25,000</td>
</tr>
<tr>
<td>National Security Education Trust Fund</td>
<td>$5,000,000</td>
<td>$3,000</td>
<td>$3,000</td>
<td>$3,000</td>
</tr>
</tbody>
</table>

### INTELLIGENCE COMMUNITY MANAGEMENT ACCOUNT

Details of the adjustments to this account are addressed in the classified annex accompanying this report.

<table>
<thead>
<tr>
<th>Fiscal year 1998</th>
<th>Shipbuilding and Conversion, Navy: Excess funds</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fiscal year 1999</td>
<td>Shipbuilding and Conversion, Navy: Excess funds</td>
<td>Conference</td>
</tr>
<tr>
<td>Fiscal year 1998</td>
<td>Shipbuilding and Conversion, Navy: Excess funds</td>
<td>Conference</td>
</tr>
</tbody>
</table>

**Fiscal year 1992:**
- Shipbuilding and Conversion, Navy: Excess funds: $3,307,524
- Procurement of Ammunition, Navy and Marine Corps: JDAM: $12,500,000
- Aircraft Procurement, Air Force: F-15: $8,934,000
- Procurement of Ammunition, Air Force: JDAM: $4,200,000
- Other Procurement, Air Force: Classified program: $3,508,000
- Research, Development, Test and Evaluation, Navy: NORT R&D, Vector: $3,000,000
- Navigation/ID systems: $1,000,000
- Contract savings: $1,500,000
- High Power Discriminator: $15,000,000
- National Defense Sealift Fund: $20,500,000
- Defense features: $20,000,000
- MFPE third ship program delay: $45,000,000

The conferees included a general provision (Section 8080) which amends House language concerning transfer authority.

The conferees included a general provision (Section 8005) which amends language concerning transfer authority.

The conferees included a general provision (Section 8014) which amends language regarding the Department of Defense to report to the Congress on contracting out Department of Defense functions performed by ten or more Department of Defense personnel.

The conferees included a general provision (Section 8039) which amends Senate language authorizing intelligence activities.

The conferees included a general provision (Section 8056) which amends Senate language authorizing intelligence activities.

The conferees included a general provision (Section 8058) which amends Senate language authorizing intelligence activities.

The conferees included a general provision (Section 8068) which amends Senate language authorizing intelligence activities.

The conferees included a general provision (Section 8076) which amends Senate language authorizing intelligence activities.

The conferees included a general provision (Section 8088) which amends Senate language authorizing intelligence activities.

This amount, $130,764,000 shall be for operation and maintenance activities and $3,300,000 shall be for procurement.
The conferees included a general provision (Section 8003) which amends Senate language transferring funds to cover unanticipated shipbuilding cost increases.

The conferees included a general provision (Section 8000) which amends House language regarding the use of refunds from Government travel cards.

The conferees included a general provision (Section 8005) which amends Senate language requiring the Department of Defense to identify costs incurred by the Department of Defense in support of the North Atlantic Treaty Organization.

The conferees included a general provision (Section 8010) concerning the condition under which the Secretary of Defense may issue waivers to the Buy America Act.

The conferees included a general provision (Section 8101) to provide permanent clarification of the application of the "Brooks Act" qualifications based selection (QBS) process to surveying, mapping, charting and geodesy contracts of the National Imagery and Mapping Agency (NIMA). The conferees express their intent to amend Federal Acquisition Regulations (FAR) to strike and revise the last sentence of section 36.603-4(a)(4) of the FAR (48CFR 36.603-4(a)(4)) to define "mapping," in manner as to include contracts and subcontracts for services for Federal agencies for collecting, storing, retrieving, or disseminating digital data representing natural or man made physical features, phenomena and boundaries of the earth and any information related thereto, including but not limited to surveys, maps, charts, remote sensing data and images and aerial photographic services.

The conferees included a general provision (Section 8106) which amends Senate language reducing funds available to the Department of Defense by $70,000,000 for efficiencies realized as a result of the Defense Reform Initiative.

The conferees included a general provision (Section 8108) which amends Senate language requiring the Secretary of Defense to submit an in-depth analysis of any proposed establishment or expansion of depot facilities by the Reserve components.

The conferees included a general provision (Section 8109) which amends Senate language on National Defense Stockpile Asset sales.

The conferees included a general provision (Section 8110) which amends Senate language related to the transfer of specific ships under certain conditions.

The conferees included a general provision (Section 8114) which amends Senate language directing the Secretary of the Air Force to convey property at the former Pease Air Force Base to the Town of Newington, New Hampshire.

The conferees included a general provision (Section 8142) which allows the Secretary of Defense to retain family housing that is being vacated by servicemembers being transferred.

The conferees included a new general provision (Section 8143) which allows the Secretary of the Navy to convey the Magnolia housing area to the City of Seattle, Washington.

The conferees included a new general provision (Section 8144) which conveys an Army Reserve Center in Pennsylvania to the City of Reading, Pennsylvania.

The conferees included a new general provision (Section 8145) which amends House language directing the Secretary of the Air Force to obligate up to $7,646,000 of previously appropriated funds for demolition and related environmental restoration of 31 buildings at the former Norton Air Force Base, California. Sufficient funds remain available for obligations in the National Guard Youth ChalleNGe Program for fiscal year 1999.

The conferees included a new general provision (Section 8146) which establishes a new general provision (Section 8132) which allows the Air Force to convey surplus relocatable shelters.

The conferees included a new general provision (Section 8133) which amends Senate language regarding the donation of surplus dental equipment to Indian Health Service facilities.

The conferees included a new general provision (Section 8134), reducing funds in Title III, Procurement, by $312,100,000. The House conferees have provided an additional $38,000,000 in Operation and Maintenance, Defense-Wide and Military Construction accounts by $252,000,000 due to foreign currency fluctuation.

The conferees included a new general provision (Section 8135) which reduces funding available for the Military Personnel and Operation and Maintenance accounts by $235,390,000 due to foreign currency fluctuation.

The conferees included a new general provision (Section 8136) which reduces funding for the Military Personnel and Operation and Maintenance accounts by $202,000,000 due to declining prices for bulk fuel.

The conferees included a new general provision (Section 8137) concerning the Global Positioning System. Section 8137 requires the Secretary of Defense to develop strategy to protect the integrity of the GPS frequency spectrum against interference and disruption. The conferees express this strategy to be devised with the support of the Secretary of Commerce, the Office of Science and Technology Policy, and industry representatives. The law requires that the plan shall include strategies for protecting the position, navigation and timing capabilities of the GPS system.

The conferees included a new general provision (Section 8138) which amends Senate language requiring the Secretary of Defense to submit a report regarding military deployment rates for each service.

The conferees included a new general provision (Section 8139) which amends Senate language directing the Secretary of the Air Force to convey property at the former Pease Air Force Base to the Town of Newington, New Hampshire.
operational management remaining with the services. The Department shall provide a report to the Appropriations Committees by May 1, 1999 on the revised enterprise DIMHRS, the revised programs, and budget changes and business process improvement changes comply with Appropriations Committee direction and with Public Laws 104-106 and 103-62.

The conferences included a new general provision (Section 8148) regarding a review of military compensation. The conferences were deeply concerned with the increasing demands placed on our military personnel, which affect the ability to recruit and retain the high-caliber volunteers needed to maintain the all-volunteer force. Operating tempo, particularly for those forces deployed in support of contingency operations, are at historic highs, and the same time force structure has been reduced. People are working harder and under more challenging circumstances. At the same time, outside employment opportunities for highly skilled military personnel, especially in certain career fields, are readily available due to the nation's prolonged period of economic prosperity. This environment, while non-typical of our military personnel serve for financial advancement, we should not expect them to serve for financial hardship.

These competing demands are being compounded by a widespread perception within the force that there has been, and will continue to be, a steady erosion in those programs associated with military compensation and benefits. For example, the conferences note that while the Administration has in recent years proposed increases in pay rates consistent with existing legal limits, those increases have not reversed the gap between military and private compensation. Of even more concern, it is becoming steadily more apparent that the changes in the military retirement system enacted in 1986 are having a direct impact on the services' enlistment rates, and have raised fundamental questions of equity between those service members who are under the previously established retirement structure and those who have joined the force since 1986. Finally, the conferences continue to observe persistent problems in other programs intended to provide for an adequate quality of life for service members and their families, including medical care, housing programs, and family support programs. The conferences are convinced that these problems, coupled with the high level of demands being placed on the force and the effects of a healthy economy, are directly responsible for the emergence of downward trends in recruiting and retention of personnel. If these interweaving issues are not dealt with soon, and in a meaningful manner, the conferences fear it could inevitably result in a dramatic decline in the capability of the nation's armed forces.

The conferences believe that a long-term solution to these issues cannot be found by simply focusing on one aspect of these problems, such as pay or retirement, in isolation from the others. The complexity of these issues requires a more broad approach if the Department of Defense is to truly address the new and different demands confronting the military force of the future. Therefore, in Section 8148, the conferences direct the Secretary of Defense, in consultation with the Nation's senior military leadership, to undertake a comprehensive reassessment of the existing fuel compensation and benefit programs, and the need, if any, for changes in these programs in order to meet both future manpower and quality of life requirements. The conferences intend that this effort provide the foundation for a total review of these programs and issues by both the executive and legislative branches as soon as possible, and therefore direct that the Secretary provide an interim report on these issues to the congressional defense committees within 60 days of the enactment of the fiscal year 1999 Defense Authorization Act. In order to provide for full consideration of these matters in the next Congress, the Secretary is also directed to provide his report contained on these issues to Congress in conjunction with submission of the fiscal year 2000 budget request.

CONFERENCE TOTAL--WITH COMPARISONS

The total new budget (obligational) authority for the fiscal years 1998 and 1999 exceeded the conference agreement.

New budget (obligational) authority, fiscal year 1998 ................. $247,708,522,000
Budget estimates of new (obligational) authority, fiscal year 1999 .......... $250,998,803,000
House bill, fiscal year 1999 .................................. 250,727,097,000
Senate bill, fiscal year 1999 .................................. 250,518,092,000
Conference agreement, fiscal year 1999 .................. 250,510,548,312

Conference agreement compared with:

New budget (obligational) authority, fiscal year 1998 ...... +2,802,026,312
Budget estimates of new (obligational) authority, fiscal year 1999 ...... +488,254,688
House bill, fiscal year 1999 .................................. -7,543,688
Senate bill, fiscal year 1999 .................................. -216,548,688

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will entertain 10 one-minutes from each side.

THE STORY OF THE RIP VAN WINKLE

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

Mr. PITTTS. Mr. Speaker, remember the story of Rip Van Winkle, who slept for 20 years, then woke up and was surprised by all the changes that had taken place during his slumber? A lot of people do not know this, but Rip Van Winkle had some relatives, the Rip Van Democrats, who have also slept for a long, long time.

The Rip Van Democrats slept for 40 years, until waking up in 1995 to discover that the Republicans had taken over. But during those 40 years of slumber, their liberal friends were out plundering the Social Security trust fund and spending it on big government programs. When they woke up they were shocked, shocked to find out that the liberals had left not only Medicare to the mercy of the budgetary process, but Social Security as well. So their only recourse was to blame the Republicans for the mess that their liberal friends themselves had created.

That is the story of the Rip Van Democrats.

VIOLENCE AGAINST WOMEN

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

Mr. SCHUMER. Mr. Speaker, the Violence Against Women Act significantly changed the way law enforcement and social service agencies respond to women victimized by domestic violence.

Yet, between 50 and 70 percent of men who abuse their female partners also abuse their children. Children who witness domestic violence experience anxiety and depression and other mental disorders.

Thanks to VAWA, more mothers and children have left these horrendous conditions and begun life anew. But unfortunately for many mothers and children, a new battle begins over custody and visitation.

VAWA II, my new bill, will provide many more desperately needed supervised visitation programs in safe and secure locations. Child welfare workers will be trained to better serve victims, and laws that protect these mothers and children will be strengthened.

Mr. Speaker, that is just one more reason to support and bring to the floor the Violence Against Women Act II.

One need only pick up a newspaper to read stories about mothers and their children being injured or killed by the batterer during visitation exchange. The need for supervised visitation areas is great, but the need surpasses the number of available programs.
IN PRAISE OF THE PAYROLL PROFESSIONAL DURING NATIONAL PAYROLL WEEK (SEPTEMBER 14-18)

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

Mr. SHAW, Mr. Speaker, I would like to call attention to some of the unsung heroes in the child support enforcement process. The welfare reform bill we passed just 2 years ago took strong steps to ensure that all single parents receive child support payments. Providing child support officials with the tools they need to locate parents who owe child support was key to this effort.

The most important tool was information employers were required to report on every person they hire. These new hire reports are used to locate parents anywhere in this country and then to establish an order or enforce an existing order.

With new hire reporting, State child support enforcement agencies have the ability to issue income withholding orders much more quickly. None of this would be possible without the cooperation of employers, and specifically the payroll professionals who bear the major responsibility for this new hire reporting.

Payroll professionals are also responsible for withholding wages from paychecks and sending the money to custodial parents and children. The funds they withhold from workers amounts to more than half of the $13 billion in child support payments made nationally each year.

Few public policies are more important than child support, and no group is more important in this issue than employers in general and payroll professionals in particular. I wholeheartedly commend them.

MEMBERS MUST DEFEND THE RULE OF LAW AND THE CONSTITUTION

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

Mr. GIBBONS. Mr. Speaker, this great country is struggling to find its way through the darkness of cynicism, distrust, and divisiveness, because this body and this administration tend to demagogue, to speak against others when we do not agree with them or their ideas or their philosophies.

We must realize that the foundation of this very government was based upon a rule of law and not a rule of man, a moral direction for a new country, and most importantly, a Constitution.

This foundation is what makes America so great, so strong. All men are created equal, and no man is above the law. Our Founding Fathers made the tough decisions on governance, on principle, on what was right and wrong, not on opinion polls and conjecture.

When we address the circumstances beset upon this President, we must remember that we are all bound by the Constitution, by the stable and forthright direction of our Founding Fathers.

The duty before us is an onerous one that requires each of us to summon the courage and the means to defend the rule of law, and to stand up and recapture the constitutional intent of James Madison.

SAVING THE SOCIAL SECURITY SURPLUS

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

Ms. WOOLSEY. Mr. Speaker, Social Security is one of our very successful programs here in the United States. It has well served more than 160 million workers and their families for nearly 60 years. But recently the majority leadership has put together a hasty proposal to spend a portion of our budget surplus on tax cuts, rather than invest it in the Social Security system.

I am a very strong supporter of needed tax relief for our families, but Mr. Speaker, robbing the Social Security system to pay for tax cuts would make it more difficult and painful, and in fact impossible, to deal with the serious problems facing our Social Security system. Spending the surplus now will suck security right out of the system.

We have a responsibility to future generations. Our responsibility is to ensure that our parents, our children, and their children have the base security of Social Security.

SOCIAL SECURITY

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

Mr. MENENDEZ. Mr. Speaker, there is a lot of talk about values today, but we need to remember that every day the actions we take on the floor of this House say a lot to the American people about what our values really are.

So I will be proud to cast another vote for the Democratic plan to reserve the budget surplus, whose ink has not even dried yet, to save Social Security, and against the Republican plan to use the Social Security surplus to pay for tax cuts, because I value our senior citizens. I value the years of work they dedicated to raising our families, to building this Nation, and to defending our freedom. I will fight to make sure the benefits they deserve, the benefits they paid for, are there when they retire.

So when Members come to the floor to vote, they will have a clear choice of supporting the values of providing Social Security and the fiscal stability of this country, or the value of doing right by our senior citizens.
Permission to address the House for 1 minute and to revise and extend his remarks.

Mr. KINGSTON. Mr. Speaker, after 40 years of Democrat rule in the United States House of Representatives, what do we have? We have a national debt of about $5 trillion. Year after year, deficit spending. After 3 years of Republican rule, we have a surplus.

What do we have after 40 years of Democrat rule on Medicare? A Medicare system that was going bankrupt. What do we have after 3 years of Republican rule? A Medicare system that was saved and protected on a bipartisan basis.

Now on Social Security, after 40 years of Democrat rule, what do we have? $14 trillion that has been taken out of the Social Security trust fund and spent on roads and bridges and anything else, any special projects and wasteful spending the Democrats could dream up.

What are Republicans doing about it today? We set aside $1.4 trillion for the Social Security trust fund. Not one dime in 40 years of Democrat rule has been set aside and protected for Social Security. It has all been taken out and backed up with a Treasury bill.

Now Republicans taking the step to look after not just American seniors for the next election but for the next generation.

SAVE SOCIAL SECURITY FIRST

Mr. WYNN. Mr. Speaker, we are about to engage in a momentous debate here in Congress, a debate about the future of America and about the really big issues, like saving Social Security.

On the Democratic side, we have a very simple proposition. If we have a surplus, we should use all of that surplus to preserve and save Social Security, because the baby boomers are coming. When they do, we will be insolvent. We do not have a full solution, but we do know that if we get some money into the Treasury, we ought to set it all aside to save Social Security.

Now, the Republicans have an election year gimmick. They say, let us run down here and propose a tax cut for the American people, and that way we can get elected because it is election year.

Mr. Speaker, the fact of the matter is that they are perpetuating a myth. They say it is a drain on the economy. Taxes are a terrible drain. The fact of the matter is that the economy is doing very well. Poverty is at an all-time low. Unemployment is at an all-time low. Business starts are increasing.

They say, well, taxes are a burden on the average taxpayer. Tax rates for the average American taxpayer are at the lowest point they have been since 1978. They say taxes are a disproportionate part of the gross domestic product. That is only because revenues increased because more people are working.

The fact of the matter is we should save Social Security first.

SAVE SOCIAL SECURITY FIRST

Mr. WYNN. Mr. Speaker, we are about to engage in a momentous debate here in Congress, a debate about the future of America and about the really big issues, like saving Social Security.

On the Democratic side, we have a very simple proposition. If we have a surplus, we should use all of that surplus to preserve and save Social Security, because the baby boomers are coming. When they do, we will be insolvent. We do not have a full solution, but we do know that if we get some money into the Treasury, we ought to set it all aside to save Social Security.

Now, the Republicans have an election year gimmick. They say, let us run down here and propose a tax cut for the American people, and that way we can get elected because it is election year.

Mr. Speaker, the fact of the matter is that they are perpetuating a myth. They say it is a drain on the economy. Taxes are a terrible drain. The fact of the matter is that the economy is doing very well. Poverty is at an all-time low. Unemployment is at an all-time low. Business starts are increasing.

They say, well, taxes are a burden on the average taxpayer. Tax rates for the average American taxpayer are at the lowest point they have been since 1978. They say taxes are a disproportionate part of the gross domestic product. That is only because revenues increased because more people are working.

The fact of the matter is we should save Social Security first.
REPUBLICAN TAX CUT PROPOSAL IS AN ASSAULT ON SOCIAL SECURITY

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

Mr. PALLONE. Mr. Speaker. let the Republicans make no mistake about it. The Republican bill is a direct assault on Social Security.

The budget surplus the Republicans want to use to pay for their tax cuts does not exist. The only portion of the Federal budget that is in surplus is the Social Security trust fund. In fact, without Social Security, the Federal budget would still be in a deficit this year.

Instead of voting on an $80 billion tax cut that is paid for by raiding Social Security, we should pass the Democratic proposal to save Social Security first. It would require by law that the entire amount of the Social Security surplus in each fiscal year be transferred to the Federal Reserve Bank in New York to be held in trust for Social Security.

Mr. Speaker, the point is that Democrats could support many of these tax cuts, and we could pass a tax relief bill, if the Republicans agreed to do it without using Social Security to pay for it. But they will not. They are not going to do that. That is why we have to vote down this Republican bill and save Social Security first.

NO SURPRISE THAT DEMOCRATS OPPOSE TAX CUTS

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

Mr. FOX of Pennsylvania. Mr. Speaker, is anyone at all surprised that the Democrats want an excuse to oppose tax cuts this is year?

The very same Democrats who never ever thought that billions and billions of dollars in spending were a threat to Social Security, now pretend that tax cuts would be worse.

There are more ironies here. The same party that did not put a dime aside to save Social Security during their 40 year reign of error now act as if they are concerned about raiding the Social Security trust fund.

The same party that refused to take Social Security off budget all of these years, in opposition to conservative proposals to create a more honest system, now recognize that the Social Security trust fund can be solvent while providing adequate benefits.

The same party that has proposed billions and billions of dollars in new spending just this year straight out of the Social Security trust fund, now turn around and claim that tax cuts are a valid way to fund Social Security.

Mr. Speaker, the fact is we can have tax cuts and save the Social Security system at the same time, and we will do that for the American people.

A LOAD OF ROCKS

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

Mr. BERRY. Mr. Speaker, I am an East Arkansas rice farmer, and I remember a story an old fellow in my community told me when I first started farming. He said there was a man who came through during the Depression and he had a truckload of rocks. If a farmer would buy one of these rocks from him and put it where the irrigation water ran into their rice field, he claimed it would make them a lot better crop.

He said, "You know, he sold some of those rocks." I said, "How did it do?" Did it make the crop better?" He said, "It was pretty hard to tell."

Mr. Speaker, that is what these fellows are trying to do, is to sell the American people a load of rocks. I think it is a bad idea.

Mr. Speaker, we are all for tax cuts, but not if we have to rob the Social Security trust fund and our children's future to do it. It is a bad idea, and the Americans people need to recognize this load of rocks for what it is.

TRIBUTE TO TONY MOCERI, BOILERMAKERS LOCAL 363

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

Mr. SHIMKUS. Mr. Speaker, I rise today to honor Mr. Tony Moceri, who is to have the new Boilermakers Local 363 building in Belleville, Illinois, named in his honor.

Tony became a proud member of Local Boilermakers Lodge 363 in 1942. During his career, he served as assistant business agent and was elected business manager in 1966, where he served until 1984.

In addition to his regular job, Tony served proudly on the State Boiler Board, the Boilermakers Trades Committee, and Senator Charles Percy's Labor Task Force Committee, before retiring in 1984.

Mr. Speaker, I want to congratulate Tony for this honor and for his years of service, and I want to wish Tony and his wife, Vera, all the best for another 44 years.

THE CHOICE IS CLEAR

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

Mrs. KELLY. Mr. Speaker, Congress has less than 1 month to conduct the people's business. I think Congress should focus on the issue of tax cuts.

Republicans believe that Americans are overtaxed. Democrats believe that Americans are not overtaxed, and some of them actually believe that Americans are not taxed enough.

Republicans talk about tax cuts for all Americans. Democrats speak in terms of targeted tax cuts, which is a great way of saying that the middle-class, the backbone of America, will not be getting a tax cut.

Now, let us make a distinction between Democrats and so-called "New Democrats." Democrats will raise taxes. New Democrats will talk about cutting taxes, but they will raise them once they get in office. Mr. Speaker, if Americans believe that taxes are fundamentally a freedom issue, then Republicans are on their side. If they think that government knows best, then the Democrats are their friend.

To me, the choice is clear.

PROVIDING FOR CONSIDERATION OF H.R. 4578, PROTECT SOCIAL SECURITY ACCOUNT, AND H.R. 4579, TAXPAYER RELIEF ACT OF

Mr. SOLOMON. Mr. Speaker, by direction of the Committee on Rules, I call for the yeas and nays and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 552

Resolved, That upon the adoption of this resolution it shall be in order without intervening of any point of order to consider in the House the bill (H.R. 4578) to amend the Social Security Act to establish the Protect Social Security Account, and the Secretary of the Treasury shall deposit budget surpluses until a reform measure is enacted to ensure the long-term solvency of the OASDI trust funds. The bill shall be considered as read for amendment. The amendment recommended by the Committee on Ways and Means now printed in the bill shall be considered as adopted. The previous question shall be considered as ordered on the bill, as amended, and on any further amendment thereto to final passage without intervening motion except: (1) one hour of debate on the bill, as amended, equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means; (2) a further amendment printed in the Congressional Record and numbered 1 pursuant to clause 6 of rule XXIII, if offered by Representative Rangel of New York or his designee, which shall be in order without intervention of any point of order, shall be considered as read, and shall be separately debatable on one hour of debate and controlled by the proponent and an opponent; and (3) one motion to recommit with or without instructions.

2. After disposition of the bill (H.R. 4578), it shall be in order without intervening of any point of order to consider in the House the bill (H.R. 4579) to provide tax relief for individuals, families, and farming and other small businesses, to provide tax incentives for education, to extend certain expiring provisions, and for other purposes. The bill shall be considered as read for amendment. The amendment recommended by the Committee on Ways and Means now printed in the bill, modified by the amendment printed in the report of the Committee on Rules accompanying this resolution, shall be considered as adopted. The previous question shall be considered as ordered on the bill, as amended, and on any further amendment thereto to final passage without intervening motion except: (1) one hour of debate

September 25, 1998
The SPEAKER pro tempore (Mr. KOLBE). The gentleman from New York (Mr. SOLOMON) is recognized for 1 hour.

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

Mr. Speaker, the resolution before us is a structured rule providing for consideration of two bills, H.R. 4578, the Protect Social Security Account, and H.R. 4579, the Taxpayer Relief Act of 1998. These are two extremely important measures for the American people. First, the rule provides for consideration of H.R. 4578 in the House without intervention and point of order. The bill is considered as read and the Committee on Ways and Means amendment in the nature of a substitute now printed in the bill, as modified by the amendment printed in the CONGRESSIONAL RECORD and numbered 1, if offered by the gentleman from New York (Mr. RANGEL), which shall be considered as read and shall be debatable for 1 hour, equally divided and controlled by the proponent and an opponent; (3) one motion to recommit with or without instructions.

Sec. 3. (a) In the engrossment of H.R. 4579, the Clerk shall: (1) add the text of H.R. 4578, as passed by the House, as new matter at the end of H.R. 4579; (2) conform the title of H.R. 4579 to reflect the addition of the text of H.R. 4578 to the engrossment; (3) assign appropriate designations to provisions, and conform cross references, within the engrossment; and (4) conform provisions for short titles within the engrossment.

(b) Upon the addition of the text of H.R. 4578 to the engrossment of H.R. 4579, H.R. 4578 shall be laid on the table.

Mr. Speaker, the rule and the two bills before us demonstrate that we can achieve two very, very important goals: We can save Social Security, and we can cut taxes.

The package before this House today, and Members ought to look at this, because the American people are looking at it the taxpayers of this Nation are looking at it the package before the House today sets aside 90 percent of the projected budget surplus over the next 10 years. We are very, very fortunate today that based on the philosophy of Ronald Reagan and Reaganeconomics, we have had this surging economy now for all these years, very unusual in the history of this Nation. But it has happened because of the tax cuts that were implemented way back in 1981. That pumped money back into the pockets of people so that they could either spend it on things they wanted to spend it on, whether it was on buying a house, buying a car, educating their children, or saving it so that they would have monies available to them later on when they got around to retiring.

So let me just repeat one more time, this package before the House today sets aside 90 percent of all of that new projected surplus that is rolling into the coffers of this Nation, and that is about $1.4 trillion over the next 10 years. That money is set aside to help replace the monies that have been legitimately and legally stolen out of the Social Security trust funds.

Now, the remaining 10 percent of that surplus, which is only $80 billion of the $1.4 trillion, $80 billion is used to provide tax relief to families, to farmers, to small businesses across this Nation.

Mr. Speaker, the issue before the House today is really quite simple. Do we believe that the American people, both families and businesses, deserve lower taxes? It is as simple as that. Of course, we know what the answer is. It is unequivocally yes.

As the chairman of the Committee on Ways and Means said so eloquently during debate in my Committee on Rules meeting yesterday, when testifying before our committee, he said the tax burden on American families is higher today than at any previous point in our peacetime history.

That means we are taking more money out of the pockets of people than ever in peacetime before. This vi- sion of a robust, dynamic, prosperous, and competitive domestic economy, driven by the hard work of both main street and Wall Street, Mr. Speaker, deserves a break. A tax cut now will provide taxpayers with more flexibility in establishing important consumer and investment priorities for families.

For instance, let me give Members an example. The Taxpayer Relief Act of 1998 will provide marriage tax relief for over 48 million married taxpayers. How many? Forty-eight million married taxpayers will receive an average tax cut of $243 per tax return.

You may not think that is much, Mr. Speaker, but I had five children. And my husband and I were struggling for a long time. And lo and behold, I came to this Congress about 20 years ago, I do not know what the salary was in those days, about $37,000 or something, but we struggled to educate those kids. I will tell you, do you know what $247 means? It means an awful lot. It means an awful lot to my family. It would have meant a lot to us.

Six million married taxpayers who currently itemize deductions on their returns will no longer need to do so. That means you do not have to go out and hire an accountant. Do you know what that cost the average family, a young couple, because of the complicated tax system? They are going to go out and spend 2, 3, 4, 5, $900, maybe even $1,000, if they happen to be a small businessman or family running a small business. And in this bill, these 6 million married taxpayers who currently itemize deductions on their returns will no longer need to do so. This represents tremendous simplification.

Many of the provisions of this bill simplify the tax code and result in the elimination of several tax forms that taxpayers currently are required to file.

Again, if you are a small business- man, like I was, you find the cost of doing business is so great because of all of the Federal and State and county, town, city, village, and local mandates. Anything we can do to relieve that going to help make these businesses and these families prosper. That is what this bill does.

In addition, 68 million taxpayers are provided tax relief by excluding from taxation a portion of the interest and
dividend income received. Let me repeat that. Sixty-eight million taxpayers are provided tax relief by excluding from taxation a portion of that interest and dividend income received. This will provide very visible tax relief to these families. It also extends the work opportunity credit under the estate tax, or what is otherwise called the death tax, is accelerated to take full effect on January 1, 1999. Again, I do not know about all the rest of my colleagues, but I represent the Hudson Valley in upstate New York. It has the Catskills on one end, the Adirondacks on the other. In between are very, very small dairy farms, 50 head each. It is the 20th largest dairy producing district in America. If the tax law passed in New York, would they, from Arkansas over there? And we have apple orchards. But these people have trouble keeping the new generation on the farm because it is so difficult, first of all, even to make a living. And secondly, they cannot even inherit the farm because of the inheritance tax.

What this does is move the credit under the estate tax up to make it fully effective on January 1, 1999. And it means that those farms now are going to be turned over to the children. And we are going to be able to keep them operating.

This, combined with other small business and agriculture provisions, will provide needed and immediate tax relief to many family-owned small business and family farms, many.

Mr. Speaker, key tax relief is also provided this is something that is very close to me to military personnel by making it easier for our Nation's men and women in uniform to qualify for the capital gains tax relief on the sale of a home due to the fact that their duties often require them to be away from home for long periods of time. They lose the capital gains benefit that the ordinary citizen would have when they sell their home. Civilian home-owners can take advantage of it. Our military personnel cannot do that. So that is a glitch in the law, and we are making a correction.

The Taxpayer Relief Act also will extend various expiring tax incentives necessary to grow the economy, such as research and experimentation tax credits, very, very important.

It also extends the work opportunity tax credit and the welfare to work credit, which is extremely important.

Finally, the bill before us today includes landmark language which authorizes the creation of 20 rural communities designed to help fight poverty.

This is extremely important to Members on both sides of the aisle. Pat Toner, from Pennsylvania, the gentleman from Oklahoma (Mr. Watts), the gentleman from Missouri (Mr. Talent) and the gentleman from Illinois (Mr. Davis), these communities would be eligible for capital gains tax relief, increased expenses, bonuses, wage credits for workers, deductions for cleaning up brownfields—very, very important—a commercial revitalization tax credit, and tax incentives for Family Development Accounts. This is an historic initiative aimed at addressing the travesty in impoverished rural and urban areas throughout our country.

Mr. Speaker, in closing let me just address those of my colleagues who claim that the surplus tax revenue generated by hard-working men and women of this country should be kept here in Washington and not used for tax cuts. This is something that just goes directly under my skin. I do remember that the tax revenue that pours into this city from all over this country does not belong to us, it does not belong to the government. Rather, it belongs to those who sent it here, the taxpayers of this Nation. When the taxpayers send the government more money than is necessary to run it, the government is duty bound to return that excess.

Second, everybody knows, and, believe me, all Members know it we are going through it right now everybody knows that any dollar not nailed down to a Federal program in Washington, D.C. is a spent dollar. We know the Congress is going to spend those dollars. In order to prevent the frivolous spending of taxpayer dollars the government does not need, we must cut taxes and give them back to the American people. That is exactly what this bill does.

Cut taxes and save Social Security by voting for this rule and for these two bills. It is the responsible thing to do. My grandson told me that this morning. He said, “Granddad, it’s the right thing to do. It makes it easier for our Nation’s men and women in uniform to qualify for the capital gains tax relief on the sale of a home due to the fact that their duties often require them to be away from home for long periods of time. They lose the capital gains benefit that the ordinary citizen would have when they sell their home. Civilian home-owners can take advantage of it. Our military personnel cannot do that. So that is a glitch in the law, and we are making a correction."

The Taxpayer Relief Act also will extend various expiring tax incentives necessary to grow the economy, such as research and experimentation tax credits, very, very important.

It also extends the work opportunity tax credit and the welfare to work credit, which is extremely important.

Finally, the bill before us today includes landmark language which authorizes the creation of 20 rural communities designed to help fight poverty.

This rule will allow Congress to consider H.R. 4578 and H.R. 4579, the Tweedledum and Tweedledee of budget poli- tics. The first bill, H.R. 4578, would set aside a portion of the Social Security surplus in a mythical special reserve account where it would supposedly be saved. The second bill, H.R. 4579, would use the remainder of the Social Security surplus to pay for tax cuts. It is bad enough that these proposals are irresponsible and shortsighted. To make
The modified closed rule does a disservice to the American people by barring the gentleman from Texas (Mr. STENHOLM) from offering his alternative. The Stenholm proposal would cut taxes without raiding Social Security or threatening to increase the deficit. Unfortunately this fiscally responsible bill was banned from the House floor in favor of the majority's reckless plan to raid future retirees' savings. In addition, the proposal, also proposed by the gentlewoman from California (Ms. SANCHEZ) and the gentleman from Connecticut (Mr. MALONEY) were denied the opportunity for floor consideration.

Mr. Speaker, H.R. 4578 and H.R. 4579 illustrate how the majority is indulging in creative accounting to invent a surplus that they can use to justify tax cuts. Over the next five years our Nation is projected to have a Social Security surplus of $657 billion and a budget deficit of $137 billion. The majority is using the Social Security surplus to cancel out that budget deficit and declare a total budget surplus of $520 billion free for the taking.

But my colleagues can see, the surplus is not a real surplus. It is a mirage. It is a surplus of Social Security taxes which we need to hold in reserve for that approaching day when Social Security begins to have financial problems. This Federal budget will remain in deficit or just barely in balance until at least the year 2005 even assuming the economy remains as robust as it is now. Federal Reserve Chairman Alan Greenspan has warned repeatedly that our economy could take a downturn which could wipe out the surplus and multiply the cost of the proposed tax cut.

H.R. 4578 places 90 percent of the Social Security surplus in a reserve account in the Treasury. This account is nothing but a budget gimmick. There is nothing to prevent Congress from spending these funds in the future. If the majority is spending the surplus on tax cuts now, what will stop them in the future for using it for other purposes? The majority is referring to their proposal as the 90-10 plan. I would suggest that that means if you live to be 90 you might get 10 percent of the Social Security benefits you are due.

Democrats are committed to reserv- ing all, 100 percent, of the surplus for Social Security. Our alternative will place the entire surplus in a special account in the New York Federal Reserve Bank where Congress is completely unable to touch it. This is the only proposal that guarantees the surplus will be used solely to save Social Security and not for politically irresistible goodies.

Democrats support tax cuts. Most of the proposals in the majority's package were originally Democrat bills. But we will not cut taxes without paying for them. The Democratic alternative includes all the same tax cuts but provides they will not take effect until Congress has enacted legislation to preserve Social Security. Social Security is a Democrat program, and we have always kept our promises to the American people. The majority has repeatedly said they will not start making new promises to Americans. The Democratic alternative enacts tax relief and saves Social Security.

I would like to note that the majority's misguided proposal has no chance of becoming law. The President has vowed to veto any proposal that raids the Social Security surplus to pay for tax cuts. Americans should recognize this tax bill for the cynical election-year ploy that it is. Democrats will protect Social Security while Republicans protect their majority.

We should save Social Security first. This bill is an unwelcome flashback to the Reagan years. The majority's proposal places in jeopardy the Social Security benefits of over 44 million older Americans, many of whom rely on their benefits as their sole source of income. While we would like to see cuts on both sides, we do not do so at the expense of the balanced budget and the Social Security trust fund. We owe our senior citizens and all Americans better than that.

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

Mr. WYNN. Mr. Speaker, I thank the gentlewoman for yielding time. If it is an election year, it must be time for a tax cut. At least that is what the Republicans said and they do not really care how they finance it. We on the Democratic side like tax cuts, too. In fact, we voted for tax cuts last year because they were paid for within the budget. They were paid for in the context of Social Security. Nevertheless, the Republicans are not worried about that. They are going to raid the Social Security trust fund to pay for tax cuts. That is not right.

The fact of the matter is we do not even have a tax bill if we get one, we do not know how much it is going to be. We ought to at least let the ink dry on the surplus before we start giving it away. More importantly, if the surplus is not as great as we think it will be, or if there is a downturn in the economy, we will not have those revenues but we will have shortened the Social Security trust fund.

Americans believe that Congress ought to deal with the big issues. The big issue facing our society is how we will deal with Social Security when the baby boom generation moves into its senior years. We on the Democratic side have a simple proposition. Any revenue we get, any and all of that surplus ought to be set aside for that rainy day. The Republicans are saying, "Well, let's get it out of there and put it away." The problem is, that will raid the Social Security trust fund and will not maximize the security we ought to provide for our seniors.

Now, they will come down and tell you, "We've got this terrible tax burden and that's what we're really fighting against." The fact of the matter is the economy is doing very well. Unemployment is down, employment is up, interest rates are down. They say, "Mr. Speaker, there's a 'sugarcoated family.'" Let me tell you this: The tax rates on the average American family are at its lowest point since 1978. We want to give tax breaks when we can pay for them, but if we cannot pay for them, we do not do it. We do not want to jeopardize the Social Security trust fund. We ought to put all the surplus back into the trust fund to protect long-term national interests.

Ms. SLAUGHTER. Mr. Speaker, I rise to oppose this rule. We hear a lot about there being a surplus but the reality is it is in Social Security. I have the greatest respect and friendship for the distinguished chairman of the Committee on Rules. He is irrepressible when it comes to the Reagan years, and certainly President Reagan was a strong President in many ways. He was also strong because he left us the strongest deficit in history. We went from $70 billion to $200 billion and deficits as long and fast as the eye can see according to a former Reagan aide.

So what does this bill do? It continues the same pattern, because you cut taxes, that was part of the Reagan formula, and yet you do not do anything really about the spending. I do not support election-year tax cuts that come from Social Security.

Now, they say they are going to put 90 percent of it in a lock box. But my question is, if you are going to save 90 percent of Social Security funds, why not save 100 percent? What happened to that radical idea, 100 percent of Social Security? I support tax cuts but not until Social Security is preserved.

The irony to this is the American worker pays into Social Security, you are going to tell them that you are giving them a tax cut and yet the tax cut is going to come at the price of what they have been paying into for many years for their retirement.

I look at this, a lot of us, whether we are parents or grandparents or whatever take our children to McDonald's. And so what this does is, you drive in, you give them a Happy Meal today, then you take the hamburger and the fries and what the worker is left with is a plastic googol toy that after the first five minutes ends up as election-year junk in the back of the car.

Mr. Speaker, this is simply taking for election-year purposes, giving a tax cut at the expense of Social Security. What my constituents, 300,000 senior citizens in West Virginia, hundreds of thousands of more getting ready to retire, what they say is save Social Security first, then look at the tax situation.
Ms. SLAUGHTER. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. RANGEL).

Mr. RANGEL asked and was given permission to revise and extend his remarks.

Mr. RANGEL. Mr. Speaker, if I could have a statement today on this rule which I oppose, it would be to my dear friend and fellow New Yorker (Mr. Solomon). Because the gentleman from New York is leaving this great body, but he leaves with a great reputation as a fighter for all of the things that he has believed in all of his life as a true American and a true Marine. I feel awkward, because having moved to be the senior member of the Committee on Ways and Means, some of the ways I used to think have now been replaced by having the responsibility of not being able to express my liberal ways the way I used to enjoy them before.

I would believe that if a surplus was there, spend the darn thing. Put it in education, build some houses, let America’s quality of life be a little better. As far as Social Security is concerned, what the devil. If we do not have money for the check, the country is not going to live forever, so forget it.

But that is not the way Americans have been thinking. The Republicans have been so good at telling us if you do not have the money, you do not spend it. They have been so good in saying you pay as you go. They have been so good in saying we have got budget rules, that you cannot even do it without violating the very principles of the House. Yet this rule today would allow us just to waive all of the disciplines that we have learned to work together in a bipartisan way to respect.

The whole idea of having a tax cut that you cannot pay for is repugnant to everything I thought Republicans stood for. For those reasons and others, I oppose the rule.

Ms. SLAUGHTER. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey (Mr. PALLONE).

Mr. PALLONE. Mr. Speaker, I want to tell my colleagues what my constituents are saying about this bill and why they want me to oppose this Republican tax plan.

What they are saying is that a few years ago; I think it was in the 1970s; this Congress passed a tax increase in order to provide more money for the Social Security Trust Fund through the payroll tax essentially because there was a recognition that in a few years there would be a lot more baby boomers who turned 65 and we would need more money in the Social Security Trust Fund to pay benefits for that baby boom generation. But that money now is being borrowed by the general revenue by the budget in general, used for purposes other than Social Security, and now we are being told that even though that surplus is there in the Social Security Trust Fund to be paying benefits in the future, we are going to take even more of it and spend it on a tax cut that primarily, I would say, goes to wealthy individuals.

Well, my constituents are saying that that is not fair, it is not fair to raise taxes on the average guy, on his earnings, on his payroll tax and then take it away in a tax cut when that money is supposed to be saved for the future when it has to be paid out in a few years. An apartment is saying, looking at what Congress is telling me is that the money is not going to be there to pay out the benefits when I get to be 65 even though I have been paying more to make sure that it is there. And then they are saying we know what is going to happen in the future. We are going to have to raise taxes because we have taken the money away that supposedly we were saving.

So the consequence of this Republican action that 5-10 years down the road we are going to have to raise taxes more, most likely, on that wage earner, on the payroll taxes, to make sure money is there for Social Security or, alternatively, that there will be no Social Security Trust Fund benefits, to cut back on the COLA, to raise the age before one can get Social Security or to even suggest other kind of crazy ways to deal with retirement because there is no money in Social Security.

This is wrong, and that is why we have to vote against this rule and vote against the Republican tax cuts.

Ms. SLAUGHTER. Mr. Speaker, I yield 1½ minutes to the gentleman from Arkansas (Mr. BERRY).

Mr. BERRY. Mr. Speaker, I rise today in support of a tax cut but not to raid the Social Security Trust Fund. My esteemed colleague from the 17th District of Texas (Mr. STEINHOLM) yesterday introduced a rule before the Committee on Ways and Means to provide for a tax cut but not to rob the Social Security Trust Fund, and that is what we should do.

This rule waives the budget rules that got us to the balanced budget; it throws it out the window. It says what we have been doing is the wrong thing to do. This is how we get to a $5 trillion debt. We owe the American people more than this. We owe them more than to rob Peter to pay Paul.

Yesterday in the committee on Rules the point was made that was quite outstanding that said we have got to spend this money before someone else does. I cannot think of a more ridiculous idea or a less responsible idea than this. These folks have heard as big as a washtub, as they say where I come from. We are going to rob Social Security on one hand and leave our constituents in poverty at age 65, but we are going to give them a small tax cut before we go.

Let me urge my colleagues to vote against this rule and vote for responsible fiscal management.

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

Mr. Speaker, I do not think I heard right. The gentleman from Arkansas said he heard something upstairs that Republicans want to spend this money before somebody else does.

We want to cut taxes and put the money back into the pockets of people. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan (Mr. SMITH), one of the most fiscally responsible Members of this body.

Mr. SMITH of Michigan. Mr. Speaker, first of all, I invite the gentleman from New York (Mr. RANGEL) to come over and join the Republican party. We still believe in that philosophy that he is starting to think.

Mr. Speaker, I am disappointed that there is so much rhetoric, and we are shy on some upright honesty on what is happening in Social Security.

First of all, let me suggest that with a unified budget deficit of over $20 billion, this year, in that same way that we figure surplus and deficit, we are going to have a surplus of $70 billion. And let me also suggest that almost every Democrat on that side of the aisle last year voted for the tax cuts even though we had a much larger deficit than we do this year. And what happened? Because of the fact that there is some way to treat taxes to make it more fair to stimulate the economy we have ended up bringing in more tax revenue this year. And it has been a stimulus to a stronger economy in this country. That is part of the solution, long term, to any Social Security solution.

Let me additionally suggest, Mr. Speaker, to whoever might be listening to our debate, that neither approach, the Rangel amendments, nor this rule, move in the direction of saving Social Security. All we are saying is, let us start paying down the public debt a little bit, and that is good. That is going to help a little bit. But what we are really going to have to do to save Social Security is to increase the return on the investment that working men and women in this country are putting into their Social Security tax.

Right now, Mr. Speaker, the Tax Foundation says that, on average, they are going to have a negative return on that money that they pay into Social Security. A negative return; the estimate is between a negative 1½ and a negative 1½. What we have got to do to save Social Security is have a better return on that investment. We cannot continue as a pay-as-you-go program for Social Security. So, all of this pretext that we are setting the money aside is just that, it is pretense.

I went to the Committee on Rules, and my amendment in the Committee on Rules, and that is my disappointment, Mr. Speaker, with the Committee on Rules. My amendment incorporated my House Bill 4033 that says from now on when the government borrows money from Social Security it should be marketable, negotiable
Mr. MENENDEZ. Mr. Speaker, I rise against the Republican rule in the bill because it does not put Social Security first, it does not put senior citizens in this country first who work to build communities, families and to protect the country, it does not protect working families by reforming the FICA taxes for both their future security and their present security of their parents and grandparents and because it is fiscally irresponsible.

On the tax bill, this rule that we are considering would automatically adopt a provision to waive the budget law, and what does that law say? It requires that all tax cuts be fully paid for. The provision is intended to keep the country, the reason that law exists, is to keep the country from returning to the days of creating huge tax breaks at the expense of the deficit in terms of going back to that credit card mentality.

Instead of following the path of fiscal responsibility, Mr. Speaker, the Republican Congress has decided to dig into the Social Security Trust Funds for tens of billions of dollars to pay for the costs of these tax cuts even before any action has been taken to deal with Social Security's long-term solvency.

Now where do funds from the CATs, the conservative action teams? As my colleagues know, we are constantly talking about being fiscally responsible. How is it that my colleagues, I am speaking for the American people, Yes, we are spending your Social Security and tax cuts that will flow to a different group of people than paying the tax, but we think that's good policy. And don't worry, we'll somehow honor your benefits 10 and 15 years hence.

This is bad legislation. The Republicans know it is bad. They want to give tax cuts. Yes, actually they are not bad tax cuts for the Republicans, probably the best tax cuts the Republicans have ever proposed because they are trying to hang Democrats out to dry. But we are not going to be hung out on the line here. It is the Republicans that are being hung out because they are spending the Social Security Trust Funds. They are not protecting the Social Security Trust Funds. What a magnanimous gesture. They will only spend irresponsibly decided to dig into the Social Security Trust Fund for tens of billions of dollars to pay for the costs of these tax cuts even before any action has been taken to deal with Social Security's long-term solvency.

As my colleagues know, we are constantly talking about being fiscally responsible. How is it that my colleagues, I am speaking for the American people, Yes, we are spending your Social Security and tax cuts that will flow to a different group of people than paying the tax, but we think that's good policy. And don't worry, we'll somehow honor your benefits 10 and 15 years hence.

Ms. SLAUGHTER. Mr. Speaker, I yield 4 minutes to the gentleman from Texas (Mr. STENHOLM).

Mr. STENHOLM. Mr. Speaker, I rise in strong opposition to this rule. All Members who care about fiscal discipline, all Members who care about the Social Security system, all Members who care about the legacy we leave for future generations should vote against this fiscally irresponsible rule.

I was sincerely disappointed that the Committee on Rules choose to report a rule which did not allow for consideration of the bipartisan Stenholm-Berry-Neumann amendment which would require that tax cuts be paid for out of general revenues and prohibits funding a tax cut out of the Social Security surplus. Once again the Committee on Rules denied a free and open debate on an issue of which some of us on both sides of the aisle feel are very important. That is the reason why every one should oppose this rule, Mr. Speaker.

The Stenholm-Neumann amendment would establish the common-sense position that we should wait until a true budget surplus materializes before tax cuts which are not paid for take effect.

The rule does make in order a Rangel substitute that delays implementation of the tax cuts until the Social Security trust fund is re-stored to actuarial balance. I will support the Rangel substitute because it would make the underlying bill more responsible and add meaningful protections for the Social Security trust fund. However, the Stenholm-Neumann amendment would have set a significantly tougher standard by requiring us to balance the budget without using the Social Security trust fund surplus. The vote on the rule will be the only opportunity Members will have to express support for the principle of the Stenholm-Neumann amendment that we should not be funding a tax cut from the Social Security trust fund.

Let me be clear. I, too, support tax cuts, but not if they are paid for with Social Security Trust Funds. We should not talk about budget surpluses so long as we are counting Social Security Trust Fund. Under current projections there is no surplus available to use for tax cuts unless we are willing to use Social Security Trust Funds.

The substitute amendment that Mr. NEUMANN and I proposed contained all of the tax cuts in the package reported by the Ways and Means Committee, but it did require that any tax cuts which are not paid for be delayed until we have a on-budget surplus large enough to pay for the tax cut without relying on the Social Security trust fund surplus. This amendment would have ensured that the tax cut is not funded out of the Social Security surplus, and establishes the position that we should wait until the surplus materializes before tax cuts which are not paid for take effect.

We should not talk about budget surpluses so long as we are counting the Social Security trust fund surplus. Under current projections, there is no surplus available to use for tax cuts unless you are willing to use the Social Security trust fund surplus.

Over the next 5 years, CBO estimates the surplus of Social Security Trust Funds will be $520 billion, of that $520 is Social Security Trust Fund. Over the next 10 years, it takes 10 years before we find $31 billion that are Social Security Trust Fund.

Enacting a permanent tax cut that is not paid for would result in continued deficits into the future as far as the eye can see.

In a letter sent our earlier this week, the Concord Coalition warned us that the election year temptation to use Social Security surplus for other purposes will lead to a dangerous breakdown in fiscal discipline. We should maintain the discipline that has put us on a path to a truly balanced budget that puts Social Security off budget once and for all by 2002.

The West Texas tractor seat common sense I hear when I go home also reminds me that we should not count our
chickens before they are hatched. The surplus exists only in projections, not reality. According to CBO, a recession similar to the 1990-1991 recession would turn the projected surplus into a deficit. Lawrence Lindsey, a Republican economist and former Federal Reserve Governor, warned that the surge in income taxes that has contributed to the Social Security surplus in the unified budget may not continue, arguing that “The prudent thing to do when you enjoy a windfall from some good luck is to save it, you might need the cushion in bad times.”

I cannot believe my friends on the other side of the aisle are not taking a conservative approach to the economy today, when everyone is saying that is what we should be doing. People in West Texas know that when we get a little extra money, our first priority should be to pay off our debts, particularly if we have a debt. We should use the opportunity presented by the strongly improved budget projections to reduce the $5.4 trillion national debt, instead of leaving that burden for future generations. The current projections of a budget surplus follow years of deficit spending that has resulted in a national debt of $5.4 trillion. Chairman Alan Greenspan, former CBO Director Rudy Penner and countless other economists have told us that the best course of action for the economy is for Congress to use the surplus to reduce the debt. Reducing the national debt will help maintain a strong economy by reducing interest rates and increasing the amount of savings available to the private sector to invest in the most effective way possible.

The senior representative in my State in the other body the other day echoed the view that I share when he said, “I think I know the people I represent would agree we ought to save social security. I do not have to see a poll to know that.”

We have a tremendous opportunity to prepare for the retirement of the baby boom generation by reducing the debt and reforming entitlement programs. I have worked extremely hard over the last 3 years in a bipartisan effort with the chairman, the gentleman from Arizona (Mr. Kolbe), the gentleman from California (Mr. Biggs), the gentleman from Illinois (Mr. Weller), the gentleman from Michigan (Mr. Nick Smith), and other Members on both sides of the aisle to bring us to a point where we are seriously discussing the long-term reforms necessary of the Social Security system. The task of enacting meaningful social security reform will be even harder if we use the projected budget surplus for a short-term, politically attractive tax cut.

Members know that. I know that. Anyone with sense knows there are going to be transition costs. We should not spend it today.

I also strongly oppose this rule because it includes several major waivers of the Budget Act discipline. This legislation represents one of the largest violations of the budget enforcement rules since the enactment of the Budget Enforcement Act. At the same time that the Committee on the Budget is considering legislation that would take a positive step towards making it harder to waive the Budget Act, we are being asked to vote for a rule that makes at least four major waivers of the Budget Act. These are not routine waivers of technical rulings for that surplus, but are major, substantive waivers of budget discipline.

I hope that my colleagues who have joined me over the years in complaining about waiving the Budget Act would join me in opposing now the blatant violation of budget discipline in this rule.

The gentleman from New York (Mr. Solomon) and I have joined in this fight, many times over the years, with the gentleman for Morris, the south suburbs of Chicago, Illinois (Mr. Weller). (Mr. Weller asked and was given permission to revise and extend his remarks.)

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

We can tell this is an election year, with the political rhetoric we are hearing. People are talking about the social security trust fund, and of course politicians say a lot of things in an election year, particularly 6 weeks before the election.

As a member of the Subcommittee on Social Security, I thought I would share with everyone here, the Social Security Administration says that the tax cuts have absolutely no impact on the monies in the social security trust fund. As a result of the tax bill being considered by the committee today, will there be any impact on the monies in the social security trust fund? the chairman asked Judy Chesser, deputy commissioner of the Social Security Administration, she had a very simple answer: “No.”

So if we want to be honest about this, this legislation has absolutely no impact. The tax cuts have absolutely no impact on the social security trust fund. Yet, when we start talking about 48 million Americans that are married taxpayers, we cannot spend some of the surplus on them. We cannot give them a tax break. We cannot give 68 more million Americans an exemption on their itemizations. We cannot give $1.4 billion to the surplus on the agriculture emergency bill. It is the same surplus. Then it was okay to spend it, now, no, it is not okay to cut taxes with it now.

Mr. Speaker, I am just looking at the whole list of all my good friends on that side of the aisle. Every one of them—I just drew the line here—every one of them voted for that surplus bill. Spend those surpluses, take it out of that Social Security. Yet, when we start talking about 48 million Americans that are married taxpayers, we cannot spend some of the surplus on them. We cannot give them a tax break. We cannot give 68 more million Americans an exemption on their itemizations. We cannot give 68 more million Americans a tax exemption on their interest on retirement payments. We cannot give them a tax break. We cannot give $1.4 billion to the surplus on the agriculture emergency bill. It is the same surplus. Then it was okay to spend it, now, no, it is not okay to cut taxes with it now.
the President said, let us take the surplus from the budget and use it to save social security. I applauded. In fact, I stood up like everyone else in this room, and said, good idea. At that time the surplus was projected to be $600 billion. Today we are going to cut it to a surplus that is only 10 percent of the size we projected just last year. We have to override them altogether.

It is buried here. It is the last paragraph in this thing. It says, “Upon the enactment of this Act, the director of the Office of Management and Budget shall determine non-discretionary changes and transfers under section 252 of the Balanced Budget and Emergency Deficit Control Act of ’85 resulting from the enactment of this Act.” In other words, disregard fiscal reality.

Secondly, we have to violate section 306 of the Act, which says that only the Committee on Rules, can change statutory budget rules like the pay-go rule.

Thirdly, this rule waives section 311 of the Congressional Budget Act, in effect because the tax bill cuts go well beyond the tax cuts that we explicitly agreed to in last year’s budget agreement and implemented in the Tax Reform Act of 1997.

Fourth, the rule must waive section 303 of the Congressional Budget Act, because it amends the revenue law before Congress has agreed to a budget resolution for this year. We do not have a budget resolution. We passed one in the House, the Senate passed one. We never even had a conference. The rules say that we cannot do this until we have adopted a budget resolution.

This is a long list of violations which we will waive. They are serious, not trivial violations. I urge that we stick with the fiscal discipline that has brought us to this day on the verge of a surplus, and not throw budget discipline to the winds. Let us vote against this rule.

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

Mr. Speaker, I am just surprised to hear the gentleman, whom I have great respect for. He was a member of the Budget Committee on the Balint.Forman with the gentleman from Minnesota (Mr. SABO). They asked for the same kind of waivers, but for spending, not for tax cuts. In 1997, the same thing happened, for spending, not for tax cuts.

By the way, if there is an attempt to defeat the previous question and to make in order the Stenholm substitute, it, just like the Rangel substitute, requires the same kind of budget wavers. Let us get that straight, so Members, when they come over here, know what they are voting for.

Mr. Speaker, I yield 2 minutes to the very distinguished gentleman from Staten Island, New York (Mr. VITO FOSELLA).

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

Mr. FOSELLA. Mr. Speaker, I thank my good friend, the gentleman from upstate New York, for yielding time to me.

Mr. Speaker, I am very disappointed that the Republican leadership is bringing this forward. They asked very hard for the past 6 years to bring in a balanced budget, including the 1993 economic program on deficit reduction, that we passed without a single vote from the Republican side of the aisle. But we did come together, Democrats and Republicans, on budget discipline.

The pay-go rules were put in for a reason. The pay-go rules say very simply that we cannot spend money unless we have a way to pay for it. We cannot cut taxes unless we have a way to pay for it. It is very simple.

Yes, we have voted for tax cuts, we did last year, but we paid for them. We did not take it out of the surplus. We paid for it. Yes, we can fund true emergencies through the budget rules without waiving the budget rules, because that is the rules we are operating under. But we cannot cut taxes, we cannot raise spending, unless we pay for it. This is a pay-go rule.

What do the Republicans do? They bring out a rule that waives the pay-go rules. It says that “We waive pay-go requirements with respect to a bill making the revenue loss not covered under pay-go,” the height of hypocrisy.

If they did not do that, they would have a Medicare cut next year of $67 billion under sequestration; the year after that, $8 billion. They did not want that to happen, but they did not want tax cuts for it.

That is wrong. There is no surplus, but for the fact that social security is running a cash surplus. We do not have any surplus to spend. It is very possible that we also enact permanent tax cuts, and then what happens two or three years from now, if we do not have the money they are talking about, it is not going to be 10 percent of the projected surplus that comes about as a result. Social security, but it should be 20 percent, 30 percent, or 40 percent. That is wrong. That is why we worked together, Democrats and Republicans, for budget discipline rules.

I urge my colleagues to reject the rule.

Ms. SLAUGHTER. Mr. Speaker, I yield 4 minutes to the gentleman from South Carolina (Mr. SPRATT).

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

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

Mr. Speaker, in a week, just a week, the government will declare a budget surplus for the first time in 30 years. This is a landmark achievement, and in large measure it is the result of rigorous budget rules that Congress enacted in 1990, in 1993, and in 1997, which were followed consistently. Now, on the verge of the first surplus in 30 years, the House is about to throw budget discipline to the wind and dissipate the surplus before we have even declared it, even put it in our pockets and realized it.

When we did the budget summit agreement with President Bush in 1990, we adopted something we call colloquially the pay-as-you-go rule. Congress extended that rule in 1993, and we extended it again in 1997, because it has worked. It has been the foundation of our fiscal discipline, and it has been a major factor in bringing the budget to balance.

Under that statutory rule, increases in entitlement spending or decreases in taxes have to be fully offset. If not offset, the initiatives have to be paid for. They are entered on a pay-go scorecard, and money is sequestered at the end of the fiscal year which otherwise would go to the farm program or Medicare or Medicaid, certain selected entitlement programs.

We all know there is a unified budget surplus over the next 5 years, but we also know that when the surpluses in the social security trust funds are backlogged, the budget is in deficit by $137 billion.

If this rule is enacted and if H.R. 4579 is enacted, we will raise that deficit from $137 billion to $217 billion, and postpone the date when we are truly in surplus well beyond the year 2006. This is backpedaling. This is the first step down the slippery slope. When we are finally at the point of success, we are about to blow it.

I support tax cuts. I find a lot of the provisions in this tax bill very appealing. But I think it is a mistake to dispense with our budget rules and the budget discipline that has brought us this far in order to pass this bill.

The rule for H.R. 4579, everybody should note this, everybody should know it when they vote for it, has to bust the budget rules, has to break the budget rules and the discipline that we have established in four different ways for this bill to come to the floor.

Firstly, it has to amend the tax bill to provide pay-as-you-go requirements, to override these pay-as-you-go requirements which are present, which this Congress reaffirmed and extended just last year. We have to override them altogether.

It is buried here. It is the last paragraph in this thing. It says, “Upon the enactment of this Act, the director of the Office of Management and Budget shall determine non-discretionary changes and transfers under section 252 of the Balanced Budget and Emergency Deficit Control Act of ’85 resulting from the enactment of this Act.” In other words, disregard fiscal reality.

Secondly, we have to violate section 306 of the Act, which says that only the Committee on Rules, can change statutory budget rules like the pay-go rule.

Thirdly, this rule waives section 311 of the Congressional Budget Act, in effect because the tax bill cuts go well beyond the tax cuts that we explicitly agreed to in last year’s budget agreement and implemented in the Tax Reform Act of 1997.

Fourth, the rule must waive section 303 of the Congressional Budget Act, because it amends the revenue law before Congress has agreed to a budget resolution for this year. We do not have a budget resolution. We passed one in the House, the Senate passed one. We never even had a conference. The rules say that we cannot do this until we have adopted a budget resolution.

This is a long list of violations which we will waive. They are serious, not trivial violations. I urge that we stick with the fiscal discipline that has brought us to this day on the verge of a surplus, and not throw budget discipline to the winds. Let us vote against this rule.

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

Mr. Speaker, I am just surprised to hear the gentleman, whom I have great respect for. He was a member of the Budget Committee on the Balint.Forman with the gentleman from Minnesota (Mr. SABO). They asked for the same kind of waivers, but for spending, not for tax cuts. In 1997, the same thing happened, for spending, not for tax cuts.

By the way, if there is an attempt to defeat the previous question and to make in order the Stenholm substitute, it, just like the Rangel substitute, requires the same kind of budget wavers. Let us get that straight, so Members, when they come over here, know what they are voting for.

Mr. Speaker, I yield 2 minutes to the very distinguished gentleman from Staten Island, New York (Mr. VITO FOSELLA).

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

Mr. FOSELLA. Mr. Speaker, I thank my good friend, the gentleman from upstate New York, for yielding time to me.

Mr. Speaker, I am very happy that we are having this discussion, this debate, and indeed the opportunity to
vote on this rule, because really, what we have is providing the American people, people on Staten Island and Brooklyn, the opportunity to determine what side here is for providing more tax relief for the American people, more tax relief for married couples, better job opportunities for small business owners, and what side just wants to keep all our hard-earned money here in Washington for more big government, more spending, more bureaucracy.

I think the issue is clear. Frankly, I believe the American people are taxed too much. I think they work hard every single day. When their paycheck comes every couple of weeks or every month, or when they are filing their taxes, they recognize that they pay too much in taxes. The truth is, we want to send that money back to the people, whether it is in Staten Island or Brooklyn or San Diego or anywhere across this country.

Last year, there was a debate about cutting taxes on hard-working Americans, which stimulate our economy and allowing people to keep more of what they earned. We were told that there was a budget deficit and that we could not afford to cut taxes.

Now we are told that there is a budget surplus and we cannot afford to cut taxes. This is the logic that defies ordinary Americans. If we have a deficit and a surplus and we cannot afford to cut taxes in either case, then when can we?

The reality is that we have a great opportunity today to support a rule and underlying legislation that brings tax relief to hard-working married couples, to small business owners across America. Let us get the money out of Washington back to Staten Island and Brooklyn and across this great country where it belongs. Where people who work hard every single day who created the surplus, not the people here in Washington, the Americans, let us give them the tax relief they need.

Mr. SOLOMON. Mr. Speaker, I yield 2 minutes to the gentleman from Oklahoma (Mr. WATKINS), an outstanding Member.

Mr. WATKINS asked and was given permission to revise and extend his remarks.

Mr. WATKINS. Mr. Speaker, I stand in support of the bill. I think we all need to turn our focus from the standpoint of being able to balance the budget. One of the reasons why I returned to Congress, was to do anything I could do to balance the budget, and also to try to provide some tax relief for a lot of the working families in this country.

We can also be very proud of the fact that we are setting aside 90 percent of the projected surplus to help protect and secure Social Security. A 90 percent set-aside or $1.4 trillion is more than any married couple in the history of our country. An historic record breaking amount of dollars that we are willing to set aside to protect Social Security.

Also, as one of the previous speakers said, President Clinton, proposed a set-aside in January, of approximately $600 billion. We are setting aside over twice as much; $1.4 trillion is over twice the amount that President Clinton proposed, putting billions more dollars into Social Security. This money should be saved, but it needs to be saved to ensure the solvency of the Social Security program. Let us be honest about the budget. It is only in balance because of Social Security. If we remove Social Security trust funds from our budget calculation, we would have a deficit.

This bill to supposedly save 90 percent of the surplus for Social Security is a sham. By supporting this bill, the Republicans are doing nothing more than taking from America’s seniors to pay for a tax cut.

Democrats want to save 100 percent of the surplus to pay for a program that has worked well for seniors and their families but is in need of repair—Social Security. By voting for the Republican fig-leaf bill and against the Democratic substitute, Republicans are voting to cut the money available for strengthening Social Security.

Mr. SOLOMON. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, I want my colleagues to read this sign here. It says: Social Security Administration says the tax cut plan has no impact on Social Security trust funds. Quote, “As a result of the tax bill being considered by the committee today, will there be any impact on the money in the Social Security trust fund? No.”

Now, who said that? It is Mrs. Judy Chesser, Deputy Commissioner, Office of Legislative and Congressional Affairs, Social Security Administration of the Clinton administration.

Is that clear?

Later on this year, before we adjourn in the next couple of weeks, we are going to be voting on some very critical things where we have to come up with emergency monies. One of them is Bosnia. Ever hear of it? We have to pay for it. Y2K, billions of dollars. We have to pay for it. Disaster aid in New York and California and all across this country. We have got to pay for it. National security, we have to pay for it.

As I pointed out before, 178 Democrats did not hesitate for a minute to come on this floor 2 weeks ago and vote to spend billions of dollars of these surpluses—spending it, not cutting taxes. Now this we want the 90 percent of these funds, 90 percent of over $1.5 trillion and save that for Social Security. But we want to take 10 percent of it and we want to give 87 million Americans a tax break in this country, all middle-income, low-income Americans who need the help.

Mr. Speaker, what is this all about? I urge Members to come over here and vote for the rule and let us vote for the Social Security bill and then let us vote for the tax cut bill.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise in opposition to the rule, the bill, and in support of the Democratic substitute.

For too long this Congress has had the habit of using the Social Security trust funds to hide the true amount of our deficit. Now Republicans want to use the Social Security trust fund to inflate the value of the budget surplus. This money should be saved, but it needs to be saved to ensure the solvency of the Social Security program. Let us be honest about the budget. It is only in balance because of Social Security. If we remove Social Security trust funds from our budget calculation, we would have a deficit.

This bill to supposedly save 90 percent of the surplus for Social Security is a sham. By supporting this bill, the Republicans are doing nothing more than taking from America’s seniors to pay for a tax cut.

Democrats want to save 100 percent of the surplus to pay for a program that has worked well for seniors and their families but is in need of repair—Social Security.
This rule prohibits the free and open debate of the social security system. It only allows one amendment to be made on each of these important bills, that effect the lives and livelihoods of millions of Americans around the country.

Social Security is an extremely important program. For many Americans, it provides the only source of retirement. Their only source for sustenance after they retire from work. Both of these bills threaten the stability of their accounts. They take part of the money, that should entirely be set aside on their retirement. And they transmit the moment that funds were garnered from their paychecks, and put it towards election-year tax cuts. Such important legislation should not be unreasonably limited in debate, or in deliberation, as they are here today.

H.R. 4678 purports to save Social Security, but any elementary school teacher would be quick to stamp it "incomplete". It puts aside only a portion of the hard-earned money of the American people. The Republicans admit it is a 90-10 plan. They acknowledge that 10% of the Social Security Fund is left unprotected. I offer a 90-10 plan. They acknowledge that 10% of the hard-earned money of the American people. The Republicans admit it is "self-executes", meaning that a portion of the tax cuts. Such important legislation should not be quick to stamp it "incomplete". It puts aside every penny of Social Security and the Social Security Trust Fund.

The Social Security Trust Fund is left unprotected. I urge all of you to vote against this rule, and for the workers of this great nation.

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

The SPEAKER pro tempore. The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.
So the resolution was agreed to.

The amendment adopted by the House on October 1, 1997, amends H.R. 4578, as amended, by adding to the following new subsection:

“(n) There is established within the Treasury a special reserve account to be known as the ‘Protect Social Security Account’ (hereinafter in this subsection referred to as the ‘account’). The account shall be used to save budget surpluses until a reform measure is enacted that ensures the long-term solvency of the OASDI trust funds.

(2) The Secretary of the Treasury shall pay into the account annually at the end of each fiscal year during the fiscal-year period beginning on October 1, 1997, and ending on September 30, 2008, amounts totalling, in the aggregate, 90 percent of the projected surplus (if any) in the total budget of the United States Government for that fiscal-year period.

(3) Within 10 days after the date of enactment of this subsection, the Secretary of the Treasury, in consultation with the Director of the Office of Management and Budget, shall project the budget surplus (if any) for the total budget of the United States Government for the fiscal-year period beginning on October 1, 1997, and ending on September 30, 2008.

(4) The Secretary of the Treasury shall invest the funds held in the account pending enactment of the reform measure referred to in paragraph (1). The purposes for which obligations of the United States may be issued under this Act are hereby limited to the purchase of United States Government securities, to be held as assets of the account. The account shall be used to save budget surpluses until a reform measure is enacted that ensures the long-term solvency of the OASDI trust funds.

SEC. 2. EFFECTIVE DATE.

The amendment made by section 1 shall apply to fiscal years beginning on or after October 1, 1997.

The SPEAKER pro tempore. The amendment printed in the bill is adopted.

The text of H.R. 4578, as amended pursuant to House Resolution 552, is as follows:

H.R. 4578

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

SECTION 1. ESTABLISHMENT OF SPECIAL RESERVE ACCOUNT.

Section 201 of the Social Security Act is amended by adding at the end the following new subsection:

“(n) There is established within the Treasury a special reserve account to be known as the ‘Protect Social Security Account’ (hereinafter in this subsection referred to as the ‘account’). The account shall be used to save budget surpluses until a reform measure is enacted that ensures the long-term solvency of the OASDI trust funds.

(2) The Secretary of the Treasury shall pay into the account annually at the end of each fiscal year during the fiscal-year period beginning on October 1, 1997, and ending on September 30, 2008, amounts totalling, in the aggregate, 90 percent of the projected surplus (if any) in the total budget of the United States Government for that fiscal-year period.

(3) For purposes of determining budget surpluses under paragraph (2), within 10 days after the date of enactment of this subsection, the Secretary of the Treasury, in consultation with the Director of the Office of Management and Budget, shall project the budget surplus, if any, in the total budget of the United States Government for the fiscal-year period beginning on October 1, 1997, and ending on September 30, 2008.

SEC. 2. EFFECTIVE DATE.

The amendment made by section 1 shall apply to fiscal years beginning on or after October 1, 1997.

The SPEAKER pro tempore. The amendment printed in the bill is adopted.

The text of H.R. 4578, as amended pursuant to House Resolution 552, is as follows:

H.R. 4578

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

SECTION 1. ESTABLISHMENT OF SPECIAL RESERVE ACCOUNT.

Section 201 of the Social Security Act is amended by adding at the end the following new subsection:

“(n) There is established within the Treasury a special reserve account to be known as the ‘Protect Social Security Account’ (hereinafter in this subsection referred to as the ‘account’). The account shall be used to save budget surpluses until a reform measure is enacted that ensures the long-term solvency of the OASDI trust funds.

(2) The Secretary of the Treasury shall pay into the account annually at the end of each fiscal year during the fiscal-year period beginning on October 1, 1997, and ending on September 30, 2008, amounts totalling, in the aggregate, 90 percent of the projected surplus (if any) in the total budget of the United States Government for that fiscal-year period.

(3) For purposes of determining budget surpluses under paragraph (2), within 10 days after the date of enactment of this subsection, the Secretary of the Treasury, in consultation with the Director of the Office of Management and Budget, shall project the budget surplus, if any, in the total budget of the United States Government for the fiscal-year period beginning on October 1, 1997, and ending on September 30, 2008.

SEC. 2. EFFECTIVE DATE.

The amendment made by section 1 shall apply to fiscal years beginning on or after October 1, 1997.

The SPEAKER pro tempore. The amendment printed in the bill is adopted.

The text of H.R. 4578, as amended pursuant to House Resolution 552, is as follows:

H.R. 4578

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

SECTION 1. ESTABLISHMENT OF SPECIAL RESERVE ACCOUNT.

Section 201 of the Social Security Act is amended by adding at the end the following new subsection:

“(n) There is established within the Treasury a special reserve account to be known as the ‘Protect Social Security Account’ (hereinafter in this subsection referred to as the ‘account’). The account shall be used to save budget surpluses until a reform measure is enacted that ensures the long-term solvency of the OASDI trust funds.

(2) The Secretary of the Treasury shall pay into the account annually at the end of each fiscal year during the fiscal-year period beginning on October 1, 1997, and ending on September 30, 2008, amounts totalling, in the aggregate, 90 percent of the projected surplus (if any) in the total budget of the United States Government for that fiscal-year period.

(3) For purposes of determining budget surpluses under paragraph (2), within 10 days after the date of enactment of this subsection, the Secretary of the Treasury, in consultation with the Director of the Office of Management and Budget, shall project the budget surplus, if any, in the total budget of the United States Government for the fiscal-year period beginning on October 1, 1997, and ending on September 30, 2008.
The amendment made by section 1 shall apply to fiscal years beginning on or after October 1, 1997.

The SPEAKER pro tempore. After one hour of debate on the bill, as amended, it shall be in order to consider the further amendment printed in the CONGRESSIONAL RECORD numbered 1, which is considered reportable debatable for one hour, equally divided and controlled by the proponent and an opponent.

The gentleman from Texas (Mr. Archer) and the gentleman from New York (Mr. Rangel) each will control 30 minutes of debate on the bill.

The Chair recognizes the gentleman from Texas (Mr. Archer).

Mr. Archer. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks and include extraneous material on H.R. 4578.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

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

Mr. Speaker, today we consider a plan to set aside 90 percent of the surplus plus until we can save Social Security and cut taxes. Mr. Speaker, I reserve the balance of my time.

Mr. Rangel. Mr. Speaker, I yield myself 5½ minutes.

Mr. Rangel asked and was given permission to revise and extend his remarks.

Mr. Rangel. Mr. Speaker, I may be wrong, but I thought I heard some partisanship in the gentleman from Texas' presentation on this bill, and I am going to try to restrain myself and try to remind my Republican friends that things that they are talking about today are Democratic concepts. These are concepts that we Democrats have and continue to support. The only difference that separates us is that until we have the fiscal discipline to abide by our budget rules that we should have the money to pay for these tax cuts before we cut the taxes.

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

The amendment made by section 1 shall apply to fiscal years beginning on or after October 1, 1997.

The Chair recognizes the gentleman from Texas (Mr. Archer) and the gentleman from New York (Mr. Rangel) each will control 30 minutes of debate on the bill.

Mr. Archer. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks and include extraneous material on H.R. 4578.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

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

Mr. Speaker, today we consider a plan to set aside 90 percent of the surplus plus until we can save Social Security and cut taxes. The job begins today with this vote.

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

Mr. Rangel. Mr. Speaker, I yield myself 5½ minutes.

Mr. Rangel asked and was given permission to revise and extend his remarks.

Mr. Rangel. Mr. Speaker, I may be wrong, but I thought I heard some partisanship in the gentleman from Texas' presentation on this bill, and I am going to try to restrain myself and try to remind my Republican friends that things that they are talking about today are Democratic concepts. These are concepts that we Democrats have and continue to support. The only difference that separates us is that until we have the fiscal discipline to abide by our budget rules that we should have the money to pay for these tax cuts before we cut the taxes.

Now I had thought, and probably my colleagues have had a caucus and changed their mind, but the last I heard from my Republican leadership friends was that they were running around the country pulling up the Tax Code by its core. They were pulling it up by the roots. They were saying that the system was too complicated. And they had the majority, and they had the opportunity to fix it, and they came back with a $300 billion bill, which I opposed to, but which they wanted and which they said we ought to pass and which they said we ought to vote for.

Now I had thought, and probably my colleagues have had a caucus and changed their mind, but the last I heard from my Republican leadership friends was that they were running around the country pulling up the Tax Code by its core. They were pulling it up by the roots. They were saying that the system was too complicated. And they had the majority, and they had the opportunity to fix it, and they came back with a $300 billion bill, which I opposed to, but which they wanted and which they said we ought to pass and which they said we ought to vote for.

Now I had thought, and probably my colleagues have had a caucus and changed their mind, but the last I heard from my Republican leadership friends was that they were running around the country pulling up the Tax Code by its core. They were pulling it up by the roots. They were saying that the system was too complicated. And they had the majority, and they had the opportunity to fix it, and they came back with a $300 billion bill, which I opposed to, but which they wanted and which they said we ought to pass and which they said we ought to vote for.

Now I had thought, and probably my colleagues have had a caucus and changed their mind, but the last I heard from my Republican leadership friends was that they were running around the country pulling up the Tax Code by its core. They were pulling it up by the roots. They were saying that the system was too complicated. And they had the majority, and they had the opportunity to fix it, and they came back with a $300 billion bill, which I opposed to, but which they wanted and which they said we ought to pass and which they said we ought to vote for.
not even take up, that the President is going to veto and that they know in the bottom of their hearts they do not have the votes to override the veto. So if they want to go back home and be counted among those who cared more about a political advantage in November than preserving the funds for our seniors, they can do it, but it almost frightens me that we are about to lose the rule, because I truly believe, if we are going to show the difference between us and them, this is going to be the issue.

So I do not know how many votes they have for fast track, I do not know how many votes that they are going to have for Social Security, but I do believe that if we are going to save Social Security, do not put it in an accounting system and say we are not going to touch it, that we really take it out of the system, off budget, put it in the Federal Reserve, and then we would know not 90 percent but a hundred percent of the surplus going to be used for what the taxpayers think it should be used for.

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

Mr. ARCHER. Mr. Speaker, I yield 5 minutes to the gentleman from Kentucky (Mr. BUNNING), the chairman of the Subcommittee on Social Security, who is a sponsor of the base bill on which we are voting today. It is interesting to also note that the gentleman from New York (Mr. RANGEL) is a cosponsor of that bill.

Mr. BUNNING. Mr. Speaker, just to respond in a small way to the gentleman from New York, the gentleman from New York voted just last week on the floor of the House of Representatives to spend part of the surplus on agricultural disaster relief. If it is okay for him to use that portion of the surplus, why is he proposing to punish farmers and ranchers and others by denying them relief now?

Throughout my tenure in Congress, I have devoted myself to protecting and preserving Social Security. The Committee on Ways and Means’ Subcommittee on the Social Security, which I chair, has conducted a series of hearings, 11 to be exact, on the future of Social Security for this generation and beyond. This Subcommittee has worked to fully explore every option for Social Security reform. The information obtained through these hearings will be invaluable to the Congress as they proceed to save Social Security. And we will save Social Security just like we balanced the budget, reformed welfare, saved Medicare, and cut taxes.

The President has also worked to advance the Social Security debate, voicing in his State of the Union in November, then $600 billion of future budget surpluses, until Social Security has been strengthened. Unfortunately, however, somewhere between his State of the Union and the drafting of the President’s budget proposal his commitment to Social Security got lost in the shuffle. The President’s budget did nothing to redirect budget surpluses to Social Security, included no new investment strategies, no changes in Social Security taxes or spending. It proposed nothing new.

That is why in March of this year I introduced legislation to create a new Treasury Acted Protect Social Security Account, into which each year’s budget surplus would be deposited. My bill, as introduced, walked off 100 percent of all budget surpluses so that they could not be frittered away on new spending programs. Due to lower inflation, increased corporate taxes and increased income tax revenue from hard-working Americans, the projected surplus we reached is $1.6 trillion. That is an additional 1 trillion since the President’s State of the Union.

So I say we can do more. We can save Social Security, and we can cut taxes for those Americans who need it most: married couples, farmers, small businesses and senior citizens. Today, using language virtually identical to my original bill, we will pass legislation to walk off 90 percent of the budget surplus until a solution for Social Security is found.

While less sounds like less, in this case it is more. Ninety percent of the surplus today is just about 1.4 trillion, nearly double the amount that would have been saved at the time of my original bill. Certainly Social Security has no guarantee of any kind right now, no guarantee of any kind that it will get any of the surplus without some kind of protection like that provided in this bill. The President and Congress will spend the surplus on anything they want.

Even as the President has already proposed 31 billion in new government spending funded from the very budget surplus he promised to reserve. Americans deserve better than more broken promises. This bill, by including my wall-off provisions, will guarantee in law that 90 percent of the surplus will be held aside to strengthen and protect Social Security. It will guarantee that we have the funds needed to implement Social Security reform when Congress takes action on it. That is 1.4 trillion for Social Security.

The Federal Government has never done anything like this. I wanted a hundred percent, but 90 in hand and guaranteed in law is better than a whole roomful of wishes that it was 100 percent. This bill locks in that protection in law.

My primary goal in this bill and since I came to Congress is to protect and preserve Social Security. This bill, while it will do more to protect and strengthen Social Security than anything Congress has considered in the 12 years that I have been here.

Mr. Speaker, I want to assure everybody to vote in a positive manner on this bill.

Mr. RANGEL. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan (Mr. BONIOR), our Democratic Whip.

Mr. BONIOR. Mr. Speaker, I thank my friend from New York (Mr. RANGEL) for yielding this time to me.

For years the Republicans talked about fiscal responsibility. So what is happening now? They are rushing to spend a surplus that does not exist. This bill is nothing but camouflage to cover that up. It is just an accounting trick to permit siphoning off funds from Social Security Trust Fund.

Let us remember something here. Social Security is the foundation of America’s retirement system. It has worked well for more than half a century, and we have to strengthen it for future generations.

Even as we speak today, 44 million Americans are receiving Social Security benefits, our fathers, our mothers, grandparents, our friends, our neighbors. Protecting these benefits for today’s seniors and protecting them for baby boomers and future generations beyond that is our responsibility.

Of course everybody likes tax cuts. We favor tax cuts. We supported tax cuts just a year ago, and they became law. But Americans have been very clear with the Congress about their priorities. They want us to save Social Security first.

We cannot give a surplus that does not exist. Americans believe that people who have worked hard all of their lives have a right to a secure retirement. They expect us to guarantee that right. This is why we need to address the long-term challenges of Social Security. If we fail to come up with a long-term plan that protects today’s Social Security revenue on a short-term election year giveaway, then the retirement for millions of Americans will be put in danger.

Now, the Republicans say they only want to divert just 10 percent of the revenue from Social Security. Well, that is like rowing into the middle of a lake and then announcing you only want to drill one hole in the bottom of the boat; just one hole.

This bill is a prelude to a raid on the Social Security trust fund, and that raid will probably happen tomorrow when we meet here to pass the raid itself, the robbery, the stealing of the fund.

Perhaps my friends on this side of the aisle think that while the country is distracted they can pick its pocket, but just one hole.

This bill is a prelude to a raid on the Social Security trust fund, and that raid will probably happen tomorrow when we meet here to pass the raid itself, the robbery, the stealing of the fund.

Perhaps my friends on this side of the aisle think that while the country is distracted they can pick its pocket and dip into our retirement funds. Well, I have news for you: The country understands what is happening here. They know it is not right and not fiscally responsible, and you are not going to get away with it.

To my senior friends in Florida, and we have many Michiganders who have
gone down to Florida and live, let me say, you are going to about to get hit by Georges, the hurricane, that is going to deliver that left hook to you. But tomorrow the Republicans are going to give you the uppercut, the knockout punch.

Vote no on this camoflage.

Mr. ARCHER. Mr. Speaker, I yield three minutes to the gentleman from California (Mr. HERGER), a respected member of the Committee on Ways and Means.

Mr. HERGER. Mr. Speaker, I would like to begin by respectfully pointing out that the gentleman from Michigan voted just last week on the floor of the House to spend part of that surplus on agricultural disaster relief. If it is okay to spend part of the surplus, why is the gentleman proposing to punish farmers and ranchers by denying them tax relief now?

Mr. Speaker, I rise today in strong support of the Republican plan to save Social Security and reduce our Nation's record high tax burden. We are also dedicated to fulfilling our commitment to our Nation's seniors as our plan sets aside the vast majority, some 90 percent of our entire expected surplus until we agree on a plan to save Social Security.

At the same time, we believe it is entirely appropriate to return at least a small portion, some 10 percent of this projected surplus to those who created it in the first place, hard-working American taxpayers.

According to the Congressional Budget Office, taxes are now higher than they have been at any other time in America's peace-time history. So to my friends on the other side of the aisle who say we should not use even one penny of our Nation's surplus to provide middle class tax relief, I say, yes, we do have crucially important task ahead of us in saving Social Security, and our plan sets aside $1.4 trillion to save Social Security and reduce our Nation's tax burden.

The problem we face is that 90 percent of the money we will hold in trust for the Social Security system. This type of rhetoric should not enter this debate. I regret it, but the facts should be laid out for what they are.

Mr. Speaker, I yield such time as he may consume to the gentleman from Florida (Mr. STEARNS).

Mr. STEARNS. Mr. Speaker, Judy Grosser, Deputy Commissioner of the Office of Legislation of the Social Security Administration said that statement.

Mr. Speaker, I rise in support of H.R. 4578 Save Social Security Act. H.R. 4578 establishes a new account in the U.S. Treasury to preserve Social Security system. This account is being set up for the vote we will have tomorrow on the tax relief or the 90-10 plan. What we are talking about on this amendment is to set up this fund with the understanding that 10 percent of the surplus will be used for tax reduction for the middle income citizens of this country.

Mr. Speaker, the House will consider Mr. RANGEL's amendment to transfer 100 percent of the Social Security trust fund surplus to the Federal Reserve Bank of New York, to be held in trust for the Social Security system. But under this substitute, Congress must default on publicly traded debt obligations before it could default on its obligations to fund the Social Security system.

This is a Faustian bargain and is not what we want to do. I represent a District with a large elderly populations.

While I do like Mr. RANGEL's idea about setting aside 100 percent of the surplus for Social Security, I do not think it is prudent to do so at the risk of allowing the country to go into default to achieve that end.

There is must good in the tax relief bill. Our tax cut focuses on middle-income Americans. The centerpiece is marriage penalty relief. We also help small business, make health care more affordable, and we will make filing tax forms a lot easier. Plus we will lower tax penalties on people who save, reduce death taxes, and provide tax relief for senior citizens, for education and child care. We also provide help for farmers and ranchers who have been hit hard this year. This is a compromise that I can support.

Our plan protects Social Security and reduces the worst penalties in the tax code, but
it is also a safety check against big government and wasteful spending.

For those who say we are hurting the Social Security Trust Fund . . . let's go the Administration themselves. When Ms. Judy Chesser, Deputy Commissioner, Office of Legislation and Congressional Affairs, Social Security Administration, was asked if these tax cuts would impact the Social Security Trust Funds she said “NO.” Therefore this tax relief plan has no impact on the Trust Funds. Period.

And finally . . . isn’t it possible that if we reduce the deficit, we will also give more incentives for Americans to create more jobs and to ultimately provide more revenues to the Government. This will mean more surplus to the Government which will again shore up the Social Security trust fund.

All of us here must also remember that we might not have a surplus if it does not stop these emergencies supplements appropriations for all these monies that the President is talking about. Every day he is proposing a new program and every country he goes into he promises more money without true accountability. So let’s stop these emergency appropriations.

For those Senior Citizens who want tax credit relief for estate taxes and a social security earnings limit, I suggest that this bill our credit relief for estate taxes and a social security appropriation.

So let’s stop these emergency appropriations. It is saying that, since 1969 Washington not only was spending money beyond the means of this Federal Government, but we never had the opportunity to save Social Security. Now, thanks to a balanced budget, we have a projected surplus. We can put extra money to use for important priorities. Today we are voting to make saving Social Security first the number one priority.

If you think about it, the same folks who oppose this effort to save Social Security and to eliminate the marriage tax penalty are the same people that said we could not balance the budget. They are the same people that fought down here and fought against lowering taxes for the middle class. They are the same people that have made our efforts to change and reform our welfare system that was failing, with more children living in poverty than ever before, and also they are the same people that objected when we wanted to tame the tax code or reform the IRS.

This is important legislation because, just as the Deputy Commissioner of the Social Security Administration pointed out that our legislation does not impact the Social Security trust fund, in fact we are going to have extra money to help save Social Security, that we set aside $1.4 trillion.

Think about that. When President Clinton gave a speech, which we all applauded, talking about saving Social Security and setting aside the surplus for Social Security, there was $600 billion in the projected surplus at that time. Today we are setting aside more than twice what the President asked for, $1.4 trillion. Think about that. $1.4 trillion. Yes, it is 90 percent, but it is more than twice what the President originally asked for.

I have often had a series of town meetings and forums on Social Security, and the senior citizens and the working people that attend these forums have had a pretty common message. Number one is they say as we work to save Social Security, let us keep the politics out of it. Let us make it a bipartisan effort. Let us work together. This legislation deserves bipartisan support. Let us vote for Social Security and eliminate the marriage tax penalty. We have that opportunity today and tomorrow.

Mr. RANGEL, Mr. Speaker, I yield myself one minute.

Mr. Speaker, I had thought under the House rules it was a violation to take the official transcript of a markup or committee meeting, or any public hearing, that it should not be published or distributed to the public in any way except by majority vote of the committee. But having seen how the majority has waived the budget rules, I suppose you have waived the House rules, and so I am not in violation.

Now, Ms. Chesser was asked to respond to the majority, yes or no. Her answer was no. That was the chart we saw. The gentleman from Kentucky (Mr. Bunning) then asked her to come back, and she said, I just want to make sure, unless I misunderstood, Ms. Chesser, would you please come back to the table and repeat what you have said.

The answer was, it does not affect the money currently going into the trust fund. However, it would make a far smaller amount of the surplus available when there is a bipartisan attempt to resolve the social security’s current financial problems, which we hope to do in a bipartisan way. As Members know, we are not in actual balance over the next 75 years.

It helps when we take part of the transcript out and publish it, that we put in the whole amount.

Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts (Mr. Neal).

Mr. ARCHER, Mr. Speaker, would the gentleman yield for 5 seconds?

Mr. NEAL of Massachusetts. I yield to the gentleman from Texas.

Mr. ARCHER. Mr. Speaker, on the statement made by the gentleman from New York, I am not sure where he got what he presented to the House, but we received what we presented to the House off of C-Span. Therefore, it was not in violation of the rules.

Mr. NEAL of Massachusetts. Mr. Speaker, this is one of the details, when we come into this Chamber, that makes us really feel good about being Democrats.

I have to tell the Members, when I hear speakers march to that microphone and suggest that this side is playing politics with social security, after they have scheduled the tax cut 6 weeks before the national elections, that we are playing politics? Do Members know what the name of this account they have offered today is? The Protect Social Security Account. It is Orwellian, that is really what it is, because only George Orwell would have suggested that we should protect social security by raiding it. That is precisely what they are doing.

For them to complain about politics, politics, 6 weeks before a national election, to offer a tax cut to the American people by raiding the social security account, that is politics. We ought to have a substantive debate in this Chamber about what we really mean by “protecting social security,” and spending it for a tax cut is not the way we protect social security.

This bill that they are offering today locks up what they say is 51 percent of the social security trust fund. What about the Asian fiscal crisis? What about a recession that could loom on the horizon, and alter dramatically
every fiscal projection we have seen in this Chamber for the last year? Are we blind to the realities of what is happening across the globe?

This is a time when we should be taking satisfaction from the fact that it was the Republican Party, under the leadership of President Clinton in 1993, that balanced that budget. Do Members know what else is ironic? Let us not forget the role George Bush played in 1991 when half of his own party split from him, when he looked at the reality there were helped as we turn the page on this century. I have to go back to what I said earlier. To complain that the Democrats today are using politics, we are honoring the contract we made with Mr. Roosevelt, which the American people have said time and again they subscribe to and they do not want to see it altered.

A tax cut 6 weeks before the national election, what among us believes that that is intelligent fiscal policy? And at the same time, they violate that sacred trust that Republicans hold dear and senior citizens hold dear. Social security should be saved and protected before we discuss any tax cuts.

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

Mr. Speaker, I would once again point out that the term “raiding the social security trust fund,” which obviously is programmed to be in each of the Democrats’ presentations, is completely and totally false, and it is reprehensible that it continues to be used on the floor of the House.

Members should be well aware that it is not the case. But I guess if they say it enough, long enough, maybe some people may believe it. The gentleman, who is a very good friend of mine, again, and whom I respect personally, also said that we were locking up 90 percent of the social security trust fund.

I would suggest that the Members on the other side read the bill. The gentleman from New York (Mr. Rangel) cosponsored it, other than the change from 100 to 90 percent. The bill does not say that. It says, “A projected surplus will be set aside.” Let us try to be accurate in what we say.

Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. Johnson), a respected member of the Committee on Ways and Means.

Mr. SAM JOHNSON of Texas. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise today in opposition to H.R. 4578 because it breaks our promise to the American people to keep social security whole. Mr. Speaker, this debate should not be about politics or partisanship but about people, the American people.

Social security is the foundation of retirement income for American workers and their families. Two-thirds of older Americans rely on social security for 50 percent of their total income. Thirty percent rely on it for 90 percent or more. It is the principal insurance against family impoverishment due to death or disability for 96 percent of America’s work force, and it is a life line for more than 43 million retirees and disabled workers and their spouses and their children.

Because of its importance to the American way of life, my Democratic colleagues and I joint the President in his commitment to preserve social security for future generations. This is not a debate about who favors tax cuts. Both Democrats and Republicans favor tax cuts in this bill. This debate is about whether we have the resolve, the fiscal discipline, to do what is right, or whether we will, once again, say that we can have it all, let the good times roll, and do the wrong thing: rob from our social security trust fund to give a tax cut we know we cannot afford.

So, Mr. Speaker, I think about preserving the benefits of social security for our children and grandchildren, setting aside 90 percent to save social security is not enough. Even diverting 10 percent of the social security surplus before enacting a proposal to save social security undermines the future financing of the system.

In fact, this diversion of 10 percent from social security, which our Republican friends dismiss as small and rather unimportant, amounts to more than a $200 billion hole in the social security trust fund over the next 5 years, at a time when we owe $2.235 trillion to the fund already.

As my Democratic colleagues have already stated, the surplus in the unified budget consists of funds raised from social security payroll taxes and from the interest accrued on social security Treasury bond. Today we have a surplus in the social security fund due to the policies of President Clinton and the Republicans in this majority. However, as millions of baby boomers age, the social security fund is projected to begin losing money in 2013, and would become insolvent a few years later unless reforms are enacted. The bottom line is that we must begin to take steps to ensure that sufficient resources are building up in the social security system, so they are building to pay the promised social security benefits in the future and that will not be threatened.

H.R. 4578 therefore amounts to an illusory election year tax plan that might be right to pander for votes in an election year, but it is dead wrong for the future of social security and the direction of our nation’s fiscal policy.

Mr. ARCHER. Mr. Speaker, I yield 2 minutes to the gentleman from Missouri (Mr. Hulshof), a respected member of the Committee on Ways and Means.

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

Mr. HULSHOF. Mr. Speaker, first of all, as a member of the Subcommittee on Social Security, I have to commend the gentleman from Kentucky, with having a series of hearings about saving social security. I participated in the first great debate in Kansas City with the President about the discussion about social security.

But I think what we are trying to do today, Mr. Speaker, is rather than just talking about saving social security, we are putting actions with our words. We are putting the peoples’ money with our mouths.

There has been a lot of talk about billions and trillions of dollars, about the surplus, but let me put it in language that everybody can understand.
Mr. Speaker, I have in my hand ten $1 bills, a projected surplus. This is not money that is needed to balance the Federal checkbook, which we are doing. But of these ten $1 bills of surplus money, we want to take 9 of those $1 bills and set them aside for Social Security for safekeeping. We want to take this single dollar bill of surplus money and leave it in the pockets of the people who sent it here.

How dare these Members say to married couples across this country, we want to continue to punish you because you choose to get married, we are not going to let you have this dollar? How dare we say to the farmers of this country, who feed us, or the small businesspeople who employ the majority of people, no, you sent the money here, but you cannot have it back?

It is laughable, Mr. Speaker. Even in this tax relief measure we are providing relief for seniors who choose to work beyond retirement. There is tax relief for long-time retirees. Yet, our friend on the other side say no.

In fact, the gentleman from Michigan earlier today in this debate said that we were picking the pockets of the taxpayers of this country. There is such a death tax dollar by dollar by dollar, on the other side that they will not even let it stay in the pockets of those who sent it here.

I say no. I say it is time to say no to the Rangel substitute and yes to the bill before us.

Mr. Speaker, I urge my colleagues, please do not take even one dollar out of the $10 that American workers are earning every day and depositing into the Social Security trust fund to pay for tax cuts right after an election.

Mr. Archer, I yield 2 minutes to the gentleman from California. (Mr. Becerra), a member of the committee.

Mr. Becerra, Mr. Speaker, I thank the gentleman for yielding time to me. The choice is clear. If you favor letting the American people keep more of their hard-earned dollars, it is even more shameful to hide behind Social Security to cloak opposition to letting the American people keep more of their hard-earned dollars. It is even more shameful to hide behind Social Security to spend more on government programs, like the Administration wants to spend $13 billion on new spending.

Mr. Archer, I yield 2 minutes to the gentleman from California. (Mr. Thomas), a highly respected member of the Committee on Ways and Means.

Mr. Thomas, Mr. Speaker, I thank the gentleman from Texas for yielding to me.

Mr. Speaker, I had not intended to speak on this, but some of the examples are just getting absolutely ridiculous. The gentleman from Texas (Chairman Archer) has cautioned a number of folks that they really ought to deal with a debate about the facts and not about some political rhetoric that they wish to argue.

The reason we have a surplus right now is because people are paying more...
in income taxes, the economy is doing well, and inflation is lower than anticipated. It is always relative to what people said was going to happen. And what is happening today is that people are better off than the projections and inflation is lower than when the money is coming in than anticipated.

The Social Security trust fund does not go bankrupt until 2030. We have a few years to be prudent about the way we spend our money. And I would tell the gentleman from California (Mr. BECEVER) that the $9 he counted out is not money that is in the trust fund. It is money that people paid in income taxes beyond what the government’s current obligations are.

The point that needs to be made repeatedly, and I know folks on the other side know it but will not admit it, but what the American people need to understand is that all 10 of those dollars are theirs. All we are proposing to do is to give them back one of them, as the gentleman indicated, and set the other nine aside for the ongoing obligation for Social Security leading toward the year 2030.

Now, what we propose to do is have a surplus every year, not just this year. This is the event. In 2000, 2001, 2002, on and on and produce a surplus, every year. We want to make sure if we miscalculate on collecting revenue that we set aside a reasonable portion to deal with tomorrow, the day after tomorrow, till 2030. But there is no reason whatsoever why people who are overcharged by this government on their income tax cannot get a small portion of it back, whether it is the first day of a Congress or the last day of a Congress.

Mr. Speaker, what my colleagues on the other side of the aisle continually forget is that the money is the people’s in the first place.

Mr. RANGEL. Mr. Speaker, I yield 1½ minutes to the gentleman from California (Mr. FARR).

Mr. FARR of California. Mr. Speaker, I thank the gentleman from New York (Mr. RANGEL) for yielding me this time.

Mr. Speaker, hearing this debate leads one to believe that the only thing we have to fear is truth itself. The truth, according to the tax committee, is that we have in the next 5 years, according to this chart, we have a national fiscal situation that is still in deficit. The $520 billion of the fiscal picture is in deficit.

We have a $520 billion fiscal picture over the next 5 years which is in the plus side, and that is all in the Social Security account. There is no free lunch in this business. We have to rob from Peter to pay Paul. If we are going to give tax breaks, we have to pay for the lost revenue. And the only surplus that we are going to have is in the Social Security account. That is it. So, we will have to rob from the Social Security account.

Now, if this tax plan is not an election year gimmick, I ask the Republican leadership, they have been in the majority for 4 years, if this was such a great tax plan, why did they not bring it to us before, instead of 6 weeks before the election?

Mr. Speaker, this is not fiscal responsibility. This is fiscal foolishness, election year gimmick, fiscal foolishness.

I urge my colleagues to vote “no” on this bill.

Mr. ARCHER. Mr. Speaker, I yield 2 minutes to the gentleman from Arizona (Mr. HAYWORTH), a respected member of the Committee on Ways and Means.

Mr. HAYWORTH. Mr. Speaker, I thank the gentleman from Texas (Mr. ARCHER), chairman of our committee.

Mr. Speaker, hearing my good friend from California typifies the incendiary nature of this debate. For what the American people see today, Mr. Speaker, is a clear example of those who eagerly embrace the politics of fear rather than the policies of hope.

The case in point, the facts these: In excess of $1 trillion, $1.4 trillion set aside to do nothing but save and protect Social Security.

My colleague from California and others who expound on the politics of fear talk about the short-term calculus. For purposes of full disclosure, it is far better to take a long-range view and let history teach us.

Mr. Speaker, in terms of full disclosure, the facts are clear and undeniable. In 40 years, the deficit of the government today was the real surplus, 90 percent of $31 billion. Without Social Security, an additional 11.5 million older Americans, our mothers, our fathers, our brothers and sisters, would be impoverished, dramatically increasing the overall poverty rate from 13 percent to nearly 50 percent among those over the age of 65.

It is very simple. Social Security reduces poverty, and the American people want this Congress to ensure that Social Security remains solvent well into the future. I, for one, intend to do whatever it takes to make sure that this body meets that demand.

Mr. Speaker, it is ironic to me that the very party that at one point would have turned Social Security over to Wall Street is proposing to use the potential budget surplus not for Social Security but rather for a tax cut that I find imprudent, ill-timed, inefficient, poorly targeted and risky.

Mr. Speaker, we may end this fiscal year with a budget surplus, but what we do, we owe it to the American people to put that money, all of that money, and that is the difference, all of it, aside until we are sure that we can maintain the long-term solvency of Social Security.

Therefore, I stand in support of the Rangel substitute.

Mr. RANGEL. Mr. Speaker, I yield 1½ minutes to the gentleman from Washington (Mr. ADAM SMITH), chairman of our committee.

Mr. SMITH of Washington. Mr. Speaker, what my colleagues on one point. We were wrong for 40 years. I use “we” loosely, because I was not here. We should not have borrowed that money and used it to reduce the size of the deficit, and the public agrees. They sent us that message in 1994.

What I am afraid of is that the Republican majority has forgotten the message that sent them there. I hope that the American public will send them the same message in 1998.

Do not borrow from the Social Security trust fund and treat it as income. That is manipulative rhetoric, and it is wrong.

The reason is that money is already spoken for. We have to pay it back. We should not let the Republicans, any more that we would let the Democrats, spend money twice. It gets us into big debt problems.

Mr. RANGEL. Mr. Speaker, I yield 1½ minutes to the gentlewoman from California (Ms. LEE).
Ms. LEE. Mr. Speaker, I thank the gentleman from New York for yielding me this time.

Mr. Speaker, I rise in very strong opposition to H.R. 4578. I oppose any Republican attempt to undermine Social Security by proposing a big tax cut during this election year.

In the 1930s, before Social Security, many hard-working Americans who had no family to care for them lived in the streets, and sometimes they starved. Social Security was created to reduce this type of primitive poverty conditions that are unconscionable in our time and in our Nation of wealth and resources.

We need Social Security for the 30 million hard-working Americans who, after a lifetime of low-wage jobs, have no money for retirement. Without Social Security, they would have nothing.

We need Social Security for the 5.5 million Americans with severe disabilities who are unable to work. They would be destitute without Social Security.

This Congress has an obligation to strengthen Social Security, because working people have earned and deserve Social Security. It is the most sacred, fundamental measure for the survival of the Americans. That is why tax cuts are not an option until Social Security is 100 percent secure.

Mr. Speaker, I strongly urge a "no" vote on H.R. 4578.

Mr. RANGEL. Mr. Speaker, I yield the balance of my time to the gentleman from Texas (Mr. BENSON).

The SPEAKER pro tempore (Mr. QUINN) recognizes Mr. ARCHER for 2 minutes.

Mr. BENSEN. Mr. Speaker, since everybody was using props, I think I will use a prop, in my opinion, that talks about the deficit. It is a credit card. It is not cash. We do not have the cash to pay the debt.

Anybody who believes a 10-year projection on what the surplus is going to be really has lost their mind. We do not know if it is going to be $1.5 trillion. We hope it is $1.5 trillion. We do not know that.

This whole tax cut and this whole 90/10 scenario is predicated on a surplus that we do not even have yet. It is a fraud on the market, and it is a fraud on the public.

The fact is, we are looking down the barrel at $5.5 trillion of debt that we are going to have to pay, including the debt in the Social Security trust fund.

To go and start spending all that money now without a rational plan of how it is going to be done means that we are going to end up adding more debt. And, ultimately, our debt-to-gross-domestic-product ratio will go to 200 percent, and then Social Security will really be in trouble. So bills like this are not going to strengthen Social Security. In fact, it probably makes it worse.

This is nothing more than a political gimmick to cover what the true intention is, which is to take us back to supply side economics and back to the days of $200 billion deficits, because many Members on the other side just seem to think that does not really matter.

The fact is, if they ran a business the way they are proposing to do this now, and I came from the business world, they would run it into the ground. They would never be able to get credit, and now they are talking about spending credit that they do not have.

This is a terrible idea. The best thing we could do would be to start paying down the debt, get the debt-to-GDP ratio down. That would make Social Security stronger and honor our obligations, not only to the senior citizens and future senior citizens that are going to rely on Social Security, but also honor the obligations of the United States taxpayers to the Treasury bonds that are out there.

This is a fraudulent, risky policy that is going to get us into the problems that we came out of. I guess if we pass this tax bill, we can say that the days of fiscal responsibility, which we only have enjoyed for a fleeting moment, are dead, and they are dead at the hands of the Republican Party.

Who would have believed it?

Mr. Speaker, I rise in opposition to H.R. 4578. This bill does nothing to strengthen Social Security and, in fact, it may weaken it. It is nothing but a political gimmick that allows the Majority to argue falsely that they voted to protect Social Security. This legislation is only a cover-up for tomorrow's attempted raid on the Social Security Trust Fund.

The best way and the most responsible way to strengthen Social Security is to buy down the Federal debt, which today stands at $5.5 trillion. The debt to GDP ratio is 67 percent. Double what it was in 1981. Interest paid on the Federal debt, $244 billion this year, has more than tripled since 1981. It is now the third largest Federal program after Social Security and Medicare.

By paying down the debt, it will mushroom to 200 percent of the Nation's economic output by the middle of the next century and interest payments will consume more and more of the Federal budget.

We should take advantage of this window of opportunity to begin paying down the debt before the retirement of the Baby Boom generation a decade from now begins to require additional spending on programs such as Social Security and Medicare.

By paying down the debt, we are going to put that $20 on the Social Security Account and the Social Security Trust Fund and the "Protecting Social Security and Medicare Act." This is spending the surplus and there is no reason why the Majority could not dip into the "Protecting Social Security Account" to fund another ill-timed, ill-advised, and irresponsible tax cut. Mr. ARCHER and now they are talking about spending credit that they do not have.

Mr. Speaker, I urge my colleagues to oppose H.R. 4578.

Mr. ARCHER. Mr. Speaker, I yield the balance of my time to the gentleman from Ohio (Mr. KASICH), highly respected chairman of the Committee on the Budget.

Mr. RANSOM. Mr. Speaker, I thank the gentleman from Ohio (Mr. KASICH) for his comments. The Republicans have always been accused of民族主义.

The SPEAKER pro tempore (Mr. ARCHER) is recognized for 2 minutes.

Mr. KASICH. Mr. Speaker, what is an interesting proposition is that everybody in America now, from the President to the Democrats to the Republicans, claims we have a balanced budget. Why is it that we claim that we have a balanced budget? Well, it is not complicated. It is because we are taking in more money this year than we are spending.

Now, when we take a look at the surplus, we are actually going to spend less than what we take in. And let us just presume that the surplus is $40, two twenty-dollar bills. You said to me, so, John, the surplus is $40. Where does that $40 come from? I say, well, 20 of the $40 comes from the Social Security FICA taxes that we all pay. That is the difference between how much we collect in FICA taxes and how much we pay out. So of the $40 surplus, 20 of it is Social Security FICA taxes.

The other $20 comes from all the other taxes that we levy in the country, the income taxes, the taxes that Americans are subjected to; and we are going to put that $20 on the other side of the pole. The other $20 comes from all the other taxes that we levy in the country, the income taxes, the taxes that Americans are subjected to; and we are going to put that $20 on the other side of the pole.

Now, the $20 that comes in from the FICA tax, the Social Security tax, we are going to spend it. We are going to spend it in our pockets. We are going to save it, and we are going to use it to fix Social Security long term, to save it for three generations of Americans.

But that other $20 that gets generated from the income taxes and all the other taxes, we are going to give part of it back to the American people.

It is just that simple. It has nothing to do with robbing something from Social Security. It is about giving people something the tax cut that is not paid for, so my colleagues have to resort to political gimmicks. This legislation is a sham. It will neither strengthen Social Security nor will it help us buy down our $5.5 trillion national debt. Mr. Speaker, I urge my colleagues to oppose H.R. 4578.

Mr. ARCHER. Mr. Speaker, I yield the balance of my time to the gentleman from Ohio (Mr. KASICH), highly respected chairman of the Committee on the Budget.

Mr. RANSOM. Mr. Speaker, I thank the gentleman from Ohio (Mr. KASICH) for his comments. The Republicans have always been accused of民族主义.
Social Security tax. We are going to save it and put it in our pocket. The other $20, we are going to start to give some of it back.

To my colleagues and those who want to be in favor of change, let me just speak to you about what this is about. For those that are watching this debate, in my opinion, this is not really about tax cuts. School choice is not really about just school choice. Social Security reform is not just really about Social Security. It is about power. It is about whether we are going to run America from the bottom up, where the people and the families and the communities have the power, or whether we are going to continue to run America from the top down, where just a handful of people in America think they know better and they run our lives.

If I can give you more money in your pocket, you are going to have more power, and you can begin to solve the problems in your community. But if the government tells you they want to keep it all here in Washington, they not only do not want you to have more power, but they want to use the surplus to spend, to create even more government. Would it not be an irony for a party that we have personal power and you can begin to solve the problems in your community. But if the government tells you they want to keep it all here in Washington, they not only do not want you to have more power, but they want to use the surplus to spend, to create even more government.

I ask you all to think, when you come for this vote, where do you want the power to be? Do you want it to be vested in Washington with a handful of people running this country from the top down, or do you want to be in charge of where your kids go to school? Do you want to be in charge of your retirement? Do you want to be in control of your ability to provide for yourself in your retirement years? Do you want to be in charge of designing a welfare program in your own community? And, finally, maybe the best manifestation of personal freedom that we can have is what you have to spend in your pocket and less money, less of your money in the hands of the government?

I would argue to you, as we go into this next century, the strength of America is not going to be based on the big shots, on the elite. The strength of America is based on the power of every man and woman and child and family and community inside of this Nation.

Mr. STOKES. Mr. Speaker, I rise in strong opposition to this bill, not because I am against reducing the tax burden on my constituents, but because I am a firm believer in keeping promises—in this case, the promise to our citizens that Social Security will be there for them when they retire.

The debate on this bill involves one point of contention, Republicans believe that the funds in our coffers are surplus, and we Democrats believe that we ought to honor the contracts we have entered into. Why do I call this a contract? When we talk about Social Security, it is about Social Security. I ask my colleague to join me in our pockets and less money, less of your money in the hands of the government?

I would argue to you, as we go into this next century, the strength of America is not going to be based on the big shots, on the elite. The strength of America is based on the power of every man and woman and child and family and community inside of this Nation.

Mr. STOKES. Mr. Speaker, I rise in strong opposition to this bill, not because I am against reducing the tax burden on my constituents, but because I am a firm believer in keeping promises—in this case, the promise to our citizens that Social Security will be there for them when they retire.

The debate on this bill involves one point of contention, Republicans believe that the funds in our coffers are surplus, and we Democrats believe that we ought to honor the contracts we have entered into. Why do I call this a contract? When we...
Mr. Speaker, had I been present I would have voted for H.R. 6579 for the following reasons: there is no surplus. We are $5.5 trillion in debt. Its the first time in 30 years that we haven’t had to borrow money to pay for our annual operating deficit. Its not the time to incur new responsibilities. We still owe $800 billion to the Social Security Trust Fund. When Social Security was started there were 19 contributors for every one recipient. By the year 2025, it is projected that there will be 2 workers for every one Social Security recipient. If we don’t repay the debt now, while we can, we never will.

People are not getting enough from their tax dollars now. They’re right. The biggest chunk of their taxes ($365 billion) goes for interest payments on the national debt (approximately $1 billion per day). The amount of money squandered on interest continues to grow when tax payers are being ripped off by the government. The interest will never be paid back because the government can’t pay the principal.

This is especially bad for national security. These dollars could be better spent replacing 30 year old warplanes, helicopters, ships, and land weapon systems. National defense spending, which the Republicans took control of Congress. In Fiscal Year 1995, the first fiscal year under the leadership of the new Republican majority, defense budget outlays in constant dollars amounted to $295.4 billion. The Fiscal Year 1999 level of defense outlays in constant dollars is $295.6 billion. That is a $30 billion reduction in constant dollars under Republican leadership. Now, the GOP is dreaming up ways to give tax breaks to rich contributors, instead of addressing our pressing national security needs.

We are fast to forget the promises that have been made. First and foremost, is honoring the promise of a “lifetime of free medical care” made to those who served in our nation’s armed forces. Just yesterday, the House National Security Committee was informed that the Defense Health Program was underfunded for the next year by $623 million. As you may know, the Defense Health Program provides funding for the treatment of our uniformed service personnel, their families, and military retirees. It also provides funds for the operation and maintenance of military medical treatment facilities. It really doesn’t surprise me that House Speaker Gingrich, Senate Majority Leader Lott, House Budget Committee Chairman Kasich, and Senate Budget Committee Chairman Dominici do not consider keeping our promises to our nation’s military retirees as important. After all, not one of them served a minute in uniform. However, I do think that fully funding our nation’s defense and military health care needs is important. This is where we should be spending any surplus that may be left after we’ve restored the financial integrity and solvency of Social Security and Medicare.

Mr. Vento. Mr. Speaker, I arise in strong opposition to this election year GOP tax gimmick that would raid and expend the Social Security Trust Funds and jeopardizes the solvency of the most successful domestic program in our nation’s history. The Republican leadership has opted for instant gratification with an untimely and irresponsible tax expenditure that would spend much of the projected federal budget surplus on the ongoing global economic contagion. In this bill, the Republican Majority breaks the 1997 budget deal and has turned its back on our retirees by reneging on their prior promise and advertised position to “Save Social Security First.”

This irresponsible bill simply undermines the core effort to protect the solvency of the Social Security Trust Funds and provide sufficient resources to fulfill our commitments to all retirees. I this plan, Republicans spend the first projected budget surplus in almost 30 years on tax cuts. Plain and simple, this GOP action speaks louder than words. Tax breaks and election year gimmicks take first place over a sound Social Security system. Whether or not this surplus will actually materialize is not at all guaranteed. And virtually every economist, independent and Republican alike, agrees that any surplus could be short-term and will vaporize shortly after the Baby Boom generation starts to collect Social Security and Medicare in 2008. It would be foolish to spend any of this money before we have assured the long-term solvency of the Social Security system. In addition, almost every plan that has been offered to date to reform and strengthen the Social Security Trust Funds would use the entire budget surplus. This suggests that the GOP wants to manufacture a Social Security Insurance System surplus to take advantage of the long-term changes will and must occur to this time honored defined benefit program.

Rushing to spend the hard-earned and long awaited budget surplus is reckless and irresponsible for several reasons. First, this tax cut plan reduces the amount available for Social Security from $520 billion to $430 billion during the next five years. Next, the Republicans are spending money that is not in the federal government coffers. The surpluses the GOP want to spend is not real, such funds are only projections made by the Congressional Budget Office (CBO) and the Office of Management and Budget (OMB)—the kind of unreliable budget projections that the Republican leadership criticized only a few months ago. The GOP view is colored by partisan motives that radical changes will and must occur to this time honored defined benefit program.

Moreover, the recent turmoil in the financial markets and the ongoing economic and financial crises in Russia, Japan and the other Asian Pacific Rim nations, and now, Brazil is causing huge problems for the global economy. This would result in the further weakening of both the stock markets and real economic growth more than CBO expected in the July projections. As a senior Member of the House Banking Committee, I visited south-east Asia last winter and met with political and financial leaders in Indonesia, Korea and Japan. Following the trip, I was convinced then and recognize today that the Asian economic contagion is not isolated to Asia. This global crisis will further impact adversely the rosy United States budget picture of today without a doubt. In response to this partisan and careless Republican tax plan, I support the Democratic alternative tax plan, which safeguards Social Security, is fiscally responsible and invests in our nation’s future. Unlike the Republican tax plan, the Democratic alternative sets aside every penny of the projected federal budget surpluses to ensure the long-term solvency of the Social Security Trust Fund, increases the standard deduction for a joint return to an amount equal to twice the amount allowed on a single return to provide some marriage penalty relief and would permanently extend income averaging for farmers by providing a tax relief package that would take effect immediately. Furthermore, the Democratic tax bill would make the entire amount of the Social Security surplus in each fiscal year and transfer it to the Federal Reserve Bank of New York to be held in trust for Social Security. This would safeguard the temptation to expend it on pet tax breaks schemes. Furthermore, this would limit the use of the Social Security surplus and place a control on Congress. Under the bill, Congress would have to default on publicly traded debt instruments before it could default on its obligation to the Social Security system. Moreover, the Democratic bill would really lock up 100% of the Social Security surplus, while the Republican proposal pretends to safeguard 90% of the Social Security Insurance system surplus.

Deciding now to use the surpluses for tax cuts before addressing Social Security’s long-term problems will siphon off resources that is needed to maintain the long-term viability of the Social Security Trust Fund. Budget surpluses should be reserved until a Social Security Commission, the President and the Congress address the long-term requirements of Social Security. This initiative represents just another Republican attempt to siphon off money from the Social Security Insurance program and squander away the projected surplus as they cast about for an issue in the upcoming mid-term elections.

Unfortunately, while House Republican leaders praised the concept of “Saving Social Security First,” they turned around and then passed a budget that broke this pledge. However, its telling that the Senate has never agreed to this scheme up-front in a budget blue print. This broken promise has led to dissention and differences among their own party and has entrenched the budget conference process with the GOP led Senate, which strongly endorses the President’s call to save every penny of the budget surplus to strengthen the Social Security Trust Funds. To date, we have no budget. This is not governing. There is little doubt that the GOP Senate will finally be seduced into accepting tax breaks. However, the Administration and most Democrats will not accept this raid on the Social Security Insurance System. Nothing is going to happen if these surpluses and funds are not used. Such funds will be available once the solvency of Social Security is resolved. Meanwhile, this “surplus” will translate into a lower overall national debt. A good positive result that most citizens believe must be reduced.

I urge all members to vote no on this Republican attempt to raid the Social Security Trust Funds for election year tax breaks.

Mr. Conyers. Mr. Speaker, Social Security is the single most popular federal program ever conceived. It provides millions of seniors with retirement income. But it does more than just pay out retirement benefits. Social Security is a retirement program, a life insurance program and a disability insurance program all...
in one. Social Security provides benefits to more than forty-three million Americans each year, only thirty million of whom are retirees. Seven million Social Security beneficiaries receive survivors benefits—one and one-half million of those survivors are children. Five and one-half million Americans receive Social Security disability benefits. Social Security paid these benefits on time, month after month, like clockwork, for the past sixty years. Social Security has always been there when we have needed it and its our responsibility to ensure that it will always be there in the future.

But now, the part of Social Security which Americans are most worried about is its retirement portion, and with good reason. Since Social Security was created six decades ago, Americans have depended on the "three-legged stool" model of retirement planning. The first leg of the stool is personal savings; the second leg of the stool is the employer provided pension plan; and the third leg of the stool has always been Social Security.

Social Security has rightly been considered the bedrock upon which retirement security rests for all Americans. No matter what damage vagaries in the stock market might have on personal savings, no matter what damage employer carelessness or dishonesty might have on pension plans, people have always believed that Social Security would be the strongest and most important leg of the stool.

Unfortunately, over the years, the stool has weakened. As income stagnated in the 1970's, Americans had to dip into their retirement savings to pay for their children's education, or put a down payment on a house, or pay for increasing medical costs, thus weakening the first leg of the stool.

Employer provided pension plans are also dwindling with the loss of secure jobs with reliable benefits. Nowadays, less than half of all workers have employer provided pension plans, and those that do are receiving less and less in contributions from their employers, thereby weakening the second leg.

Now, when people are beginning to depend on the third leg, Social Security, they have seen or even saw off that third leg of the stool. Those people say that Social Security will go bankrupt in the next century, that Social Security doesn't pay beneficiaries a high enough rate of return. They believe that instead of fixing Social Security by saving the surplus, and sitting Americans' retirement security firmly on the three-legged stool, Americans would be better off trying to balance their futures on one leg.

Right now, some Republicans in this House are mounting an attack on Social Security. Not a direct attack, though they have tried that in the past, but an indirect attack. These Republicans are planning to spend our budget surplus, the excess that we have not spent for 30 years, on tax cuts. Tax cuts are not necessarily a bad idea. In fact, I would seriously consider supporting some of these tax cuts, if we really had any money to spare. But the fact is that we do not.

One poignant example that some in this House so desperately want to spend on tax cuts is in fact needed to support Social Security once it begins running a deficit early in the next century. The only reason why a surplus exists at all is because the Social Security trust fund is taking in more money than it is spending. But that will change in 2013. That year, Social Security starts paying out more money than it takes in. That year, we will need the money which we should be saving from the surplus to finance Social Security. The surplus that exists now, and with good economic luck will exist for the next several years, is nothing more and nothing less than our and our children's future.

But there are those who believe that Social Security is not worth saving because its return rate is too low. Social Security is not meant to provide workers with a big bonanza. It is intended to provide an income floor, a minimum below which we will not allow beneficiaries to fall. And it has worked. When Social Security was created, senior citizens were the most poverty stricken group in America. Now only 12% of older Americans are poor. Without Social Security, 42% of older Americans would be poor.

Some may think that Social Security is too conservative. It may not pay out as high a rate of return as more risky and speculative investments. But it is that caution which guarantees that Social Security will be there for all of us when we retire or are injured or the person we depend on to provide for us dies. So if the stock market fails us, if our pension plans are eaten up by illness, if our pension plan disappears, we will be still able to live with dignity.

When you are already at retirement age, there are no second chances. There is no time to build up a new nest egg. There is no time to return to the stock market for big returns. You retire with what you've got, and if there is no Social Security, and you've made a mistake in the stock market and your employer took the pension money and ran, you've got nothing. Nothing at all to fall back on. Our mothers, our fathers, our brothers, our sisters, our sons and our daughters, all of us deserve better than that.

Don't let the short term gratification of a fleeting tax cut distract us from saving for our future. Before we consider cutting taxes, save Social Security first.

Mr. BORSKI. Mr. Speaker, I rise today in opposition to H.R. 4578, the so-called Save Social Security Act. This legislation is an assault on one of the most successful government programs in American history—the Social Security program.

H.R. 4578 would rob Social Security recipients of the very benefits that they earned through their hard work and dedication. This bill sets up a separate account for Social Security, and requires the Treasury Department to deposit only the projected surplus in that account. There are several problems with this bill. First, the bill does not protect the Social Security Trust Fund—it does not prevent these funds from being used for additional tax cuts or spending increases in the future. Second, it does not reserve the full amount of money that Social Security has accumulated. None of the projected surpluses should be touched until the long-term solvency of Social Security has been fully secured.

As the representative from the 20th oldest district in the nation, I have always let the thoughts and views of my senior constituency guide me through my legislative decisions. More than 113,000 individuals in my District rely on the benefits of Social Security. They depend on this sacred program on a daily basis and I have consequently worked my hardest to ensure the solvency of their program! Today was one of the most offensive attacks on the Social Security program that I have witnessed thus far in my 16 years of working in the House. The seniors in my district asked me to vote against this fraud of a bill—it does not adequately protect their hard earned money. I believe that the Social Security program must remain sacrosanct and excluded from budgetary gimmicks. Let us do what is right by preserving every penny of the Social Security Trust Fund for the people that contributed to its solvency. It is not our money to waste, but it is our money to protect. This Republican bill does not properly address the current issues facing Social Security. Instead of safeguarding current Social Security funds, these Members would rather jeopardize this remarkable program with a false plan to assure their existence.

As a true Representative of the Pennsylvania's Third District, I will do all I can to Save Social Security the right way. I urge my colleagues to oppose this legislation and ensure Social Security benefits for generations to come. This legislation is another attempt by the Republican-led Congress to undermine our safety-net programs. It is not fair to spend the projected surplus on tax cuts when Social Security is in dire need of short-term and long-term Social Security Act. The title of this legislation gives the impression that it will actually save Social Security when, in fact, the Republican leadership has called this legislation up for a vote to take away 10% of any budget surplus from Social Security. The passage of this bill is a slap in the face to the millions of Americans who have paid into Social Security their entire working lives.

This legislation is another attempt by the Republican-led Congress to undermine our safety-net programs. It is not fair to spend the projected surplus on tax cuts when Social Security is in dire need of short-term and long-term Social Security Act. The title of this legislation gives the impression that it will actually save Social Security when, in fact, the Republican leadership has called this legislation up for a vote to take away 10% of any budget surplus from Social Security. The passage of this bill is a slap in the face to the millions of Americans who have paid into Social Security their entire working lives.

I urge my colleagues to oppose this legislation and ensure Social Security benefits for generations to come.

Mr. SMITH of Michigan. Mr. Speaker, the "Protect Social Security Account" developed in H.R. 4578 should increase awareness of the Social Security problem. However, the legislation does nothing to solve the problem.

The bill requires the Secretary of Treasury to set aside $300 billion in the new account each fiscal year from 1998 to 2008. The new government debt owed to this "Protect Social Security Account" would equal...
90% of the projected total unified budget surplus for each of those fiscal years.
In addition, the Treasury will make out IOUs to the Social Security Trust Fund for its annual surplus, as it has done in the past. The Social Security tax revenues surplus, which is the social security tax receipt of benefits payments for that year, is a major part of any unified budget surplus. This means we are creating a $1.90 in debt for every dollar borrowed in those years that the unified budget surplus is greater than the Social Security surplus. Total debt will increase more than if the new account was not established. In other words, the increased debt to the Social Security trust fund will be about $80 billion for the 1998 fiscal year. Because the calculations for government IOUs into the "Protect Social Security Account" is 90% of the unified budget surplus in most years, there is double accounting for government indebtedness for the same money. That results in total debt going up faster than it otherwise would. The Congressional Budget Office (CBO) estimates that Congress and the President will have to increase the existing $5.95 trillion in debt ceiling two years earlier if this bill would become law 2001 instead of 2003. Ironically, the more unified budget surplus that is spent by government, the less debt subject to debt limit there would be.
There will never be any actual money that is going into this account, just more IOUs. I am voting for the Rangel substitute because it has the effect of investing the Social Security surplus in marketable bonds as does my bill, H.R. 4033. I am voting for H.R. 4578 in the hopes that Congress will pay back the debt in the "Protect Social Security Account" to help solve the Social Security problem. We should all recognize that by the year 2008 the general fund of the Treasury will owe $2.252 trillion to the Social Security Trust Fund. This does not include the money that will be owed to the new fund. Unless there are sufficient resources in the general fund of the Treasury to repay that borrowing, the ability to pay the promised Social Security benefits will be threatened.
The fact is, none of the rhetoric by Republicans or Democrats or the President that we should save the surplus to save Social Security does anything to fix Social Security. The legislation I introduced (H.R. 3082) has been scored by the Social Security actuaries to keep Social Security solvent.
Others that have done real work to save Social Security include Representatives STENHOLM, KOLBE, SANFORD, and PORTER, and Senators MOYNIHAN, KERRY (NE), GREGG, BREAUX, GRATTAN, and DOMENICI. I applaud all of them for the tremendous increase in awareness that the President has helped stimulate by announcing in his State of the Union address last February that we've got to save Social Security. As Chairman of the bipartisan task force on Social Security, I am setting our first goal to be a discussion of the real facts and the real problem of the current system.
Senator MOYNIHAN said during Social Security reform discussions in 1983, "Everyone is entitled to their own opinion. However, no one is entitled to his own set of the facts." If we can have honest bipartisan discussion of the issue, and if we can increase public understanding, then we can pass real Social Security reform legislation in 1999. That is important, because the longer we put off the resolution, the more drastic the changes will have to be.
Mr. HILL. Mr. Speaker, I am in full agreement with the goal of reducing taxes on hardworking American families. The Republican way of reducing taxes is by reducing spending and reducing government. That's why I voted earlier for a budget that reduced spending for these tax cuts.
But the President likes to say, from one side of his mouth, that he wants to save Social Security. Yet, from the other side of his mouth, he calls for billions of dollars of new spending from the Social Security Trust Fund.
Senators Demois say they want to save Social Security while proposing to spend Social Security taxes on increased spending.
And my own Republican leadership wants to cut taxes—offsetting the cuts with the Social Security Trust Fund.
On this issue, I say: A pox on all their houses. I want tax cuts. I support these tax cuts. I just don't want them funded out of Social Security taxes.
I had hoped that the leadership would find a way to phase in tax cuts from the projected surplus in the general fund, but this plan does not do that.
When I was in business, we had good years and we had bad years. Sometimes we needed to borrow money to get through the lean times. But every businessman knows that you don't raid the employees' pension fund to meet payroll.
In the 40 years that Democrats controlled Congress they raided Social Security for other programs. It was wrong. It's still wrong. And that's why this measure is wrong today.
I'm not voting with the Democrats today. They can't wait for the chance to spend the Social Security Trust Fund on more government programs. But his vote today under scores the need to put this money into personal accounts for each and every American. Those accounts should be personalized with the name of an individual, not the name of Congress.
I will not support this legislation today. Not because I don't support the tax cuts, but because Montanans tell me the real path to tax reduction is to reduce the size of government.
Mr. THOMPSON. Mr. Speaker, the budget surplus which will be obtained this year is the greatest achievement of common sense and foresight in decades. While much of the world around us flounders in economic chaos, the United States' economy continues to drive forward, largely due to this success.
Now we are casting to the wind the same sense planning—and if I might add, conservative policies—which eliminated the budget deficit and created the budget surplus. Six weeks away from the election we are voting on tax cuts, many of which I admittedly support and would like to see enacted, even though we can not yet pay for them without taking money needed for saving Social Security.
The truth is that we only have a budget surplus today because a surplus exists in the Social Security Trust Fund. According to the Congressional Budget Office, 98% of the budget surplus in 2008 will come from the surplus in the Social Security Trust Fund. Only 2% will come from non-Social Security sources. However, this surplus is only temporary. The horde of retiring "Baby Boomers" will draw heavily on Social Security, and the Trust Fund will become bankrupt by 2032.
The Democratic Substitute to the Republican's so-called "Save Social Security Act" we are considering today is a proposal: we set aside 100% of the budget surplus in a special fund to be used solely for keeping the Social Security Trust Fund solvent until a long term solution can be found. The Republican bill, on the other hand, will take this money which really belongs to Social Security and use it for funding the tax cuts we will vote on tomorrow.
The Republican proposal risks Social Security and it risks America's future. What happens if the worldwide economic crises seri ously affected American markets and the surplus turns out to be less than predicted? The result, I fear, will be less than welcome. We will be stuck with these new tax cuts, which I know this House will not have the political capital to repeal. We will return to the days of budget deficits, and we will still be trapped in the same cycle of stagnant growth we thought we left behind when the last recession ended six years ago.
In recent years the improving economy has permitted the vast majority of Americans to cast aside their fears and look towards their future with renewed hope and newly minted dreams. I hope that either this House or the more sensible policy makers in this city reject the risky political games we are playing and return to the common sense that has served us well to date. Let us save Social Security first and enact tax cuts when we can pay for them.
Mr. RAMSTAD. Mr. Speaker, I would like to point out some of the most important hyperbole the American people are being fed today. Americans are sick of political double talk. They want the truth—so here it is.
This surplus we are talking about here today—do you know where it came from? It came from you—your hard earned pay checks, your savings accounts, your investments and even the deaths of your family members and friends. It's not the government's money—it's yours! You know what happens to your money when it gets to Washington? Well, for the last 40+ years, the Democratic majority spent it—spent well above it—and often wasted it. In fact, if it weren't for the Republican majority you elected, we wouldn't even be standing here today talking about a surplus or how to use the excess taxes you have sent us.
You deserve some of your money back. And, yes, your money—$1.4 trillion—should also go toward preserving and protecting Social Security. Both can be done.
Let me reassure you right now that under the bill before us today, fully 90% of your surplus goes into a "Protect Social Security Account." Some $1.4 trillion of your money is set aside until we pass legislation to ensure the long term solvency of Social Security.
So, you know what happens to the money you put on the Social Security Trust Fund will be from giving you back 10% of your money? None. Let me repeat that. None. The Social Security Trust Fund will not lose one dime by passing this legislation today and the tax bill tomorrow. Not a penny.
To recap the truth for Americans sick of all the political legalese and double talk: Passing this legislation gives you, the overtaxed
American, 10% of your money back. It se-
cures 90% of your money in a new account to
be used for preserving and protecting your So-
cial Security program. Let’s pass the “Save Social Security Act.”

Ms. DELAURÉO. Mr. Speaker, Social Secu-
rit y is America’s greatest success stories. It is the financial bedrock for our coun-
try’s elderly, and for all hard working American families who want to retire with some peace of mind. Two-thirds of our seniors depend on So-
cial Security for more than half their retirement income.

But right now, Social Security is under at-
tack: this bill would raid Social Security to pay for a tax bill. The Archer bill pays for its tax plan with money from the Social Security Trust Fund—money that Americans have invested for their retirements, money that the program needs for long-term survival. I believe in tax
cuts, but I believe we must protect the Social Security Trust fund first. We cannot undermine our retirement security for the sake of ten cents per day today.

I urge my colleagues: don’t be irresponsible. Protect our Social Security trust fund, and pro-
tect our retirement savings. Vote for the Rangel
tax cut, which ensures the solvency of the Social Security trust fund. Oppose the Archer Social Security raid.

Mr. Speaker, I rise in opposition to this misguided legislation. It combines commendable tax cuts with an unacceptable funding mechanism. The bill would take money from the Social Security Trust Fund to pay for these tax cuts. I consider this a fatal flaw.

This bill is the legislative equivalent of the Trojan Horse. It contains a collection of tax cuts that Democrats would usually support. Most of the tax cuts contained in H.R. 4579 have, in fact, been proposed and supported by Democrats in the past. The marriage penalty provision is similar to one offered by Rep-
resentative McDERMOTT during the Ways and Means Committee mark-up of the 1997 Tax-
payer Relief Act—and rejected unanimously by the Republicans on the Committee. The same is true of the 100 percent deduction for health care premiums.

Mr. Speaker, I rise in opposition to this misguided legislation. It combines commendable tax cuts with an unacceptable funding mechanism. The bill would take money from the Social Security Trust Fund to pay for these tax cuts. I consider this a fatal flaw.

This bill is the legislative equivalent of the Trojan Horse. It contains a collection of tax cuts that Democrats would usually support. Most of the tax cuts contained in H.R. 4579 have, in fact, been proposed and supported by Democrats in the past. The marriage penalty provision is similar to one offered by Rep-
resentative McDERMOTT during the Ways and Means Committee mark-up of the 1997 Tax-
payer Relief Act—and rejected unanimously by the Republicans on the Committee. The same is true of the 100 percent deduction for health care premiums.

Mr. SCHATZ. Mr. Speaker, I rise today to support the Rangel Democratic Amendment and oppose H.R. 4578. I strongly
support the Democratic Amendment which would create an account at the Federal Re-
serve Bank for the entire Social Security sur-
plus.

It is fiscally irresponsible for Congress to spend any of the anticipated surplus before we have addressed the long-term retirement needs of working men and women, or before the surplus has even materialized.

In order to claim a budget surplus, the major-
ty will use money from the Social Security
trust fund. We cannot let this happen. We must restore the $9 trillion in unfunded liability owed to individuals who have paid into this most successful government program all of their working lives.

Mr. RANGEL’s Amendment would transfer 100% of any Social Security surpluses to the Federal Reserve Bank of New York to be held in trust for the Social Security system.

Congress should stand firm to ensure that Social Security will remain strong for future generations. I urge my colleagues to support the Democrats’ Amendment sponsored by the gentleman from New York, Mr. RANGEL. Mr. Speaker, we need to save Social Security first.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise to oppose H.R. 4578, which contains the Republicans’ plan to save Social Security. I oppose it because it is a job incomplete.

It is not a coincidence that this bill is being brought to the floor at the end of the session, and immediately before the House will consider a Republican bill that spends a significant portion of the Social Security surplus on a tax cut.

This bill comes to the floor only because the Republicans must have some response ready for the millions of Americans that they plan on taking money from tomorrow, when we debate the Republican Tax bill. They want to be able to say that they voted to save 90% of the budget surplus for Social Security.

Ninety-percent sure sounds good. It sounds like a good score on an exam, but this is not an exam. This is the money of the American people. This is money that should all be put into a safe place, away from politicians, especially from election-year politics. I urge all of you that Social Security is saved.

Social Security has provided benefits to more than 160 million workers and their families since the program began in 1940. Without this vital program, half of our Nation’s elderly would live in poverty. Two-thirds of our Nation’s elderly depend on Social Security for one-half or more of their income.

Make no mistake about it. The issue is not whether cutting taxes aimed for reduction of the Budget Deficit, the deficit for which the Republicans’ plan to save Social Security. They have been saying for weeks that I wanted 100 percent and the Republicans were only 90 percent. That is not the only difference, because, in this substitute, we take that 100 percent, not just merely put it in a separate account in the Social Security trust fund, as I once supported, but we take the money completely from the pockets of politicians, Republican or Democrat, and lock it into the Federal Reserve Bank so that it cannot be used.

Earlier in the debate, somebody said the only difference between the bills is that I wanted 100 percent and the Republican’s Amendment wanted 90 percent. That is not the only difference, because, in this substitute, we take that 100 percent, not just merely put it in a separate account in the Social Security trust fund, as I once supported, but we take the money completely from the pockets of politicians, Republican or Democrat, and lock it into the Federal Reserve Bank so that it cannot be touched.
Democrats are not trying to stop a tax cut. We have a difference of philosophy on this and a difference of opinion. I honestly believe there would be a budget deficit without the Social Security monies of surplus. Let us take care of Social Security. Let us make it solvency. Then let us go on the Nation's business, to cut taxes or, if necessary, find that money elsewhere.

Mr. Speaker, I yield myself such time as I may consume. When I was first appointed to the Committee on Ways and Means in January 1973, I then took an immediate interest in Social Security. There was no subcommittee then, but I knew how vital it was, not just to current retirees but to future generations, the most important program the Federal Government has.

As a result of that, I was appointed by Ronald Reagan to the Social Security Commission in 1982. No one in this body recognizes more the importance of Social Security and how sacred it is. I think it is truly saving the nation. It is a little bit of a delusion on my part and the part of the majority to protect, to guard, to reform and to save Social Security.

But what we are talking about today is a different issue. No one should be confused. I have not known, as my friend from Ohio said, that this is the only safe way to move, I would not be here urging an alternative. But the Rangel scheme will not dedicate 100 percent of the surplus to Social Security. Why? Because surplus, in his definition, is only that portion of the spending that is urgently upon the Congress occurs in each year. It is an open door to pave the way for Democrats to increase government spending, reduce the surplus that is available each year, and, at the same time, expand the size of government and grow the bureaucracy, grow the power of Washington, as my friend, the gentleman from Ohio (Mr. Kasich) said.

Save 100 percent of the surplus for Social Security? How can they claim to support saving every penny when President Clinton is leading the charge to spend the surplus now? Extrapolated over a five-year period, the additional spending this year alone could well reach $100 billion of surplus that will not be there when they are through. The President has already spent $29 billion from the surplus to help the people in Bosnia. That was not an emergency. We knew ahead of time, for at least a year, that those monies would have to be spent. Yet it was okay to spend the people's money in Bosnia. And already this fall the President has asked Congress to spend $13 billion in additional surplus money on other government programs some claimed to be emergency, and yet clearly planned in advance, known in advance and should have been paid for in advance.

Mr. Speaker, if it is acceptable for the Democrats to spend the surplus on the people of Bosnia, why do they oppose using it to give tax relief to the taxpayers of America who send it here in the first place? It is not our money. It is their money.

Do not be fooled. This substitute is a rip-off. We are urging an alternative for Social Security. Let us make it solvency. Then let us go on the Nation's business, to cut taxes or, if necessary, find that money elsewhere.

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

Mr. RANGEL. Mr. Speaker, I yield 3 minutes to the gentleman from Missouri (Mr. GEPHARDT) our minority leader.

So let it be clear that there is a determination, is only what is left over after the Congress occurs in each year. It is the Congress that chooses how much the government has to spend on government programs. But the Republicans have the determination to do that, to get the government to spend. So let it be clear that there is a determination to save Social Security.

No one should be confused. I have not known, as my friend from Ohio said, that this is the only safe way to move, I would not be here urging an alternative. But the Rangel scheme will not dedicate 100 percent of the surplus to Social Security. Why? Because surplus, in his definition, is only that portion of the spending that is urgently upon the Congress occurs in each year. It is an open door to pave the way for Democrats to increase government spending, reduce the surplus that is available each year, and, at the same time, expand the size of government and grow the bureaucracy, grow the power of Washington, as my friend, the gentleman from Ohio (Mr. Kasich) said.

Save 100 percent of the surplus for Social Security? How can they claim to support saving every penny when President Clinton is leading the charge to spend the surplus now? Extrapolated over a five-year period, the additional spending this year alone could well reach $100 billion of surplus that will not be there when they are through. The President has already spent $29 billion from the surplus to help the people in Bosnia. That was not an emergency. We knew ahead of time, for at least a year, that those monies would have to be spent. Yet it was okay to spend the people's money in Bosnia. And already this fall the President has asked Congress to spend $13 billion in additional surplus money on other government programs some claimed to be emergency, and yet clearly planned in advance, known in advance and should have been paid for in advance.

Mr. Speaker, if it is acceptable for the Democrats to spend the surplus on the people of Bosnia, why do they oppose using it to give tax relief to the taxpayers of America who send it here in the first place? It is not our money. It is their money.
Mr. ARCHER. Mr. Speaker, I yield 5 minutes to the gentleman from Kentucky (Mr. BUNNING), the chairman of the Subcommittee on Social Security. (Mr. BUNNING asked and was given permission to revise and extend his remarks.)

Mr. ARCHER. Mr. Speaker, I yield 5 minutes to the gentleman from Tennessee (Mr. KENNY), another respected member of the Committee on Ways and Means.

Mr. McCRARY. Mr. Speaker, much of the debate here today has been misleading, to say the least, including the remarks of the previous speaker. Look. Democrats, I believe, do want to preserve Social Security. The difference is that for 40 years of Democrat control, they ran a deficit. They spent more at the Federal level than we took in, mounting up a debt on which we had to pay interest and, of course, we could not use that money for Social Security or anything else. So if they had remained in control and continued 40 years of history, of spending more than they were taking in, the only solution to Social Security would have been to raise taxes. Thankfully Republicans gained control of the legislative branch 3½ years ago, and thanks to our fiscal policies getting government spending under control, we are now running a surplus. We are bringing more money into the Federal Government than we are spending for the first time in 30 something years. So, thanks to our policies, we now have an opportunity to save Social Security, to preserve Social Security that the Democrats want to do and that we want to do, but our way to do it is to use the surplus to finance a transition from the current Social Security program to one that will be smarter, use our money more wisely and even give people more and at least misuse of Social Security trust funds, what else can you define a tax cut new FICA taxes, and keep it on your kitchen table. You lock that money up in the Federal Reserve Bank in New York City where the central bankers are to invest them in marketable securities.

Mr. BUNNING. I thank the gentleman from Tennessee (Mr. BUNNING), the chairman of the Subcommittee on Social Security.

Mr. ARCHER. Mr. Speaker, the Democratic alternative is not a good deal for Social Security. On the face of it, one might think that putting aside $1.6 trillion in excess FICA taxes seems better than the $1.4 trillion the GOP would reserve at 90 percent of the total budget surplus. But the amendment adds risks to Social Security that are totally unnecessary. The Democratic substitute will probably reduce Social Security reserves and receipts to the Federal Reserve Bank in New York City where the central bankers are to invest them in marketable securities.
The Fed's job is to control inflation and provide market liquidity, not invest Social Security funds. This is not the role of the Federal Reserve and only creates a conflict of interest.

When the Federal Reserve buys securities, does it introduce a new risk, market risk from the changing prices of bonds, from which Social Security, under current Treasury investment practices, is spared. While the Treasury Secretary is ordered in this bill to make up the losses, the track of trillions of bond dollars would so complex Social Security might not receive what it is due.

The Republican plan avoids all this by using the current investment procedure in special Treasury securities that have price volatility.

For all the increased risk in complexities to Social Security, the bill still has the same budgetary outcome as current law. The surplus would still be on books, but unfunded Federal Reserve retirement accounts set aside $1.4 trillion to save Social Security.

Now between now and tomorrow, unlike the Democrats who say they are going to save 90 percent, there is nothing in their past history of what they will do.

To privatize Social Security is to support the Rangel substitute, which says yes, and he stands here in support of the Proposition C, Mr. Archer, says yes, and he stands here in support of the Proposition C.

So, Mr. Archer, I yield 2 minutes to the gentleman from Illinois (Mr. Weller). Mr. Weller, Mr. Speaker, I rise in opposition to the Rangel substitute, and I stand here in support of the Protect Social Security Account legislation offered by the gentleman from Texas (Mr. Archer) which sets aside $1.4 trillion for Social Security.

This is what this debate really is all about. Today we are asking a pretty heavy price for Social Security and can we eliminate the marriage tax penalty at the same time? The gentleman from New York (Mr. Rangel) says no; the gentleman from Texas (Mr. Archer) says yes, and he has offered a plan.

When I think of Social Security, I think of my mom and dad, I think of my Aunt Mary, my Aunt Eileen, my Uncle Pat and her husband who, like 28 million married working couples, suffer higher taxes just because they are married, and I think we all agree we
need to do both. We need to save Social Security and eliminate the marriage tax penalty for married working couples.

What is, I think, a great victory about legislation offered by the gentlemen from Texas (Mr. Archer) is that we are setting aside $1.4 trillion, which is more than twice what President Clinton said we should set aside back in January. The President said we should set aside the $600 billion surplus at that time. Today, we have the opportunity to set aside more than twice what the President called for, $1.4 trillion.

One clear message that I hear back home and that is, let us keep the politics out of Social Security. Let us be honest about it. We need to work together. Republicans and Democrats need to work together. We have an opportunity today to set aside $1.4 trillion to save Social Security. We also have an opportunity tomorrow to eliminate the marriage tax penalty for people like my sister Pat and her husband, 28 million married working couples who are punished under our Tax Code just because they are married.


Mr. Rangel. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan (Mr. Levin) a member of the committee.

Mr. ARCHER. Mr. Speaker, I yield myself such time as I may consume, simply to reiterate what I said earlier. I cannot believe that senior citizens in this country or the Association of Retired Persons could support this Rangel substitute to take greater risk with the sacred funds of the Social Security trust fund and put them in the hands of the Federal Reserve, particularly the Federal Reserve Bank that recently bailed out a losing hedge fund in order to save bank stocks and in order to try to reduce the threat of that, and used, of course, dollars within their control. This is highly risky. I do not know where it came from, we have not had hearings on it, but I am sure that ARP would not support this.

Mr. Speaker, I yield three minutes to the gentleman from Arizona (Mr. Hayworth).

Mr. Speaker, to expound upon the comment just made by the distinguished chairman of the committee, we must rise in strong opposition to the Rangel substitute precisely because of its method of devising a so-called lockbox subtrate, because it does nothing to serve as stewards or protectors of Social Security. Oh, no, it gives the consideration to the members of the Federal Reserve Bank of New York City, New York City? Why on earth would we devise this legislative sleight of hand?

We understand the desperation of those on the left. Not only intent on bankrupting the Nation fiscally, they are bankrupt and bereft of ideas. So this extension of the politics of fear is made manifest in the Rangel substitute. You see, Mr. Speaker, the left so misleads people with their own money that they will devise any scheme to put the government in the way of hard working people and their money.

There is another fatal flaw that we should point out, and I listened with great interest to the revisionist theory of my friend from Michigan who comes down with his tired old recitation of history. The world was not a dangerous place and it was not incumbent upon President Reagan and others to provide for the common defense.

But the spending question is very interesting here, because we had no less a personage than the President of the United States come to this chamber and stand in that podium for his State of the Union message and say to us all in sterling rhetoric that we should save every penny for Social Security.

Yet, Mr. Speaker, the facts are these: He has already taken $2.9 billion of that surplus to support a misadventure in Bosnia. Those are the facts. And the simple distinction is this: Do we allow the left, thankfully these days the minority, to continue to stand in the way of American people, their money, in holding onto a small portion of their money through tax relief, or do we allow them to spend it and put the money in the hands of the central bankers? Let us reject the Rangel substitute.

Mr. Rangel. Mr. Speaker, I yield three minutes to the gentleman from Maryland (Mr. Cardin), a member of the committee.

Mr. CARDIN. Mr. Speaker, and was given permission to revise and extend his remarks.

Mr. Speaker, to expound upon the comment just made by the distinguished chairman of the committee, we must rise in strong opposition to the Rangel substitute precisely because of its method of devising a so-called lockbox, because it does nothing to serve as stewards or protectors of Social Security. Oh, no, it gives the consideration to the members of the Federal Reserve Bank of New York City, New York City? Why on earth would we devise this legislative sleight of hand?

We understand the desperation of those on the left. Not only intent on bankrupting the Nation fiscally, they are bankrupt and bereft of ideas. So this extension of the politics of fear is made manifest in the Rangel substitute. You see, Mr. Speaker, the left so misleads people with their own money that they will devise any scheme to put the government in the way of hard working people and their money.
September 25, 1998

CONGRESSIONAL RECORD – HOUSE

H8751

an opportunity to transfer from red ink to black ink on our accounting, there are those who want to start giving money away.

Let us be fiscally responsible. The tax cut that we voted last year was fully paid for under the budget rules. We did not have to waive the budget rules. Yet the bill we are being asked to vote on tomorrow will violate the budget rules and our discipline.

We talk about emergency spending. Emergency is not budgeted. One-time-only emergency spending is consistent under our budget rules. Ninety-eight percent of the budget surplus projected during the next 10 years comes as a result of our Social Security system. Let me put it differently. Without the Social Security system, we would not have any budget surplus. We would not be able to consider a tax bill. No one can dispute that.

So let us be honest: If it were not for Social Security, we would not have a budget surplus and we would not be considering a tax bill tomorrow.

This bill claims to protect 90 percent of the funds for Social Security. It does not do that. If we did not pass any bill, 100 percent of the funds would be in the Treasury for present and future Social Security first. The Rangel substitute protects 100 percent of the funds until we have resolved the Social Security problem. It is the right bill to vote on.

I urge my colleagues to support the substitute, so that we can really protect Social Security first and use the surplus monies that have been generated as a result of our Social Security system to resolve the problems of Social Security first, before we consider a tax cut.

Mr. ARCHER. Mr. Speaker, I yield two minutes to the gentleman from California (Mr. THOMAS), a member of the Committee on Ways and Means.

Mr. THOMAS. Mr. Speaker, it is always dangerous around here to read legislation that you are looking at, but if you were to look at the substitute that the gentleman from New York is offering, it says on the first page, line 15, “If the Secretary of the Treasury determines that there is a Social Security surplus for any fiscal year, such Secretary shall transfer”–transfer–“during such year from the general fund of the Treasury an amount equal to the Social Security surplus to New York City to a Federal Reserve Bank, and that they are lockboxing, saving Social Security, removing the money so it cannot be spent and sending it to New York City. And the Congressional Budget Office, in supporting the Rangel substitute, says there is no cost. There is no cost because it is an intergovernmental transfer.

This is hogwash, vote no.

Mr. RANGEL. If the gentleman will yield, I will tell him how this works.

Mr. ARCHER. If the gentleman will yield, I will tell him how this works. In the Treasury, would the gentleman have a cost estimate? Yes or no? I am asking a question. If the gentleman has a response, I would like to hear it. I have very few seconds left here. Does the gentleman have an estimate, I would like to hear it. I have very few seconds left here.

Mr. RANGEL. It does not respond to a yes or no answer.

Mr. THOMAS. It does not respond to a yes or no answer. I will tell the gentleman why, because the Congressional Budget Office said this has no budgetary consequence. It is an intergovernmental transfer. The gentleman’s argument is they are saving the Social Security trust fund by shipping off, according to the Treasury’s recommendation, an amount equal to the Social Security surplus to New York City to a Federal Reserve Bank, and that they are lockboxing, saving Social Security, removing the money so it cannot be spent and sending it to New York City. And the Congressional Budget Office, in supporting the Rangel substitute, says there is no cost. There is no cost because it is an intergovernmental transfer.

This is hogwash, vote no.

Mr. Archer, a few months ago I actually thought that the Congress was going to address the Social Security shortfall in a bipartisan manner. Well, I guess we are not going to see that. I want to tell you that when I came to Congress, I told my constituents that I was going to put our house in order by reducing the deficit, providing tax relief and saving Social Security.

Well, guess what? We have reduced the deficit, and, last year, we gave tax relief, $85 billion over five years. And do you know what? We gave tax relief that we paid for, the right way, without using the surplus.

In my six years, I have rarely seen a bill so inaccurately titled, “Protect Social Security Account Bill.” Let us get something absolutely straight: What they intend to do is take 10 percent of the total budget surplus, which is nearly all due to the contributions that American workers have invested in Social Security, and use it to fund tax cuts. In return, they will reserve 90 percent of the budget surplus.

This is simply irresponsible. Congress does not own the trust fund. The American people, who have paid the taxes that are now invested in the trust fund, own all of it. Not 90 percent, not 95 percent, not 99 percent, the American people own 100 percent of it. So when you tell the American people that you propose to reserve 90 percent of the surplus, you are in fact robbing them. That is wrong.

I and my democratic colleagues have committed to save Social Security first. We believe that reserving the entire Social Security surplus to New York City will resolve the shortfall will have positive results for the entire economy, far outweighing any election year tax cuts.

Let me remind my colleagues: March 5th, before the Committee on the Budget, be cautious about spending it. Greed is said, adding the best way to ensure continued economic expansion would be to put the Federal budget into “significant surplus.” Doing so, he said, would encourage better saving habits among Americans. Greater savings would promote lower interest rates for borrowers and spur productivity, enhancing investments by business.

Think what that would mean for working Americans who have mortgages, credit card bills and college loans. And to my friends with farmers, certainly they would appreciate that.

Mr. Speaker, old tax-and-spend days are over. I have not been here for 40 years. This is a new Congress. By supporting the Rangel substitute, we can finish a process we started in 1993 and uphold our commitment to the American people.

My constituents have told me time and again, take Social Security off the table. Cut spending the Social Security surplus. The Rangel substitute would save Social Security by setting aside 100 percent of the trust fund. Let us vote for the Rangel substitute.

Mr. ARCHER. Mr. Speaker, I yield one minute to the gentleman from Alabama (Mr. CALLAHAN), the respected chairman of the Subcommittee on Foreign Operations, Export Financing and Related Programs of the Committee on Appropriations.

Mr. CALLAHAN asked and was given permission to revise and extend his remarks.

Mr. CALLAHAN. Mr. Speaker, for the benefit of our television audience and the people in the gallery, we are not today going to convince a single Member of Congress of the rights or wrongs or merits or demerits of this issue. But keep in mind, I have something that I think both sides will agree with, which we need some bipartisan agreement on here.

The American people watching this today, and especially senior citizens, are going to be deluged in the next couple weeks with letters from organizations here in Washington and outside Washington telling them that Social Security is endangered, and it is going to be filled with a lot of misinformation.

The bottom line, usually the postscript, is going to say, send $15 or $25 or $50, and let us save Social Security. We in Congress will work on Social Security. It will be saved. It will be solvent.
but there is no need for anyone listening to send one dime to any organization in order to save Social Security. Rely on your Member of Congress.

Mr. RANGEL. Mr. Speaker, I yield 1 1/2 minutes to the gentleman from Florida (Mr. KASICH). We talked about the budget agreement. There is a budget agreement. So what the Republicans are doing, Mr. Speaker, they are breaking their promise to the American public. The American people have been broken promises. They have heard them too many times.

Social Security is extremely important, to all of us. It is extremely important to senior citizens. When Members go back to their districts and walk around backyards and trailways of this country, every American will tell us, leave Social Security alone. What this Rangel substitute does is it puts it aside so we as politicians can leave it alone for a while and leave it there, where it purports to be from the very beginning.

By their actions, it appears to me that over the years, and I have been here longer than a lot of people, the Republicans do not seem to like Social Security. They have used every kind of methodology to make it look remiss. They have tried their very best to show that it is failing and it should be put aside, or to privatize it.

I am here to say to the American public, on behalf of this country, let us stick to the plan. This bill is too risky. It takes too many promises that they cannot submit. Some of us may not even be here when this comes up, I say, take the Rangel substitute and turn down the Archer.

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

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

Mr. Speaker, I admire the intention of my colleagues and the proposals that come from New York (Mr. RANGEL) on this proposal, but I would respectfully ask that my colleagues reject it. I would say that for four different reasons.

I would say, first of all, that the notion here is that this time it will be different. How many times have we heard that in Washington, D.C., this time it will be different? In other words, what we have been doing in Washington is borrowing against Social Security trust fund balances to pay for tax cuts for the last 30 years. What we propose with this is a super trust fund, if you will, is that this time it will be different. What people back home tell me is that they do not buy into the idea that this time things will be different.

Two, I think it offers false hope. If we look at what the trustees have said, the trustees would say, whatever this proposal went through or not, Social Security would begin to run shortfalls in about 15 years, and it would be out of money, unable to pay its obligations, in about 30 years. That would not change with this.

Thirdly, we ask that it moves us in the wrong direction. We are going to go in one of two directions in this debate, over the long run, on Social Security. We are going to either move towards greater personal control of one's savings, which is the real way we keep politicians' hands off our money, or we are going to move toward collective investment.

I think there is nothing more dangerous than the idea of collective investment. This sets up the mechanism for collective investment, wherein $400 billion a year could go into the private sector. What people back home who care about limiting the size and scope of government tell me is that that is not a good idea.

For these reasons I would ask that we reject the Rangel proposal.

Mr. RANGEL. Mr. Speaker, I yield 1 1/2 minutes to the gentleman from Connecticut (Ms. DELAUNO).

Ms. DELAUNO. Mr. Speaker, I thank the gentleman from New York for yielding time to me.

Mr. Speaker, Social Security is one of our nation's success stories. It really is financial bedrock for our country's elderly, for hardworking American families who want to retire with some peace of mind. I think it is important to note that two-thirds of our seniors depend on Social Security for more than half of their retirement income. But in fact, Social Security is under attack. This bill would raid Social Security to pay for a tax bill.

I believe in tax cuts. Too many parents today sit at kitchen tables trying to figure out how to pay their bills. They are raising their children, they are working harder to make ends meet. I also believe when they sit there that they have a certain relief knowing that Social Security will be there when they retire. The American public overwhelmingly wants to make sure that the Social Security trust fund is there to pay for Social Security and nothing else, not tax cuts today that jeopardize Social Security tomorrow.

Do not take my word for it. Martha Phillips, with the conservative Concord Coalition: "Policymakers who are living up to spend those so-called budget surpluses should be ashamed that the money they are talking about consists entirely of Social Security's annual trust fund surpluses."

Steve Moore of the Heritage Institute, another group that I respect: "The solution is simple: Formally wall off Social Security from the rest of the budget to prevent continued theft from the trust fund."

Mr. EDWARDS. Mr. Speaker, if I robbed a bank of 10 percent of its cash or its revenues, I seriously doubt the bank would accept my excuse that, officer, I judge, I was really trying to save the bank. Yet, incredibly, that is what my Republican colleagues are doing today. They are saying, we just want to take 10 percent out of Social Security, which would be used to protect Social Security, and use that money for election-year promises and gimmicks.

Mr. Speaker, a judge would never believe my excuse as a bank robber. I do not think the American senior citizens are going to believe this explanation of the bill today. The fact is, the American people will have to choose today, who do they trust better to protect Social Security, Democrats or Republicans?

In my brief time, I would only point out that the number two ranking Republican leader in this House, the gentleman from Texas (Mr. ARMY), said on September 28 of 1994, "I would never have created Social Security."

I think the American people will answer the question today. That answer will be, resoundingly, we trust the Democrats to protect our Social Security retirement.

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

Mr. Speaker, I would simply say, in response to the gentleman who just spoke, it is a good question, whom will senior citizens trust, the Treasury of the United States or the Federal Reserve Bank of New York?

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

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from North Dakota (Mr. POMEROY).

Mr. POMEROY. Mr. Speaker, on the issue before us, this Congress stands at a very important crossroads: Do we go down the easy path of dissipating the Social Security surplus on election year gimmicks like this proposed tax cut, or do we brace ourselves for the tough march that lies ahead to secure Social Security, to long-term solvency problem in Social Security so it will work as well for our grandchildren as it has worked for our parents and grandparents? It is a critical question.

Dissipating Social Security trust funds makes our problem worse. We already have bills before this session that would require someone to work until they are 70 years old before they would get their Social Security payment, or bills that would raise the tax on Social Security, meaning wage-earners pay even more into Social Security. Both of these measures are to fill the solvency hole we already have.
Mr. Speaker, a tax cut on the Social Security surplus would only make the problem worse. The question before us is one most of us have never faced before, the first surplus we have seen in 30 years. Let us hold the Social Security surplus off the Social Security. Pass the Rangel substitute.

Mr. RANGEL. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Texas (Ms. JACKSON-LEE).

(Ms. JACKSON-LEE of Texas asked and was given permission to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Speaker, in order to save Social Security and instill trust, I rise to support the Rangel amendment.

Mr. Speaker, I strongly support the Democratic amendment. Only by transferring 100% of any Social Security Trust Fund surpluses to the Federal Reserve Bank of New York, can we look our constituents in the eye and say, “Yes, you can trust in us. We have protected your children’s future, and your grandchildren’s future.’’

The Republican bill appears to save 90% of the budget surplus, leaving 10% to Congressional discretion. Although this figure seems fair at first, I do not believe that we should have the discretion to use 1% of our citizens’ futures, much less 10%.

I fear that stealing 10% from the Social Security will create a dangerous precedent. What will stop Congress from taking out a higher percentage of the surplus in subsequent years? Only 10% this year, but it could be 50% within two or three years. We should not give Congress free reign over this money.

Worse yet, it does not appear that the Republican plan protects the remaining 90% of the budget surplus. Unlike the Democratic amendment that places the surpluses in the Federal Reserve Bank of New York, the Republican bill does not ensure that the Social Security surplus is off-budget. In other words, Congress may still choose to delve into these funds when the next election comes around. This approach is simply unfair to the American public, and it deceives our citizens into thinking that their futures are better.

We must put these funds in a lock box where political maneuvering cannot reach them. By placing 100% of the surplus in the Federal Reserve Bank of New York, the Democratic amendment would properly lock away this valuable resource.

Moreover, the Republican measure relies upon the spending of $200 billion of the surplus, money that may not exist. As recently as last month, we did not have a surplus. The Republicans rely solely upon a projected surplus, and the Republicans even admit that their projections may be erroneous. Our constituents, our citizens, deserve better treatment than this. What kind of message do we send when we attempt to spend what we do not have?

Even if we had a surplus, who are we to spend this money? It is not for us; it is for our retiring citizens. The money found in the surplus comes from payroll contributions. The money should be returned to the people who originally contributed it.

The Republican measure endangers the future of Social Security itself, not just the people who rely upon this fund. It is well-known that Social Security will face a fiscal crisis early in the next century as the baby boomer generation retires. Too many of our citizens drink from this well, and the Republican bill would allow politicians to spill this precious resource, drying up the sole reservoir for those who truly need it.

Please do not think that I am against tax cuts. I strongly favor “fiscally responsible” tax relief. Democrats have proposed and voted for many tax cuts this year. The bipartisan 1997 Tax Cut bill included almost $300 billion in tax cuts over a ten-year period, and many democrats support even greater tax relief for the middle-class than was contemplated by that bill.

I just believe that tax cuts should be based upon sound reasoning. Haphazard legislation such as the Republican bill simply does not fulfill this notion of fiscally responsible tax relief.

I urge my colleagues to vote for this amendment. It is the only way we can ensure that our American citizens have a financial future as they reach their golden years.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from New Jersey, Mr. MENENDEZ.

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

Mr. MENENDEZ. Mr. Speaker, I heard a Republican colleague earlier defend the Republican bill by saying, “in this case, less is more.” Only in Washington would someone say “less is more” with a straight face, that less protection is more security. But I am glad that at least we have one Republican on the record who admits that their bill in fact does less. It does less to protect Social Security, it does less to protect our seniors, and it puts aside less of the surplus. Less in this case is not more.

The Democratic bill saves 100 percent of the budget surplus for Social Security, because seniors put 100 percent into their contributions over years and years of work. They did not put 90 percent in, they did not put 95 percent in, they put 100 percent in. That is what we should protect, not a penny less.

Republicans should be ashamed to come down here to the floor and convince seniors that less is more. Our seniors know that less is not more, that less protection is not more security. They know who is on their side. They know it is the Democratic plan. Let us pass the Rangel substitute.

Mr. RANGEL. Mr. Speaker, I yield ½ minute to the gentlewoman from North Carolina (Mrs. CLAYTON).

(Mrs. CLAYTON asked and was given permission to revise and extend her remarks.)

Mrs. CLAYTON. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, Social Security is the most important program that we have that is working. It makes the difference between the elderly living in poverty, and to convince them that taking 10 percent of their safety net, that they are helping them, they do not buy that.

I would say to the Members, if they really want to help Social Security, they would put 100 percent in. Support the Rangel Substitute. That is the only way we can convince the American seniors that we are sincere.

Mr. RANGEL. Mr. Speaker, I yield the balance of our time to the gentleman from California (Mr. FAZIO).

Mr. FAZIO of California. Mr. Speaker, as we look to the next Congress, the one that will fix the Social Security system for the out years, the baby boomers, we need to maintain every dime we can so that we do not end up forcing people to work longer or live longer to benefit from the same Social Security system that those that preceded them have.

We also need to think about this election year tax cut in another context. The average working family, paying the most regressive tax on income that we have, the FICA tax, would be, in effect, asked to take their taxes and transfer them to the proposed benefits of this election year tax cut. We are therefore asking our working families to take their hard-earned dollars to provide tax breaks for others.

However valuable they may be, however worthy they may be, those tax breaks must wait for the day when we have a surplus in the general fund, and that, Mr. Speaker, is 5 or 6 years away.

To go for the candy of a tax cut in an election year out of the hides of working American families is unconscionable.

This Congress should support the Rangel substitute and avoid doing it.

Mr. Speaker, this Republican misses the point of what Americans really want.

We do not want to take money out of the Social Security Trust Fund for purposes other than Social Security.

The American people pay Social Security taxes and expect that money to go to Social Security.

Democrats believe that any future surplus should go to insuring the solvency of Social Security.

So why now are we specifying that only 90% of any surplus should go to saving Social Security and 10% can go elsewhere?

Let’s look at numbers.

If in fiscal year 1999 we have an $80 billion Social Security Trust Fund surplus and a $37 billion general fund deficit, why should $8 billion of the surplus for that year go somewhere other than to Social Security?

Over the next 10 years, we’ll need over $1.55 trillion to pay the future beneficiaries of the Social Security System—the elderly; the children, widows and widowers receiving survivor benefits; and the disabled—not prop up our budget.
Mr. ARCHER. Mr. Speaker, I yield the balance of my time to the gentleman from Georgia (Mr. GINGRICH), the Speaker of the House of Representatives.

Mr. GINGRICH. Mr. Speaker, I thank the gentleman from Texas (Chairman Archer), my friend, for yielding me this time.

Mr. Speaker, I must say, during the time I was on the floor, I listened to a series of Members with amazement. The distinguished gentleman from New York (Mr. RANGEL), the ranking member on the Committee on Ways and Means, had an opportunity recently to vote on the question of spending part of the surplus, and he voted "yes." He would spend part of the surplus. This is House vote number 430 on September 15. He voted to spend part of the surplus, but it was on government, not the taxpayers.

The gentleman from California who just spoke had a chance to vote on that day. He voted "yes" to spend part of the surplus, but it was on government, not the taxpayers. I will say the gentlewoman from North Carolina (Mrs. CLAYTON) did not vote "yes." She did not happen to vote that particular day. But the gentlewoman from Texas (Ms. JACKSON-LEE) voted "yes" to spend part of the surplus, but on government, not the taxpayers.

The gentleman from New Jersey (Mr. MENENDEZ), who spoke a few minutes ago, voted "yes" to spend part of the surplus, but on government, not the taxpayers. And the gentlewoman from Connecticut (Ms. DELAUR) who spoke "yes" to spend part of the surplus, but on government, not the taxpayer.

Every person but one who just finished this debate on the other side voted to spend part of the surplus on September 15 on government.

The Clinton administration has sent up a proposal, in between fund-raising trips, and they sent up a proposal that said, "We had an opportunity recently but not the taxpayers. They said, spend money for the government to fix Y2K, but do not let the taxpayers have money to fix their own commuters. They said, spend money on Africa, but not the taxpayers.

Again and again and again the liberal Democrats get up, and I will bet that between now and the time we leave there are several votes where liberal Democrats vote "yes" to government spending out of the surplus, because if it is the taxpayers' money, that is okay. But now this idea of letting the taxpayers have some of that, that is dangerous. Then they would not be dependent on government. Then power would not be in Washington. Then they would not need the bureaucrats.

Now, they raise this phony issue about Social Security. And it is phony on three grounds. It is phony, first of all, because if we were setting aside more money for Social Security than the President requested in January, now, that is a fact and the gentleman knows it. The gentleman knows when the President stood up here in January he was talking about a surplus of $150 billion. This proposal sets aside more money, 60 percent more money, than the President requested.

Second, the gentleman knows that when asked as a result of the tax bill being considered by the committee today, will there be any impact on the monies in the Social Security trust fund, the Clinton administration's Deputy Commissioner for Social Security said, "no," there is no impact to the trust fund from this particular vote.

But the other part I have to say to my good friend, to suggest, as his substitute does, that instead of keeping the money in the U.S. Treasury we send it to the New York Federal Reserve Bank, numbers run on the last great crisis in the price of treasuries which was 1973. Over the period we are considering, we would put $750 billion in the New York Reserve Bank. That money would be of a floating value of money held in the New York Reserve Bank.

In the 1973 oil crisis, U.S. treasuries declined 20 percent in value. That would be $150 billion lost in the value of the notes held by the New York Federal Reserve Bank. That money would be of a floating value of money held in the New York Reserve Bank.

In the 1973 oil crisis, U.S. treasuries declined 20 percent in value. That would be $150 billion lost in the value of the notes held by the New York Federal Reserve Bank. That money would be of a floating value of money held in the New York Reserve Bank.

The only time they start to yell about the surplus is if the money is going back to the taxpayer, because from their standpoint that is dangerous since that the money is not available for bureaucracy.

Let me note what the bill offered by the gentleman from Texas (Chairman ARCHER) does. It begins to phase out the marriage tax, so we are not punishing people when they get married. It accelerates lifting the amounts Americans can earn over the age of 65 without being punished, so we are not punishing senior citizens.

It goes immediately to a million dollar exclusion for the death tax to save family farms and small businesses. It has savings proposals to save 10 million senior citizens by eliminating the tax on the first $200 of interest and dividends.

It allows small business owners who are self-employed to buy health insurance with the same tax break as big corporations, which helps people buy health insurance and helps children have health coverage. And, finally, it eliminates the federal tax on local school boards. So local school boards have $1.4 billion more for local school construction, something my good friend from New York has said he favors. Here is a chance to have those local school boards have $1.4 billion more money to build schools without any new federal bureaucratic, any new Federal red tape, any new Federal regulation.

Mr. Speaker, these are the kinds of positive tax cuts that help the American family, help some citizens, help farmers, help businesses help local schools. It is done within a framework based on welfare reform, controlling spending and economic growth.
through tax cuts that has allowed us in 3½ years to move from a projected $3.1 billion surplus to a projected $1.6 trillion surplus.

We can say to the American people for the first time in their lifetime that we are prepared to set real money aside from a real surplus. None of our Demo-
crats who are complaining can say that. We are simply saying to the Demo-
crats, if they vote against the taxpayer having the surplus, then they ought to vote against the government having the surplus. But it is wrong to increase spending on Bosnia, to increase spending in Africa, to increase spending on government commuters, to increase spending on government programs, and then say to the taxpayer that they are not good enough to get their own way.

We need to keep it in Washington for the Washington bureaucrats.

Mr. Speaker, I urge my colleagues to vote against the substitute, vote in favor of protecting Social Security in a real way by setting aside over a trillion dollars in the surplus.

The SPEAKER pro tempore. The question is on the amendment in the nature of a substitute offered by the gentleman from New York (Mr. RAN-
GEL). The question is on the passage of the bill. The SPEAKER pro tempore. The question is on engrossment and the third reading of the bill. The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill. The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

The vote was taken by electronic de-

The result of the vote was announced above recorded. The SPEAKER pro tempore (Mr. THORNBERY). Pursuant to House Resolu-
tion 552, the previous question is ordered on the bill, as amended.

The question is on engrossment and the third reading of the bill. The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill. The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

The vote was taken by electronic de-

The result of the vote was announced above recorded. The SPEAKER pro tempore (Mr. THORNBERY). Pursuant to House Resolu-
tion 552, the previous question is ordered on the bill, as amended.

The question is on engrossment and the third reading of the bill. The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill. The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.
### PROVING FOR CONSIDERATION OF H.R. 2621, RECIPROCAL TRADE AGREEMENTS ACT OF 1997

Mr. DREIER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 553 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

**H. RES. 553**

Resolved, That upon the adoption of this resolution it shall be in order without intervention of any point of order to consider in the House the bill (H.R. 2621) to extend trade authorities procedures with respect to reciprocal trade agreements, and for other purposes. The bill shall be considered as read for amendment. The amendment in the nature of a substitute recommended by the Committee on Ways and Means now printed in the report of the Committee on Ways and Means. The rule provides for one motion to reconsider which shall be considered as adopted. The rule waives all points of order against the bill, as amended, and provides for one motion to recommit with or without instructions.

Now, Mr. Speaker, American families cannot afford for the President and the Congress to hide from trade policy. This debate is about the future. Will America lead or follow? Do we want our friends and allies to see what kind of rules, trade rules, we are going to see their livelihood damaged. May seem a long way from Topeka, Kansas, but if the United States is not able to lead the World Trade Organization negotiations on agriculture when they start next year because the U.S. Trade Representative is not armed in the fall trilateral, the United States is not going to see their livelihood damaged. Finally, working families in every town in America enjoy the best selection of products at the very best prices because of the possibility of doing business with people across the globe. That fact is at the heart of why the American economic works.

This rule makes in order H.R. 2621, fast track legislation reported last year by the Committee on Ways and Means with very strong bipartisan support. As has been the case in past years, this is a closed rule. It provides for 2 hours of general debate divided equally between the majority and minority. The rules prints the report of the Committee on Rules accompanying this resolution shall be considered as adopted. The rule waives all points of order against the bill, as amended, and provides for one motion to recommit with or without instructions.

The SPEAKER pro tempore (Mr. Traficant). The gentleman from California (Mr. Dreier) is recognized for 1 hour.

### H. RES. 553

|➥|➥|➥|➥|➥|➥|➥|➥|➥|➥|➥|➥|➥|➥|➥|➥|➥|://${}VERDATE 11-SEP-98 01:00 Sep 27, 1998 Jkt 059061 PO 00000 Frm 00100 Fmt 4634 Sfmt 0634 E:\CR\CRI\H25SE8.REC pfrm10 PsN: pfrm10|}
Mr. Speaker, the 21st Century demands some things from us. We need to educate and train our students and workers to be the best; we need to invest in tomorrow’s technologies today; we need a Federal Government that is effective and efficient; we need private sector companies to create good jobs at good wages; and we need to make sure that international trade rules are written with American interests at heart.

Mr. Speaker, the President called fast track one of his top legislative priorities when he stood right here in this chamber and delivered his State of the Union address. Today is the day to do the right thing for America, and to enact what it is the President asked for.

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

Mr. FROST. Mr. Speaker, I yield myself such time as I may consume. Mr. Speaker, I thank my colleague, the gentleman from California (Mr. DREIER), for yielding me the customary half-hour.

Mr. Speaker, the bill for which this rule provides consideration is just as bad as the November Peterson amendment. I yield nothing; besides a few little nips and tucks here and there, it is exactly the same bill. Last year that bill did not have enough votes to be brought to the floor, and today my Republican colleagues know that this bill will not too. Since it is doomed from the start, Mr. Speaker, it is a fair question to ask, why is it on the floor today? Since it is not going anywhere, since it is going to fail, it is reasonable to ask, why are we spending precious legislative time doing this measure?

Mr. Speaker, I suspect that the only reason that the Republican leadership is bringing this up today is because they want to try and embarrass the President. There is no other reason to bring it up.

Let me say that President Clinton has not asked for fast track negotiating authority this year. He has said he will wait for it next year, but he does not want it brought up at this time. Even without this authority, the President has already negotiated some 200 new trade deals, so this is simply not something that is going to fail at this time. The common wisdom is that this bill will fail, and, with its failure, highlight some of the erosion of support for the President.

Mr. Speaker, when, not if, this bill fails, it will mean absolutely nothing, other than it is a bad bill. It was a bad bill last November, and its appearance on the floor today is for nothing other than partisan show.

It has failed all the time, the fast track bill. There are no protections, no environmental protections, and no protections for human rights. It will open American markets to goods and services from countries with lax environmental and worker protections. In doing so it will cost Americans their jobs, and, in far too many cases, it will cost Americans their health.

There is a tragic aspect of what is happening today. Because of the cynicism of the Republican tactics, some Democrats who support the concept of fast track will vote “no” today. The result will be that fast track will fail by a larger margin than would have been true had the vote been taken last year, and the peak of the defeat will make it more difficult for the two sides to come together with a compromise solution next spring.

Let me be very clear on that point: The Republican majority is trading short-term political gain for long-term political loss. By their very act of forcing a vote today, they significantly lessen the chances that people of good will in both parties may be able to arrive at a satisfactory solution next year. But the supporters of fast track should be furious that their supposed friends on the other side of the aisle have sold them down the river for short-term partisan gain.

I urge my colleagues to oppose this bill. It is a sham. The bill is a sham, and the American people deserve some sincere legislation from their Congress. I also ask my colleagues to oppose the previous question. If the previous question is defeated, I will offer an amendment to make in order the McKinney amendment to establish a corporate code of conduct as a principal trade negotiating objective and the Peterson amendment expanding the authority of Members who are for fast track and have made a decision to vote against fast track. I think that itself is a real tragedy.

Mr. Speaker, I yield two minutes to my friend the gentleman from Michigan (Mr. KOLLENBERG).

Mr. KOLLENBERG. Mr. Speaker, I rise today to express my strong support for this rule, and I thank the gentleman from California (Mr. DREIER) for yielding me this time.

Mr. Speaker, this legislation gives the office of the President the authority that it needs to make sure the U.S. is speaking with one voice during trade negotiations. A vote for fast track is a vote for any trade agreement. Any future agreement is subject to full Congressional scrutiny. It requires the President to consult with Congress before and during negotiations. Also, in the end, Congress gets an up or down vote. If we have any reservations at all with any specific trade agreement, we can simply vote it down.

If the United States wants to continue its leadership in the global economy, and I think we do, we must take aggressive steps to expand markets for all of our products throughout the world. This will create more jobs for American workers. In all, over 11 million jobs are supported right now by exports. These jobs pay, believe it or not, 15 percent or more on average. Fast track is crucial to ensure that American business, workers and communities continue to reap the benefits from an expanded market opportunity.

American workers are the best in the world. Their creativity, productivity and work ethic is unmatched throughout the globe. Free trade agreements are about giving those workers more, not less, opportunity, and putting the unemployed back on the job.

Fast track gives us the tools we need to negotiate these agreements and tear down those barriers to trade and investment. It opens foreign markets and creates new consumers for American products. That is good for American business, and it is even better for the American worker.

Do not let our workers be left behind. Support this rule. Support fast track.

Mr. FROST. Mr. Speaker, I yield two minutes to the gentleman from New York (Mr. RANGEL).

Mr. RANGEL asked and was given permission to revise and extend his remarks.

Mr. RANGEL. Mr. Speaker, I had thought that my Republican colleagues wanted to go into this election based on their legislative record, having changed the Washington National Airport to Ronald Reagan Airport. I thought you could go and win with that. But it looks like on the eve of the
election you are coming back with substantive legislation that, even though you know you cannot win with it, that obviously there is some point to be made, and that is probably why we saw the raid on Social Security, coupled with the fact that even this House is a loser, who would have thought that you would deliberately come back to the floor with fast track, knowing that you have got another loser?

There are certain things that we cannot do in a partisan way. Medicare reform, Social Security reform and trade agreements, they have to be bipartisan. But now that you refuse to include certain protections for the workers and for human rights and for the environment, and the President would like to work and to fashion a fast track bill that does not embarrass us with our trading partners, does not embarrass us with our business community, you insist on bringing this up before the election, not caring how many Republican Democrats get hurt by having to vote for a bill that is far from perfect.

It would seem to me that if we are concerned about giving the President that authority, the first thing we should tell the President and the country is, do you want it at this time? It seems to me that if you want the support of labor, you would sit at the table and see whether labor and management can work out something that makes it easier for us to move forward with this legislation. But if all you want to do is embarrass Democrats, always remember that as you throw mud at Democrats, some Republicans too are going to get splattered.

Mr. DREIER. Mr. Speaker, I yield two minutes to the gentlewoman from Bellevue, Washington (Ms. DUNN), a very valued member of the Subcommittee on Trade.

Ms. DUNN. Mr. Speaker, I thank the soon-to-be-chairman of the Committee on Rules for yielding me time.

Mr. Speaker, I rise today in support of the rule and of H.R. 2621. The world is a much different place today than it was when this House last considered fast track negotiating authority over six years ago. Capitalism has spread to every corner of the earth and once-unimaginable economic freedoms this system provides to us.

Now, I see my friend from Seattle, but it is not as if we are in turbulent times in many parts of the world. In Latin America and Asia, alone, our competitors have negotiated 20 free trade agreements that exclude the United States. Chile, for example, has a trade deal with every major economy in this hemisphere except us, giving each of our competitors an 11 percent tariff advantage, costing our citizens extra taxes on imported goods and costing our American workers jobs.

We are not waiting for the United States. If we do not renew trade negotiating authority, we are closing the door on American workers and on American consumers. Clearly the ability to trade and the services and the products between nations is essential to achieving a long-term economic objective of the United States.

Self-interest alone would dictate that we pass this bill. As the world's lone remaining superpower, however, we must not act solely out of self-interest. These are turbulent times in many blossoming democracies, and many are crying out for the one thing the United States can provide better than anybody, stick up for them. We must not shrink from this challenge.

For the sake of American workers and American consumers and the defense of free trade and economic freedom, I urge my colleagues to vote for this bill and pass it.

Mr. FROST. Mr. Speaker, I yield four minutes to the gentleman from Michigan (Mr. Bonior).

Mr. BONIOR. Mr. Speaker, I thank my colleague who lent me time. Mr. Speaker, as we debate this fast track today, I cannot help but ask, why did the Speaker insist on bringing this up, when he knows it is going to fail? Even the Republican leadership admits that this bill does not have the votes to pass. It is identical to the bill that was defeated 20 free trade agreements that exclude the United States, Chile, for example, has a trade deal with every major economy in this hemisphere except us, giving each of our competitors an 11 percent tariff advantage, costing our citizens extra taxes on imported goods and costing our American workers jobs. The world is not waiting for the United States. If we do not renew trade negotiating authority, we are closing the door on American workers and on American consumers. Clearly the ability to trade and the services and the products between nations is essential to achieving a long-term economic objective of the United States.

Self-interest alone would dictate that we pass this bill. As the world's lone remaining superpower, however, we must not act solely out of self-interest. These are turbulent times in many blossoming democracies, and many are crying out for the one thing the United States can provide better than anybody, stick up for them. We must not shrink from this challenge.

For the sake of American workers and American consumers and the defense of free trade and economic freedom, I urge my colleagues to vote for this bill and pass it.

Mr. Speaker, I want to pause here for a second to commend my colleague, the gentleman from California (Mr. Matsui). He has made the point and he has made it very forcefully that our trade policy is too important to be used as a political football. With America's trade deficit higher than ever, we should be thinking of new ways, new ideas on trade, not rehashing yesterday's leftovers.

I had a meeting several months ago with Charlene Barshesky, who is our Trade Representative, and she said, "I don't know what is happening or what you are doing, and she was speaking to me in an agonistic sense..." and said, "our trade representatives..." from all over the world that I meet with now are beginning to talk about the issues that you and others have raised, the issues of the environment, the issues of labor rights and human rights. It is not something that is just coming from the majority in this body. It is coming now from the grassroots, whether it is in Canada, whether it is in Western Europe, Latin America, and she said, "there is every indication that America's trade policies should reflect this new thinking. If the Republican leadership was truly serious about passing fast track, they would sit down with us and they would develop a new approach based on these values. Our trade policy is not working. After five years of NAFTA the results are in: It is bad for everyone except for big corporations. After the fast track bill was pulled last year, I got on a bus with several of my colleagues and we went to the south, and then we went to the west. We went to see the farm country and we went to see the people we worked in our district. We went to see the people from Los Angeles. In Atlanta, Georgia, I met a woman by the name of Annie Harris. She worked almost 30 years for AT&T, making phones, making about $13.50 an hour. That was before AT&T laid her off and moved her factory to Mexico. She now works for a Target Store for $7.50 an hour. She sells the same phones she used to make, except the prices went up on them.

She is not alone. NAFTA is hurting hundreds of thousands of people on both sides of the border.

We also went to Mexico. I know met with people like Rosa Maria Gonzales, who works at a modern factory assembling circuit boards. She makes 59 cents an hour, 59 cents an hour. She lives in a cardboard shack next to a sewage canal. She lives in a shack made out of the cardboard that she helps package the circuit boards in.

This is the grim harvest of NAFTA. Yet the Republican fast track support is coming from everybody. They want us to repeat the mistakes of the past.

We say no. We can do and have to do much better than that. This is not a debate, as they may say, about free trade versus protectionism. That debate ended a long time ago. This is a debate about our future. It is about American leadership. It is about our prosperity.

America needs a new trade policy based upon our democratic values that our mothers, our fathers, and our grandparents fought so vauntly for: the right to organize, the right to work, the right to collective bargaining, the right to a decent wage, to clean air, clean water. Our trade policy betrays those issues and those values.

We need a new trade policy that harnesses the power of markets to lift standards abroad, not tear them down here at home. We stand ready to make that happen, because we believe in a better future. This fast track is not the way to that future. This fast track drags America backwards. Do not vote for this Trojan horse designed to divide and distract. It will not work. Vote no.

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

I would like to quote President Clinton on July 23, just a few weeks ago, when he said, "I would support voting on big corporations. After the fast track we can pass it." Mr. Speaker, it is very clear that if a majority of the Members of this House were to do the right thing, we could pass it today.
Mr. Speaker. I yield 2 minutes to my friend, the gentleman from Terrace Park, Ohio (Mr. PORTMAN).

Mr. PORTMAN. Mr. Speaker, I thank my friend, the gentleman from California, for yielding time to me.

I want to pay tribute to the gentleman who just spoke, this is not a debate today about trade policy. If he wants to talk about trade policy, he ought to talk to President Clinton about what kind of multilateral agreements he might want to negotiate with foreign countries. This is about giving the President the ability to enter into those agreements.

This is so straightforward. I cannot believe this Congress on both sides of the aisle is not going to allow this administration, on behalf of our country, to negotiate trade agreements with countries that are entering into agreements with other trading blocs and, thus, are losing markets.

The way it currently stands, if we do not have this trading authority, we will not be able to enter into extremely important multilateral agreements that have to do with the future of the U.S. economy. Over one-third of our growth is directly related to exports. We have to compete in this world in terms of trade. Other countries have higher barriers. It is very simple. We want to knock those barriers down.

Look at this chart. Here are some negotiations coming up within the next year that the United States will not be able to participate in because this Congress will not give this administration the ability to enter into these negotiations with some sort of credibility, with some sort of authority. If Congress in the end decides the agreements they reach are not agreements we can support, we can always vote those agreements down, but let us give them the ability to get in there and fight for America.

Latin American trade negotiations, a $300 billion, import market. WTO negotiations next year in Geneva on agriculture. What could be more important for the U.S. economy, particularly at this point when our agriculture community in this country is suffering so much? WTO government procurement negotiations, a $1 trillion global market. We are not going to be able to get in there and negotiate on behalf of the United States. Internet service negotiations. Fast track is important to the U.S. economy.

Mr. Speaker, I think this is a no-brainer. I urge my colleagues to allow America to regain its place as a leader in this world with regard to trade, and support fast track.

Mr. FROST. Mr. Speaker, I yield 3 minutes to the gentleman from Terrace Park, Ohio (Mr. KUCINICH).

Mr. KUCINICH. Mr. Speaker, the North American Free Trade Agreement, NAFTA, was the trade agreement that made it easier for employers in America to close plants here and reopen them in Mexico. NAFTA gave leverage to companies to threaten plant closures, since American workers are competing for their jobs with Mexican workers. The wages are one-tenth of our wages because their labor unions are brutally repressed.

NAFTA gave license to companies to pollute all they want, since Mexican environmental laws are rarely enforced, and NAFTA gave unprecedented power to sue governments for damages when they try to pass tighter environmental laws.

Since NAFTA, America's trade surplus with Mexico has turned into a trade deficit. Fast track expands NAFTA and will expand the defects which NAFTA creates.

NAFTA defects include low NAFTA partner wages. What does fast track legislation do to remedy the defect? Nothing for Americans.

NAFTA defects: increased import of contaminated food. What does the fast track legislation do to remedy that defect? Nothing for Americans.

NAFTA defects: Trade deficit growth. What does the fast track legislation do to remedy that defect? Nothing for Americans.

NAFTA defects: pressure to lower U.S. wages. What does the fast track legislation do to remedy that defect? Nothing for Americans.

NAFTA defects: employer threatens to move to NAFTA partner country. No action for Americans with this legislation, nothing for Americans.

There is nothing for Americans in fast track except closed plants, lost jobs, lower wages, and trade deficit growth. The bill, this fast track bill, closes plants on a fast track. It cuts jobs on a fast track. It increases the trade deficit on a fast track.

Fast track is a fast move to expand NAFTA and all the problems NAFTA has created. Vote no on the rule. Vote no on fast track.

Mr. DREIER. Mr. Speaker, I am very proud to yield 2 minutes to my friend, the gentleman from Morristown, New Jersey (Mr. FRELINGHUYSEN), one of the great champions of the cause of free trade.

Mr. FRELINGHUYSEN. Mr. Speaker, I rise in strong support of this rule and fast track legislation for two reasons.

First, this rule and this bill are in every way about jobs: job preservation, job expansion, and job creation. Just about every sector of our economy, and most particularly my home State of New Jersey, is or will be dependent on foreign markets. The passage of this legislation is all about present and future jobs and keeping men and women across America working and supporting their families. It is all about protecting our standard of living, our future standard of living, and doing so as soon as possible.

While fast track is important to our Nation, it is important to my State, where trade provides an enormous boost for diverse New Jersey industries. New Jersey is the ninth largest exporter among 50 States, at $22.4 billion in goods and exports. Over 13 percent of the private sector in my State are related directly or indirectly to international trade and services.

New Jersey is home to a majority of our Nation's pharmaceutical industries. These workers are counting on these international trade agreements and our participation. It is also home to businesses which lead our Nation's telecommunications and electronic industries, as well as to biotechnology, aerospace, chemical and food manufacturing. The future of these companies and their workers in my State, large and small, and their ability to retain and promote jobs is directly related to the passage of this bill.

It would be inconceivable that all of us would not support this rule and this bill.

Mr. FROST. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan (Mr. LEVIN).

Mr. LEVIN. Mr. Speaker, and was given permission to revise and extend his remarks.}

Mr. LEVIN. Mr. Speaker, why is the world are we bringing up this bill when it is sure to fail? Mr. Speaker, this is too important an issue to sacrifice long-term considerations for any short-term political advantage. Trade issues do deserve better than this.

This is not a question of whether we want and need more international trade. We do. That is why I worked actively to help shape the Uruguay Round, and voted for it. The question is, more international trade under what conditions?

There is little controversy about granting fast track for WTO negotiations on services, information technologies, agriculture or, probably, for the matter Chile.

I say, by the way, to my good friend, the gentleman from Ohio (Mr. PORTMAN), we can start negotiations in these matters with or without fast track, as was true of the Uruguay Round. The main issue underlying the fast track controversy is how to respond to the burgeoning trade with industrializing nations, Brazil, India, China, Mexico. Our trade with these nations has exploded in the last 5 years to be the third-to-one-third of our imports. These Nations have very different rules regarding environment, labor markets, State subsidies, etc. Cetera. What will be the rules of competition with these Nations?

The fast track debate is about which one limits the ability of the President to negotiate on these items. It limits it. Unlike for any other previous President, it sets up restrictions like "directly related", and says it is okay if we would require Nations to maintain present standards, but we can negotiate to improve them.

The Kyoto agreement is opposed, and I think correctly, because it would give
industrializing nations a free ride on global warming. Why tie the hands of the President to press other environmental issues and labor market issues in trade negotiations?

We can do better than this fast track bill. Much better. When it comes up in trade negotiations?

Mr. Speaker, the vote we are about to cast on granting fast track authority is one of the most important this Congress will take before we adjourn. With current international economic turmoil, it is absolutely essential that the United States show strong leadership and commitment to international trade and to emerging global markets.

Over the past 10 years, our economy has experienced a surge in world trade. If we reject fast track, Congress would prevent the U.S. from having the negotiating authority to knock down trade barriers that hinder opportunities to expand our market sector. We would be hurt more by defeating fast track than American agriculture. Our farmers depend on foreign markets for a significant portion of their income.

Not only does international trade benefit our farmers, but it benefits all the industries connected with agriculture. Government estimates show that exports have created more than 3.5 million new jobs since 1990, and that is nearly 30 percent of the jobs created in this decade. These are quality jobs which pay about 15 percent higher wages than the average.

Since fast track authority expired in 1995, there have been 20-plus trade agreements negotiated in the Western Hemisphere alone. These agreements were negotiated by some of our biggest trading partners while the United States sat on the sidelines and watched as these countries enhanced their own competitiveness at our expense.

The next round of WTO liberalization talks are scheduled to begin in 1999. The issue of liberalizing agricultural policy is being pushed to the top of the agenda. The American farmer would be the clear winner of any agreement that eliminates or reduces tariffs.

For the American farmer, for all of business, I urge a positive vote on the rule on fast track.

Mr. Speaker, 4 years this body has spent considerable time and effort trying to undo what fast track did to us the last time. Knowing good and well that Congress would have only one up-or-down vote and take the package as a whole or leave it, the President just decided to throw this provision into fast track, or into that implementing legislation "by the GATT agreement treaty.

Mr. Speaker, for 4 years this body has spent considerable time and effort trying to undo what fast track did to us the last time. Knowing good and well that Congress would have only one up-or-down vote and take the package as a whole or leave it, the President just decided to throw this provision into fast track, or into that implementing legislation "by the GATT agreement treaty.

With fast track authority, we can expect that implementation legislation in the future for future trade pacts will be buried with time bombs that will sabotage our economy or change substantive law in our country, things that we might even take for granted.

One of the provisions of fast track gives the President the right to offset any decrease in revenue that is put forth in a trade agreement that would mean that the President can have a tax increase or a "revenue raiser" as they claim? Sure. Sure, that is exactly what it means.

In the future, we should be far less generous in terms of our giving away our authority in Congress, especially giving the President more authority. We should be less generous in giving him the authority to make international trade agreements, in contrast to what we have heard this morning.

Mr. Speaker, the idea of a global economy has been used to take authority out of the hands of the people elected by the American people and giving it to unelected government officials, even foreigners. I urge my colleagues to vote against fast track and for the rule.

Mr. Speaker, I rise today in strong opposition to this rule. This is a closed rule that is not going to allow any amendments or improvements to this process that could have, in my opinion, increased support for this bill.

Yesterday, I presented an amendment before the Committee on Rules that would have made this a better situation, but because of this rule, it will not be considered.

Mr. Speaker, the amendment that I drafted would provide tremendous benefits for our Nation's farmers in future trade negotiations by moving the Committee on Agriculture to the table in our international trade agreements.

The Committee on Agriculture in the House and the Committee on Agriculture, Nutrition, and Forestry in the Senate would be given enhanced authority and jurisdiction for agricultural trade. The amendment would allow these agriculture committees the opportunity to approve further fast track authority or to disallow further authority if the process or consultation are flawed or weak.

At this time, these committees have no authority to stop or continue the process. In fact, until a recent agreement with the Committee on Ways and Means was reached, there was no even language allowing the Committee on Agriculture to be consulted.

The U.S. is a major player in the world market. In fact international trade is absolutely critical to the future success of our farmers. However, those of us from farm country, and those of us who have set out to protect American agriculture on the committee, have no methods to safeguard
farms' interests during the trade talks.

In the last couple of trade agreements, in the GATT agreement, we gave access to the multinationals in banking and insurance and a lot of those kinds of issues. In each age, we let the European farmers keep subsidies that are more than my people get from their entire crop.

In the NAFTA agreement that we agreed to, we opened up the borders. But in the case of their supply management systems in dairy and poultry and eggs, we allowed them to keep their system and we cannot export dairy into their country. That is the kind of problems that those of us in agriculture are concerned about.

I believe that the fast track mechanism is outdated and a flawed tool that cannot adequately protect our farmers. The fast track authority that was originally granted was used for the Tokyo Round. This was the entire Tokyo Round. It is 50 pages.

Then we had the NAFTA. This is one-third of the NAFTA agreement. We changed all kinds of United States laws through this process.

This is the GATT agreement. This is one sixth of the GATT agreement. I submit that we have to have another process where we can bring more people in, especially in the agriculture area, so that we can have a look at these laws that are changed in our jurisdiction, that we can make sure that these agreements are going to protect our farmers, and that we are going to come back with agreements that are going to be good for American agriculture and, therefore, good for the country.

Mr. Speaker, I urge my colleagues to defeat this rule and defeat this fast track vote.

Mr. DREIER. Mr. Speaker, I first would like to inquire how much time is remaining for all members to speak.

The SPEAKER pro tempore (Mr. THORNBERRY). The gentleman from California (Mr. DREIER) has 11 1/2 minutes remaining, and the gentleman from Texas (Mr. FROST) has 10 1/2 minutes remaining.

Mr. DREIER. Mr. Speaker, I yield 2 minutes to the gentleman from Alpine, California (Mr. HUNTER), my very good friend, my classmate who came with me in the class of 1980, and we both agree strongly on the importance of passage of this rule.

Mr. HUNTER. Mr. Speaker, I thank the gentleman from California, my good colleague who came in with me in 1980 and somehow went wrong, but he is my great friend.

Mr. Speaker, one of the first rules in business is one does not give financial power to bad businessmen. The negotiators on the Clinton trade team are bad businessmen. That is, they have a bad rule.

NAFTA took us from a $3 billion surplus in trade over Mexico to an annual $15 billion loss. It took us to an increased trade loss with China that brings us close to a $40 billion annual trade loss.

The trade agreement with Japan under the Clinton administration has broken down. The Clinton team consists of trade losers. Do not give power to trade losers. Not this President, not this time.

Mr. TAYLOR of Mississippi. Mr. Speaker, will the gentleman yield? Mr. HUNTER. I yield to the gentleman from Mississippi.

Mr. FROST. Mr. Speaker, I yield 1 minute to the gentleman from Mississippi (Mr. TAYLOR).

Mr. TAYLOR of Mississippi. Mr. Speaker, article 1, Section 8 of the United States Constitution, in particular clause 3, says that Congress shall have the power to regulate commerce with foreign nations.

As of today, there are about 55 Members of this Congress who have asked the President to resign. I am one of them. There are a number of others who think there ought to be a formal board of inquiry as far as impeachment brought before the House.

My question is how can the same people who are asking the President to resign turn around and give this constitutionally important authority to regulate commerce between nations to that same person?

I am not going to do that. This is my job. I do not want the President's job. I want him to do his job. But the Founding Fathers gave Congress the power to regulate commerce between nations, and I am not going to vote to give it away.

Mr. Speaker, I encourage my colleagues to vote against the rule and I encourage them to vote against the bill.

Mr. FROST. Mr. Speaker, I yield 1 1/2 minutes to the gentleman from New York (Mr. ENGEL).

Mr. ENGEL. Mr. Speaker, I thank the gentleman from Texas (Mr. FROST) for yielding me this time.

Mr. Speaker, I oppose the fast track bill before the House today. If fast track were to become the law of the land, the President could negotiate trade agreements that Congress is not allowed to amend, as the gentleman from Mississippi (Mr. TAYLOR) pointed out. That means the main force for protecting American workers' and consumers' interest would be eliminated.

There are the fast track rules under which a trade agreement is negotiated contain adequate protections for labor and the environment, I must vote against the deal. Unfortunately, that is the case today. In fact this rule will not even allow amendments to protect workers' rights, human rights, and the environment. Therefore, I will vote against both the rule and the bill and urge my colleagues to do likewise.

Unlimited fast track procedures also broaden us NAFTA, which I believe has been a failure. The fast track NAFTA deal with Mexico and Canada in 1993 is a perfect example of what happens when we rush into agreements that do not take into consideration the concerns of workers and consumers. Ever since NAFTA became law, America has lost more than 400,000 jobs as corporations move production to Mexico and Canada.

Employers are using the threat of plant closures to drive wages down as well. People who found new employment after their jobs moved to Mexico took an average pay cut of $4,400 a year. Air and water pollution along the US-Mexico border has become significantly worse since we have NAFTA, while the amount of hazardous waste crossing the border increased 30 percent in 1995, the last year in which we have statistics.

Increased agricultural imports and inadequate border inspections have increased the threat of unsafe food in our supermarkets and unsafe trucks on our highways.

Mr. Speaker, this is the legacy of NAFTA and fast track. When we move too fast, we make mistakes. America has negotiated hundreds of successful trade agreements without fast track authority. Given NAFTA's failure, why rush into an unlimited fast track trade deals?

Congress should vote for the right track, not the poorly drafted fast track.

I urge my colleagues to vote for the right track, not this poorly drafted fast track. Defeat the rule and defeat the bill.

Mr. DREIER. Mr. Speaker, I yield 1 minute to the gentleman from Staten Island, New York (Mr. FOSSELLA), my dynamic and eloquent friend.

Mr. FOSSELLA. Mr. Speaker, I thank the gentleman from California (Mr. DREIER) for yielding me this time.

Mr. Speaker, I think at this point just let me note that the power under this legislation is granted to not an individual, but the office of a presidency. And the gentleman from Mississippi (Mr. TAYLOR), my good friend, acknowledges Congress still maintains its right as vested in the United States Constitution, because at the end of the day we have the right to vote "yes" or "no" on the underlying legislation.

The reality is that throughout our nation's history there are people who look inward constantly to create jobs and those who look outward to determine that there are no limits to American potential. And we demonstrate time and time again, the hard-working people that I represent, that we can trade freely and fairly throughout this world and create wealth, not just for the people of this country but throughout this great world of ours.

But in the case of their supply management systems in dairy and poultry and eggs, we allowed them to keep their system and we cannot export dairy into their country.
to work every single day with no limits to their horizons. I say let us continue that growth.

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

Mr. DOGGETT. Mr. Speaker, I thank the gentleman from Texas (Mr. FroST) for yielding me this time.

Mr. Speaker, in Central Texas, international trade has meant more good, high-paying jobs, not fewer. I personally believe that we gain from more international commerce, by building bridges, not erecting barriers. To do that, the President does need reasonable authority to expand international commerce. But the vote that we are having today is not about more international commerce, it is about more domestic politics.

Mr. Speaker, is it not ludicrous, indeed bizarre, that the same House Republicans that on Monday were releasing a videotape and complaining about an abuse of power by this President have waited all the way to Friday to say that we must have a vote today about giving that same person more power?

Mr. Speaker, in my district, I see and go by dairies and companies where there are Texas workers. They recognize that 96 percent of the world's consumers live outside of America. Ninety-six percent of all the world's consumption on any given day is in factories in China and Vietnam. They all cannot buy as much as we do today because they are growing fast. Other countries are competing for them. I want our American companies out there competing today for that market and those sales, because it is about our jobs that we are talking about, it is our children's jobs and our children's children's jobs that depend upon our competing today internationally.

I golf twice a year, whether I need to or not. My friends who golf more often and like to wage a friendly bet tell me that the outcome of those friendly bets are often determined on the first tee, when the rules are drawn up and the strokes are given.

Are we going to allow multinational corporations to bargain down the environmental protection standards of nations around the world in the name of economic competitiveness? Are we going to allow our own strong environmental and health laws and regulations to be knocked down as barriers to trade?

I urge my colleagues to consider our experience with NAFTA. Thanks to NAFTA and the environmental side agreement to NAFTA, we have now more factories along the heavily poluted U.S.-Mexican border dumping an even greater amount of hazardous waste, more so than President Kennedy. Risks to the health and safety of American working families are increasing as food imports rise while the number of inspections plummet. These environmental and public health problems are the result of inadequate trade agreements that create pressure on neighboring governments to relax environmental regulations in an effort to lure manufacturers across the borders, allowing these companies to profit by polluting and abusing natural resources.

I urge my colleagues, do not be fooled again. We already were fooled once with NAFTA. We need a trade policy that opens markets while at the same time setting high health, environmental, and labor standards.

I urge my colleagues to vote no both on the rule, because it is essentially unfair, not allowing other amendments, and also to vote no on fast track. Let us not make the same mistake again.

Mr. Speaker, are we going to allow multinational corporations to bargain down the environmental protection standards of nations around the world in the name of economic competitiveness? Are we going to allow our own strong environmental and health laws and regulations to be knocked down as barriers to trade?

I urge my colleagues, do not be fooled again. We already were fooled once with NAFTA. We need a trade policy that opens markets while at the same time setting high health, environmental, and labor standards.

I urge my colleagues to vote no both on the rule, because it is essentially unfair, not allowing other amendments, and also to vote no on fast track. Let us not make the same mistake again.

Mr. Speaker, are we going to allow multinational corporations to bargain down the environmental protection standards of nations around the world in the name of economic competitiveness? Are we going to allow our own strong environmental and health laws and regulations to be knocked down as barriers to trade?

I urge my colleagues, do not be fooled again. We already were fooled once with NAFTA. We need a trade policy that opens markets while at the same time setting high health, environmental, and labor standards.

I urge my colleagues to vote no both on the rule, because it is essentially unfair, not allowing other amendments, and also to vote no on fast track. Let us not make the same mistake again.
I urge my colleagues to oppose this rule and accept my amendment which establishes a code of conduct for American corporations. Otherwise, we will have to live with the fact that the shoes on our feet and the blue jeans on our bodies might just be made from the sweat of children living in squalor.

Mr. DREIER. Mr. Speaker, I yield such time as he may consume to the gentleman from Ocala, Florida (Mr. STEARNS).

(As yielded.)

Mr. STEARNS. Mr. Speaker, I rise in support of the rule.

Mr. Speaker, the proponents of fast-track wrap their arguments around a banner of false logic and false promises. Granting any President fast-track authority clearly violates the constitutional responsibilities of Congress. Article I, Section 8 explicitly states that, "The Congress shall have Power . . . to regulate Commerce with foreign nations."

While the United States has entered into thousands of trade agreements in our history, only five have received fast-track authority. The Clinton administration itself has negotiated fast-track trade agreements while in office without fast-track authority. Just NAFTA and the Uruguay Round of GATT had fast track authority.

Any Administration can and should negotiate bilateral and multilateral trade agreements while a member of Congress. That is the Constitution!

The United States is the "Mother of all Markets." Every nation on earth wants access to our markets. If gaining access requires the involvement of Congress in negotiating trade agreements, then every nation must accept our rule of law.

Let us be honest with each other. There have been some real devastating aspects of the previous fast-track, which brought us NAFTA, especially as it affected my home state of Florida.

The Florida tomato industry has lost over $750 million since the beginning of NAFTA. Import of tomatoes from Mexico has surged by 71% under NAFTA, putting hundreds of farm workers out of work and losing thousands of farm related jobs, and no relief has ever been granted by this Administration.

These losses in exports are directly tied to the unfair trading practices that have been waged against Florida's farmers. Mexico has dumped tomatoes and other winter vegetables on the American market. The Department of Commerce recognizes that Mexican tomatoes were dumped, but the Administration has never done anything about it.

The Administration made promises to protect agriculture against unfair trading practices with the last fast-track bill. They never fulfilled those promises and now they are offering new promises to protect agriculture.

Don't believe any of the latest claims that fast-track will protect our agricultural industries. This Administration lied before, they are lying now, and we will have to live with the fact that the shoes on our feet and the blue jeans on our bodies might just be made from the sweat of children living in squalor.

Mr. DREIER. Mr. Speaker, I yield 2 minutes to the gentleman from Tucson, Arizona (Mr. KOLBE), a great champion of trade, one of our hardest workers, and one of the most thoughtful Members of the House.

Mr. KOLBE. Mr. Speaker, I do rise in support of this rule and for the legislation granting fast track authority to the President.

Mr. Speaker, it is a sad day to have to listen to many of the speeches that we have heard here today. The fear that some members have for America's future, their fear about America being able to compete in the world. Do they have so little confidence in America that they do not think that American workers and American citizens can compete in this world?

We have been hearing a lot about how NAFTA is the source of our problem. Maybe NASTA explains why our government cannot sell out at a time like this. Maybe it explains why we have created so many jobs in this world, more than 6 million jobs created since 1994. We heard about 400,000 lost jobs. How about the 6 million that have been created?

Maybe we should attribute all of those to the creation of NAFTA. The fact of the matter is, we have had a tremendous surge in exports over the last several years. Look at this chart, and how exports have grown 3,000 percent over the last 36 years. That has created jobs for American workers who produce those exports that have gone overseas. We are the beneficiary of growing exports. And just in the last 12 years, look at the increase in the gross domestic product of this country attributable to trade—$500 billion. That would not have been there otherwise if we had not had foreign trade.

So why do we need fast track now? Because there is much that remains to be done. There are many things that we need, to have negotiating authority for this President to be able to attempt to reduce the 100 percent tariff that Indonesia has on American automobiles, to eliminate the European Union's 25 percent tax on our trucks and try to get those down, and Brazil's inordinate tax on computers. Next year we are going to begin negotiations on agriculture. We are the world's largest agricultural exporter. We need to have this authority so we can sit at the table with the rest of the world while they talk about it and so that we can reduce those tariffs for the United States. We need fast track authority, as President Clinton himself has said.

I urge my colleagues to vote for this rule and for fast track authority.

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

Mr. DREIER. Mr. Speaker, I yield 2 minutes to the gentleman from Tucson, Arizona (Mr. KOLBE), a great champion of trade, one of our hardest workers, and one of the most thoughtful Members of the House.

Mr. KOLBE. Mr. Speaker, I do rise in support of this rule and for the legislation granting fast track authority to the President.

Mr. Speaker, it is a sad day to have to listen to many of the speeches that we have heard here today. The fear that some members have for America's future, their fear about America being able to compete in the world. Do they have so little confidence in America that they do not think that American workers and American citizens can compete in this world?

We have been hearing a lot about how NAFTA is the source of our problem. Maybe NASTA explains why our government cannot sell out at a time like this. Maybe it explains why we have created so many jobs in this world, more than 6 million jobs created since 1994. We heard about 400,000 lost jobs. How about the 6 million that have been created?

Maybe we should attribute all of those to the creation of NAFTA. The fact of the matter is, we have had a tremendous surge in exports over the last several years. Look at this chart, and how exports have grown 3,000 percent over the last 36 years. That has created jobs for American workers who produce those exports that have gone overseas. We are the beneficiary of growing exports. And just in the last 12 years, look at the increase in the gross domestic product of this country attributable to trade—$500 billion. That would not have been there otherwise if we had not had foreign trade.

So why do we need fast track now? Because there is much that remains to be done. There are many things that we need, to have negotiating authority for this President to be able to attempt to reduce the 100 percent tariff that Indonesia has on American automobiles, to eliminate the European Union's 25 percent tax on our trucks and try to get those down, and Brazil's inordinate tax on computers. Next year we are going to begin negotiations on agriculture. We are the world's largest agricultural exporter. We need to have this authority so we can sit at the table with the rest of the world while they talk about it and so that we can reduce those tariffs for the United States. We need fast track authority, as President Clinton himself has said.

I urge my colleagues to vote for this rule and for fast track authority.

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

Mr. DREIER. Mr. Speaker, I yield 2 minutes to the gentleman from Tucson, Arizona (Mr. KOLBE), a great champion of trade, one of our hardest workers, and one of the most thoughtful Members of the House.

Mr. KOLBE. Mr. Speaker, I do rise in support of this rule and for the legislation granting fast track authority to the President.

Mr. Speaker, it is a sad day to have to listen to many of the speeches that we have heard here today. The fear that some members have for America's future, their fear about America being able to compete in the world. Do they have so little confidence in America that they do not think that American workers and American citizens can compete in this world?

We have been hearing a lot about how NAFTA is the source of our problem. Maybe NASTA explains why our government cannot sell out at a time like this. Maybe it explains why we have created so many jobs in this world, more than 6 million jobs created since 1994. We heard about 400,000 lost jobs. How about the 6 million that have been created?

Maybe we should attribute all of those to the creation of NAFTA. The fact of the matter is, we have had a tremendous surge in exports over the last several years. Look at this chart, and how exports have grown 3,000 percent over the last 36 years. That has created jobs for American workers who produce those exports that have gone overseas. We are the beneficiary of growing exports. And just in the last 12 years, look at the increase in the gross domestic product of this country attributable to trade—$500 billion. That would not have been there otherwise if we had not had foreign trade.

So why do we need fast track now? Because there is much that remains to be done. There are many things that we need, to have negotiating authority for this President to be able to attempt to reduce the 100 percent tariff that Indonesia has on American automobiles, to eliminate the European Union's 25 percent tax on our trucks and try to get those down, and Brazil's inordinate tax on computers. Next year we are going to begin negotiations on agriculture. We are the world's largest agricultural exporter. We need to have this authority so we can sit at the table with the rest of the world while they talk about it and so that we can reduce those tariffs for the United States. We need fast track authority, as President Clinton himself has said.

I urge my colleagues to vote for this rule and for fast track authority.
back in 1993 when we were negotiating with each other as to whether or not we should pass the NAFTA agreement which was negotiated under fast track authority, I would remind my colleagues that in that year, we had a $1.7 billion trade surplus with Mexico, which has turned into a $17 billion trade deficit. The economists across this country tell us that every billion dollars represents between 116,000 jobs and 120,000 jobs. Do the mathematics and find out whether or not NAFTA negotiated under fast track has been good for us. In fact, our trade deficit combined with our NAFTA trade partners, Canada and Mexico, is $31 billion.

How many jobs would we be able to create if we had fair trade rather than fast track free trade? The point is that we here in Congress in 1993 knew there were things about the NAFTA agreement that we wanted to change. We wanted protection for labor. We wanted environmental riders. We were told, "Well, you can get these side agreements." You can blow your nose with those side agreements. They do not carry the impact of law. They have not been enforced.

What this argument is about today is whether or not we in Congress have the required amount of guts to say to the Administration, "We as the elected Members of Congress, as we elected representatives of the people want some things," that fast track is the wrong track. The rule should be voted down and so should the bill.

Mr. FROST. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, I urge my colleagues to vote "no" on the previous question. If the previous question is defeated, I will offer an amendment to make in order the McKinney amendment to establish a corporate code of conduct and the Peterson amendment to expand the role of the Committee on Agriculture in reviewing trade matters.

I urge my colleagues to postpone debate on this issue. There is no chance to pass it today. We should not sacrifice long-term, bipartisan cooperation on fast track for short-term political gain.

Mr. Speaker, the text of the amendment to be offered if the previous question is defeated is as follows:

**Amendment To Be Offered If Previous Question is Defeated**

On page 2, line 10, strike "and" and the second time it appears.

On page 2 line 11, after "(2)" add the following:

"a further amendment printed in second of this resolution and numbered (i), if offered by Representative McKinney of Georgia or her designee, which shall be in order without intervention of any point of order, shall be considered as read, and shall be separately debatable for thirty minutes equally divided and controlled by the proponent and an opponent; (3) a further amendment printed in second of this resolution and numbered (ii), if offered by Representative Peterson of Minnesota or her designee, which shall be in order without intervention of any point of order, shall be considered as read, and shall be separately debatable for thirty minutes equally divided and controlled by the proponent and an opponent; (4) an amendment printed in second of the resolutions, which shall be in order without intervention of any point of order, shall be considered as read, and shall be separately debatable for thirty minutes equally divided and controlled by the proponent and an opponent; and (4) an amendment printed in second of the resolutions, which shall be in order without intervention of any point of order, shall be considered as read, and shall be separately debatable for thirty minutes equally divided and controlled by the proponent and an opponent; and (4)"

On page 2, after line 11, add the following new section:

**Section 2. The text of the amendments follows:**

(i) Amendment to H.R. 2621, as reported, to be offered by Representative McKinney of Georgia in section 102(b)(7), add the following at the end:

"(C) To ensure that any entity that receives benefits under any trade agreement entered into under this title adopts and adheres to the following principles in all domestic and foreign operations:

(i) Provide a safe and health workplace.

(ii) Ensure fair employment, including the prohibition of child and forced labor, the prohibition on discrimination based upon race, gender, national origin, or religious belief, the respect for freedom of association and the right to organize and bargain collectively, and the payment of a living wage to all workers.

(iii) Uphold responsible environmental protection and environmental practices.

(iv) Promote good business practices, including prohibiting illicit payments and ensuring fair competition.

(v) Maintain the highest leadership at all levels, a corporate culture that respects free expression consistent with legitimate business concerns, does not condone political coercion in the workplace, a corporate culture that respects citizenship and makes a positive contribution to the communities in which the entity operates, and promotes ethical conduct that is recognized, valued, and exemplified by all employees.

(vi) Require, under terms of contract, partnership, supplier, subcontractor of the entity to accept and adhere to the principles described in clause (v).

(vii) Implement and monitor compliance with the principles described in clauses (i) through (vi) through a program that is designed to prevent and detect conduct that is not in compliance with such principles by any employee of the entity, or any employee of the partner, supplier, or subcontractor of the entity, and that includes—

(I) standards for ethical conduct of such employees who are in charge of the monitoring program, and for employees who are not employees to monitor compliance with the principles, and for auditing the effectiveness of such compliance monitoring;

(IV) procedures for selecting qualified individuals who are not employees to monitor compliance with the principles, and for auditing the effectiveness of such compliance monitoring;

(VI) procedures for disciplinary action in response to violations of the principles;

(VII) procedures designed to ensure that, in cases in which the violation has been detected, reasonable steps are taken to correct the violation and prevent similar violations from occurring;

(VIII) procedures for providing educational and employment-related counseling to any child employee in violation of the principles; and

(VIII) communication of all standards and procedures with respect to the principles to every employee, by requiring the employee to participate in a training program, or by disseminating the standards and procedures that explains the standards and procedures.

(ii) Amendment to H.R. 2621, as reported to be offered by Representative Peterson of Minnesota in page 13, line 19 through 23 and insert the following:

(A) consult closely and on a timely basis (including immediately before initiating an agreement) with, and keep fully apprised of the negotiations;

(i) the congressional advisers for trade policy and negotiations appointed under section 161 of the Trade Act of 1974 (19 U.S.C. 2211);

(ii) the Committee on Ways and Means and the Committee on Agriculture of the House of Representatives; and

(iii) the Committee on Finance and the Committee on Agriculture, Nutrition, and Forestry of the Senate and

Page 23, line 17, insert "and the Committee on Agriculture" after "Rules".

Page 23, line 17, insert "and the Committee on Agriculture" after "Rules".

Page 25, line 3, insert "and the Committee on Agriculture, Nutrition, and Forestry" after "Finance".

Page 25, line 4, insert "and the Committee on Agriculture" after "Ways and Means".

Page 27, line 8, insert "and the Committee on Agriculture" after "Ways and Means".

Page 27, line 10, insert "and the Committee on Agriculture, Nutrition, and Forestry" after "Finance".

Page 30, line 14, strike "or" and insert a comma.

Page 30, line 16, insert ", or the chairman or ranking minority member of the Committee on Agriculture or the Committee on Agriculture, Nutrition, and Forestry of the Senate; and

Page 30, line 19, insert "and the Committee on Agriculture" after "Rules".

Page 30, line 20, strike "either" and insert "any such".

Page 31, line 7, insert "and the Committee on Agriculture after "Rules".

Page 31, insert the following after line 6 and redesignate the succeeding paragraphs accordingly:

1. **Disapproval of the Agreement.** The trade policies and procedures described in this amendment shall apply to any implementing bill that contains a provision approving any trade agreement that is entered into under section 103(b) with any foreign country if the Committee on Finance or the Committee on Agriculture, Nutrition, and Forestry of the Senate or the Committee on Ways and Means or the Committee on Agriculture of the House of Representatives disapprove of the negotiation of the agreement before the close of the 90-calendar day period that begins on the date notification is provided under this amendment; or in any subsequent reports of the Senate or the House of Representatives with respect to the negotiation of the agreement.

Mr. DREIER. Mr. Speaker, I yield myself the balance of my time.

The SPEAKER pro tempore (Mr. THORNBERY). The gentleman from California is recognized for 1 minute.

Mr. DREIER. Mr. Speaker, no matter what you think about the President, no matter what you think about the U.S.-Canada trade agreement and its impact on Northern Plains farmers and ranchers, no matter what you think about NAFTA and its impact on Florida's tomato farmers, no matter what you think about the impact of economic development in farmers in Mexico, dolphins, sea turtles or the Amazon rain forest, there is just no way that we must ask ourselves today: Are the American people better off if America is at the table when countries make new trade deals? Should we be at the table when the nations of the world sit down at the WTO to negotiate new trade rules for agriculture services and intellectual property? Or when the countries of Latin America entertain offers for preferential access to their
Mr. FROST. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. The question was taken; and the yeas and nays ordered to be recorded.

Mr. FROST. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

Mr. FROST. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. The question was taken; and the yeas and nays ordered to be recorded.

Mr. FROST. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. The question was taken; and the yeas and nays ordered to be recorded.

Mr. FROST. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. The question was taken; and the yeas and nays ordered to be recorded.

Mr. FROST. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. The question was taken; and the yeas and nays ordered to be recorded.

Mr. FROST. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. The question was taken; and the yeas and nays ordered to be recorded.

Mr. FROST. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. The question was taken; and the yeas and nays ordered to be recorded.

Mr. FROST. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. The question was taken; and the yeas and nays ordered to be recorded.

Mr. FROST. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. The question was taken; and the yeas and nays ordered to be recorded.

Mr. FROST. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. The question was taken; and the yeas and nays ordered to be recorded.

Mr. FROST. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. The question was taken; and the yeas and nays ordered to be recorded.

Mr. FROST. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. The question was taken; and the yeas and nays ordered to be recorded.

Mr. FROST. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. The question was taken; and the yeas and nays ordered to be recorded.
(1) TRADE BARRIERS AND DISTORTIONS.—The principal negotiating objectives of the United States regarding trade barriers and other trade distortions are
(A) to eliminate significant discriminatory market access opportunities for United States exports and to obtain fairer and more open conditions of trade by reducing or eliminating discriminatory market access opportunities for United States exports or otherwise distort United States trade; and
(B) to obtain reciprocal tariff and nontariff barrier elimination agreements, with particular emphasis on those that are covered in section 111(b) of the Uruguay Round Agreements Act (19 U.S.C. 3521(b)).

(2) TRADE IN SERVICES.—The principal negotiating objectives of the United States regarding trade in services is to reduce or eliminate barriers to international trade in services, including regulatory and other barriers that deny national treatment and unreasonably restrict the establishment and operation of service suppliers.

(3) FOREIGN INVESTMENT.—The principal negotiating objectives of the United States regarding foreign investment is to reduce or eliminate artificial or trade-distorting barriers to trade-related foreign investment by—
(A) reducing or eliminating exceptions to the principle of national treatment;
(B) prohibiting the transfer of funds relating to investments;
(C) reducing or eliminating performance requirements and other unreasonable barriers to the establishment and operation of investments;
(D) seeking to establish standards for expropriation and compensation for expropriation, which are consistent with United States legal principles and practice; and
(E) providing meaningful procedures for resolving investment disputes.

(4) INTELLECTUAL PROPERTY.—The principal negotiating objectives of the United States regarding trade-related intellectual property are—
(A) to further promote adequate and effective protection of intellectual property rights, including through—
(i) ensuring accelerated and full implementation of the Agreement on Trade-Related Aspects of Intellectual Property Rights referred to in section 101(d)(15) of the Uruguay Round Agreements Act (19 U.S.C. 3511(d)(15)),
(ii) achieving improvements in the standards of that Agreement, particularly with respect to incentives for the Industries, whose products are subject to the lengthiest transition periods for full compliance by developing countries with that Agreement; and
(iii) ensuring that the provisions of any multilateral or bilateral trade agreement entered into by the United States provide protection at least as strong as the protection afforded the United States under the North American Free Trade Agreement and the annexes thereto;
(B) providing strong protection for new and emerging technologies and new methods of transmitting and distributing products embodying intellectual property;
(C) preventing or eliminating discrimination with respect to policies affecting the availability, acquisition, scope, maintenance, use, and enforcement of intellectual property rights; and
(D) consulting enforcement of intellectual property rights, including through accessible, expeditious, and effective civil, administrative, and criminal enforcement mechanisms;

(E) to secure fair, equitable, and nondiscriminatory market access opportunities for United States persons that rely upon intellectual property protection.

(5) TRANSPARENCY.—The principal negotiating objective of the United States with respect to transparency is to obtain more broadly applicable recognition of the principle of transparency through—
(A) increased and more timely public access to information regarding trade issues and the activities of international trade institutions;
(B) increased openness of dispute settlement proceedings, including under the World Trade Organization.

(6) RECIPROCAL TRADE IN AGRICULTURE.—The principal negotiating objective of the United States with respect to agriculture is to obtain competitive opportunities for United States exports in foreign markets and substantially equivalent competitive opportunities in imports to the United States markets and to achieve fairer and more open conditions of trade and value-added commodities by—
(A) reducing or eliminating, by a date certain, tariffs or other charges that decrease market opportunities for United States exports;
(B) giving priority to those products that are subject to significantly higher tariffs or subsidy regimes of major producing countries; and
(C) providing reasonable adjustment periods for United States import-sensitive products.

(7) RECIPROCAL TRADE IN CRAFTS.—The principal negotiating objective of the United States with respect to crafts is to achieve fair and open conditions of trade and value-added products, including—
(i) unfair or trade-distorting activities of state trading enterprises and other administrative mechanisms;
(ii) unjustified trade restrictions or commercial requirements affecting new technologies, including biotechnology;
(iii) unjustified sanitary and phytosanitary restrictions, including those not based on sound science in contravention of the Uruguay Round Agreements Act; and
(iv) other unjustified technical barriers to trade; and
(v) restrictive rules in the administration of tariffs.

(D) improving import relief mechanisms to recognize the unique characteristics of perishable agricultural products.

(E) taking into account whether a party to the negotiations has failed to adhere to the provisions of already existing trade agreements with the United States or has circumvented obligations under those agreements.

(F) taking into account whether a product is subject to market distortions by reason of a failure of a major producing country to adhere to the provisions of already existing trade agreements with the United States or by the circumvention by that country of its obligations under those agreements; and

(G) otherwise ensuring that countries that accede to the World Trade Organization have made meaningful market liberalization commitments.

(7) LABOR, THE ENVIRONMENT, AND OTHER MATTERS.—The principal negotiating objective of the United States regarding labor, the environment, and other matters is to address the following aspects of foreign government policies and practices regarding labor, the environment, and other matters that are directly related to trade:
(A) To ensure that foreign labor, environmental, health, or safety policies and practices are nondiscriminatory and do not discriminate or serve as disguised barriers to trade.
(B) To ensure that foreign governments do not negotiate from or waive existing domestic environmental, health, safety, or labor measures, including measures that deter exploitative child labor, as an encouragement to international trade or investment.

(C) To promote the responsible development and implementation of trade agreements and other important priorities of the United States domestic objectives, including the protection of health and safety, essential security, environmental, consumer, and employment opportunity interests, and the law and regulations related thereto.

(D) To promote the responsible development and implementation of trade agreements and other important priorities of the United States domestic objectives, including the protection of health and safety, essential security, environmental, consumer, and employment opportunity interests, and the law and regulations related thereto.

(2) CONSULTATIONS WITH CONGRESS.—In the course of negotiations conducted under this title, the United States Trade Representative shall—
(A) consult closely on a timely basis with, and keep fully apprised of the negotiations, the congressional advisers on trade policy and negotiations appointed under section 135(c) of the Trade Act of 1974;
(B) take into account the need for the United States to retain the ability to enforce
rigorously its trade laws in order to ensure that United States workers, agricultural producers, and firms can compete on fair terms and enjoy the benefits of reciprocal trade agreements.

(e) Adherence to Obligations Under Uruguay Round Agreements.—In determining whether to enter into negotiations with a particular country, the President shall take into account the extent to which that country has implemented, or has accelerated the implementation of, its obligations under the Uruguay Round Agreements.

SEC. 103. TRADE AGREEMENTS AUTHORITY.

(a) Agreements Regarding Tariff Barriers. —

(1) IN GENERAL.—Whenever the President determines that one or more existing duties or other import restrictions of any foreign country or the United States are unduly burdening and restricting the foreign trade of the United States and that the purposes, policies, and objectives of this title will be promoted thereby, the President—

(A) may enter into trade agreements with foreign countries before—

(i) October 1, 2001; or

(ii) October 1, 2005, if trade authorities procedures are extended under subsection (c), and

(B) may, subject to paragraphs (2) and (3), proclaim—

(i) such modification or continuance of any existing duty, or

(ii) such continuance of existing duty-free or excise treatment, as the President determines to be required or appropriate to carry out any such trade agreement. The President shall notify the Congress of the President’s intention to enter into an agreement under this subsection.

(2) LIMITATIONS.—No proclamation may be made under paragraph (1) that—

(A) applies to a bill of either House of Congress as soon as practicable, but not later than July 1, 2001, and before October 1, 2005, if (and only if) the President requests such extension under paragraph (2); and

(B) reduces the rate of duty on an article to take effect on a date that is more than 10 years after the date on which that is proclaimed to carry out a trade agreement with respect to such article.

(3) Aggregate Reduction; Exemption from Staging.—

(A) Aggregate Reduction.—Except as provided in subparagraph (B), the aggregate reduction in the rate of duty on any article which applies to any day pursuant to a trade agreement entered into under paragraph (1) shall not exceed the aggregate reduction which would have been in effect on such day if—

(i) a reduction of 3 percent ad valorem or a reduction of one-tenth of the total reduction, whichever is greater, had taken effect on the effective date of such first reduction or decree and was in effect as of the first reduction proclaimed under paragraph (1) to carry out such agreement with respect to such article; and

(ii) a reduction equal to the amount applicable under clause (i) had taken effect at 1-year intervals after the effective date of such first reduction.

(B) Exemption from Staging.—No staging is required under subparagraph (A) with respect to a duty reduction that is proclaimed under paragraph (1) for an article of a kind that is not produced in the United States.

The United States International Trade Commission shall advise the President of the identity of articles that may be exempted from staging and other procedures.

(4) Rounding.—If the President determines that such action will simplify the computation of reductions under paragraph (3), the President may round an annual reduction by an amount equal to the lesser of—

(A) the difference between the reduction without rounding and the reduction with rounding and the next lower whole number; or

(B) one-half of 1 percent ad valorem.

(3) OTHER LIMITATIONS.—A rate of duty reduction that is proclaimed by reason of paragraph (2) may take effect only if a provision authorizing such reduction is included within an implementing bill provided for under section 105 and that bill is enacted into law.

(6) OTHER MODIFICATIONS.—Nothing in this subsection shall limit the authority provided to the President under subsection (c) of the Uruguay Round Agreements Act (19 U.S.C. 3521b).

(b) Agreements Regarding Tariff and Nontariff Barriers.—

(1) IN GENERAL.—(A) Whenever the President determines that—

(i) one or more existing duties or any other import restriction of any foreign country or the United States or any other barrier to, or distortion of, international trade unreasonably burden or restricts the foreign trade of the United States or any other barrier to, or distortion of, international trade unreasonably burdens the United States economy, or

(ii) the imposition of any such barrier or distortion is likely to result in such a burden, restriction, or effect, and that the purposes, policies, and objectives of this title will be promoted thereby, the President may enter into a trade agreement under section 151 of the Uruguay Round Agreements Act, if those provisions are necessary for purposes of complying with section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 in implementing the trade agreement, and if such agreement makes progress in meeting such agreements to the Congress for approval;

(B) the trade authorities procedures shall be extended to implementing bills submitted with respect to trade agreements entered into under subsection (b) after September 30, 2001, and before October 1, 2005, if (and only if) the President—

(i) the President requests such extension under paragraph (2); and

(ii) neither House of the Congress adopts an extension disapproval resolution under paragraph (5) before October 1, 2001.

(2) REPORT TO CONGRESS BY THE PRESIDENT.—If the President determines that the trade authorities procedures should be extended to implementing bills submitted with respect to trade agreements entered into under subsection (b) after September 30, 2001, and before October 1, 2005, if (and only if) the President—

(A) a provision approving a trade agreement, if those provisions are necessary for purposes of complying with section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 in implementing the trade agreement, and if such agreement makes progress in meeting such agreements to the Congress for approval;

(B) a description of the progress that has been made in negotiations to achieve the purposes, policies, and objectives of this title; and

(C) a statement of the reasons why the extension is needed to complete the negotiations.

(3) REPORT TO CONGRESS BY THE ADVISORY COMMITTEE.—The President shall promptly inform the Advisory Committee for Trade Policy and Negotiations established under section 105(b) of the Trade Act of 1974 (19 U.S.C 2155) of the President’s decision to submit a report to the Congress under paragraph (2). The Advisory Committee shall submit to the Congress as soon as practicable, but not later than August 1, 2001, a written report that contains—

(A) a description of the progress toward the implementation of trade agreements that have been negotiated under subsection (b) and the anticipated schedule for submitting such agreements to the Congress for approval;

(B) a description of the progress that has been made in negotiations to achieve the purposes, policies, and objectives of this title; and

(C) a statement of the reasons why the extension is needed to complete the negotiations.

(4) Rounding. —If the President determines that such action will simplify the computation of reductions under paragraph (3), the President may round an annual reduction by an amount equal to the lesser of—

(A) the difference between the reduction without rounding and the reduction with rounding and the next lower whole number; or

(B) one-half of 1 percent ad valorem.

(6) OTHER LIMITATIONS. —Nothing in this subsection shall limit the authority provided to the President under section 105 of the Uruguay Round Agreements Act (19 U.S.C. 3521b).

(2) LIMITATIONS. —No proclamation may be made under paragraph (1) that—

(A) applies to a bill of either House of Congress as soon as practicable, but not later than July 1, 2001, and before October 1, 2005, if (and only if) the President requests such extension under paragraph (2); and

(B) reduces the rate of duty on an article to take effect on a date that is more than 10 years after the date on which that is proclaimed to carry out a trade agreement with respect to such article.

(3) Aggregate Reduction; Exemption from Staging.—

(A) Aggregate Reduction.—Except as provided in subparagraph (B), the aggregate reduction in the rate of duty on any article which applies to any day pursuant to a trade agreement entered into under paragraph (1) shall not exceed the aggregate reduction which would have been in effect on such day if—

(i) a reduction of 3 percent ad valorem or a reduction of one-tenth of the total reduction, whichever is greater, had taken effect on the effective date of such first reduction or decree and was in effect as of the first reduction proclaimed under paragraph (1) to carry out such agreement with respect to such article; and

(ii) a reduction equal to the amount applicable under clause (i) had taken effect at 1-year intervals after the effective date of such first reduction.

(B) Exemption from Staging.—No staging is required under subparagraph (A) with respect to a duty reduction that is proclaimed under paragraph (1) for an article of a kind that is not produced in the United States.

The United States International Trade Commission shall advise the President of the identity of articles that may be exempted from staging and other procedures.

(4) Rounding.—If the President determines that such action will simplify the computation of reductions under paragraph (3), the President may round an annual reduction by an amount equal to the lesser of—

(A) the difference between the reduction without rounding and the reduction with rounding and the next lower whole number; or

(B) one-half of 1 percent ad valorem.

(3) OTHER LIMITATIONS. —A rate of duty reduction that is proclaimed by reason of paragraph (2) may take effect only if a provision authorizing such reduction is included within an implementing bill provided for under section 105 and that bill is enacted into law.

(6) OTHER MODIFICATIONS. —Nothing in this subsection shall limit the authority provided to the President under section 105(b) of the Trade Act of 1974 (19 U.S.C. 2155) of the President’s decision to submit a report to the Congress under paragraph (2). The report submitted to the Congress under paragraphs (2) and (3), or any portion of such reports, may be classified to the extent that the President determines necessary for purposes of complying with section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 in implementing the trade agreement, and if such agreement makes progress in meeting such agreements to the Congress for approval;

(B) a description of the progress that has been made in negotiations to achieve the purposes, policies, and objectives of this title; and

(C) a statement of the reasons why the extension is needed to complete the negotiations.

(3) REPORT TO CONGRESS BY THE ADVISORY COMMITTEE.—The President shall promptly inform the Advisory Committee for Trade Policy and Negotiations established under section 105(b) of the Trade Act of 1974 (19 U.S.C. 2155) of the President’s decision to submit a report to the Congress under paragraph (2). The report submitted to the Congress as soon as practicable, but not later than August 1, 2001, a written report that contains—

(A) a description of the progress that has been made in negotiations to achieve the purposes, policies, and objectives of this title and

(B) a statement of its views, and the reasons therefor, regarding whether the extension requested under paragraph (2) should be approved or disapproved.

(A) the statement of the reasons why the extension is needed to complete the negotiations.

(5) EXTENSION DISAPPROVAL RESOLUTIONS.—

(A) FOR PURPOSES OF PARAGRAPH (1), THE TERM...
"extension disapproval resolution" means a resolution of either House of the Congress, the sole matter after the resolving clause of which is as follows: "That the disapproving resolution be referred to the Committee on Ways and Means of the Senate, and the Committee on Ways and Means of the House of Representatives, for consideration and submission, and that the provisions of section 103(b) of the Trade Act of 1974 regarding any trade agreement entered into under section 103(b), if (and only if) the President has failed or refused to notify or consult (as the case may be) with Congress in accordance with section 104 or 105 of the Reciprocal Trade Agreement Authorities Act of 1979, for lack of notice or consultations with respect to that trade agreement, the other House separately agrees to a procedural disapproval resolution with respect to that agreement.

(ii) PROCEDURAL DISAPPROVAL RESOLUTION.—For purposes of this paragraph, the term "procedural disapproval resolution" means a resolution of either House of Congress, the sole matter after the resolving clause of which is as follows: "That the disapproving resolution be referred to the Committee on Ways and Means of the House of Representatives and the Committee on Ways and Means of the Senate, for consideration and submission, and that the provisions of section 103(b) of the Trade Act of 1974 regarding any trade agreement entered into under section 103(b), if (and only if) the President has failed or refused to notify or consult (as the case may be) with Congress in accordance with section 104 or 105 of the Reciprocal Trade Agreement Authorities Act of 1979, for lack of notice or consultations with respect to that trade agreement, the other House separately agrees to a procedural disapproval resolution with respect to that agreement.

(b) SCOPE.—The consultations described in subparagraph (A) shall concern the manner in which a new or revised trade agreement will address the objective of reducing or eliminating a specific tariff or nontariff barrier or foreign government policy or practice directly related to trade that decreases market opportunities for United States exports or otherwise distorts United States trade.

(c) NOTICE AND SUBMISSION.—Any agreement entered into under section 103(b) shall enter into force with respect to the United States if (and only if)—

(i) the President, at least 90 calendar days before the date on which the President enters into the trade agreement, notifies the House of Representatives and the Senate of the agreement.

(ii) the agreement is submitted to Congress under section 103(a) or (b) of the Trade Act of 1974.

(iii) the supporting information described in paragraph (2); and

(iv) the implementing bill is enacted into law.

(d) SUPPORTING INFORMATION.—The supporting information required under paragraph (3)(c) consists of—

(A) an explanation as to how the implementing bill and proposed administrative action will change or affect existing law; and

(B) a statement—

(i) that the agreement makes provision in achieving the applicable purposes, policies, and objectives of this title; and

(ii) setting forth the reasons of the President for the action.

(e) REQUESTS FOR CONSULTATIONS.—

(i) how and to what extent the agreement makes provision in achieving the applicable purposes, policies, and objectives referred to in chapter I; and

(ii) whether and how the agreement changes provisions of an agreement previously negotiated.

(f) IMPLEMENTING BILL.—The implementing agreement serves the interests of United States commerce; and

(g) IMPLEMENTING BILL.—

(i) a draft of an implementing bill described in section 103(b)(3), and

(ii) the implementing bill shall be introduced by the chairman or ranking minority member of the Committee on Ways and Means or the chairman or ranking minority member of the Committee on Finance; and

(iii) the supporting information described in paragraph (2); and

(iv) the implementing bill is enacted into law.
(III) may not be amended by either Committee; and
(ii) in the Senate shall be original resolutions of the Committee on Finance.

(B) The provisions of section 105(d) and (e) of the Trade Act of 1974 (19 U.S.C. 2192(d) and (e)) (relating to the floor consideration of certain resolutions in the House and Senate) apply to any disapproval resolution.

(C) It is not in order for the House of Representatives to consider any procedural disapproval resolution not reported by the Committee on Ways and Means and the Committee on Rules.

(Rules of House of Representatives and Senate. Section 105(b)(1)(B) shall not be in order with respect to the Trade Act of 1974 (19 U.S.C. 2111 et seq.) as amended by the Uruguay Round Agreements Act, or section 105(a)(1) of the Trade Act of 1974 (19 U.S.C. 2111 or 2112); and

(iii) by striking “section 112 of the Omnibus Trade and Competitiveness Act of 1988,” and inserting “section 130 of the Omnibus Trade Agreement Authorities Act of 1997;” and

(ii) in paragraph (2), by striking “section 1102(b) and (c) of the Omnibus Trade and Competitiveness Act,” inserting “section 103(b) of the Reciprocal Trade Agreement Authorities Act of 1997;” (B) in subsection (b), by striking “section 1102(a)(3)(A)” and inserting “section 103(a)(3)(A) of the Reciprocal Trade Agreement Authorities Act of 1997;” and

(iii) in paragraph (3), by striking “section 1102(b) of the Omnibus Trade and Competitiveness Act of 1988,” and inserting “section 103 of the Reciprocal Trade Agreement Authorities Act of 1997.”

(3) HEARINGS AND ADVICE. Sections 132, 133(a), and 134(a) (19 U.S.C. 2152, 2153a, and 2154(a)) are each amended by striking “section 1102 of the Omnibus Trade and Competitiveness Act of 1988” and inserting “section 103 of the Omnibus Trade Agreement Authorities Act of 1997.”

(4) ADVICE FROM PRIVATE AND PUBLIC SECTORS. Section 135 (19 U.S.C. 2155) is amended—


(6) EFFECTIVE DATE. The amendments made by this title take effect on the date of the enactment of this Act.

TITLE III—REVENUE PROVISIONS

SEC. 301. REPEAL OF SPECIAL RULE FOR RENTAL USE OF VACATION HOMES, ETC., FOR LESS THAN 15 DAYS.

(a) IN GENERAL. Section 280A of the Internal Revenue Code of 1986 (relating to disallowance of certain expenses in connection with business use of home, rental of vacation homes, etc.) is amended by striking subsection (g).

(b) BASIS REDUCTION UNLESS DEPRECIATION CLAIMED. Section 1016 of such Code is amended by redesignating subsection (d) as subsection (d) and inserting “(d) in subsection (c), by inserting “1998, 1999, and 2000.”

SEC. 302. TERMINATION.

Section 285(c) of the Trade Act of 1974 (19 U.S.C. 2271 note) is amended in paragraphs (3) and (4) (1) by striking “1990” and inserting “1999, 2000.”

SEC. 303. EFFECTIVE DATE.

The amendments made by this title take effect on the date of the enactment of this Act.
TITLE I—TRADE AUTHORITIES

PROCEDURES

SEC. 101. SHORT TITLE AND FINDINGS.

(a) SHORT TITLE.—The Act may be cited as the "Reciprocal Trade Agreement Authorities Act of 1996.

(b) FINDINGS.—The Congress makes the following findings:

(1) The expansion of international trade is vital to the national security of the United States. Trade is critical to the economic growth and strength of the United States and to its leadership in the world. Stable trading relationships are vital to national security and prosperity. Trade agreements today serve the same purposes that security pacts played during the Cold War, binding nations together through a series of mutual obligations. These leadership roles are evident in the United States international trade fosters open markets, democracy, and peace throughout the world.

(2) The national security of the United States depends on its economic security, which in turn is founded upon a vibrant and growing industrial base. Trade expansion has been the engine of economic growth. Trade agreements maximize opportunities for the critical sectors and building blocks of the economy of the United States, such as technology, telecommunications and other leading technologies, basic industries, capital equipment, medical equipment, services, agriculture, environmental technology, and intellectual property. Trade will create new opportunities for the United States and preserve the unparalleled strength of the United States in economic, political, and military affairs. The United States, secured by expanding trade and economic opportunities, will meet the challenges of the twenty-first century.

SEC. 102. TRADE NEGOTIATING OBJECTIVES.

(a) OVERALL TRADE NEGOTIATING OBJECTIVES.—The principal negotiating objectives of the United States for agreements subject to the provisions of section 103 are—

(1) to obtain most-favored-nation, equitable, and reciprocal market access;

(2) to obtain the reduction or elimination of barriers and distortions that are directly related to trade and that decrease market opportunities for United States exports or otherwise distort United States trade;

(3) to further strengthen the system of international disciplines and procedures, including dispute settlement; and

(4) to foster economic growth, raise living standards, and promote full employment in the United States and to enhance the global economy.

(b) PRINCIPAL TRADE NEGOTIATING OBJECTIVES.—

(1) TRADE BARRIERS AND DISTORTIONS.—The principal negotiating objectives of the United States regarding trade barriers and other trade distortions are—

(A) to expand competitive market opportunities for United States exports and to obtain fair and more open conditions of trade by reducing or eliminating tariff and nontariff barriers and policies and practices of foreign governments directly related to trade that decrease market opportunities for United States exports or otherwise distort United States trade;

(B) to obtain reciprocal tariff and nontariff barrier elimination agreements, with particular attention to those tariff categories covered in section 111(b) of the Uruguay Round Agreements Act (19 U.S.C. 3521(b));

(2) TRADE IN SERVICES.—The principal negotiating objectives regarding trade in services is to reduce or eliminate barriers to international trade in services, including regulatory and other barriers that deny national treatment or restrict the establishment or operation of services suppliers.

(3) FOREIGN INVESTMENT.—The principal negotiating objectives regarding foreign investment is to reduce or eliminate artificial or trade-distorting barriers to trade related foreign investment by—

(A) reducing or eliminating exceptions to the principle of national treatment;

(B) freeing the transfer of funds relating to investments;

(C) reducing or eliminating performance requirements and other unreasonable barriers to the establishment and operation of investments;

(D) seeking to establish standards for expropriation and compensation for expropriation, consistent with United States legal principles and practice; and

(E) providing meaningful procedures for resolving investment disputes.

(4) INTELLECTUAL PROPERTY.—The principal negotiating objectives of the United States regarding trade-related intellectual property are—

(A) reducing or eliminating exceptions to the principle of national treatment;

(B) ensuring accelerated and full implementation of the Agreement on Trade-Related Aspects of Intellectual Property Rights referred to in section 101(c) of the Uruguay Round Agreements Act (19 U.S.C. 3511(d)(15)), particularly with respect to United States industries whose products are subject to the lengthiest transition periods for full compliance, developed countries with that Agreement, and

(C) ensuring that the provisions of any multilateral or bilateral trade agreement entered into by the United States are at least as strong as the protection afforded by chapter 17 of the North American Free Trade Agreement and the analogous statute;

(D) providing strong protection for new and emerging technologies and new methods of transmitting and distributing products embodying intellectual property;

(E) preventing or eliminating discrimination with respect to matters affecting the availability, acquisition, scope, maintenance, use, and enforcement of intellectual property rights; and

(F) providing strong enforcement of intellectual property rights, including through accessible, expedient, and effective civil, administrative, and criminal enforcement mechanisms; and

(G) to secure fair, equitable, and nondiscriminatory market access opportunities for United States persons who rely upon intellectual property protection.

(5) TRANSPARENCY.—The principal negotiating objective of the United States with respect to transparency is to obtain broader application of the principle of transparency through—

(A) increased and more timely public access to information of issues and the activities of international trade institutions; and

(B) increased openness of dispute settlement proceedings, including under the World Trade Organization.

(6) RECIPROCAL TRADE IN AGRICULTURE.—(A) The principal negotiating objective of the United States with respect to agriculture is to obtain competitive opportunities for United States exports agricultural commodities in foreign markets substantially equivalent to the competitive opportunities afforded foreign exports in United States markets and to achieve fairer and more open conditions of trade in bulk and value-added commodities by—

(i) reducing or eliminating, by a date certain, tariffs or other charges that decrease market opportunities for United States exports—

(l) giving priority to those products that are subject to significantly higher tariffs or subsidy regimes of major producing countries; and

(ii) providing reasonable adjustment periods for United States exporters of such products, in close consultation with the Congress on such products before initiating tariff reduction negotiations;

(ii) reducing or eliminating subsidies that decrease market opportunities for United States exports or unfairly distort agriculture markets to the detriment of the United States;

(iii) developing, strengthening, and clarifying rules and effective dispute settlement mechanisms to eliminate practices that unfairly decrease United States markets access to opportunities in economic, political, and military affairs. The United States is a party, including the North American Free Trade Agreement, have on the United States agricultural industry.

(B) Prior to commencing negotiations with respect to agriculture, the United States Trade Representative, in consultation with the Congress, shall seek to develop a position on the treatment of seasonal and perishable agricultural products to be employed in the negotiation in order to develop an international consensus on the treatment of seasonal or perishable agricultural products in investigations relating to dumping and safeguards and in any other relevant area.

(ii) The negotiating objective provided in subparagraph (A) applies with respect to agricultural matters to be addressed in any trade agreement entered into under section 103 (a) or (b), including any trade agreement entered into under section 103 (a) or (b) that provides for access to a trade agreement to which the United States is already a party, such as the United States-Canada Free Trade Agreement.

(7) LABOR, THE ENVIRONMENT, AND OTHER MATTERS.—The principal negotiating objectives of the United States regarding labor, the environment, and other matters is to address the following aspects of foreign government policies regarding labor, the environment, and other matters that are directly related to trade:
(A) To ensure that foreign labor, environmental, health, or safety policies and practices do not arbitrarily or unjustifiably discriminate or serve as disguised barriers to trade.

(B) To ensure that foreign governments do not derogate from or waive existing domestic environmental, health, safety, or labor measures, including measures that deter exploitative child labor.

(C) To promote respect for worker rights and to ensure that United States law is consistent with international labor standards, including the prohibition on exploitative child labor; and

(D) To parallel and reinforce already existing international disciplines on unfair trade, especially dumping and subsidies, in order to ensure that United States government agencies, agricultural producers, and firms can compete fully on fair terms and enjoy the benefits of reciprocal trade concessions.

(3) Labor. Before Agreement Initiated. In the course of negotiations conducted under this Act, the United States Trade Representative—

(A) shall not enter into, and on a timely basis (including immediately before initiating an agreement) with, and keep fully apprised of the negotiations, the congressional advisers for trade agreements described in section 161 of the Trade Act of 1974 (19 U.S.C. 2211), and any other persons appointed under section 352 of the Trade Act of 1974 (19 U.S.C. 3525).

(B) shall, with respect to any trade agreement related to agricultural trade, consult closely and on a timely basis (including immediately before initiating an agreement) with, and keep fully apprised of the negotiation, the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.

(C) shall consult closely and on a timely basis (including immediately before initiating an agreement) with the International Trade Commission and the Office of the United States Trade Representative.

(D) shall ensure that the congressional committees on international trade, the congressional budget committees, and the congressional committees on jurisdiction relating to labor, the environment, health, and safety are kept fully apprised of the negotiations.

(4) Rounding. If the President determines that such action will simplify the computation of reductions under section 301, the President may round an annual reduction by an amount equal to the lesser of—

(A) the difference between the reduction without regard to this paragraph and the next lower whole number; or

(B) one-half of 1 percent ad valorem.

(5) Other Limitations. A rate of duty reduction that may not be proclaimed on reason of section (paragraph (2)) may take effect only if a provision authorizing such reduction is included within an implementing bill provided for under section 105 and that bill is enacted into law.

(6) Tariff Modifications. Notwithstanding paragraphs (1)(B) and (2) through (5), and subject to the consultation and layover requirements of section 1105 of the Uruguay Round Agreements Act, the President shall have the authority to modify any duty or staged rate reduction of any duty set forth in Schedule XX, as defined in section 25(5) of that Act, if the United States tariffs in effect at the date of the enactment of the Uruguay Round Agreements Act are determined to be inconsistent with the non-appearance of any proposed or effective restriction, or other barrier to, or other burden or other restriction of any foreign country or the operation of any agreement entered into under the auspices of the World Trade Organization or as part of an interim agreement leading to the formation of a regional free-trade area.

(7) Authority Under Uruguay Round Agreements Act Not Affected. Nothing in this subsection shall limit the authority of the President under section 111(b) of the Uruguay Round Agreements Act (19 U.S.C. 3521(b)).

(A) Agreements Regarding Tariff and Non-Tariff Barriers. In general. Whenever the President determines that—

(i) no or more existing duties or any other import restrictions of any foreign country or the United States or any other barrier to, or other distortion of, international trade unduly burdens or restricts the foreign trade of the United States or adversely affects the United States economy, or (ii) the imposition of any such barrier or distortion is likely to result in such a burden, restriction, or effect and that the purposes, policies, and objectives of this title will be promoted thereby, the President may enter into a trade agreement described in subsection (3) of this section that would authorize inclusion in an implementing bill to a rate of duty which is less than 50 percent of the rate of duty that applied to such article on December 31, 1994, or that increases any rate of duty above the rate that applied to such article on January 1, 1995.
(B) The President may enter into a trade agreement under subparagraph (A) with foreign countries that, in the judgment of the President, would be in the interest of the United States if the trade agreement makes progress in meeting the applicable objectives described in section 102 and the President satisfies the conditions set forth in section 104.

(3) BILLS QUALIFYING FOR TRADE AUTHORITY PROCEDURES.—The provisions of section 151 of the Trade Act of 1974 (in this title referred to as ‘‘trade authorities procedures’’) apply to a bill of either House of Congress consisting only of—

(A) a provision approving a trade agreement entered into under this subsection and approving the statement of administrative action, if any, proposed to implement such trade agreement;

(B) provisions directly related to the principal trade negotiating objectives set forth in section 102(b) which was approved in such trade agreement, if those provisions are necessary for the operation or implementation of United States rights or obligations under such trade agreement,

(C) provisions that define and clarify, or provisions that are related to, the operation or effect of the provisions of the trade agreement;

(D) provisions to provide adjustment assistance to workers and firms adversely affected by trade agreements;

(E) provisions necessary for purposes of complying with section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 in implementing the trade agreement, to the same extent as such section 151 applies to implementing bills under that section. A bill to which this paragraph applies shall hereafter in this title be referred to as an ‘‘implementing bill’’.

(c) EXTENSION DISAPPROVAL PROCESS FOR CONGRESSIONAL TRADE AUTHORITY PROCEDURES.—

(1) IN GENERAL.—Except as provided in section 105(b),—

(A) the trade authorities procedures apply to any extension submitted with respect to trade agreements entered into under subsection (b) before October 1, 2001; and

(B) the trade authorities procedures shall be extended to implementing bills submitted with respect to trade agreements entered into under subsection (b) after September 30, 2001, and before October 1, 2005, if (and only if)—

(i) the President requests such extension under paragraph (2); and

(ii) neither House of the Congress adopts an extension disapproval resolution under paragraph (5) before October 1, 2001.

(2) REPORT TO CONGRESS BY THE PRESIDENT.—If the President is of the opinion that the trade authorities procedures should be extended to implementing bills described in paragraph (1)(B), the President shall submit to the Congress, not later than July 1, 2001, a written report that contains—

(A) a description of all trade agreements that have been negotiated under subsection (b) and the anticipated schedule for submitting such agreements to the Congress for approval;

(B) a description of the progress that has been made in negotiations to achieve the purposes, policies, and objectives of this title, and a statement that such progress justifies the continuation of negotiations; and

(C) a statement of the reasons why the extension is needed to complete the negotiations.

(3) REPORT TO CONGRESS BY THE ADVISORY COMMITTEE.—The President shall promptly inform the Advisory Committee on Trade Policy and Negotiations established under section 135 of the Trade Act of 1974 (19 U.S.C. 2155) of the President’s decision to submit a report to the Congress under paragraph (2). The Advisory Committee shall submit to the Congress as soon as practicable, but not later than August 1, 2001, a written report that contains—

(A) its views regarding the extension disapproval resolutions referred to in paragraph (1)(B), if any.

(4) REPORT TO CONGRESS BY THE PRESIDENT AFTER SEPTEMBER 30, 2001.—Not later than October 1, 2001, the President shall provide the Congress with a written report that contains—

(A) an estimate of the implementation cost of the extensions referred to in paragraph (2); and

(B) information concerning the negotiations referred to in paragraph (2) which would occur if those extensions were not made.

(5) REPORT TO CONGRESS OF THE ADVISORY COMMITTEE.—Not later than October 1, 2001, the President shall provide the Congress with a written report that contains the views of the Advisory Committee on Trade Policy and Negotiations concerning the extension disapproval resolutions referred to in paragraph (1)(B).
percent of the rate of duty that applied to such article on December 31, 1994; (ii) consult with the Committee on Ways and Means and the Committee on Agriculture of the House of Representatives and the Committee on Finance and the Committee on Agriculture, Nutrition, and Forestry of the Senate concerning whether any further tariff reductions on the products identified in subparagraph (C)(ii) would be appropriate, taking into account the impact of any such tariff reduction on the United States industry producing the product; (iii) after entering into the International Trade Commission prepare an assessment of the probable economic effects of the tariff reduction on the United States industry producing the product; (iv) upon complying with clauses (i), (ii), and (iii), notify the Committee on Ways and Means and the Committee on Agriculture of the House of Representatives and the Committee on Finance and the Committee on Agriculture, Nutrition, and Forestry of the Senate those products identified in clause (ii) for which the Trade Representative intends to seek further tariff liberalization in the negotiations. 

(b) Consultation With Congress Before Agreements Entered Into.— (1) Consultation.—Before entering into any trade agreement under section 103(b), the President shall consult with—

(A) the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate; and

(B) each other committee of the House and the Senate, and each joint committee of the Congress, which has jurisdiction over legislation involving subject matter which would be affected by the trade agreement.

(2) Scope.—The consultation described in paragraph (1) shall include consultation with respect to—

(A) the nature of the agreement;

(B) how and to what extent the agreement will achieve the applicable purposes, policies, and objectives of this title; and

(C) the implementation of the agreement under section 105, including the general effect of the agreement on existing laws.

(c) Advisory Committee Reports.—The report required under section 135(e)(1) of the Trade Act of 1974 regarding any trade agreement entered into under section 103(a) or (b) of this Act shall be transmitted to the President, the Congress, and the United States Trade Representative not later than 30 days after the date on which the President notifies the Congress under section 103(a)(1) or 103(a)(3)(A) of the President's intention to enter into the agreement.

(d) ITC Assessment.—(1) In General.—The President, at least 90 calendar days before the day on which the President enters into a trade agreement under section 103(b), shall provide the International Trade Commission with all the information required under paragraph (2). Between the time the President makes the request under this paragraph and the time the Commission submits the assessment, the President shall keep the Commission current with respect to the details of the agreement.

(2) ITC Assessment.—Not later than 90 calendar days after the President enters into the agreement, the Commission shall submit to the President and Congress a report assessing the likely impact of the agreement on the United States economy and on specific industry sectors, including the impact the agreement will have on the gross domestic product, exports, and imports, aggregate employment and unemployment, the competitive position of United States industry producing the product, and the competitive position of United States consumers.

(e) Review of Empirical Literature.—In preparing the assessment, the Commission shall review available economic assessments regarding the agreement, including literature regarding any substantially equivalent proposed agreement; and shall provide in its assessment a description of the analyses and conclusions drawn in such literature, and a discussion of areas of consensus and divergence between the various analyses and conclusions, including those of the Commission regarding the agreement.

(f) SEC. 105. IMPLEMENTATION OF TRADE AGREEMENTS. 

(a) In General.—(1) Notification and Submission.—Any agreement entered into under section 103(b) shall enter into force with respect to the United States if (and only if) (A) the President, at least 90 calendar days before the day on which the President enters into the trade agreement, notifies the House of Representatives and the Senate of the President's intention to enter into the agreement, and promptly thereafter publishes notice of such intention in the Federal Register; (B) within 30 days of entering into the agreement, the President submits to the Congress a copy of the final legal text of the agreement, together with—

(i) an explanation as to how the implementing bill described in section 103(b)(3);

(ii) a statement of any administrative action proposed to implement the trade agreement; and

(iii) the supporting information described in paragraph (2); and

(2) Supporting Information.—The supporting information required under paragraph (1)(C)(iii) consists of—

(A) an explanation as to how the implementing bill and proposed administrative action will change or affect existing law; and

(B) a statement—

(i) asserting that the agreement makes progress in achieving the applicable purposes, policies, and objectives of this title; and

(ii) setting forth the reasons of the President regarding—

(I) how and to what extent the agreement makes progress in achieving the applicable purposes, policies, and objectives referred to in clause (i);

(II) whether and how the agreement changes provisions of an agreement previously negotiated; and

(III) how the agreement serves the interests of United States commerce; and

(2) how and to what extent the agreement will affect United States exports, imports, and employment, and the competitive position of industries likely to be significantly affected by the agreement, and the interests of United States consumers.

(b) SEC. 106. TREATMENT OF CERTAIN TRADE AGREEMENTS. 

(a) Certain Agreements.—Notwithstanding section 103(b)(2), if an agreement to which section 103(b) applies—

(1) enters into under the auspices of the World Trade Organization regarding trade in information technology products,
SEC. 106. ADDITIONAL IMPLEMENTATION AND ENFORCEMENT REQUIREMENTS.  

(a) IN GENERAL.—At the time the President submits the final text of an agreement pursuant to section 105(a)(1)(C), the President shall also submit a plan for implementing and enforcing the agreement. The implementation and enforcement plan shall include the following:  

(1) BUDGET REQUIREMENTS.—A description of additional personnel required at border entry points, including a list of additional customs brokers and inspectors.  

(2) STAFFING REQUIREMENTS.—A description of additional personnel required by Federal agencies responsible for monitoring and enforcing the agreement, including personnel required by the Office of the United States Trade Representative, the Department of Commerce, the Department of Agriculture, and the Department of the Treasury.  

(3) CUSTOMS INFRASTRUCTURE REQUIREMENTS.—A description of the additional equipment and facilities needed by the United States Customs Service.  

(b) IMPACT ON STATE AND LOCAL GOVERNMENTS.—A description of the impact the trade agreement will have on State and local governments as a result of the plan.  

(c) COST ANALYSIS.—An analysis of the costs associated with each of the items listed in paragraph (1) through (4).  

SEC. 107. CONGRESSIONAL OVERSIGHT GROUPS.  

(a) ESTABLISHMENT AND PURPOSE. —There shall be in the Office of the United States Trade Representative a Congressional Oversight Group, which shall have as its primary function the conduct of trade negotiations relating to agricultural commodities and shall have such other functions as the United States Trade Representative may direct.  

(b) TRANSFER OF AGREEMENT FUNCTIONS.—The Chief Agricultural Negotiator shall have as his or her primary function the conduct of trade negotiations relating to agricultural commodities and shall have such other functions as the United States Trade Representative may direct.  

(c) AFFILIATION.—The Chief Agricultural Negotiator shall be paid at the highest rate of pay authorized for a member of the Senior Executive Service.
TITLE II TRADE ADJUSTMENT ASSISTANCE

SEC. 201. ADJUSTMENT ASSISTANCE FOR WORKERS. Section 245 of the Trade Act of 1974 (19 U.S.C. 2317) is amended—

(a) by striking "1998 and 1999 and for the period beginning October 1, 1998, and ending December 31, 1999;" and

(b) by striking "and "1998 and 1999 and for the period beginning October 1, 1998, and ending December 31, 1999.".

SEC. 202. NAFTA TRANSITIONAL PROGRAM. Section 250(d)(2) of the Trade Act of 1974 (19 U.S.C. 2331(d)(2)) is amended by striking "for any year prior to fiscal year 1998, and inserting "$30,000,000 for fiscal year 1998 and 1999 and shall not exceed $7,000,000 for the period beginning October 1, 1999, and ending December 31, 1999."

SEC. 203. ADJUSTMENT ASSISTANCE FOR FIRMS. Section 256(b) of the Trade Act of 1974 (19 U.S.C. 2346(b)) is amended by striking "1993 and all that follows through 1998;" and inserting "1998 and 1999 and for the period beginning October 1, 1999, and ending December 31, 1999."

SEC. 204. GENERAL ACCOUNTING OFFICE REPORT. Section 282(a) of the Trade Act of 1974 (19 U.S.C. 2391(a)) is amended—

(a) by striking "2, 3, and 4"; and

(b) by inserting "January 31, 1980" and inserting "October 1, 1999."

SEC. 205. TERMINATION. Section 282(c) of the Trade Act of 1974 (19 U.S.C. 2391(c)) is amended—

(a) in paragraph (1) by striking "September 30, 1998" and inserting "December 31, 1999;" and

(b) in paragraph (2)(A), by striking "the day that is" and all that follows through "effective" and inserting "December 31, 1999."
(3) failure to fully enforce the terms of the U.S.-Japan Insurance Agreement will endanger the United States investments that have occurred and those which may occur in the future.

(b) REPORT TO CONGRESS. The President shall report to Congress not later than 1 year after the date of the enactment of this Act on the results of the review under subsection (a).

The SPEAKER pro tempore. The gentleman from Texas (Mr. ARCHER) and the gentleman from New York (Mr. RANGEL) each will control 1 hour of debate on the bill.

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

Mr. ARCHER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous matter on H.R. 2621.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Texas (Mr. ARCHER).

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

Mr. Speaker, this could be a fulcrum moment in America's future. This is an unusually favorable time for economies throughout the world, the likes of which we have not seen for generations.

There are only a few things that we in America can do to increase our ability to be a bulwark against decaying economies around the world and prevent them from enveloping us. One thing we can do is demonstrate a clear commitment to resist the suggestiveness of protectionism, protectionism which could drag the whole world into depression.

This legislation grants the administration the authority to negotiate trade agreements and bring them back to Congress for an up or down vote. Historically, it has been our experience that this is a key component to preserving our economy and helping the rest of the world for years to come.

Trade has been and will always be the force that drives our economic engine. Trade benefits everyone, workers, businesses and consumers. If we are to stay on the right economic road, we should not halt the process of opening foreign markets. We must not.

To the President's credit, his policy on trade has been very, very good. It has helped us to continue to keep a growing economy. He deserves credit for that. But it is said that, today, the administration is withholding its support for this bill, support that was so active last year. It is said that he strength in the past of resisting the pressures of organized labor have now come into play today, and we cannot afford to lose one month, six months or a year until we do one of the few things that we can do to help America and the world.

The U.S. is the world's largest exporting country, with exports nearing the $1 trillion mark. This economic boom has translated into approximately 11.5 million U.S. jobs which pay on average 15 percent more than non-trade related jobs. Many Americans do not know that they have a trade-related job, but it affects 11.5 million jobs.

We have been able to achieve these impressive results because we have been aggressive in expanding overseas markets. To sustain our growth and prosperity, we must continue to tap into the growing economies around the world, and we must remember that 19 out of the 20 potential new markets, the world do not live in this country. As a result, negotiating trade agreements that reduce tariff and non-tariff barriers to our products and our services is a win-win proposition.

Our average tariffs are already very, very low, less than 3 percent, but most of our trading partners have much, much higher tariffs: Chile, 11 percent, Argentina, 10 percent, Australia, 9 percent, Thailand, 28 percent. What do we have to lose? We have far less risk to go down from under 3 percent than we have to gain by reducing tariffs that are three, four and five times higher than ours.

Because we export more products and services than any country in the world, reducing foreign tariffs means huge savings for our industries and our workers. But, Mr. Speaker, unfortunately, we are at a standstill. Without fast track, our failure to participate in shaping the global trading system will allow our competitors to negotiate preferential trade agreements and form strategic relationships that exclude us. And that is why I say, again, we should not wait another month or six months before we act on this vital legislation.

Each month we lose is a loss for America. Since 1992 our competitors have negotiated 20 free trade agreements that exclude us in Latin America and Asia alone. We are losing orders—lost orders for our products over and over again in Chile and other countries, and those orders are going to Canada and they are going to Mexico and they are going to other countries for export. The European union is negotiating in a trade agreement with Latin America that will keep us out. We can no longer afford to stand idly by.

So the legislation we consider today gives the President the authority he needs to move ahead in negotiating vital trade agreements, and it does so without undermining Congress' constitutional role.

Congress must under this bill be consulted before, during and after trade negotiations. For farmers and ranchers, who derive 30 percent of their income for exports, this bill puts the Committee on Agriculture, in addition to the Committee on Ways and Means, in a position to review all proposed agreements before they are signed.

The U.S. has ever so often taken that path. We have everything to lose if we fail. The choices before us are stark: We can approve this legislation and sow the seeds of hope, growth
and prosperity, or we can yield to the forces of fear, protectionism and shortsightedness and cast this opportunity aside, potentially undermining the economies of the world, with America being irresistibly potentially included in that.

Mr. Speaker, I hope we will support future prosperity. Support fast track, and vote for this bill.

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

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

Mr. Speaker, I rise in opposition to this bill. I certainly agree with most of the things that the distinguished chairman of the Subcommittee on Trade, and Means has said, that if this great Nation is going to continue to grow and maintain our economic advantage, we have to remove all of the barriers to trade.

Trade is the one thing that our Nation excels in, and we have to make certain that we remain competitive. A piece of legislation like fast track or trade, as I said earlier, or taxes or Social Security, cannot be a pre-election gimmick, but it has to be, indeed, a bipartisan effort, where people who have honest differences of opinion but still want our Nation to maintain its leadership in trade sit down and work out those differences.

We cannot afford to allow the world marketplace as it relates to labor to set the standards for the United States of America. We cannot pick a country that has the lowest labor wages, no benefits of the health benefits, and allow industries in our cities around the United States to close and go there to take advantage of that particular economic advantage.

No, we must be able to say that when we trade, Americans are going to be the beneficiaries; not just those in the high-tech jobs, but those in the lower skilled jobs have to be protected as well.

I believe that our president, as other presidents, should have the right to negotiate trade contracts, and it should not be the House or the Senate that is going to dot every "i" or cross every "t". But when it comes to Americans losing their jobs, losing their pensions, losing their homes, merely because business has gone, we should be able to tell the president, you do not negotiate any treaty or contract without protecting American workers, without protecting the environment, without protecting human rights. We cannot let the free marketplace dictate the principles we believe in as a country.

So I believe that when the president is representing us down with us, Republicans and Democrats, we can work out fast track. Nobody is against it because it gives the President authority. People oppose it because it does not spell out the human rights and the rights of workers, which is just as much a part of our prosperity as it is to say that the stock market has improved as a result of the stability that the President has brought.

I do not know why these matters are brought up on the eve of elections. I do not know who we want to embarrass. I do not know why we just entertain vees. This thing is just too important to allow it to be treated in a partisan way.

For that reason, I do not know why it is on the calendar now. I have no idea what the politics is behind it. You certainly cannot have something like this be approved without bipartisan support. You certainly need the leader of the free world of the United States working with you. But I suspect you have taken some poll somehow and you think this gives you an advantage someplace come November.

I hope that you are not right, but I still believe that you should not be taking legislation like Social Security, tax cuts, and God knows what else you are going to try to do before we get out of here, and try to negotiate these things, and I think that is important for the country, but it is important for Americans, Democrats and Republicans, it is important for the President, and I hope that soon we will be able to work a little more closely together.

Mr. Speaker, I yield the balance of my time to the gentleman from California (Mr. MATSUI), the ranking member of the Subcommittee on Trade, and ask unanimous consent that he be permitted to yield blocks of time.

The SPEAKER pro tempore (Mr. HASTINGS of Washington). Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CRANE. Mr. Speaker, I yield three minutes to the distinguished gentleman from Oregon (Mr. SMITH).

Mr. SMITH of Oregon. Mr. Speaker, I thank the distinguished gentleman for yielding time to me.

Mr. Speaker, I continue to hear this question, why, why now? Why not next year? I should not have to remind members of the Committee on Ways and Means that next year we have a chance to revisit the Uruguay Round, 1999. There are many, many problems that we have in trade around the world. I should not have to advise the Committee on Ways and Means members of what they are, but let me just tick them off.

We have lost, in agriculture, 30 percent of our markets in Asia. We have been excommunicated from markets in the European Union. We have difficulty with our military problems getting into Japan, and all of that in the face of disasters in this country for agriculture, of floods, of droughts, and of course, of lost revenues to the tune of some $9 billion.

If that was ever a time that we ought to be reaching out for markets, it is now, it seems to me, especially in the face of the Uruguay Round. Without fast track, we do not have tools to sit down at the table and to discuss these problems that I have just identified around the world.

I can tell the Members, having traveled halfway around the world with my Committee on Agriculture, that the three years we have spent and the three rounds of the Uruguay Round were worth it, and if we are being chortling at us, we just left a representative from New Zealand who said, "You mean you do not have fast track? You are not going to trade? You are not going to be involved? We thought we were allies. We are going to go into the Uruguay Round without you having fast track and the tools to trade?" He was smiling at us.

The facts are that this agreement is unlike any other that we have ever looked at. It is not like NAFTA; it is not like GATT. It is different because, especially in agriculture, for the first time in history, by the way, and I thank the gentleman from Texas (Mr. ARCHER) and the gentleman from Illinois (Mr. CRANE) of the Committee on Ways and Means, that next year we have a chance to revisit the Uruguay Round, and without you having agriculture to be included, not only in the consultation process, as the agreements go along, but before anything is finally penned, the Committee on Agriculture gets a chance to look at every word of the agreement. If it is no good for agriculture, it cannot pass. If agriculture opposes any agreement, it cannot pass this body. For the first time, we have generated an opportunity for agriculture to be at the table when we negotiate agreements. It is outstandingly important that we do that.

I think this is almost humorous, except it is true. This side does not want to give their president fast track. Our side wants to give their president fast track authority. I think the point remains that really no president negotiates trade agreements.

We are a Nation. We are a Nation and a leader in trade. We should be a leader in fast track. Giving this President authority is what I want to do, because I know that trade agreements can be looked at, can be consulted by Congress as we move along, so that gives me safety and that gives me comfort, because I know it will be done properly.

Please, please understand, this is the most important vote for agriculture that we will have in many, many years. Understand, this is the time we stand up and make a difference.

Mr. MATSUI. Mr. Speaker, I ask unanimous consent to yield 10 minutes of my time to the gentleman from Washington (Mr. MCDERMOTT), a member of the Committee on Ways and Means, in support of the bill, and that he in turn be permitted to control that time.

The SPEAKER pro tempore (Mr. HASTINGS of Washington). Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER pro tempore. The gentleman from Washington (Mr. MCDERMOTT) will control 10 minutes.
Mr. Speaker, I yield 2 minutes to my distinguished colleague, the gentleman from Texas (Mr. Delay).

Mr. Speaker, fast track would pass tonight if the President would honor his commitments and get his party to vote for it. Who said, ‘I will also renew my request for the fast track negotiating authority necessary to open new markets and create more new jobs, which every president has had for two decades.’ That was President Clinton in his State of the Union message.

President Clinton was once the strongest supporter of fast track. Now, for political reasons, he has withdrawn that support. It is troubling that Bill Clinton has already concluded that he does not have the strength to win this vote, and it is astounding that he has withdrawn his support for this measure. I think that is a shame. I believe that every president must have the tools to do the job.

Our workers need trade agreements that create jobs for Americans. Our consumers need them so they can sell their products overseas. Our farmers need them so they can expand their markets. Our workers need them so they can sell their products overseas. Our consumers need them so they can spend more money on their family and less money on border taxes.

The only way we can get these trade agreements is to give the President fast track authority. It is a shame that so many Democrats have played politics with trade. It is sad that so many Democrats have relied on the politics of fear and isolation. It is a scandal that the President has misled the American people about his commitment to support fast track, when negotiating trade agreements is one of his most important responsibilities.
A vote against fast track is not only a vote of no confidence in this President, it is also a vote of no confidence in the world economy. A vote for fast track is a vote for free trade and continued engagement with our trade partners. I ask Members to vote for fast track.

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

Mr. Speaker, I just hope that the gentleman from Illinois has picked up some votes with the major changes he made in the legislation. I suspect not, but I just hope he picked up a few votes, because he gave up so much.

Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. FAZIO).

Mr. FAZIO of California. Mr. Speaker, regrettably, I, too, rise to say I cannot vote in favor of fast track today. Many of my colleagues know that the gentleman from California (Mr. Mat-sui), the gentleman from Maryland (Mr. Hoyer), a number of us, helped lead a bipartisan support among Democratic Members in order to win a fair and bipartisan fast track proposal in the past.

Unlike some, my support for strong and fair trade policies for this country has not wavered in the person in the White House has changed. It has been consistent under both Republican and Democratic Presidents.

We rallied the troops last year because we knew the necessity to grant the President fast track authority. Fair and timely fast track ensures, in my view, a continuation of United States success and leadership on the international scale that it must be.

But I must say that, unfortunately, today the timing of this vote has little to do with granting the President fast track authority or reasserting American leadership in international markets. It has to do instead, I am afraid to say, with politics. It is not fair, it is not timely, and I think it lays the predicate for further defeats, if we are not careful, when we have all our forces coming together to bring fast track to a successful conclusion in the next Congress.

Mr. Speaker, I think the International Monetary Fund issue is where this Congress should concentrate its fire. We have seen a lack of leadership in this House on this issue, and we do have in the world monetary system a sickness we have got to address. I hope that this majority, during the next several weeks, will find within itself the ability to put at the top of the list of priorities fully funding that agency, with the reforms that have been worked out in the House Committee on Banking and Financial Services.

But until we find that kind of consensus on IMF, a meaningless, politically driven vote today on fast track, which I fear may have had a chance of succeeding, does nothing but set back the cause that we have all been associated with in the past. I am sad to take the position I do. I look forward to the day when we can put a coalition together with some modifications in this that broaden the base of support for fast track in place and pass it, but it is not going to be today.

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

One more quote, Mr. Speaker, to our distinguished colleagues across the aisle. "...in the way we have led the way in opening new markets with 240 trade agreements that remove foreign barriers to products bearing the proud stamp, 'Made in the U.S.A.'..." Mr. TRAFCANT. Today record high exports account for fully one-third of our economic growth. I want to keep them going, because that is the way to keep America growing and to advance a safer, more stable world." President William Clinton in this Chamber in January of this year.

Mr. Speaker, I yield 2 minutes to the gentlemanwoman from Connecticut (Mrs. JOHNSON), our distinguished colleague on the Committee on Ways and Means.

Mrs. JOHNSON. Mr. Speaker, fast track is an essential tool for advancing America's interests around the world. By removing trade barriers, trade liberalization opens new markets for our goods, and it allows American businesses to compete more effectively.

The truth is the last time we had this vote, the President was the only able to mobilize about 40 votes in support of giving the President the authority he needs to be at the table to negotiate markets for American-made goods. The fact is, that, as a party, they do not believe that America's standard of living depends on selling American-made goods into other people's markets.

Yet, our growth in recent years is directly the result of our success in ever-growing foreign markets. Indeed, foreign trade raises our standard of living. And this vote is simply about this Nation's interest, the national interest, in being at the negotiating table so that we can negotiate access for American-made goods into foreign markets.

Because it is merely about selling, merely about selling our goods to other people, it is about jobs. It is about standard of living. Ninety-five percent of the customers in the world are outside of America. And while we have diddled, while Congress has not been able to give the President authority he has traditionally had, Canada has negotiated 10 percent tariff cuts on their goods into the Mexican market and we have lost customers.

Last year, Europe sold more goods into South America than they ever have in history, and for the first time in history, they sold more goods into that market than we did. Why? Simply because they are at the negotiating table and a part of agreements that has been in history, they sold more goods into foreign markets. Why? Simply because they are at the negotiating table and have made trade agreements that exclude us.

In 1993, the year before NAFTA went into effect, Connecticut exports to Canada totaled $1.4 billion. This number grew to $1.8 billion in 1996 and to $2.8 billion in 1997. Exports to Mexico have increased from $336 million to $530 million over that same period—a 57 percent increase. Increased exports, means increased numbers of jobs. And export-related jobs pay on average 13 to 17 percent more.

Connecticut companies like the manufacturer Lego have seen exports rise at tremendous rates—Lego's exports to Mexico have increased by 300 percent since 1995. Their main competitors from China do not have the benefit of the U.S. negotiated under NAFTA, giving Lego that competitive advantage in that market.

Exports account for a third of America's economic growth. Business' ability to create jobs at home depends increasingly on raw material components and on foreign markets. And yet, how much we sell in other markets depends on our ability to negotiate trade agreements reducing tariff barriers to those markets.

If we continue to let other nations forge trade agreements without us, they will continue to take customers from our market share that will be very hard to win back.

We must restore the Presidents' power to be a negotiating force in shaping the international markets of the future. Without fast track authority, we are simply not at the negotiating table and countries are reluctant to negotiate, knowing that Congress could demand unilateral changes to any negotiated trade agreement at a later date. Let's not tie our negotiators' hand by denying them traditional authority because it makes haggling out international agreements—an already an extremely difficult process—virtually impossible.

I also want to make my colleagues aware that this legislation reauthorizes the Trade Adjustment Assistance (TAA) program which is scheduled to expire in 1999. The TAA program is necessary and important program assists American workers and firms who have been adversely affected by import competition. TAA plays a vital role in protecting working families, retaining a skilled and productive workforce, and allowing domestic companies the opportunity to adjust to foreign competition. It is a unique public-private sector partnership that saves and creates jobs.

Mr. Speaker, I rise in strong support of H.R. 2621, which would continue the 20-year history of granting the president the authority to negotiate trade agreements that then must be approved or rejected by Congress. With 95 percent of the world's consumers living outside our borders, we must have access to the world's new markets. Fast track is a vote for American workers and families. It is a vote for our children's future. Vote "yes" on fast track authority.
The global economy will grow at three times the rate of the U.S. economy. A vote for fast track today is a vote of confidence in our workers and a vote for America's future. I urge my colleagues to support H.R. 2621.

Mr. McDermott. Mr. Speaker, I yield 2 minutes to the gentleman from Washington (Mr. McDermott) for yielding me this time.

Mr. TANNER. Mr. Speaker, I thank the gentleman from Washington (Mr. McDermott) for yielding me this time. Mr. Speaker, I rise today in support of the fast track authorization, as imperfect as it may be. I will relate why. I think this may well be one of the most important issues we face as a Nation since the end of the Cold War.

During this century, most of the standing that this country has enjoyed in the world has been due to military alliances. During the Cold War, it was who was on whose side, either the East, U.S.S.R. or the West, the United States. I believe in the next century the Nation's standing in the world will be just as clearly by trading alliances. I think in this global economy which we are definitely in we have to remain engaged.

It is not a hard question. If one believes, as I do, that we can grow our food in this country than we can consume, we can make more stuff than we can buy and sell to each other, we must have some means by which we sell this to somebody else, or it is an economic fact of capitalism that whoever is engaged in value production is going to lose their job. That is not a political argument. That is an economic fact of capitalism.

Now, I regret very, very much that this bill is up today. What some of us on our side of the aisle, worked our heads off last November to try to get the votes to pass this. I think we were within three or four votes when the bill was pulled. I have not seen, quite frankly, the effort applied to bring this bill to the floor today.

As I said, I think this is one of the most important votes this Congress will take since the end of the Cold War, and I regret very deeply and very much the circumstances under which we are considering it.

Nevertheless, I intend to support it, because I think it is that important to the country. I hope after it fails today, which I assume that it will, that we can get together and do something for the country, not our political agendas.

Mr. Crane. Mr. Speaker, I yield myself 30 seconds.

Mr. Speaker, I have another quote for everyone that, interestingly enough, is germane to our current situation in the Florida Keys. "And I think we should say to all the people we are trying to represent here that preparing for a far-off storm that may reach our shores is far wiser than ignoring the thunder until the clouds are just overhead."

That was a reference to some of the economic problems with our trading partners in Asia, and again part of the State of the Union message by President Clinton in this body in January of this year.

Mr. Speaker, I yield 2 minutes to the distinguished gentleman from New York (Mr. Houghton) for his remarks.

Mr. Houghton. Mr. Speaker, I rise in support of fast track. I was not ready to vote yes last time, because I thought that there were some things that we could do as far as protection of our jobs, as far as the environment, but I voted on it. It may not be the appropriate time now. I do not know when an appropriate time is.

But I will tell my colleagues the thing that I worry about. This is not just an intellectual discussion here in this Chamber. We are living in a real world, and the world is passing us by, particularly now with the emphasis of the Asian flu.

I have taken groups down to Chile, to Argentina, to Mexico, to other parts of the world, all privately sponsored, and the one thing they ask is, "When are you going to give the President the authority to negotiate with us, not just on a bilateral but a multilateral basis?"

Mr. Speaker, I think it is so important that we do that. Time is important. It is not just an intellectual argument or a legal argument. It is an argument that has to do with business expansion. And countries and institutions and industries are passing us by, and I think it is very important we look at that.

Another thing I think is important look at is separate the two economic issues. People say we have to protect our jobs. Therefore, we cannot have fast track. But protecting our jobs, there are things we can do through 301, Super 301, section 201 of the Trade Act.

But to protect our jobs by not allowing our salesmen to go out and sell our products is crazy. Ninety-six percent of the customers of this world are outside of this country. We have got to reach them. Time is against us. We must pass this legislation.

Mr. Matsui. Mr. Speaker, I yield to the gentleman from Maryland (Mr. Hoyer).

Mr. HOYER. Mr. Speaker, I thank the gentleman from California (Mr. Matsui) for yielding me this time, a gentleman who has been one of the great leaders on this issue on our side of the aisle.

Mr. Speaker, I rise as someone who supported NAFTA, who supported GATT, who has voted for fast track, and who was one of the 42 Democrats ready to vote for fast track, which was not brought to the floor just about a year ago.

I rise as someone who is going to vote "no." I rise lamenting the fact that this issue has been so politicized, an issue that the chairman of the Com-
George Bush got fast track authority from a Democrat Congress. They went out and they negotiated agreements that were in the interest of this country. Now we have a situation where President Clinton is coming before a Congress that is dominated by Republicans and the Republicans are wanting to give him fast track authority to negotiate on behalf of our country to open up foreign markets. Yet the Democrats are not giving it to their own President. It has only lapsed twice in history and again in 1998. This is the longest lapse in duration by far.

It has been 6 years since this President has had full fast track authority. We need to provide it. Thirty percent of our growth in our economy is directly related to exports. We have the freest market in the world. We need to knock down the barriers in these other countries. We have a whole slew of multilateral agreements that are being negotiated. The next couple of years. We have to be at the table.

The fact is, we are not going to be taken seriously either by individual countries in our negotiations on a bilateral basis or by the rest of the world on our multilateral negotiations unless the President has the authority under fast track to bring an agreement to this Congress for an up or down vote.

Remember, we retain our right to turn down any agreement we do not like. So this is not even about specific trade policy issues. This is about allowing the American economy to move forward. We cannot stick our heads in the sand. We are living in a global economy. We need to have America out there as a leader in that global economy to make it a freer economy, to help with regard to jobs and exports in this country.

I urge my colleagues, forget the politics. Forget the Republicans and the Democrats. Do what is in your heart. If you really believe in free trade, vote for fast track today.

Mr. MATSURO. Mr. Speaker, I yield 1 minute to the gentlewoman from Ohio (Ms. Kaptur).

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

Just this week Levi Strauss announced the layoff of 6,395 U.S. workers at 11 plants. Kodak has announced the layoff of 6,395 U.S. workers at 11 plants. Huffy Bicycles in Celina, Ohio have just gotten the bad news. And hundreds of workers at Huffy Bicycles in Celina, Ohio have just gotten the pink slip.

By voting no on extending fast track authority today, this House has the opportunity to redefine U.S. trade negotiating policy—from one which gives away the store—to one that establishes an international trade regime of fair and reciprocal trade agreements between our nation and our trading competitors.

Look at the evidence on agriculture provisions: The consultation provisions in the modifications made to H.R. 2621 in regard to agriculture issues have no practical effect. Just with our NAFTA trading partners, what has been a surplus imports rose by $3 billion and exports by only $1 billion—a $2 billion negative impact on our agricultural trade balance. Take Florida's tomato industry, for instance. In 1991, Florida had 300 tomato producers. In 1995, there were only 75.

The problem with existing trade agreements have created that adversely affect U.S. farm exports include: Lack of inspection of food imports; inadequate trade dispute resolution system; and Currency fluctuations.

Overall, since the Trade Act of 1974, implementation of fast track, the U.S. has suffered a negative merchandise trade balance. From $9 billion in 1976 to an estimated $220 billion in 1998.

The problem is not trade but our trade policy. Our trade policy serves the needs of nominally American multinational corporations whose business visions and plans are global in scope. They maintain no national allegiance. Our trade policy has failed America's small businesses, America's working families, and America's consumers.

When a multinational conglomerate moves a factory overseas, the local grocery doesn't go with it. The auto parts store loses its customers. Small supplier companies lost their customer. American small business hurts. Real wages for American working people have fallen since 1973. Consumers pay as much for an Arrow shirt made in Thailand as for the same shirt made in the U.S. What is fast track?

Fast Track is not required for good trade agreements. It is required to get bad trade deals through Congress.

This Administration has negotiated 220 plus trade agreements without fast track. The fast track bill we consider today actually puts limits on the President's negotiating options rather than giving him a free hand to negotiate.

Our trade balance with MERCOSUR countries has steadily improved since 1990 from $3.2 billion to $9.2 billion in 1996 without a free trade agreement. MERCOSUR countries have an average tariff of 14%.

China is touted as the great new market for American exports. The average annual income in China is $2,200. China has many tariffs on consumer goods of 40% or higher. Imports to China have to survive an obstacle course of non-tariff barriers including import regulations that are not even published. China demands technology transfers to accompany the importation of high-value-added goods in order to develop domestic competition. Our trade surplus with China is illusory. Our trade surplus with Mexico has become a $16 billion trade deficit. NAFTA has eliminated 400,000 job opportunities in the U.S. The labor and environmental side agreements have provide toothless and unworkable. Just last year, Leevi Strauss announced the layoff of 6,395 workers at 11 plants and Kodak has announced plans to lay off up to 14,000 U.S. workers; 100's at Huffy Bicycle in Celina, Ohio.

NAFTA has failed Mexico. The Mexican standard of living has been cut by 50%. Maquiladoras have increased not decreased and their employees live in squalor. Most U.S. exports to Mexico turn around and come back as imports. The Mexican market for U.S. exports has been a disappointment.

The solution is a U.S. trade policy that demands reciprocal treatment of labor and environmental issues on a par with market access and tariff issues.

Vote no on fast track.

Mr. CRANE. Mr. Speaker, I yield my time to the gentleman from Nebraska (Mr. BEREUTER).

Mr. BEREUTER asked and was given permission to revise and extend his remarks.

Mr. BEREUTER. Mr. Speaker, I rise today in strong support of fast track negotiating authority.

Today's vote is quite likely to be the most important vote of the 105th Congress, and it could not come at a more important time. Forty percent of the world's economy is in recession. The Asian financial crisis has spread from Thailand to Indonesia, to Korea, to Russia, and it now stands on Brazil's doorstep. If Brazil succumbs to this crisis, Argentina, Mexico, and the United States are not far behind.

Many countries are retreating from their promises of trade liberalization and financial modernization, this is a crucial moment for the world's economy and for world growth. A setback for fast track in the 105th Congress, be it late year or this year, is a setback for United States leadership for trade liberalization. It is a setback for the appropriate and necessary trend toward the establishment of market-oriented economies throughout the world.

I, for one, support a serious and thorough reexamination and reform of the international financial architecture, I believe that fast track negotiating authority for the executive
branch is very much relatedly of paramount importance in this time of global financial crisis and perhaps a slide toward global recession. The ability of the United States executive branch to initiate and conclude bilateral regional and global trade agreements is absolutely crucial for worldwide economic growth.

I believe that the President of the United States and a majority of Members here understand that. Protectionists in this country want to make this fast track voting authority expire and put international trade, on GATT and NAFTA. This Member says, let it be a fair reform under fair rules, a fair referendum.

I urge my colleagues to support fast track legislation for the President. Mr. McDermott. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. Bentsen).

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

Mr. Bentsen. Mr. Speaker, I rise in support of the fast track legislation. I supported it last year. I think it is the right thing to do. I think the future of our economy is tightly tied to trade. But I think it is a mistake to take this bill up today. The chairman of the Committee on Ways and Means talked about the delicate markets that we face right now. Everybody knows this bill is going to fail. So here we have a situation where the House of Representatives is going to vote down fast track trading authority. We have been incapable of mustering support for the IMF recapitalization. We look like we are probably doing away with the fiscal responsibility that started just a few years ago through the highway bill and through the tax bill. So as the world financial situation worsens and starts to affect us, America appears to be turning inward, at least if we look at the House of Representatives. I think that is a terrible mistake.

The gentleman from Texas (Mr. DeLay), my colleague, and the chairman of the Subcommittee on Trade quoted the President in his State of the Union address he gave earlier this year. They did not quote the part where he talked about the IMF. And the fact is, you all cannot get it out of your own conference. The votes are here to pass the IMF bill between this side and your side, and you cannot get it out of the political debate in your own conference.

The fact that we are having this vote today, it is not about trade. It is not about good policy, although I think fast track is good policy. It is about politics. That is what it has come down to. Maybe that is the way end of sessions are. It is all about politics. We are going into an election.

The problem is, the people out in the country are looking at the House and they are saying, they cannot do anything. They are a paralyzed body. But even worse, the markets around the world look at it and say, they cannot do anything. The United States is paralyzed. And that just undermines confidence and increases contagion further throughout the world.

Who pays for that? The American worker that we are all talking about today. It is a real shame that the House is taking this up when they know it is going to fail. It is going to make the United States government not vote for it, but I think it is a big mistake.

Mr. Speaker, I rise in support of this legislation to grant the President fast-track authority to negotiate international trade agreements because I believe, I believe that expanded trade is good for our economy and good for American workers. However, I strongly disagree with the majority's decision to play politics with this issue by scheduling this vote today when it is clear the votes are not there to pass this bill. This decision undermines our nation's history of bipartisanship on trade issues, poisons the long-term prospects for such legislation, and in the short-term risks further destabilizing world markets already experiencing the greatest instability and weakness in 50 years. The decision to hold this vote today is a parochial politics ahead of international leadership, to the detriment of our own economy and the world economy.

Let me be clear. I strongly support extending fast-track authority to the President. In an atmosphere of last year's vote, and after discussion with constituents, including labor and industry, as well as government officials and economic and trade experts, I announced that I would vote in support of the fast-track legislation. I stated because I believe that expanded trade, through agreements that reduce foreign trade barriers and open new markets for American products, is vital to growing our economy, raising our standard of living, and creating high-skilled, high-wage jobs. However, I acknowledge that some Members believe that the President has not been secure from the President's commitment to significantly expand our nation's trade adjustment assistance programs to help those who are hurt by trade. While I believe that trade helps our economy as a whole, we must recognize that some companies and some workers are hurt by trade, and we need to put in place a comprehensive trade policy that seeks to maximize the benefits and minimize the harm. I remain strongly committed to an economic policy that includes free and fair trade that reduces foreign trade barriers to American products, while ensuring that all Americans share in the benefits of trade through trade adjustment assistance and retraining programs.

When I agreed philosophically with the intent of this legislation, I believe it is short-sighted and dangerous for the majority to hold this vote today. Global markets are looking to the United States for stability and guidance as global financial markets move through this difficult era. As Federal Reserve Chairman Alan Greenspan noted in testimony to the House Banking Committee on Wednesday, world leaders, including the U.S. Congress, must pay very close attention to the potential harm of the global financial crisis to their own countries. In a time when we see contagion in this region the Russian giant, and the economic turmoil in Latin America, we simply cannot take our vote on fast-track lightly. By voting on this bill today, which has no chance for passage, this body is taking a very irresponsible action that places short-term political goals ahead of ensuring global markets of our nation's commitment to financial security and free markets. The end result of this politically motivated effort will only make passing fast-track legislation during the next Congress. While I will vote 'yes' on final passage, it is only with the most reluctance and hesitation.

Mr. Crane. Mr. Speaker, I yield 2 minutes to the gentleman from Florida (Mr. Shaw), our colleague on the Committee on Ways and Means.

Mr. Shaw. Mr. Speaker, I thank the chairman for yielding me the time to speak on this most important piece of legislation.

So much has been said on both sides, by Members on both sides of this issue and on both sides of the aisle, about what is happening in the world economy today. And some of those things, when you really zero in on them, are rather frightening.

All this legislation does is to give the President the authority to go to the bargaining table to work out some type of a trade agreement, free trade agreement. And then, with the expectation and the knowledge and the fact that this particular treaty has to come back to this body and to the Senate for ratification. We in no way empower the President to do anything. We simply give him the guarantee of an up-or-down vote on whatever he might negotiate.

Now, for most of the Members that would seem so logical, but politics has gotten into this thing in an incredible way and an incredibly bad way. The unions are out there negotiating or trying to lean on their Members to vote against the fast track authority, when the fact is and the bottom line is that the higher-level jobs stay here in the United States, and those are the type of jobs that these unions want to attract to the United States. I never could understand that exact reasoning.

I think most important, even if you are not a free trader, the rest of the world is becoming a free trader. We are not there. The rest of the world is moving ahead. We are standing still in a protectionist situation. This is what this is all about.

If we were able to pass fast track within the next hour, hour and a half, that would probably be one of the most important votes that we could take in this session of the Congress that show that we are moving ahead. How can the strongest, largest economy that has ever been on the face of this earth be afraid of free trade?

We are the world's greatest exporter, the largest exporter in the world. Our jobs depend upon it. With all of the problems that are going on in the other economies, let us pull together and pass fast track today, let us give the President the authority that he needs to move us ahead in the world economy.
Mr. MATSUI. Mr. Speaker, I yield myself such time as I may consume, just to mention to the gentleman, if you want to pass fast track, all you have to do is get the law that expired in 1994, which we passed in 1988, put it on the floor. You will probably have 250 votes. But you do not want to do that because you really do not want this bill to pass. You want to use it for partisan advantage.

Mr. Speaker, I yield 2 minutes to the gentleman from Oregon (Mr. BLUMENAUER).

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

This is a sad moment for me because I came to Congress believing in enhancing the United States role in a global economy. I represent a State which has prospered mightily from trade. I have enjoyed working with my colleagues the gentleman from California (Mr. Crane), the gentleman from California (Mr. Dreier), and the gentleman from Arizona (Mr. Kolbe) in the development of bipartisan trade policy.

Last year I was part of an effort, and we came close, there were maybe 210 Members who were willing to vote. But because we were not quite close enough, the Republican Speaker and the administration pulled it back.

Now, in an increasingly partisan atmosphere, the Republican leadership has recklessly endangered our progress and will produce not just fewer Democrats, there will be fewer Republicans that will vote for this bill than we claim to have had last year.

It will undercut our progress on environment and labor. It is a blatant partisan effort that will freeze some of the positions on both sides of the aisle. It toys with Members who really do care about this issue. And by producing today fewer Republicans, fewer Democrats, we are going to send a negative economic signal both at home and abroad.

Most sadly, it shatters the bipartisan trade leadership efforts that Members have worked so hard on on this floor.

I will personally work to restore that bipartisan coalition, work to build bridges, listen to and deal with the legitimate concerns Members have. But this failure that is going to occur today does not underscore the weakness of this President. It talks about the recklessness of the Republican leadership that is not going to be able to produce the same amount of votes that they claimed last year. I am not going to dignify this political act with a yes vote. I will vote present, and I urge others to do similar or vote against it.

I thank the gentleman for yielding me the time.

Mr. CRANE. Mr. Speaker, I yield myself such time as I may consume to remind our distinguished ranking minority member that there was obviously something substantive in this bill when he voted for it in committee. I am sorry that the gentleman changed his position with the passage of time, because we need that kind of important bipartisan support.

Mr. Speaker, I yield 2 minutes to our distinguished colleague, the gentleman from Minnesota (Mr. RAMSTAD).

Mr. RAMSTAD. Mr. Speaker, I thank the distinguished chairman for yielding the time to me.

Mr. Speaker, ever we needed to put statesmanship ahead of partisanship, it is here and now. We can move forward, remaining engaged in the global marketplace, or we can turn backward and isolate ourselves, driving a stake into our economy and saying goodbye to thousands of lost jobs.

As has been said before, the world economy will move forward with or without us. Our trading partners will continue to negotiate and enter into new trade agreements which grow their businesses and create new jobs in their countries.

Look at the last 20 major trade agreements enacted in this hemisphere since fast track expired. Where is the trade policy? Of all 20 major agreements. Around the world, believe me, Mr. Speaker, major exporting nations are hoping that Congress votes down fast track authority tonight.

Our competitors win if the world's largest economy is excluded from trade negotiations, pure and simple. As a Minnesotan and a member of the Subcommittee on Trade, I have seen firsthand the value of exports and increased trade to U.S. workers. My State of Minnesota is the 12th largest exporting State. The Twin Cities, which includes the Third Congressional District, is the largest agreement in terms of exporting in the Nation. Eight percent of Minnesota's gross State product is exported to other nations. Minnesota's exports over the last five years have grown 150 percent. Jobs have increased 25 percent.

But, Mr. Speaker, we cannot sit still. We must pass fast track to continue to grow our economy. Farmers in Minnesota and the rest of the Nation need the expanding markets in Latin America and Asia. Our high-tech manufacturers need them. Intellectual property needs them. Fast track is needed to break down the barriers to those critical markets.

The gentleman from New York (Mr. HOUGHTON) told us that 96 percent of the world's consumers live outside the United States. We cannot ignore them. Let us not leave America's workers, farmers, consumers and businesses behind. Let us put statesmanship ahead of partisanship. Let us pass fast track and keep America competitive.

Mr. MATSUI. Mr. Speaker, I yield myself such time as I may consume. I just might mention to the chair of the subcommittee that we did not even bring this bill to the committee nor subcommittee. We just brought it right to the floor because you were so anxious to make a political point.

I might add also last week in Congress Daily AM, "One senior Republican aide appeared to view the bill as a loser, indicating that the leadership's decision to press is based upon political calculations. "The decision to do it is to show business who is in the camp of business and who is in the camp of labor.""

That is a great way to pass legislation. You know this bill is not going to pass. All this rhetoric about how we really need fast track is just that. It is rhetoric. This is not a debating society. This is to pass good legislation. But you are incapable of doing it because you folks do not know how to compromise. We passed NAFTA. We passed GATT. We passed the MFN China. You cannot pass legislation, because you just do not know how to compromise with the other side. It is a political problem. You like to just talk about it.

Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. BECERRA).

Mr. BECERRA. Mr. Speaker, I thank the gentleman for yielding me this time. I would agree with everyone who has said that we need free trade. I would agree with everyone who says that we need to give the President fast track authority to negotiate free trade agreements. We need a trade policy that offers fair treatment for America's workers and offers protection of our environment. And we need a bill to vote on for fast track authority that is not encumbered by politics.

Everyone here, as has been said before, knows that this bill is not going to pass. If you believe it will, then you should stand up here and say that you are willing to put your month's paycheck behind that. Yet we are five days away from the end of this fiscal year. On day six, we would have to shut the doors of government down because we do not yet have a budget in place to allow us to operate the government for the next fiscal year beginning October 1. Were it not for a short-term, stopgap, emergency continuing resolution that passed this House that allows us to operate until October 9, we would be preparing to close all of the doors of government down, from our parks to our deals. This is to pass fast track authority when we know it is going to happen. October 9 will come, and we still will have the other appropriation bills passed. We are not doing our work. We know this will not pass. It is clear six weeks away from an election, a point is to be made.
That point could have been made without jeopardizing the future of free trade for this country, of good fast track authority for the President.

It is unfortunate that politics again has taken over this House and has doomed this otherwise good opportunity to have free trade authority and fast track authority for this President.

Mr. CRANE. Mr. Speaker, I yield myself such time as I may consume. I would like to say a few words to my colleagues before I yield to the gentleman from Minnesota (Mr. GUTKNECHT).

A provision in our fast track bill not included in any other version that has passed the House before in the 1980s or any other time, Special 301 for agriculture, requires the Trade Representative to place a much higher focus on our Nation's farmers every year, initiating cases against those countries with barriers to U.S. agricultural products. There is no doubt about it, our farmers are hurting this year. Why? Part of it is weather. In my own constituency we have had half the rain of a normal year. But a lot of it also has to do with international conditions. South American countries had a bumper crop this year, pushing worldwide crop prices down. The Asian economic crisis pushed prices down further, because Asian demand has plummeted. The lack of demand is cutting U.S. agricultural exports by $2 billion or more, according to USDA estimates.

But we need to be able to tell our farmers who are hurting splendidly from the rain, that we are working on their behalf.

Trade is one of the most important tools we have to increase farm income. Last year our farmers exported $57 billion in agricultural products. With a $21 billion trade surplus last year, farm income is the largest dent in our trade deficit of any industry. Special 301 for agriculture helps address trade barriers. Under Special 301, when the U.S. Trade Representative makes their annual report on trade barriers, they must identify as priority countries those nations whose agricultural trade barriers have the most harmful impact on U.S. agricultural products. After identifying those countries, USTR is required to negotiate removal of the barriers. If negotiations are unsuccessful, the U.S. can take retaliatory action under Special 301.

I am pleased to have worked on this provision with the gentleman from Minnesota (Mr. GUTKNECHT). I urge support of this bill.

Mr. MATSUI. Mr. Speaker, I yield 1 minute to the gentleman from Texas (Mr. EDWARDS).

Mr. EDWARDS. Mr. Speaker, as a Democratic supporter of fast track, I say here today that the Republican leadership of this House has killed the possibility of fast track's passage for years to come.

Let us be clear about what has happened and let us be honest about what happened. Republicans have enough votes right now today to pass fast track without one single Democratic vote. You know that and I know that. But you also know you cannot do that, because there are a lot of Republicans supporting fast track. So what you have done basically is to say, "We can't pass it on our own," and then you gleefully let your leaders go out and say this is a great vote to have right before the election because it will give Democrats grief, and then you make no real effort to put together a bipartisan bill, and then have the audacity to have some Members come to the well of this House and blame the defeat of this on Democrats. I would say that is disingenuous.

I want fast track to pass. I think it is the right thing to do. But I hope that every American farmer and rancher and every American business that understands the importance of fast track knows that the leadership today is putting the nail of death into the coffin of fast track's passage.

Mr. CRANE. Mr. Speaker, I yield myself such time as I may consume. One more quote: "As we enter the 21st century, the global economy requires us to seek opportunity, not just at home but in all of the markets of the world. We must shape this global economy, not shrink from it." That again is President William Clinton in this Chamber in January of this year.

Mr. Speaker, I yield 1½ minutes to the gentleman from Virginia (Mr. DAVIS).

Mr. DAVIS of Virginia. Mr. Speaker, this is not a bipartisan bill? This is a bill that just a few months ago the President would have signed and many of you voted for it in committee and would vote for it now.

I am really disappointed in some of my colleagues on the other side of the aisle. What I hear them saying is they are more concerned about protecting some of their Members from a controversial vote that splits their coalition than in passing fast track. Frankly as one of the Republicans who voted for IMF funding over objections from some of my leadership, I do not think it is statesmanship, I do not think it is the right direction for the country, and I do not think it is the right thing to do by anybody by voting "no" on this or fooling anybody.

But meantime, the world goes on. Dozens of treaties are being negotiated around the world between countries, while America simply sits on the sidelines. Chile, the fastest growing economy in the western hemisphere, has new trade agreements with every country in the western hemisphere except for Cuba and the United States. Their markets now buy more from European countries than from the United States because we have not been able to sit down and negotiate agreements with them because we sit idly by in the House waiting for, I guess what people on the other side with for an opportune time, which I gather now is sometime after the election when they believe their coalition is not split.

Our experience with amendable trade agreements goes way back to Smoot-Hawley and shows that it does not work. We need fast track legislation. This is the longest expiration that we have had in history. With 95, 96 percent of world consumers living outside the United States, it is important that the U.S. can support its exporters. Whenever you talk about the deficit, whether it is computers, whether it is food and agricultural products, that we be able to sell these at a fair price and penetrate other markets. Without this, we cannot move on. A "no" vote today just kisses this off to six months or a year from now. In the meantime, American consumers suffer by paying higher prices and American exporters lose jobs.

Mr. MATSUI. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota (Mr. OBERSTAR).

Mr. OBERSTAR. I thank the gentleman for yielding me this time. Mr. Speaker, we in Minnesota and Michigan's iron ore and mining industry and the lower lake steel mills must never forget the harsh lessons of the 1970s and 1980s. We paid a terrible price for unfair trading practices in steel and iron ore. We lost 330,000 jobs in the basic steel industry in America, a 57 percent reduction in plants that we have lost. The plants are closed, nearly 10,000 jobs permanently lost in Minnesota's iron ore, mining and taconite industry due to subsidized imports of steel from Japan. Korea, Europe and Brazil.

Our domestic industry since then has modernized, spent $50 billion in new plant and equipment, producing the highest quality steel in the world. Our productivity stands at four man-hours per ton. Our plants give the best quality steel in the lowest cost. Net steel imports have surged in May, June and July this year, 113 percent up from Japan, 90 percent up from Korea, 32 percent up from Russia, Ukraine and

September 25, 1998
Count. I say no fast track in the face of unfairly traded steel, dumped in the U.S. market at subsidized prices with the label "Japanese steel at Russian prices imported through Mexico." Mr. CRANE. Mr. Speaker, I yield 2 and a half minutes to the gentleman from Illinois (Mr. MANZULLO).

Mr. MANZULLO. Mr. Speaker, they get up at the crack of dawn and they have as long a day as the rest of us. They take care of their animals. They cultivate their crops. They repair the roofs of their barns that have been torn off by savage winds. They are preparing to go into the field, to cultivate the corn, to harvest it, to sell it, and the time to pass fast track. Because without fast track, American farmers have lost 78 million bushels of corn in sales to Chile and other Latin American countries to the Argentinians. Because Argentina has an agreement with those four Latin American countries and we do not.

Let us talk about the people. Let us talk about the farmers who are directly suffering as a result of the President’s failure to lead the Nation in adopting fast track legislation. Like many of my colleagues, I have lived outside the United States for 9 years of my life, and I have seen firsthand some of the miserable conditions some of the rotten conditions under which some children have to work. As the true leader of the world stage, I believe the United States must be concerned about those who are least able to protect themselves, the children.

Mr. Speaker, I have worked with the administration and leaders from both sides of the aisle to have fast track legislation that would ban child labor in countries with which we negotiate under fast track. This bill makes an important first step in this direction. As of last night, and I thank my colleagues, as of last night the bill requires the President to focus on the worst prosecuted labor laws, and submit to this body a report on the Nation’s child labor laws.

I might share with my colleagues that the amendment that I had tried to bring before this body did much the same thing. So, Mr. Speaker, I claim that partial victory and I feel very good. Last year I worked very closely with the administration to support my child labor language, and the President did support my efforts and agreed to my language, and I have a letter here that affirms that, that precedes the fact that we made this effort.

This fast track bill gives farmers a fair shake in fast track negotiations. The legislation requires the trade representative to identify countries that deny fair and equitable market access to U.S. agricultural products. Also, before entering into negotiations that reduce United States tariffs on agricultural products the President must consult with the agricultural committees of the House and Senate. Invoking the ag committee is a very good addition to the process.

Make no mistake, fast track is an important part of the long solution for the American economy. What our agricultural community needs in the short term is to fully fund the IMF. I have always supported fast track, and I have always supported provisions that contemplate child labor. Today I declare a partial win and am pleased to vote for fast track. Both of these are important measures.

Mr. CRANE. Mr. Speaker, I yield 1 minute to our distinguished colleague, the gentleman from California (Mr. CALVERT).

Mr. CALVERT. Mr. Speaker, I rise today in support of fast track trade legislation.

For the last several years the majority in Congress has eliminated the deficit, produced tax relief for the first time in 16 years and reformed welfare. The result has been a strong American economy. And Congress today has its role to play again. We cannot allow the current global economic crisis to slow U.S. economic growth any further.

By denying the President the ability to negotiate fast track trade agreements we are hurting the long term prosperity of our country. We in Congress must send a strong and clear signal to our citizens and the world that we are willing to make the tough decisions today to secure prosperity for our children.

Mr. Speaker, I urge all my colleagues to support fast track legislation. It is the right thing to do. As was mentioned, 95 percent of the customers are outside of the United States. Keep our country strong, support fast track.

Mr. MATUS. Mr. Speaker, I ask unanimous consent to yield 2 additional minutes to the gentleman from Washington (Mr. McDERMOTT) who is a member of the Committee on Ways and Means, and that he in turn be permitted to control that time.

The SPEAKER pro tempore (Mr. HASTINGS of Washington). Is there objection to the request of the gentleman from California?

There was no objection.

Mr. MATUS. Mr. Speaker, I yield 1 minute to the gentleman from Illinois (Mr. DAVIS). (Mr. DAVIS of Illinois asked and was given permission to revise and extend his remarks.)

Mr. DAVIS of Illinois. Mr. Speaker, the American people oppose fast track by a 2-to-1 margin because they see existing trade agreements that do not do enough to protect living standards or to keep our food, air and water safe. Some Members of this body feel that because we are in an economic boom like we have never seen before that the American people should support fast track to give our industries an even stronger economic boost. But while the rich of America are enjoying the good times of economic prosperity, I am constantly reminded in my district that there are no good times to be poor, but some times are worse than others.

Now we understand the question is not whether we should trade. Of course we should. There is no turning back from our global economy. But we also must understand that how we trade makes a big difference.

Mr. Speaker, I heard an old African proverb that says when elephants fight it is only the grass that gets trampled. Do not let this fast track further trample the lives of every day people. I ask that we vote against fast track and vote to save decent jobs for the American people.

Mr. CRANE. Mr. Speaker, I yield a minute and a half to our distinguished colleague, the gentleman from Minnesota (Mr. GUTKNECHT).

Mr. GUTKNECHT. Mr. Speaker, I thank the gentleman for yielding this time to me.

Mr. Speaker, I just want to say that some of the debate I have heard so far today on the floor of the House is almost embarrassing. We have literally heard Members say...

I would have voted for this bill 6 months ago, and I will vote for it in January, but I cannot vote for it now. Mr. Speaker, it almost gives hypocrisy a bad name even here in Washington.
This is a very important vote, and as some of my colleagues have already pointed out, many of our farmers are in the middle of the harvest right now, and, frankly, we need to make sure that that harvest has a market.

As my colleagues know, a lot of people have criticized the farm bill and they say farmers are going broke today. Well, of course they are. We have lost $5 billion worth of exports. Trade was at record high back in 1996, and so was farm income, and it is no coincidence. Exports have dropped, and so has farm income. We cannot eat all that we produce here in the United States. Trade is critically important to us, and I want to call attention to something that the gentleman from Iowa (Mr. Boswell) said just a minute ago and the gentleman from Michigan (Mr. Camp) said earlier as well:

This bill has in it super 301 language so that our government is now going to be responsible for enforcing the trade agreements we have to my friends in Europe. And therefore we have required that the trade groups have actually had to enforce them.

In the end, Members, this is a debate between those who believe that America can compete in a world marketplace and those who believe that America cannot. I, for one, am not willing to give up on America's farmers or America's workers because I believe that America can and will and must compete in a world market-

Mr. Stenholm. Mr. Speaker, I rise in strong support of fast track legislation on behalf of the farmers and ranchers and other producers of America. This legislation is far more important than any short-term political gain or benefit to either side.

U.S. agricultural trade is a great success story. Our agricultural exports have increased nearly $20 billion since 1990 to $57.1 billion in 1997. Seventy percent of this expansion was due to the rising volume of high-value exports, such as beef, poultry meat, and horticultural products. Members to my side of this issue about agriculture are all of the people who have businesses related to agriculture. In the absence of recent trade progress, my constituents are hurting, and so are all of the people who have businesses related to agriculture. In the absence of recent trade progress, my constituents have lost ground and see their incomes decrease by 30 percent. They need a ray of hope that markets will soon open up, allowing them to keep and expand jobs and care for their families.

Mr. Speaker, H.R. 2621 would renew the authority necessary to negotiate new trade agreements aimed at achieving these objectives. To those who oppose this legislation, that is all we are talking about is sending our negotiators back to the table.

To the Republican leadership I say that I sincerely hope in the process of making the judgment to bring this bill to a vote today, you have done everything in your power to make sure this measure succeeds. If this was a reckless gamble on your part, I fear the message that failure will send to our trading partners around the world.

To my colleagues on the Democratic side of the aisle who support free trade but have been frustrated about the process, let me say I understand their frustration. Indeed, it is frustrating to the people above politics. Our constituents who need jobs, who need opportunities, look at our partisan squabbling as just so much childishness. Adults are expected to know that there comes a time when it does not matter who is at fault. The circumstances they have been given and try to do what is right.

Mr. Speaker, I appeal to my friends on both sides of the aisle to vote yes for fast track. Mr. Speaker, I rise in strong support of fast track legislation on behalf of the farmers and ranchers and other producers of America. This legislation is far more important than any short-term political gain or benefit to either side.

Mr. Speaker, I appeal to my friends on my own side of the aisle to rise above the circumstances into which we were thrust and reaffirm our commitment to the hard-working men and women of our districts who count on us to keep their best interests at heart.

Mr. Speaker, I ask all Members to put politics aside and pass this legislation. Vote for the American farmer and rancher, the small business man and woman. Vote yes for fast track.

Mr. CRANE. Mr. Speaker, I yield 2 minutes to our distinguished colleague, the gentleman from Nebraska (Mr. Barrett).

Mr. Speaker, I obviously rise in support of H.R. 2621.

Mr. Speaker, I know that everyone is aware of the economic distress out there on our farms and our ranches. Fast track, of course, is one of the much needed responses to that situation.

This fall, if we fail to pass it and if we adjourn without having extended fast track, if the legislation does fail, I think the finger of blame can be directed, of course, straight at the White House for failing to rally the number of Democrat votes needed to pass.

Agriculture is dependent on its export markets, and it is the responsibility of Congress and the administration to make sure that those markets are maintained and expanded. We need lower foreign tariffs, we need to stop the tide of foreign trading enterprises to block or underbid our U.S. ag exports, and of course we need fast track to get this done.

For those who argue an imperiled Bill Clinton should not be granted fast track authority, they might be looking at the trade issue with blinders on. It will be the trade experts at the table, not the President, and if history is any gauge, the next round of GATT will not be completed for years. Bill Clinton will be out of the picture by then.

They should be on the side of agriculture and other industries dependent on exports, and I hope it is. I hope enough Members muster the courage to
ignore the pleadings of labor unions and protectionists who want us to live in the past ignoring the global marketplace and limiting future economic growth. U.S. businesses and industry cannot survive without fully participating in the global marketplace, and of course we need fast track to negotiate that full and fair participation. I urge my colleagues to support H.R. 2621.

Mr. MATSUI. Mr. Speaker, I yield 1 minute to the gentleman from Ohio (Mr. Brown).

Mr. BROWN of Ohio. Mr. Speaker, the message we send to the world today by voting no on fast track is crystal clear. The primary focus of the next generation of trade policies will be in support of worker rights, strong environmental laws and solid food safety regulations.

Future trade agreements coming from this Congress will mean better wages in developing countries, and improved environment, better food safety and improved workers’ rights. Existing trade agreements all too often eroded our living standards, undermined clean air and water laws, and continued to depress wages from workers all over the world, from Nike workers in Indonesia to GM workers in Mexico, to metal workers in Lorainne, Ohio.

Vote no on fast track.

Mr. CRANE. Mr. Speaker, I yield 1½ minutes to the gentleman from Kansas (Mr. Ryan).

Mr. RYUN. Mr. Speaker, while the majority of Americans are enjoying an unprecedented level of economic prosperity, natural disasters and low farm commodity prices are hurting farmers nationwide.

I have seen firsthand the devastating effects facing farmers in my state. The farmers near LeRoy, Kansas, must sell their wheat, milo, corn and soybeans at record lows. It is wrong for us to prevent our farmers near LeRoy, Kansas, must sell their wheat, milo, corn and soybeans at record lows. It is wrong for us to prevent our farmers from selling their crops.

The correlation between fast track authority and the recent decline in farm prices is unmistakable. When U.S. presidents have had fast track authority, commodity prices have remained stable. However, prices have sharply declined for these products since 1996 when fast track authority expired.

Approving fast track is a vital step in relieving the burden that has fallen so heavily on the backs of American farm families. It is wrong. It is absolutely wrong for us to prevent our hard-working farmers from earning a living and feeding their families while they allow us to feed our own.

Mr. Speaker, I encourage my colleagues on both sides of the aisle and the President to stand up for American farmers and approve fast track authority.

Mr. MATSUI. Mr. Speaker, I yield one minute to the gentleman from Pennsylvania (Mr. KLINK).

Mr. KLINK. Mr. Speaker, I thank the gentleman for yielding me time. Mr. Speaker, I cannot believe what I am hearing: If we do not have fast track authority, we cannot negotiate a trade agreement. Yet dozens upon dozens of trade agreements have been negotiated by the administration without fast track authority, including a giant international telecom agreement. That is the fact of the matter.

The question here is whether we as Members of Congress are saying yes or no, is what is done. And I have to go back to NAFTA, because there were many of us in this chamber that had concerns about the environmental measures, about the labor law measures, about the fact that increased drugs would come here. We wanted to insert language into the agreement. We could not do that. We were concerned about the violence and the assassinations in Mexico and wanted to put some language in to deal with that. We wanted to deal with the problem of drugs and the indigenous population. Right after NAFTA passed, they had a revolution. We did not have an opportunity to deal with that.

The question is whether we here in Congress want to have a say or whether we just want to have an up or down vote on every trade agreement.

Do not give up what is your duty. We as Members of Congress are to have a say in the commerce of this Nation. Fast track flushes that away. Mr. CRANE. Mr. Speaker, I yield 1½ minutes to the distinguished gentleman from California (Mr. CUNNINGHAM).

Mr. CUNNINGHAM. Mr. Speaker, I would like to commend the gentleman from Texas (Mr. STEINHOLM). I think of all the debate today, that he was very rational. He asked both sides to take a look at this and come together, instead of the partisanship from either side. I laud the gentleman.

I was undecided. I have been tried, I have been lobbed, but never threatened, because I said I did not know if I was going to vote for this bill, and I came here today to listen, and I am appalled.

I would tell my friend from California, I am appalled, because when we sit down, the thing we talk about that we hate the most about this job is the partisanship at times. And I want to tell you, the people of us on this floor, that when you want to talk about an issue and you are well rehearsed in unison partisan attacks on the Republicans, it sickens this debate.

I grew up in Missouri. I have friends that have farms that are having to work second and third jobs just to hang onto their farms. I have got ranchers in California from whom you can buy a cow for about $500, about one-third of the value that it should be. They are dying.

The most important thing that I hear today is that this is the most important vote that we can cast in this body for our farmers and our ranchers and our small business people. But yet we would rather stay up here and say the Republicans are only doing this to embarrass the President.

This gentleman is not doing that. I came to this floor to listen to an honest debate. I came to this floor and I am sorry and saddened by the debate that has taken place today.

Mr. MATSUI. Mr. Speaker, I yield one minute to the gentleman from Rhode Island (Mr. KENNEDY).

Mr. KENNEDY of Rhode Island. Mr. Speaker, I want to thank the gentleman for yielding me time. Mr. Speaker, I want to say to my colleagues in this House that I had the opportunity this past year to go down to Reynosa, Mexico. I went into the maquiladora section. I went to several maquiladora sections. I went in an announced to factories and introduced myself to the workers. Most of the workers were women, most of them were 14 and 15 years old. Most of them, I believe, 90 percent of them, worked six days a week. And at the end of the week they had $47 to take home. I went to neighborhood after neighborhood, and all I saw were mud floors. No indoor plumbing.

So I say to myself, it is fine to talk about this global economy and the need for trade, but the fact of the matter is, as Martin Luther King said, we are all going to be affected by the same web of mutuality. If we do not insist on standards for our workers and our sisters and Mexico, believe me, we are the next ones on the chopping blocks.

In my state of Rhode Island, we have already seen our workers lose jobs and benefits because of the depressing aspect that NAFTA has had on our workers’ conditions here in this country. Vote no on fast track authority. Let the Congress decide how to enforce the status.

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

Mr. Speaker, I would say to my colleagues that in my lifetime as a child before World War II, I was child labor at the farm. We got paid 10 cents an hour, worked 10 hours a day to make a dollar, six days a week, and we were ecstatic. We had no indoor plumbing and had no electricity either. But we made a tremendous transition upward nationwide from that time. That was in the State of Indiana, I might remind the gentleman.

Mr. Speaker, I yield 1½ minutes to the gentleman from Michigan (Mr. UPTON).

Mr. UPTON. Mr. Speaker, what is fast track? Fast track allows the President to negotiate trade agreements with other countries. Does Congress lose its right to approve those treaties, those agreements? No, they do not. Absolutely not. This body, this Congress, will then vote yes or no based on the merits of the trade agreement that may be negotiated.

I would like to think that every Republican and every Democrat in this body does in fact care about jobs. Let
me tell you about some of the jobs in Michigan, an exporter, by the way, to the tune of $38 billion in exports last year.

I visited a multinational company recently that showed me a letter from their facility down in Michigan. That letter talked about the importance of Chile's market, their leadership, the gateway to a very important market in the world. That general manager in that letter asked that the Michigan company stop sending goods manufactured in Michigan and change to their facility in Canada.

Why? Well, Canada, thanks to their free trade agreement, their strategy, their trade agreements they have been able to reach because they had fast track, do not have to pay tariffs on their goods going down to Chile. That is right. That same good produced in Canada has an automatic 11 percent discount compared to the same product manufactured in Michigan. We cannot do that. Why? We do not have fast track. This bill allows that to happen.

We see this happening time and time again across the country. Without fast track, there are incentives in fact for companies to send their manufactured goods from other countries.

Mr. McDermott. Mr. Speaker, I yield two minutes to the gentleman from Ohio (Mr. Sawyer).

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

Mr. Sawyer. Mr. Speaker, the chairman of the Committee on Ways and Means got it exactly right. This is a very fragile time. And while I am inclined to support this bill, that fragility makes this measure at this time a foolhardy exercise that could greatly damage our economic strength in the world.

Make no mistake about it: American prosperity depends on the success of our trade agreements. Today the world's balance of power is defined less in military terms than it is as a matter of economic strength. Trade negotiations are as important to our economic future as the Soviet arms talks were to our national security in an earlier era. But subjecting fast-track legislation to certain defeat today is not only bad politics, it is bad and dangerous policy. It sends a reckless message to security, it is bad and dangerous policy.

I would just like to say one other thing. Even a flea market charges table space. American policies are subsidizing foreign workers and American policies are downsizing American workers. Mr. Speaker, we can give you all the statistics on jobs they want, but we are flipping a lot of hamburgers in America. People are worried sick about their jobs.

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

Mr. Speaker, I would remind my colleague, again, the gentleman from I think it is Poland, Ohio (Mr. Traficant), I would like to remind him that we have been at full employment for now 3 years in a row, and that the fastest growing component of our national economy has been trade. It has been the most productive. That is what we are putting at risk when we contemplate terminating international trade agreements.

I would remind my colleague also that the Constitution says that on trade issues we are the ultimate judge. Under fast track, we are still the ultimate judge. We make the input all along the way, we look at the final product, and then we vote it up or down, so it is exclusively within our jurisdiction. I would urge the gentleman to reconsider his misguided policy.

Mr. Speaker, I yield 2 minutes to my distinguished colleague, the gentleman from Arizona (Mr. Kolbe).

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

Mr. Speaker, I would like to respond to a few of the arguments that I have been listening to in this debate today. One of course, that we have heard over and over again is about how trade and trade agreements are going to drive down incomes, they are going to drive down wages.

It is ironic that argument should be raised today. Here on the front page of The Wall Street Journal, we learn that the unemployment rate fell, incomes rose in 1997. Income for the typical American household rose at a rate nearly twice that of inflation in 1997, and income and poverty figures
Mr. Speaker, I have heard some interesting things. I guess we could call it election year hyperbole. Somehow this legislation, fast track, is going to be the salvation of our failing family farms. Can they hang on for 5 or 10 years until the next hypothetical trade agreements are approved? I don't think so.

Guess what, the last two agreements that came forward under fast track screwed the farmers in America. They were promised the world, but when it came down to reality—banking sector or the aerospace sector or the computer sector got favorable treatment in those agreements, and something had to be traded off, what got traded off? Agriculture.

This is about a process that includes plausible deniability. That means there are a lot of people here who do not want to take responsibility for what is happening in America. They can say, you know, I had concerns about NAFTA. I know some people had concerns with some parts of NAFTA. I knew there were problems with labor agreements, they were kind of weak, and we lost a lot of jobs there, and wages have gone down on both sides of the border. Yes, I had concerns about those environmental provisions. I really did think they would clean up the border, which is one of the largest and fastest growing hazardous waste sites in the world. But I had to vote yes or down, and I could not sacrifice 2 years of savings, and we will fix those things later.

That is what we hear every time an agreement comes forward under fast track. Are Members going to blow up three years of careful secret negotiations, just because they gave away that authority to the International Monetary Fund? It is another phony argument.

Finally, there is the political argument that somehow this is just being done because the President needs this authority in order to assure their negotiating partners that a deal is a deal. Why would anyone negotiate with someone who could not stand by the deal to which they agreed? Why would a national leader invest enormous time, energy, and prestige in a negotiating process in which the other party kept coming back to renegotiate the deal?

I just want to point out that in the last 10 years, about 70 percent of U.S. agricultural goods have been exported by the exporter of goods and services. In my own State of Maryland, our exports to Mexico, just as an example, have increased by 82 percent since the passage of the NAFTA. Overall, Maryland's exports have increased by almost 130 percent since 1987.

Expanded trade has opened markets, created opportunities for exporters, created jobs, strengthened the State economy, and raised the living standards for all Marylanders and throughout the country. We are not even debating a trade agreement, we are only proposing to allow the President an up or down vote on whatever deal he may recommend.

Fast track authorization will give the President the authority to negotiate the strongest and most beneficial agreement possible. If Members do not like the agreement, we can vote it up or down. But to deny the President fast track authority is to prejudice an agreement before it is made.

Mr. Matsui. Mr. Speaker, I yield 1 minute to the gentleman from Minnesota (Mr. Minge).

Mr. Minge. Mr. Speaker, I thank the gentleman from California for yielding time to me.

Mr. Speaker, I am troubled by the circumstances in which fast track is coming up this afternoon. I am afraid that we are bringing this agreement up at this time, not so much to promote fast track as to promote wedge issues and coalesce things going on far beyond what it actually can accomplish in the short term.

I represent an agricultural area. I recognize the importance of trade. But I also would also like to remind my colleagues that we just finished dealing with the International Monetary Fund. What happened? A very modest increase in funding, far below what the President requested, and no up or down vote on the actual $18 billion that are needed for the IMF.

Furthermore, more important than something that is long-term or an intermediate term advantage opportunity for agriculture is what we
Mr. ROEMER. Mr. Speaker, thank my good friend, the gentleman from California (Mr. Matsu) for yielding time to me.

Mr. Speaker, I rise today on the floor, recognizing the importance of this legislation and rise as a free trader. I have supported GATT, I have supported normal trade with China, I have supported the Caribbean Basin Initiative. I have also supported African trade.

But I also believe the gentleman, as a fair trader. These initiatives were both free, to get into new markets, and fair. This proposal, fast track, is more of NAFTA. It is free trade, but it is not fair to our working people, to the people with families and jobs, particularly in the Midwest.

I ask the chairman, shall the legislators negotiating objectives in future negotiations?

Mr. CRANE. That is correct.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I thank the chairman for his support of this provision, which is necessary for the continuing international competitiveness of aerospace companies and the jobs they support.

Mr. CRANE. I thank the gentlewoman.

Mr. Speaker, I yield 1 minute to our distinguished colleague, the gentleman from Maryland (Mr. BARTLETT).

Mrs. JOHNSON of Connecticut. Then, I would ask the chairman, shall the USTR understand that such intent is contained in the legislation, and ensure that these negotiated objectives will continue to constitute the principal U.S. negotiating objectives in future negotiations?

Mr. CRANE. That is correct.

Mr. MATSUI of California. Mr. Speaker, I thank the chairman for his support of this provision, which is necessary for the continuing international competitiveness of aerospace companies and the jobs they support.

Mr. CRANE. I thank the gentlewoman.

Mr. Speaker, I yield 1 minute to our distinguished colleague, the gentleman from Maryland (Mr. BARTLETT).

Mr. BARTLETT of Maryland asked and was given permission to revise and extend his remarks.

Mr. CRANE. Mr. Speaker, I ask the gentleman from California (Mr. HUNTER).

Mr. HUNTER. Mr. Speaker, I have a graph here that shows the G7, that is the big nations of the world, the big western democracies and their net exports to Mexico before and after NAFTA. That includes the United States.

We call this chart “Find the dumplings.” because it is apparent that, after NAFTA, every one of the big nations, Canada, France, Germany, Italy, UK and Japan, all continue to do well with Mexico with respect to trade, except the United States. The United States immediately fell into an enduring $15 billion trade deficit.

The first rule of business is one does not give their money to poor business managers. The Clinton trade team consists of poor business managers. Not this President, not this time.

Mr. MATSUI. Mr. Speaker, I ask the gentleman from California (Ms. PELosi).

Ms. PELosi. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, as we all know, fast track authority will establish the framework for our trade relationship for the next 10 years. As such, it is critical to the importance that this accord places on the environment.

Therefore, I reluctantly oppose this bill, because it limits the administration's ability to address concerns regarding protection of the environment and bilateral regional and other trade agreements.

To the extent that the environment is mentioned at all in the pending legislation, it is in a restrictive way. San Francisco, the city which I represent, is a city which is built on trade and continues to thrive on it. We appreciate the value of free trade. We also understand that the environment and the economy are inextricably linked.

My colleagues have mentioned that other presidents have had this authority. Indeed, I have voted for it in the past. Under previous fast track authority, the President had the discretion both to negotiate and to include in trade bills that were brought to Congress under fact track environmental, labor and human rights terms that the President deemed appropriate. That the President deemed appropriate. This bill removes the “appropriate” standard.

The legislation passed by the House Committee on Ways and Means also limits the discretion of the negotiators to achieve results only on matters that are directly related to trade.

One important aspect of addressing global environmental degradation is through attention to production process methods. If we are to slow environmental damage, we must deal with the way items are produced as well as with consumption. Will production process methods be included under the administration's interpretation of “directly related to trade”?

In addition, there are many other reasons why, and I will submit that with my full statement, but, in addition, unless we give the environment more value by including it in fast track, we are squandering the comparative value U.S. business has in leading the world in the development of production environmental technologies. To ignore the connection between the environment and the economy is to be on the wrong side of the future.

I urge my colleagues to vote “no.”

Mr. Speaker, I rise in opposition to H.R. 2621, the Fast Track legislation before the House today. I am disappointed that the Republican leadership has chosen to bring before the House a fast track proposal which does not address pressing issues in the global economy. Fast track authority will establish the framework of our trade relations for the next ten years. As such, it is a defining moment for the importance we accord the environment, labor and human rights terms that the President deemed appropriate. This fast track bill would relegate the environment to a restrictive way. San Francisco, the city which I represent, is a city which is built on trade and continues to thrive on it. We appreciate the value of free trade. We also understand that the environment and the economy are inextricably linked.

My colleagues have mentioned that other presidents have had this authority. Indeed, I have voted for it in the past. Under previous fast track authority, the President had the discretion both to negotiate and to include in trade bills that were brought to Congress under fact track environmental, labor and human rights terms that the President deemed appropriate. That the President deemed appropriate. This bill removes the “appropriate” standard.

The legislation passed by the House Committee on Ways and Means also limits the discretion of the negotiators to achieve results only on matters that are directly related to trade.

One important aspect of addressing global environmental degradation is through attention to production process methods. If we are to slow environmental damage, we must deal with the way items are produced as well as with consumption. Will production process methods be included under the administration's interpretation of “directly related to trade”?

In addition, there are many other reasons why, and I will submit that with my full statement, but, in addition, unless we give the environment more value by including it in fast track, we are squandering the comparative value U.S. business has in leading the world in the development of production environmental technologies. To ignore the connection between the environment and the economy is to be on the wrong side of the future.

I urge my colleagues to vote “no.”

Mr. Speaker, I rise in opposition to H.R. 2621, the Fast Track legislation before the House today. I am disappointed that the Republican leadership has chosen to bring before the House a fast track proposal which does not address pressing issues in the global economy. Fast track authority will establish the framework of our trade relations for the next ten years. As such, it is a defining moment for the importance we accord the environment, labor and human rights terms that the President deemed appropriate. This fast track bill would relegate the environment to a restrictive way. San Francisco, the city which I represent, is a city which is built on trade and continues to thrive on it. We appreciate the value of free trade. We also understand that the environment and the economy are inextricably linked.

My colleagues have mentioned that other presidents have had this authority. Indeed, I have voted for it in the past. Under previous fast track authority, the President had the discretion both to negotiate and to include in trade bills that were brought to Congress under fact track environmental, labor and human rights terms that the President deemed appropriate. That the President deemed appropriate. This bill removes the “appropriate” standard.

The legislation passed by the House Committee on Ways and Means also limits the discretion of the negotiators to achieve results only on matters that are directly related to trade.

One important aspect of addressing global environmental degradation is through attention to production process methods. If we are to slow environmental damage, we must deal with the way items are produced as well as with consumption. Will production process methods be included under the administration's interpretation of “directly related to trade”? In addition, there are many other reasons why, and I will submit that with my full statement, but, in addition, unless we give the environment more value by including it in fast track, we are squandering the comparative value U.S. business has in leading the world in the development of production environmental technologies. To ignore the connection between the environment and the economy is to be on the wrong side of the future.
trade agreements. To the extent that the environment is mentioned in the pending legislation, it is in a restrictive way.

San Francisco, which I represent, is a city which was built on trade and continues to thrive on it. We appreciate the value of free trade, and we also know that the environment and the economy are inextricably linked. We believe that the environment must be central to any fast track legislation.

Under previous fast track authority, the President had the discretion both to negotiate and to include in trade bills that were brought to Congress under fast track environmental, labor or human rights terms that the President deemed “appropriate.” H.R. 2621 removes the “appropriate” standard and the Administration’s discretion is limited to making the language necessary only for the operation or implementation of the trade agreement. The Administration would now be precluded from achieving more than allowed under the legislation and prevented from having those provisions considered under fast track.

The legislation passed by the House Ways and Means Committee also limits the discretion of the negotiators to achieve results only on matters that are “directly related to trade.” Serious questions are already being raised about how “directly related to trade” will be defined. It is my understanding that there is no legislation to define this phrase.

One important aspect of addressing global environmental degradation is through attention to production process methods. If we are to slow environmental damage, we must deal with the way items are produced, as well as with consumption. Will production process methods be included under the Administration’s interpretation of “directly related to trade?”

Serious questions have also been raised about the implications of language in H.R. 2621 purportedly designed to ensure that foreign governments do not waive their existing domestic environmental, health, safety or labor measures in order to give themselves a competitive edge. The language in the bill unfortunately precludes action to encourage strengthening of those laws. Perhaps even more immediate harm, however, is that it does not address a government’s failure to enforce existing standards. In addition, H.R. 2621 only addresses foreign governmental policies and practices. Private sector actions to limit environmental protection are not addressed. Finally, countries with no existing environmental standards fall completely outside this provision.

My constituents and I are also concerned with the consequences of a provision in the fast track bill which would essentially allow derogation or waiver of existing domestic laws if such actions are “consistent with sound macroeconomic development.” Under this provision, it appears that countries could indeed lower their environmental standards to gain a competitive edge, as long as this action is consistent with their macroeconomic development.

As many of our Republican colleagues have recently expressed concern about the lack of transparency in the functioning of the International Monetary Fund (IMF), I believe they should be supportive of promoting transparency in the functioning of the World Trade Organization (WTO). While “transparency” is appropriately one of the negotiating objectives outlined in the legislation, it is essential that procedural transparency be expanded to the WTO both in the trade negotiation process and in the dispute settlement process. Benchmarks must be established by which transparency can be gauged. There must be exposure of all those who are interested in the dispute settlement process. And, we must insist on ensuring the ability of non-governmental groups to participate.

I would also note my concern that while we are promoting transparency in other countries, there is, at the same time, a step back from transparency in this country by granting the President new authority to allow for the classification of trade reports when deemed appropriate, rather than employing previous language allowing classification only when necessary to protect national security or trade secrets.

Environmental issues in the global economy have very real consequences not only for people in the developing world, but also for people here in the United States. Concerns about the quality of the air we breathe and the water we drink have now been compounded in the public eye by concerns about the safety of the food which we eat. As international trade is increasingly the norm, we must ensure the right to safeguard our own consumers in international trade agreements. Standards worldwide should be elevated; we cannot encourage a “race to the bottom.” In addition, unless we give the environment more value by including it in fast track, we are squandering the comparative value U.S. businesses has in leading the world in the development and production of environmental technology.

H.R. 2621 is not the appropriate tool which to enter trade negotiations for the Twenty-First Century. I urge my colleagues to vote no on this flawed bill.

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

Mr. MATSUI. Mr. Speaker, I yield 2 minutes to the gentleman from Florida (Mr. STEARNS).

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

Mr. STEARNS. Mr. Speaker, I reluctantly rise to oppose fast track, and I want to thank the gentleman from California (Mr. Matsui) for yielding me this time.

Mr. Speaker, the Florida Fruit and Vegetable Association has basically come out against the fast track vote we are having here tonight. Earlier, I was on the House Floor with the Florida Farm Bureau Federation, where they also opposed giving fast track to the President.

Farmers in my district are still opposed to the authority that we are proposing tonight to give to the President with fast track, regardless of the last-minute deals, because of the failure of this administration to live up to their promises from the last fast track authority.

For example, my tomato growers have written that, “The President could have taken real steps to fix the problems for Florida’s tomato growers and other summer or seasonal vegetable growers associated with the failures of the NAFTA agreement, yet nothing has happened.”

Mr. Speaker, President Clinton even wrote to Congress before NAFTA was approved to state that he “was permanently committed to ensuring NAFTA was enforceable and effective to protect the U.S. vegetable industry against price-based import surges from Mexico.”

Mr. Speaker, despite these promises, the administration has failed to protect the winter vegetable industry; and, in fact, the onslaught of vegetables coming into Florida has hurt our industry terribly.

For these reasons, and for the reasons outlined in the two letters I put in the RECORD, I oppose fast track at this time.

Mr. Speaker, I submit the following letter for the RECORD:

DEAR CONGRESSMAN STEARNS: This is to advise you on behalf of the Florida Fruit and Vegetable Association and its membership that we continue to be opposed to the enactment of fast-track legislation. Our opposition is based on continuing concerns over current and potential trade agreements on import-sensitive agricultural products, the inadequacy of import relief remedies, country of origin labeling, and other issues. We accordingly ask you to vote “no” when the fast-track bill comes to the House floor later today.

We greatly appreciate your on-going support of Florida agriculture.

Sincerely,

MICHAEL J. STUART, President.

Mr. MATSUI. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey (Mr. PASCRELL).

Mr. PASCRELL. Mr. Speaker, I thank the gentleman from California (Mr. Matsui) for yielding.

Mr. Speaker, I rise to discuss a matter which is of great importance to my district and the Nation as a whole. The measure before us should be defeated. It seeks to extend fast track authority for 4 years. As such, it sets our national trade policy as we approach and then enter the 21st century.

No one doubts the fact that we live in a global economy. No one doubts that if we are to retain our preeminent position in the world we must lead from a position of economic strength.

For me, global leadership in the arena of international trade means that fair trade should not be subordinated to the notion of free trade. There is very little reciprocity in our trade agreements. We must trade with other nations on an equal footing. Mr. Speaker, with such an horrific Asian economy, those goods are going to be flooding our markets in the next 2 months, 3 months, 2 years. The ships are coming into San Francisco ports now full with foreign goods. They are leaving half filled with Asian goods. Our opponents with such an Asian crisis really hits our shores. This is the worst time to have fast track.
Mr. Speaker, I urge my colleagues to defeat fast track resoundingly. It is not enough if we just slam it down with a few votes. We need total victory here, because we need a fair trade policy.

Mr. MATSUI. Mr. Speaker, I yield 1 minute to the gentleman from Connecticut (Ms. DELAUREO).

Ms. DELAUREO. Mr. Speaker, I rise in strong opposition to fast track. Today's legislation could be an opportunity to make a new beginning, to define a progressive role in trade for the next century for America. But this bill does not do this. It is a step backward.

We are not divided here today on the benefits of free trade. We embrace it. We are divided on how to best achieve it to compete in the global economy. I believe this fast track proposal turns its back on hard-working Americans. It will not defend small business owners and workers from the threat to their security posed by our trading partners' cheap labor and low standards. It does precious little to move away from the pattern of lost jobs, reduced labor, and lower living standards seen under NAFTA.

American families are struggling every single day to make ends meet. America has the opportunity and the responsibility to ensure that American values define the international market and that our citizens build solid futures.

Let us show that the Congress of the United States cares about and understands America's hopes and fears for the future. Vote "no" on fast track.

Mr. MATSUI. Mr. Speaker, I yield 2 minutes to the gentleman from Indiana (Mr. VISCLOSKY).

Mr. VISCLOSKY. Mr. Speaker, I was asked and given permission to revise and extend his remarks.)

Mr. VISCLOSKY. Mr. Speaker, I also want to express my appreciation to the gentlewoman from California (Mr. MATSUI) for yielding me the time.

Mr. Speaker, I rise in opposition to fast track, given the experience historically we have had with NAFTA. We have had 124,000 jobs certified as having been lost because of NAFTA. I would remind my colleagues that the math works out to 72 workers a day since the inception of NAFTA have lost their jobs. Before the end of business today, 72 more American citizens are going to be certified as having lost their job because of NAFTA.

I rise in strong opposition to fast track.
Mr. CARDIN. Mr. Speaker, had hoped that we were going to have a real debate over fast track where we would have a chance to reach a fair compromise on the issue. Instead we are going through a political exercise. That is regrettable.

In today's world, fast track should give the President the ability to negotiate international standards on labor and environment. But, no, this legislation restricts the President's ability to negotiate international standards on labor and environment. Negotiating strong international standards on environmentally and labor issues will help American manufacturers, producers and farmers. It makes no sense to restrict the President's negotiating ability in this area unless you want to help foreign companies with cheap labor and poor environmental records.

For this reason, Mr. Speaker, I must oppose the fast track legislation that we have today. I would hope that in the future there will be a real effort by the Republican leadership to work on a fast track bill that could pass this House, that will give the appropriate authority to the President.

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

So, Mary Jane, I wish you well. We are losing a great resource when you end of this session she will retire, but I wish her all the best as she returns to her work and in every policy-making issue concerning trade, she was there from the negotiations of the Kennedy and Tokyo rounds and the formation of the Uruguay Round agreements.

There are very many individuals in this country who know more and have contributed more to the development of U.S. trade policy than Mary Jane Wignot. Her wise counsel and drafting skill have been absolutely essential to the success of these historic bipartisan initiatives. I want to salute her and wish her the best as she returns to her home to Boston to continue her career.

I yield to the gentleman from New York (Mr. Rangel).

Mr. RANGEL. Mr. Speaker, I thank the gentleman for yielding to me.

I, too, pay tribute to a remarkable individual that took the reins after one of our Members left, but she has given 24 years of her life to this committee and to her work and in helping our committee work such long hours and who do so on a nonpartisan, professional basis that make this Congress a truly enjoyable and fulfilling place to serve.

She has worked on the trade agreements of 1979, the Omnibus Trade and Competition Act of 1988, and the NAFTA and Uruguay Round implementing bills in her capacity with the committee. These are the many Members who do so and who have worked with the committee. She has enjoyed her job and we all, whole Members, have truly enjoyed working with her.

Mr. ARCHER. Mr. Speaker, I ask unanimous consent for an additional 5 minutes for a special bipartisan purpose.

The SPEAKER pro tempore (Mr. CRANE). Is there objection to the request of the gentleman from Illinois?

There was no objection.

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

So, Mary Jane, I wish you well. We are losing a great resource when you end of this session she will retire, but I wish her all the best as she returns to her work and in every policy-making issue concerning trade, she was there from the negotiations of the Kennedy and Tokyo rounds and the formulation of the Trade Act of 1974.

There are so many nuggets, jewels on this Capitol Hill. She is a Vassar graduate, cum laude. She was graduated from the London School of Economics at the University of London, Columbia University in New York, the International School of International Affairs. She is really just an outstanding individual, and she has toiled in helping our committee work such long hours and who do so on a nonpartisan, professional basis that make this Congress a truly enjoyable and fulfilling place to serve.

She has worked on the trade agreements of 1979, the Omnibus Trade and Competition Act of 1988, and the NAFTA and Uruguay Round implementing bills in her capacity with the committee. These are the many Members who do so and who have worked with the committee. She has enjoyed her job and we all, whole Members, have truly enjoyed working with her.

Mr. ARCHER. Mr. Speaker, I ask unanimous consent for an additional 5 minutes for a special bipartisan purpose.

The SPEAKER pro tempore (Mr. CRANE). Is there objection to the request of the gentleman from Illinois?

There was no objection.

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

The SPEAKER pro tempore (Mr. CRANE). The SPEAKER pro tempore has asked unanimous consent that the SPEAKER pro tempore may be considered, without objection, to have approached the witness table and there Mary Jane was.

And she always gave professional information that was always, at least in my memory, accurate, and helped us get through many, many trade issues over the years.

It is people who are so dedicated, who work long hours and who do so on a nonpartisan, professional basis that make this Congress a truly enjoyable and fulfilling place to serve.

So, Mary Jane, I wish you well. We are losing a great resource when you end of this session she will retire, but I wish her all the best as she returns to her work and in every policy-making issue concerning trade, she was there from the negotiations of the Kennedy and Tokyo rounds and the formulation of the Trade Act of 1974.

There are so many nuggets, jewels on this Capitol Hill. She is a Vassar graduate, cum laude. She was graduated from the London School of Economics at the University of London, Columbia University in New York, the International School of International Affairs. She is really just an outstanding individual, and she has toiled in helping our committee work such long hours and who do so on a nonpartisan, professional basis that make this Congress a truly enjoyable and fulfilling place to serve.

She has worked on the trade agreements of 1979, the Omnibus Trade and Competition Act of 1988, and the NAFTA and Uruguay Round implementing bills in her capacity with the committee. These are the many Members who do so and who have worked with the committee. She has enjoyed her job and we all, whole Members, have truly enjoyed working with her.
I would say that her loss to all of us and our committee and perhaps even in this body will probably be one of the major losses we have, probably more than all of the Members in this institution, because she is the institutional memory, she is the one who helped develop our international trade policy in America for the last 30 years.

So, Mary J. one, we love you, and we are going to miss you a lot.

The SPEAKER pro tempore. The Chair advises Members that the gentleman from Texas (Mr. Archer) has 412 minutes remaining; the gentleman from Washington (Mr. McDermott) has 412 minutes remaining; the gentleman from California (Mr. Matsui) has 4 minutes remaining; and the gentleman from Montana (Mr. McPadden) has 21 minutes remaining.

Mr. McDermott. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, I have served 15 years in the State legislature and 10 years in the United States Congress, and this is a sad day because it is the most amazing people that I have ever seen to try and pass a tough piece of legislation. There is no question that the Republicans have poisoned the fast track debate with partisan politics that will do honor to Ken Starr.

We were serious about promoting America’s global leadership and stabilizing the global economy, they would have replenished the International Monetary Fund months ago. Instead, the future of America’s commitment to the IMF remains unclear to this day and so does the future of the international economy.

It would be easy for me to vote no today, to reject this vote for what it is, a political game to be debated on a day of pure partisanship. However, I feel strongly that collectively we have to rise above the partisan games of the majority and do the right thing for our Nation’s economy.

This Congress simply should not play games. It is an issue that is difficult enough to pass without petty politics. So I will rise above the Speaker’s game and support the promotion of the American export economy, but I am deeply disheartened that this bill will fail today because the Republicans have allowed political avarice to damage support for what must be a bipartisan issue. You have made the future passage of this bill infinitely more difficult by bringing it out this way and ramming it. You know you have not got the votes. I learned in the State legislature 25 years ago, if you do not have the votes, do not come to the floor with it, because you will never get it passed if you keep doing that kind of thing.

This is a bad day for the United States economy. You should not do this kind of thing without consulting and building the broad base that trade should have in this country.

This is not a partisan issue. It is not Republican or Democrat. You have to work together when you are dealing in the international arena. I sat at the table at the State dinner in Brazilia and had Brazilians say to me, boy, we are glad you have not passed fast track because you want your President weak. Now, that is not what we want, whether that President is a Democrat or a Republican.

I voted for the same piece of free trade legislation. We have to, if we are going to be a strong country.

Mr. Matsui. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. Farr).

Mr. Farr of California asked and was given permission to revise and extend his remarks.

Mr. Farr of California. Mr. Speaker, I urge my colleagues to vote no on this bill.

Mr. Speaker, I rise today to discuss a very important issue: fast track authority.

Fast track has been the subject of much debate and discussion, not just inside the Beltway, but in our district, many of my constituents have told me that they will benefit from new trade agreements reached with fast track; others have said that fast track ignores important global issues such as labor standards or environmental pollution.

"Fast Track" sounds simple. Just give the President the authority to negotiate a trade treaty agreement and bring the end product back to Congress for an up or down vote. Sounds logical, doesn’t it? But it’s not that simple. Here’s the reason why: Political battles are won by listening to, and acting on, the concerns of those who have a vote in the outcome. I have one vote. My constituents want me to use it wisely, looking for the best interests of the Central Coast of California. They want me to think globally and act locally.

Acting locally means protecting existing American jobs—local jobs dependent on reciprocal export markets for American products and goods. When you think about it, our economic future in agriculture and tourism depends on a healthy local economy.

Look at agriculture. The Central Coast has been a world leader in specialty crops and one of our strongest specialty crops have been fresh cut flowers. The flower and foliage industry in California is a $700 million business in sales in 1996, holding a 22% share of the U.S. market. But we’re losing nurseries and jobs to foreign imports. Colombian flowers that are allowed into the United States without any tariff are our biggest competition. No other flower growing country has that privilege.

The President has done nothing to right the wrongs created by the 1991 Andean Trade Pact, which put Central Coast flower growers at a severe disadvantage to Colombian fresh flower growers. The President has the legal authority to stop the closure of American nurseries that raise fresh cut flowers. But he is not using that authority because he is listening to the State Department, rather than American workers.

So why should the President be given more authority to make more deals for more South American imports when he doesn’t protect American workers.

I support fast track. But free trade can’t exist if it is based on fairness. Fair trade means making money for the United States that do not put our working men and women, our manufacturers and producers, and our quality of life at risk.

Chile is a beautiful country. I have traveled there and met with political, labor and business interests. They import three times more U.S. goods than they export, with the exception of agriculture. Making Chile a full trading partner with Canada, U.S. and Mexico will only jeopardize more American jobs in the fishing and wine industries on the Central Coast.

So I will continue to oppose Fast Track unless we can see the following: (1) Lift the “free entry” of Colombian flowers to the U.S. market because Colombian flowers as all other flower imports are treated, with equal tariffs; and (2) protect the environmental and labor safeguards as strong as banking and security safeguards.

Some people would say that my “no” vote on fast track is inconsistent with, or contradictory to, my “yes” vote on NAFTA four years ago. I disagree.

Four years ago, the NAFTA vote was on legislation implementing a trade agreement negotiated by the President under fast track authority. This year’s vote will not be on implementing a trade agreement but on renewing the power of the President to negotiate such agreements.

When NAFTA was voted on, the fast track authority granted to the President did not contain instructions to him to include in the trade agreement provisions relating to the rights of laborers or meeting certain environmental standards. Knowing these issues were a concern to many members of Congress, the President negotiated sidebars to supplement the underlying document. With these sidebars in place, I was convinced NAFTA would, in the long run, be a good thing for the United States. The underlying agreement would open up new markets to our producers and the added-on sidebars would help drive our trade partners to stronger labor and environmental protections.

Although I must oppose the fast track legislation before Congress today, I have and will continue to support free trade. I will continue to examine each trade agreement reached with fast track authority in the same way I examined the underlying document. With these sidebars in place, I was convinced NAFTA would, in the long run, be a good thing for the United States. The underlying agreement would open up new markets to our producers and the added-on sidebars would help drive our trade partners to stronger labor and environmental protections.

Although I must oppose the fast track legislation before Congress today, I have and will continue to support free trade. I will continue to examine each trade agreement reached with fast track authority and I will continue to examine each trade agreement reached with fast track authority.

Mr. Evans. Mr. Speaker, I rise today in opposition to granting fast track negotiating authority. I oppose this legislation because of the adverse effects that the North American Free Trade Agreement (NAFTA), which was negotiated under “fast track” authority, has had upon working American families.

There is no question that NAFTA’s track record has had an adverse effect on U.S. wages. This country has lost over a quarter of a million jobs. In my home state of Illinois, 23 companies have moved to Mexico as a result of NAFTA. Instead of the old, failed “fast track”, we need a trade negotiating authority that gives the President the tools to negotiate trade agreements that reflect the wishes of most Americans—fair, responsible trade that protects the environment, working families and public health.

We have must to lose with this vote. U.S. trade talks have involved billions to establish and maintain one of the safest food supplies in the world. Yet we undermine consumer protection by allowing foods to be imported from countries where health and safety standards
either do not exist or are not enforced. Under NAFTA, food imports from Mexico and Canada have dramatically overburdened the Food and Drug Administration’s ability to adequately inspect food imports. More and more we hear of illnesses caused from foreign foods. We need an additional ingredient to the traditional bodies and foreign governments with weaker standards accountable if we are to protect the health of all Americans. Granting fast track authority will only threaten the safety of our food supply.

As a representative from the Corn Belt, I understand quite well that American workers are struggling through tough times with commodity prices that are the lowest they’ve been in years. However, trade negotiations take years. Our farmers need immediate relief. We should be looking at ways to put money in their pockets where they most need it and ways to help our trading partners get back on their economic feet. Fast track is not the cure-all to the farm crisis, it is, at the moment, a distraction.

Without labor, food safety, and environmental ties the hand of fast track legislation, we have no guarantee that these issues will ever be addressed. I am not willing to risk the health and safety of my constituents on an authority that cannot safeguard their well-being. Let fix the problems we have with unfair trade negotiations to them. I urge all my colleagues to vote no on fast track.

Mr. BERMAN. Mr. Speaker, I rise in reluctance to fast track. Last year I strongly supported a similar fast track proposal, and I continue to believe that the fast track mechanism is necessary to ensure that new trade agreements don’t become loaded up with special interest provisions in the normal legislative process.

But I simply cannot support legislation that is being brought to the House floor for blatantly political purposes, to divide Democrats less than two months before an election. And I do not think it is appropriate to tie the President’s hands at the negotiating table—to a much greater extent than Democratic Congressmen, the President’s Reagan and Bush—when the Administration is not involved in the process.

It’s clear that the Republican majority is not serious about passing this bill. Last year, members from both parties worked together to get it passed. This year, the majority made no effort to collaborate with the minority. This unapproachable approach to Democratic supporters of fast track exposes the Republican majority’s true motivations—to score political points, not to pass the legislation.

It is unnecessary to bring up fast track knowing that it’s going to fail. This will make it even more difficult to pass next year, and send an unfortunate signal to the international community that the United States does not want to be part of the global economy. Such a signal couldn’t come at a worse time, given the financial turmoil in Russia and parts of Asia.

International trade is clearly good for the American economy. Since 1992, almost 40 percent of the total economy has been the direct result in international trade. Companies involved in exporting have expanded employment nearly 20 percent faster than firms serving only domestic markets, and jobs related to exports pay about 15 percent above the national average. New trade agreements—completed with fast track authority—would extend the benefits of trade to even more workers, consumers and companies.

But our trade policy—like foreign policy in general—must be based on bipartisan cooperation and consensus, not partisan politics. For that reason—and that reason alone—I intend to oppose this fast track legislation.

Mr. STARK. Mr. Speaker, I rise today in opposition to fast track procedures for trade agreements. NAFTA is a recent example of why Congress should not approve this fast track authority.

NAFTA proves that trade agreements do not necessarily benefit all workers. Our experience with NAFTA demonstrates that “side agreements” are not enforceable and labor, the environment and public safety are all at risk. Large corporations benefit from trade agreements like NAFTA. NAFTA enables companies to exploit our most valuable resources for their own bottom line. For these reasons, I vehemently oppose granting fast track negotiating authority to the president.

In any trade agreement, the people deserve to know—and have us debate—the terms of trade expansion. I am not satisfied that the terms before us in this fast track authority are even satisfactorily and that the benefit doesn’t go to the workers in my district.

Estimates show that the number of jobs foregone in the U.S. because of NAFTA-induced imports is over 400,000. In my home state of California, 38,406 jobs were lost directly because of NAFTA, according to the narrow Commerce Department formula. This is nearly 10 percent of the total U.S. jobs lost because of NAFTA. Workers in California qualify for a significant portion of the Trade Adjustment Assistance (TAA)—California is one of the top states where the most workers are certified for TAA.

Multinational corporations export not only products but also business operations across the border: they exploit Mexican workers for a fraction of the United States labor costs. American workers lose decent paying jobs. Mexican workers get work with subsistence wages. The corporations benefit at the expense of human labor.

There are 981,302 Mexicans working in abhorrent conditions in Maquiladoras, making an average of $6.00 per hour. And that’s as a direct result of NAFTA. These workers live in shacks made of cardboard and wood. I cannot grant a fast track trade negotiating authority if fair labor practices will not be protected.

The environmental losses through NAFTA as well. The Administration promised greater environmental protection along the border regions where industry was expected to grow as a result of NAFTA. Well, we have experienced greater industry growth along the Southern border, but the environmental protection goes, it was just another promise broken.

Hazardous waste coming into the United States increased 30 percent in 1995. In that same year, well water in U.S. border communities had sulfate concentrations of nearly twice what is considered safe for drinking water. Not only does the U.S. laborer lose through NAFTA, but so does the vulnerable child and grandparent who drinks polluted well water.

NAFTA does not ensure inspection standards for produce, agriculture, and livestock. NAFTA has crippled border inspections and the U.S. does not have the manpower to inspect everything that comes across its borders. Frozen fruit imports have increased by 45 percent and frozen vegetable by 31 percent since NAFTA, but there has been no increase in inspection.

A 1997 GAO report shows that commercial passenger vehicles from Mexico are not being inspected regularly. The ones that have been inspected have been placed out of service for serious safety violations such as steering or brake problems, according to the Federal Highway Administration. Fifty-four percent of the commercial passenger vehicles that pass through our Southern border from California. These unsafe vehicles are endangering the passengers as well as the safety of those on the streets and highways of California.

Negotiating authority with the right terms allows U.S. workers to share in the benefits and promoting economic growth in environmentally sound ways worldwide—is my bottom line. Without that before us, I will vote “no” on the Reciprocal Trade Agreement Authorities Act of 1997.

Mr. PAUL. Mr. Speaker, today, the House is asked to vote to approve H.R. 2621, a fast-track procedure under which international agreements might be approved as far into the future as October 1, 2005. The “fast track” procedure requires that the Administration submit draft international agreements, implementing legislation, and a statement of administrative action for congressional approval. Amendments to the legislation in Congress are not permitted once the bill is introduced and committees of the floor act only may consist of “yes” or “no” votes on any potential agreement as it is introduced.

The fast-track procedure bill, in addition to creating an extra-constitutional procedure by which international agreements become ratified, gives general international economic policy objectives, re-authorizes “Trade Adjustment Assistance" welfare for workers who lose their jobs and businesses, which fail, and creates a new permanent position of Chief Agricultural Negotiator within the office of the United States Trade Representative. The bill would reestablish the President’s extra-constitutional “executive authority" to negotiate “side agreements" such as those dealing with environmental and labor issues. Lastly, the bill “pays" the government’s “cost" of free trade agreements. By reducing taxes and increasing revenue, the bill currently performs only a cost benefit analysis for the billions of dollars spent on the benefits of new international agreements other than by treaties and, of course, the tenth amendment specifies that “powers not delegated to the United States by the Constitution nor prohibited by it to the States, are reserved to the States, or to the people," or to the federal government to delegate its powers to others destroys the liberty-protection ability inherent to the Constitutional separation of powers.

Congress does have, amongst its enumerated powers, regulation of commerce with foreign nations. Imposing import tariffs, quotas, and embargoes, however economically detrimental to the macro economy of the United

September 25, 1998

CONGRESSIONAL RECORD — HOUSE

H8795
States, are, at least, amongst powers delegated to Congress by Article I of the Constitution. Regulating commerce, of course, refers to enacting domestic laws which effect voluntary exchanges between trading partners who happen to be citizens of different governments. A more restricted definition of government, however, is that those governments of those trading partners cannot be construed to escape the stringent treaty ratification process established by the document's framers just by suggesting Congress has the power to enact domestic regulation regarding foreign commerce. If this were the case, then governments of the United States can more quickly integrate their positions to line the pockets of their respective railroads, only to be superfluous and abusive railroad freight rates, only to be exploited and other unreasonable barriers to the establishment and the European Union (Brussels) would have worked more aggressively to protect labor and environmental initiatives to protect labor and environmental protections when we make our trade agreements so that we can protect against multinational corporations moving production to other countries with lower labor costs. Lastly, we need to make sure that our trade agreements do not compromise our food safety standards. This is a real threat, particularly to our children who are often more severely affected by contaminated food than adults.

I am a proponent of free trade; I am as even stronger proponent of fair trade. Our priority should be to forge a sound trade policy that helps, not hurts, the working people of this country. While we address our concerns, we can still achieve strong free trade accords. The Executive branch has negotiated hundreds of agreements without the benefit of fast track, and will continue to do so if fast track authority is not renewed.

In my view, the administration's latest set of initiatives to protect labor and environmental issues in trade agreements are insufficient. If these issues are truly a priority, I believe the administration would have worked more aggressively to include them earlier on, instead of capitulating to a few demands in the eleventh hour of this debate. The new initiatives to make World Trade Organization activities, such as the settlement of international trade disputes, more open to the public, and to issue reports on worker conditions in other countries might prove valuable but they cannot replace our own efforts. We must insist on negotiating authority that ensures trade pacts contain enforceable food safety, environmental, and labor provisions.
What we need is a concrete strategy to improve workers’ rights and protect the environment in developing countries, while at the same time negotiating effective trade agreements. I do not believe that this version of fast track meets these vital goals. Mr. Speaker, free trade advocates say that NAFTA has nothing to do with fast track. That’s not true. NAFTA has everything to do with fast track.

NAFTA was negotiated under fast track, and look at what NAFTA has brought us. The evidence shows that it has lost hundreds of thousands of jobs. And not only has it brought us a $16 billion trade deficit with Mexico, it’s brought us lower wages, weaker consumer protections, and a dirtier environment. It’s rolled back all of the advances we made this century and brought us back to the 19th century. Instead of leading us into the 21st century, it’s dragging us down. That’s not sound public policy, no matter how you look at it.

Free trade advocates say that the economy is booming. That may be statistically accurate, but let’s take a closer look at what NAFTA has meant for American working families. Although the U.S. economy grew at a robust 4 percent in 1994 and productivity increased by about 2 percent, American workers did not share in these gains. The wages of American workers have continued to fall since NAFTA was implemented. In the first year, American workers saw the sharpest one year drop of their real hourly wages. The real median wage fell by over 2 percent, continuing a 20 year downward trend.

The evidence shows that not only did we lose American jobs, the American working men and women have seen a reduction in their wages as well. So what does NAFTA mean for American workers? The evidence shows NAFTA means stagnant incomes and falling wages for working Americans. Face the facts. If we cut through the economic rhetoric that the free trade advocates use to cloud the debate on fast track and NAFTA, the question we have before us is actually quite simple—do we want to sacrifice American jobs at the altar of free trade? For myself, the answer is very simple.

That’s why I opposed NAFTA. That’s why I opposed fast track back in 1991, and that’s why I am so strongly opposed to this fast track bill.

Free trade advocates want the American people to believe that those of us who oppose fast track are ignorant of the new international economy and are pursuing an “America-last” strategy. They think we are protectionists, as if it were some kind of dirty word. Well, if trying to protect American jobs, the American standard of living and American working families makes me a protectionist, then I will gladly wear that label.

The majority of Americans want fair trade. The majority of Americans don’t want fast track stripped of labor and environmental protections. When I’m back home in the Third Congressional District of Illinois, every working man and woman tells me that they don’t want fast track. They don’t want any more NAFTA’s.

They’re tired of exporting American jobs in stead of American products. Perhaps if some folks were taking time to walk Main Street instead of Wall Street, they would hear the same thing. Some folks seem to have lost sight of the fact that we work for the American people.

In reality though, this isn’t a debate between so-called “protectionism” and free trade. It’s a debate to shape America’s future in the global economy, and to make the global economy work for us—not the other way around. Mr. Speaker, this fast track legislation just won’t work. It gives us no more NAFTA’s. Instead of leading us into the 21st century, this fast track legislation will pull us back. Instead of rebuilding the American dream for working families, it will tear it down. That’s why I am so strongly opposed to this bill. I will vote “no” on fast track, and I strongly urge all of my colleagues to do the same. Let us listen to Main Street, not Wall Street, because it’s the working men and women of America that makes America so strong.

Mr. BERRY. Mr. Speaker, I rise today as a proponent of expanded trade opportunities for Americans. I support renewal of traditional trading authority for the President, and I will vote today in favor of H.R. 2621.

My vote today should not be an indication that I agree with the process that led us to vote at this time. In fact, I strongly disagree with the President. I agree with those Members who claim that we are voting on fast track today solely because fast track is a good idea. If the majority party wanted to pass fast track we could have voted on it last November; or January, February, March, or any time before now. Likewise, we could have voted on this next spring when we all return. The timing of this vote will jeopardize this much needed legislation from eventually passage.

I have worked for a long time and very hard for passage of fast track. I have colleagues on both sides of the aisle who are committed to expanding international trade, and they too have worked tirelessly for fast track. But today, some of these champions of trade are compelled to vote “no” on this crucial bill—not because it is a bad bill, but because of its terrible timing. People are playing politics with the global economy, and I find that shameful. At this precarious time we should be more prudent. The timing of this vote sends a signal to the world’s economies that the United States is not in the marketplace. The timing of this vote sends them a message that we are preparing to move to a protectionist stance and that we are willing to stifle global economic growth.

I am prepared to vote “yes” on this critical legislation because I am so strongly committed to expanding trade opportunities for Americans. I only wish that the leaders of the majority party were prepared to show an equal commitment to this principle—and less of a willingness to play politics with our future.

Ms. BROWN of Florida. Mr. Speaker, as the Chair of the Subcommittee on Trade, I am very concerned about this Fast Track legislation. The way I see it, NAFTA has eroded 100 years of U.S. workers’ rights and protections. And I need to know that Florida farmers will not suffer. What has NAFTA done for Florida? No oranges from Florida have gone to Mexico; however Mexican tomatoes have flooded the U.S. market.

We now have a history with NAFTA. We have lost good jobs. Corporations move and unemployed workers left behind get jobs paying less. The skilled jobs that once moved black workers into the middle class are gone and cities have lost an important tax base. At the same time, workers in rural America are suffering.

This is wrong. All citizens must be lifted with the economic tide—we are all in the same boat. I will work to see that we all can do better in this new global economy. I am especially concerned about our working men and women. What workers want answers to important questions:

1) How will American workers integrate into the global community? 2) Where will corporate investment be made? 3) How will global trade affect the balance of power between worker and management? 4) How will global trade affect our rural farmers and the global environment?

Our workers deserve reasonable answers to these questions.

Mr. HARMAN of New Jersey. Mr. Speaker, I rise in strong support of the pending measure granting the President fast track consideration of trade agreements he negotiates with our foreign trading partners.

As many of my colleagues know, despite pressure from the Administration, former President Bush and Carter, and business and my constituents, I voted against NAFTA. But fast track is not NAFTA. But fast track is not NAFTA. Indeed, as I explained to a business audience in my district last fall, fast track is not a debate over NAFTA or whether what is negotiated will even resemble NAFTA.

I can appreciate the concern that the fast track process may result in a trade agreement certain interests can’t support and perhaps can’t defeat. But I am more concerned that the lack of fast track authority will mean that even good trade agreements cannot be negotiated because our trading partners will not want Congress to amend them.

I represent California’s 36th Congressional District—which I call the aerospace center of the universe. Over the course of the last decade, this district has lost thousands of defense-dependent jobs. But the local economy has rebounded—rebounded by diversifying and applying the high technology skills of South Bay workers to solving transportation problems, to cleaning up the environment, to developing advanced communications satellites and the infrastructure and software to support them, and to making advances in medical technologies adapted from Cold War programs.

Future growth, indeed the continued existence of these industries, depends on finding foreign markets. Diversification and access to foreign markets are the strategy for saving the defense industrial base that won the Cold War. Without trade, this industrial base would be far weaker today, and fewer high skilled workers would be employed. Most important, our ability to even resemble NAFTA.

Trade benefits the non-defense sectors in my district as well: from toys to wet suits to automobiles. Most of our growth in manufacturing and service jobs in the last decade is trade-related.

Mr. Speaker, creating trade opportunities is an integral part of keeping a strong defense
Mr. COSTELLO. Mr. Speaker, today, the Republican leadership is playing a game of fast track legislation that does a better job of promoting America’s trade interests. I urge my colleagues to vote against this fast track legislation, and to work with me to develop fast track legislation that does a better job of protecting America’s trade interests.

Mr. COYNE. Mr. Speaker, I rise in opposition to the amendment.

I oppose H.R. 2621 because I think that it would produce trade agreements that contain inadequate labor and environmental protections. I believe that trade agreements negotiated under the terms of this fast track authorization bill would destroy U.S. jobs and drive down American workers’ wages.

Mr. Speaker, the United States is a world leader in terms of military power, diplomatic influence, economic vitality, technological innovation, and popular culture. As the richest and most powerful nation on earth, the United States enjoys a unique position of leadership—and provides us with the ability and opportunity to influence countries around the globe.

This country must be a leader in terms of worker rights and environmental standards as well. Our labor and environmental standards have a positive influence on labor and environmental laws and regulations around the world. We also set international labor, environmental, workplace, safety, and environmental stewardship in developing nations. By doing so we help both American workers and foreign ones. Moreover, failure to do so places our workers and their employers at a competitive disadvantage in the global marketplace. Consequently, I strongly believe that any trade agreements that we reach with developing countries should promote worker rights and environmental protection in those countries.

I believe that responsible trade agreements can benefit this nation and its workers, and that giving the President fast track negotiating authority can promote such agreements. Consequently, in considering this legislation, I support the administration’s fast track negotiating authority, my decision on whether to support or oppose this fast track legislation will hinge on the treatment of labor and environmental issues. I have concluded that this bill does not provide adequate labor protections and environmental standards will be included in trade agreements negotiated under its fast track authority. Consequently I oppose this legislation.

I urge my colleagues to vote against this fast track legislation, and to work with me to develop fast track legislation that does a better job of protecting America’s trade interests.

Our nation should be able to take full advantage of the advances which free trade status and fast track authority offer. I urge my colleagues to support H.R. 2621, and reinstate fast track authority for workers, for business, and for America.

Mr. COYNE. Mr. Speaker, I rise in opposition to the amendment.

I oppose H.R. 2621 because I think that it would produce trade agreements that contain inadequate labor and environmental protections. I believe that trade agreements negotiated under the terms of this fast track authorization bill would destroy U.S. jobs and drive down American workers’ wages.

Mr. Speaker, the United States is a world leader in terms of military power, diplomatic influence, economic vitality, technological innovation, and popular culture. As the richest and most powerful nation on earth, the United States enjoys a unique position of leadership—and provides us with the ability and opportunity to influence countries around the globe.

This country must be a leader in terms of worker rights and environmental standards as well. Our labor and environmental standards have a positive influence on labor and environmental laws and regulations around the world. We also set international labor, environmental, workplace, safety, and environmental stewardship in developing nations. By doing so we help both American workers and foreign ones. Moreover, failure to do so places our workers and their employers at a competitive disadvantage in the global marketplace. Consequently, I strongly believe that any trade agreements that we reach with developing countries should promote worker rights and environmental protection in those countries.

I believe that responsible trade agreements can benefit this nation and its workers, and that giving the President fast track negotiating authority can promote such agreements. Consequently, in considering this legislation, I support the administration’s fast track negotiating authority, my decision on whether to support or oppose this fast track legislation will hinge on the treatment of labor and environmental issues. I have concluded that this bill does not provide adequate labor protections and environmental standards will be included in trade agreements negotiated under its fast track authority. Consequently I oppose this legislation.

I urge my colleagues to vote against this fast track legislation, and to work with me to develop fast track legislation that does a better job of protecting America’s trade interests.

Our nation should be able to take full advantage of the advances which free trade status and fast track authority offer. I urge my colleagues to support H.R. 2621, and reinstate fast track authority for workers, for business, and for America.

Mr. COYNE. Mr. Speaker, I rise in opposition to the amendment.

I oppose H.R. 2621 because I think that it would produce trade agreements that contain inadequate labor and environmental protections. I believe that trade agreements negotiated under the terms of this fast track authorization bill would destroy U.S. jobs and drive down American workers’ wages.

Mr. Speaker, the United States is a world leader in terms of military power, diplomatic influence, economic vitality, technological innovation, and popular culture. As the richest and most powerful nation on earth, the United States enjoys a unique position of leadership—and provides us with the ability and opportunity to influence countries around the globe.

This country must be a leader in terms of worker rights and environmental standards as well. Our labor and environmental standards have a positive influence on labor and environmental laws and regulations around the world. We also set international labor, environmental, workplace, safety, and environmental stewardship in developing nations. By doing so we help both American workers and foreign ones. Moreover, failure to do so places our workers and their employers at a competitive disadvantage in the global marketplace. Consequently, I strongly believe that any trade agreements that we reach with developing countries should promote worker rights and environmental protection in those countries.

I believe that responsible trade agreements can benefit this nation and its workers, and that giving the President fast track negotiating authority can promote such agreements. Consequently, in considering this legislation, I support the administration’s fast track negotiating authority, my decision on whether to support or oppose this fast track legislation will hinge on the treatment of labor and environmental issues. I have concluded that this bill does not provide adequate labor protections and environmental standards will be included in trade agreements negotiated under its fast track authority. Consequently I oppose this legislation.

I urge my colleagues to vote against this fast track legislation, and to work with me to develop fast track legislation that does a better job of protecting America’s trade interests.

Our nation should be able to take full advantage of the advances which free trade status and fast track authority offer. I urge my colleagues to support H.R. 2621, and reinstate fast track authority for workers, for business, and for America.

Mr. COYNE. Mr. Speaker, I rise in opposition to the amendment.

I oppose H.R. 2621 because I think that it would produce trade agreements that contain inadequate labor and environmental protections. I believe that trade agreements negotiated under the terms of this fast track authorization bill would destroy U.S. jobs and drive down American workers’ wages.

Mr. Speaker, the United States is a world leader in terms of military power, diplomatic influence, economic vitality, technological innovation, and popular culture. As the richest and most powerful nation on earth, the United States enjoys a unique position of leadership—and provides us with the ability and opportunity to influence countries around the globe.

This country must be a leader in terms of worker rights and environmental standards as well. Our labor and environmental standards have a positive influence on labor and environmental laws and regulations around the world. We also set international labor, environmental, workplace, safety, and environmental stewardship in developing nations. By doing so we help both American workers and foreign ones. Moreover, failure to do so places our workers and their employers at a competitive disadvantage in the global marketplace. Consequently, I strongly believe that any trade agreements that we reach with developing countries should promote worker rights and environmental protection in those countries.

I believe that responsible trade agreements can benefit this nation and its workers, and that giving the President fast track negotiating authority can promote such agreements. Consequently, in considering this legislation, I support the administration’s fast track negotiating authority, my decision on whether to support or oppose this fast track legislation will hinge on the treatment of labor and environmental issues. I have concluded that this bill does not provide adequate labor protections and environmental standards will be included in trade agreements negotiated under its fast track authority. Consequently I oppose this legislation.

I urge my colleagues to vote against this fast track legislation, and to work with me to develop fast track legislation that does a better job of protecting America’s trade interests.

Our nation should be able to take full advantage of the advances which free trade status and fast track authority offer. I urge my colleagues to support H.R. 2621, and reinstate fast track authority for workers, for business, and for America.

Mr. COYNE. Mr. Speaker, I rise in opposition to the amendment.

I oppose H.R. 2621 because I think that it would produce trade agreements that contain inadequate labor and environmental protections. I believe that trade agreements negotiated under the terms of this fast track authorization bill would destroys U.S. jobs and drive down American workers’ wages.

Mr. Speaker, the United States is a world leader in terms of military power, diplomatic influence, economic vitality, technological innovation, and popular culture. As the richest and most powerful nation on earth, the United States enjoys a unique position of leadership—and provides us with the ability and opportunity to influence countries around the globe.

This country must be a leader in terms of worker rights and environmental standards as well. Our labor and environmental standards have a positive influence on labor and environmental laws and regulations around the world. We also set international labor, environmental, workplace, safety, and environmental stewardship in developing nations. By doing so we help both American workers and foreign ones. Moreover, failure to do so places our workers and their employers at a competitive disadvantage in the global marketplace. Consequently, I strongly believe that any trade agreements that we reach with developing countries should promote worker rights and environmental protection in those countries.

I believe that responsible trade agreements can benefit this nation and its workers, and that giving the President fast track negotiating authority can promote such agreements. Consequently, in considering this legislation, I support the administration’s fast track negotiating authority, my decision on whether to support or oppose this fast track legislation will hinge on the treatment of labor and environmental issues. I have concluded that this bill does not provide adequate labor protections and environmental standards will be included in trade agreements negotiated under its fast track authority. Consequently I oppose this legislation.

I urge my colleagues to vote against this fast track legislation, and to work with me to develop fast track legislation that does a better job of protecting America’s trade interests.
made over the past six years, all but two were considered without fast track procedures. 198
agreements didn't need such power. This is essentially the same fast track legislation that was opposes last year by labor, consumer, and environmental groups. No matter how you repackage it, fast track in this form is a bad deal for America. Our job in Congress is to represent our constituents, to not shift our power and limit our voice on key trade agreements, especially as our global economies become more integrated.

I understand the benefits of trade on our national and local economies. However, we need to use our economic leverage and market power to ensure that the rights and interests of our farmers, workers, environment and public health are advanced in our trade agreements. These are the very elements which have contributed in shaping one of the greatest economies in the world. Why should we lower the standards and protections that provide the foundation of our economy and U.S. prosperity? Trade pacts today have too often been the Trojan horse which undermines progress in these emerging areas of environmental, policy, worker rights, health and safety standards.

I fear that new trade agreements without a prerequisite to address these specific concerns will just represent a high tide which carries away the foreign shores and creates a lower common denominator. Some will capitalize on the growth of the emerging global economy and the expansion of trade, no matter the human indignity upon which it rests, and others will be displaced by downsizing, new technology, and offshore production. Therefore, will not negotiate away my ability to advocate for my constituents' interests, jobs, wages, and livelihoods. My rejection of this process isn't the end of the issue, but rather a vote for Congress to insist upon a new negotiation framework and reclaim its proper role—a direct role in the trade agreements that will determine the policy and economic interface between the United States and our trade partners.

We have the ability and the responsibility to guide and shape economic and trade policy, keeping in mind the core values that have sustained our nation as the world's most successful economy; the basic human rights, social justice, safety and health, worker rights and the safeguarding of the environment. For that reason, I oppose this fast track legislation, and encourage my colleagues to do the same. It isn't a solution but the wrong track—a detour on the economic policy path to a sound global economy.

Mr. SKAGGS. Mr. Speaker, a year ago, when I announced my decision to support fast track trade negotiating authority, I told my constituents that I was supporting it because I believe strongly that good jobs depend on expanded trade—especially for a state like Colorado that is a leader in high tech and agricultural exports.

Over the twelve years in Congress, I have talked with workers, farmers, managers, and CEOs whose jobs depend on being able to sell their goods overseas. To expand U.S. exports, we must make trade agreements to open foreign markets to the goods and services produced by Colorado's and America's workers.

One-third of our economic growth in recent years has come from exports. Our economy is in the eighth year of a steady expansion, with low inflation, and unemployment at such low levels that economists consider it to be "full" employment. I am convinced that the long-term health of our economy depends on continuing to lower barriers to our exports and expand opportunities to sell our goods.

For the United States to retreat from the policy of trade liberalization, which has been a major source of worldwide economic growth since the end of World War II, would have enormous consequences for this country and for the rest of the world.

What is essential in the long-run is a sustainable, centrist, bipartisan, and reliable coalition for a progressive trade policy. Playing political games with this issue won't succeed in the short-run—few believe there are enough votes to pass this measure today. But far worse, pushing today's vote on Fast Track will cause positions to harden and so will diminish the chances of achieving a centrist consensus on trade over the long-run. And trade policy simply has to be bipartisan if it is to be effective or reliable.

Sadly, the Republican leadership seems more interested in scoring pre-election political points in making real improvements in the world trading environment. If they really wanted to sustain bipartisan coalition in support of a progressive trade policy, they would not be bringing Fast Track up today.

A Republican aide is quoted as saying that the decision to bring this to a vote, regardless of its choice of passage, was "to show business who is in the camp of business, and who is in the camp of labor." That's the sort of maneuver that severely damages the prospects for a national consensus on trade.

I can't vote for Fast Track today, because I choose not to help the effort to manipulate this important issue for partisan advantage a few weeks before the election. I will vote "present" to protest this cynical treatment of an issue that is so important to America's continued prosperity.

Mr. DICKS. Mr. Speaker, I am very disappointed with the reasons that the leadership has brought this legislation to the floor this afternoon. Both sides of this debate—and both parties—know very well that there are not enough votes to pass this bill today, a bill that I believe will reduce the future of our country. Rather, this legislation is being used as a political tool with the sole purpose of trying to embarrass the President. I believe that this is wrong, and I think that the leadership on the other side should have worked with the Administration in good faith to gain the votes to pass this bill instead of using such an important and inflammatory political issue simply for partisan gain.

Despite the actions of the other side, I support fast track with the understanding authority to the President for certain trade agreements. I believe that this authority is necessary to ensure that the United States remains a global leader on free trade, and to enable the President to continue to work for open foreign markets for American goods.

Trade is critical to Washington state, which is our nation's leader in capita goods exports. In fact, one in every four jobs in my state is directly or indirectly dependent on exports—almost 740,000 people—and this figure is expected to increase to one in three by 2005. These are not low wage service jobs that have been generated from the growth of trade in my state. These are high-wage jobs—jobs that pay 46 percent more than the overall state average. We are talking about thousands of union Machinists making airplanes at the Boeing Company, we are talking about software developers at Microsoft, we are talking about the people that work at the Kaiser, chip makers at Intel, and workers at Weyerhaeuser that produce lumber and wood products for export.

Trade is not just important to big companies; in my state, there are many more small to medium-size companies that depend on international trade. There are many small companies that supply machine and airplane parts that go into the aircraft that we sell overseas, thousands of farmers that grow apples and wheat, and countless small, family-owned producers that work to expand trade and get their products in Asian and other overseas markets.

Fast track negotiating authority is critical to the continued prosperity of the Pacific Northwest. A second Information Technology Agreement, one of the Fast Track priorities of the Clinton Administration, is particularly important to the many high tech companies in the Puget Sound area. Further negotiations on intellectual property, a principal negotiating objective of the bill, will also help these companies to fight software piracy, which costs the state tens of millions of dollars each year. Future agricultural agreements will also help open markets for Washington's farmers.

Many Fast track opponents are arguing that the only reason for considering this bill at all is to enable the President to expand NAFTA to Chile and beyond. In actuality, negotiating a comprehensive trade agreement with Chile—a more economically developed country than Mexico—is only a small part of the Administration's trade agenda. This agenda also includes expanding current trade agreements to achieve reduced foreign tariffs on U.S. high technology products and services (some of which currently exceed 30 percent), greater protection of American intellectual property, improved access to foreign government procurement activities, and elimination of barriers against U.S. agricultural products. With 30 percent of our recent economic growth tied to exports, and these export-related jobs paying between 13 to 16 percent more than the average national wage, it is imperative that we act now to pursue trade expansion of foreign markets to America's products and services.

It is important not to forget that more than 95 percent of the world's population lives outside the United States.

Mr. Speaker, despite my dissatisfaction with the reasons for which this legislation is under consideration today, I will vote in favor of the bill. In my judgment, fast track negotiating authority is too important to my district, my state, and my country for me not to support it. I voted "present" in support of the United States Congress and in opposition to fast track.

I am going to be brief because what I have to say is straightforward; fast track may have consequences in the past, but it is clearly wrong for the present and wrong for the future.

There was a time then international trade agreements were little more than the terrain of bean-counters: the fees applied to the importing and exporting of goods.

Today, however, these agreements have expanded well beyond bean-counting, and even beyond trade into the realm of finance and services.
Such agreements directly impact the meat and potatoes of what our work in Congress is all about: worker rights, the environment, economic equality, human rights, food safety, even health care and education spending. Therefore, we, the Members of Congress, must have a voice in the direction of these internationals. I did not become a United States Representative to act as a rubber stamp.

Rather, I came here to represent my constituents by using my voice to debate and to amend as I see fit legislation that has a direct bearing on their lives.

And, to those among us who argue that the United States needs fast track to participate in the international global economy—I ask for one, just one example from the last four years during which time we did not have fast track that the United States has not had a seat at the table in an international trade, investment or finance negotiation? Anyone? I thought not. Because there are no examples. We have never been kept from the table and we will not be left out in the future.

For these reasons, Mr. Speaker, I continue my opposition to fast track by voting against this bill.

Mr. KLECZKA. Mr. Speaker, I rise today to express my strong opposition to giving fast track authority to the administration. Not only will it be a bad deal for working men and women, but it prevents Congress from doing its job.

Let me start out by saying that I am very concerned that we are even having this debate today. The Republican leadership has brought this bill to the floor with little interest in promoting a sensible trade policy for our nation. Instead, the bill before us today has the sole intent of embarrassing President Clinton and forcing Democrats to cast a tough political vote before an election.

Last year, fast track was pulled from the House calendar because there were not enough votes for passage. Since that time, no effort has been made to address the concerns of those who opposed fast track. The Republican leadership tinkered around the edges to add a few more provisions to make the vote even more difficult for some members, but nothing of substance. No protections for our environment. No protections for workplace safety. No protections for hardworking Americans and their families.

I must remind my colleagues that the Constitution of the United States gives Congress the power to regulate commerce with foreign nations. Since 1974, however, the House and Senate have abdicated this responsibility by giving the president trade negotiating authority that limits congressional input. This culminated in the failed North American Free Trade Agreement (NAFTA).

The legacy of NAFTA is the growing number of American companies heading south of the border to take advantage of low wages and non-existent workplace safety and environmental standards. Two years ago, Johnson Controls, located in my congressional district, said they were closing a valve plant and taking 200 jobs with them to Mexico. Companies such as Fruit of the Loom and Sara Lee have also joined Johnson Controls in abandoning thousands of their workers in search of lower costs in Mexico.

Even worse, companies are using the threat of relocating in Mexico in order to force their loyal employees to accept cuts in pay and benefits. To top it off, many workers are being required to work longer hours in order to meet the production demands of corporate CEOs. A commission created under a side agreement of NAFTA conducted a study that showed these threats are put three times more often under NAFTA than in the past. This lack of bargaining power has prevented American workers from enjoying the benefits of the recent period of economic prosperity.

Many say the recent economic expansion has been a result of the recent trade policies of our nation. While that may be true, it is a fact that American workers have not enjoyed the benefits that should come with economic prosperity. From 1993 to 1996, real median wages fell 4.1 percent. My state of Wisconsin was only one of four states where household income did not grow over the past year. In fact, the median income in Wisconsin dropped almost $1,800—or 4.2 percent—last year. The reason: the quality of jobs, measured by wages, has deteriorated.

America should also be concerned about what recent trade agreements have done to the environment. The proponents of fast track point out that there are compatible global economy and trade policies that authorize us to avoid the bad and cut out the rest. But what they fail to realize is that when we choose to ignore environmental standards in trade negotiations, we are putting our own health and safety at risk.

Instead of debating this partisan sham of a trade bill, the House of Representatives should be doing its job. We must defeat this legislation and reassert our constitutional duty to debate, amend, and then approve trade proposals that are in the best interest of working families.

Mr. FRELINGHUYSEN. Mr. Speaker, I rise today in strong support of H.R. 2621, known as “fast track” authorization for the President to negotiate international trade agreements. Congress must pass this legislation today for several reasons—it will open markets and create jobs, it is the right policy for American export businesses, and it is about leadership.

H.R. 2621 will give the U.S. an edge by opening up overseas markets to our products and services. One in four of the world’s consumers live outside of the U.S. and fast track will ensure some of America’s most important industries market access and future economic expansion.

I hear from countless businesses and their employees that fast track is the right policy for American Export Businesses. There is virtually no question that exports have contributed immensely to America’s increasing economic vitality and stature throughout the world. America leads the world in net exports. Last year, American exports of goods and services totaled more than $933 billion—14 percent of total world trade. More than 11 million U.S. jobs are export-related, including 1 in 5 manufacturing jobs, which pay an average of 13-16 percent above the national average.

Thirdly, fast track is about leadership. We are the world’s global leader in trade and our action today is both symbolic and substantive. You can’t lead the world towards democratic ideals and free markets if you remove yourself from the trade process. We need to be involved on all continents, and right now we are shutting ourselves out of too many overseas markets.

Similarly, our country cannot be an advocate for global environmental protection and the improvement of labor conditions and wages if we are not at the table to lead in these efforts.

Finally, I would like to express my disappointment over the President’s personal involvement during this debate. For the past year, he and members of his Administration, including the Vice-President, the Secretary of State, and the Treasury Secretary, have been quoted repeatedly about the urgency of passage of fast track. In this regard, I would like to quote Secretary Madeline Albright’s July 24, 1997 speech to the Pacific Council and Los Angeles World Affairs Council. She said, “American prestige is not divisible. If we want our views and interests respected, we cannot sit on the sidelines with towels over our heads while others seize the opportunities presented by the global marketplace. That is why, from a foreign policy perspective, I consider fast track to be among our highest legislative priorities.”

I commend the leadership of the House for bringing this bill to the floor today, despite the lack of its support by the President and his Administration, because they understand the importance of this bill for our country.

Just like the average family in Illinois’ 7th Congressional District. They are impacted by this trade agreement whether they like it or not. My hope is for them. They want what you and I want—to provide, to the best of their ability, for their loved ones.

My hope is for the people in the district, so that they can obtain a Living Wage, a wage that allows workers to lead a dignified life while working in a safe and healthy environment—an environment that respects their needs as a worker and a human being. Their struggles and desires are not so different from yours and mine. They want to put clothes on their children’s back, they want to put food on the table, they have access to reliable transportation, live in adequate housing and be able to obtain affordable child care for their children.

Their issues need to be taken into account and be an active part of this debate. We need to engage the people in this debate—for we are dealing with their livelihoods.

I hope for a trade agreement that will help to broaden our economy, help eradicating poverty, while bringing jobs and a decent quality of life to all of those involved. However, based upon recent reports, NAFTA as a trade agreement and trade model, has failed its promises. Thus, I believe that any standard of trade, based on the NAFTA model, will further threaten the standard of living for working families, not only in the USA but in other countries as well. Therefore, I am opposed to HR 2621, Fast Track.

“Free traders” often state that those opposed to NAFTA-based agreements—like fast track, need to “get with the times”—often asserting that we are opposed to this treaty out
of fear for the future. I pronounce that this is just simply not the truth. I welcome healthy change and look forward to supporting a treaty that will serve in the best interest of small businesses, workers and the environment in this country, as well as all those involved.

Mr. Speaker, I know that when we start placing people before profits; placing democratic safeguards before raw political gain; placing the well-being of our land ahead of the fiscal bottom line of a limited number of business concerns and protecting our inhabitants from irresponsible development—then the future will be much better for those ordinary folks both here and in places like Mexico.

Instead of fast-track, we need an agreement that increases our purchasing power, that improves living standards for all, and that proposes constructive solutions to pressuring development and social problems, and that enhances healthy commerce throughout the region.

“Fast track” proponents continue to argue that jobs are being created, but they cannot back up their claims. Studies show that 65% of laid off U.S. workers end up in lower paying jobs. The vast majority of new jobs in the United States are now in low paying sectors of the economy. The U.S. Department of Labor’s forecast of job growth over the next ten years shows the greatest growth in retail sales clerks and waiters.

The Administration argues that they need “fast track” authority to negotiate trade agreements, but this just isn’t so. By their own admission, only 2 out of over 200 trade agreements negotiated while in office, have been negotiated under “fast-track” authority. Working families are better served by public debate over trade agreements, not backroom deals cut by policy players that can only be voted up or down.

Fast-tracking is an issue of democracy. There is no adequate time to debate. Thus, members are forced to circumvent on their duty to vote.

Finally, given the negative effects that NAFTA has had on workers both here and across the border, I must oppose a region known as the Maquiladora, as point-in-case. The area is an environmental and health disaster area called a “cesspool of infectious diseases” by the American Medical Association. Residents on both sides of the border suffer from alarming rates of hepatitis, chronic diarrhea and tuberculosis. Contamination by toxic industrial wastes and chemicals has been linked to the clusters of cancer, rare birth defects and immunological diseases on both sides of the border in 1995.

A tragic example of the types of human costs that can be experienced when linked to rapid industrialization without any human rights standards. Yes, we need jobs and a solid economy, but, I ask my colleagues, at what cost and at the expense of whom? We need to seek equitable trade across borders. We cannot think that what is only good for U.S. citizens. We need enforceable workers’ rights provisions and standards for all parties in trade agreements. This is fair trade.

To honestly analyze this “agreement,” we must understand not only what NAFTA is, but more importantly what it is not. NAFTA did not create substantially more free trade with Mexico; it did not create higher paying jobs for rank and file workers—on either side of the Rio Grande, it did not ensure the development of Mexico, and it side-steps critical social, environmental and economic issues. NAFTA is the absence of wage and labor rights, and responsible environmental regulations.

I say that NAFTA is more about Wall St. than about Roosevelt Road in my district where businesses thrive and employ many working-class families.

What can we learn from this debate? One strategy that seems abundantly clear is that we must work together to introduce and pass legislation that helps defend the rights and improve the quality of life for all working people across borders. People in my district—and beyond—need good, decent-paying jobs with a liveable wage as well as a workplace that has an atmosphere of safety and respect for all.

With a new effort afoot to spearhead international trading blocks, we must respond by allowing aggressive organizing to take place in the workplace, and create an atmosphere that welcomes the advocating of social change that safeguards workers, communities and the environment. To ask for less is to consign all of us to a spiral of economic decay and growing human misery that undercuts the humanity and well-being of all people of the America.

Mr. Speaker, I close today, by submitting to you that our struggle is linked to the struggles of poor and oppressed people throughout the world and their economic liberation protects our economic development. I look forward to supporting a treaty that will help small business prosperity, a treaty that gives everybody the same break that the current treaty reserves for only the most powerful players at the table. We need a fair trade agreement that includes all who have a right and need to trade.

Good trade is good for people in the 7th Congressional District of Illinois, the city of Chicago as well as the people in the USA and Mexico. A higher wage means more purchasing power which means a stronger economy.

Mr. CONYERS. I am opposed to this bill to grant “fast track” authority to negotiate trade agreements, but this just isn’t so.

One of the purposes of trade agreements is a hindrance to fair trade, rather than a boon.

Because we cannot look into a crystal ball to find out how a trade agreement will turn out we must ensure that environmental, consumer and worker safeguards that make our standard of living among the highest in the world. We have worked very hard at building a nation where people can live with assurances that their food has been inspected, their roads are relatively free of unsafe vehicles, their air and water are clean and they can earn a livable wage. Why should U.S. citizens or any other citizen of any nation not be guaranteed the continuation of those same benefits? Why should U.S. standards be compromised?

The purpose of trade agreements should be to better both or all trading partners. Our goal should be to raise the standard of living for everyone. Weak standards should be strengthened, strong standards should not be weakened. As we have seen with NAFTA, not including certain safeguards in the text of a trade agreement itself will result in a lower standard of living.

Because we cannot look into a crystal ball to find out how a trade agreement will turn out we must ensure that environmental, consumer and worker safeguards that make our standard of living among the highest in the world.

I believe that this fast track is the wrong track. It quiets the American people’s voice in the bargaining. Thisungeon. We need a President who would not only negotiate a continuation of those same benefits, but would ensure that high standards are part of the negotiations and will not be sacrificed.

I fully understand the importance of entering into trade agreements to make sure that the U.S. is not left behind in this global economy. Expanding export opportunities is critical to the continued economic development of Rhode Island’s economy and I will work to continue to create and expand those opportunities without giving up our standards in favor of fair and equitable trade, but not at the expense of jobs and our families. We should trade goods, not export jobs.

I believe that this fast track is the wrong track. It quiets the American people’s voice in the bargaining.

I believe we can have free and fair trade, trade that benefits American workers and commerce, and defends the environment. I believe we can have agreement that will result in higher wages, cleaner air and greater consumer safeguards. This bill will not yield those
congressional record – house

September 25, 1998

desired results. Again, I urge my colleagues to vote against this bill.

Mr. DELAHUNT. Mr. Speaker, I rise in strong opposition to the bill.

This debate is not about “free trade” versus “protectionism” but is about how proponents of the fast track proposal often characterize it. It is not about “engagement” versus "isolationism." Or “leadership” versus "re-treat.”

What this debate is about is whether the most powerful nation on the planet will help create a global economic system in which everyone has a fair share of the wealth.

Or whether we will continue to pursue trade policies that magnify existing inequities. That favor huge multinational and “agribusiness” combines over locally owned enterprises and family farms. That encourage American companies to go where they won’t be hampered by fair labor standards, consumer protection laws and environmental regulations.

This debate is about whether we will have much to an-

ments which codify the inequities of the cur-

ture of international trade. We will have much to an-

ments which codify the inequities of the cur-

ture of international trade. We will have much to an-

ments which codify the inequities of the cur-

ture of international trade. We will have much to an-

ments which codify the inequities of the cur-

ture of international trade. We will have much to an-

ments which codify the inequities of the cur-

ture of international trade. We will have much to an-

ments which codify the inequities of the cur-

ture of international trade. We will have much to an-

ments which codify the inequities of the cur-

ture of international trade. We will have much to an-

ments which codify the inequities of the cur-

ture of international trade. We will have much to an-

ments which codify the inequities of the cur-

ture of international trade. We will have much to an-

ments which codify the inequities of the cur-

ture of international trade. We will have much to an-

ments which codify the inequities of the cur-

ture of international trade. We will have much to an-

ments which codify the inequities of the cur-

ture of international trade. We will have much to an-

ments which codify the inequities of the cur-

ture of international trade. We will have much to an-

ments which codify the inequities of the cur-

ture of international trade. We will have much to an-

ments which codify the inequities of the cur-

ture of international trade. We will have much to an-

ments which codify the inequities of the cur-

ture of international trade. We will have much to an-

ments which codify the inequities of the cur-

ture of international trade. We will have much to an-

ments which codify the inequities of the cur-

ture of international trade. We will have much to an-

ments which codify the inequities of the cur-

ture of international trade. We will have much to an-

ments which codify the inequities of the cur-

ture of international trade. We will have much to an-

ments which codify the inequities of the cur-

ture of international trade. We will have much to an-

ments which codify the inequities of the cur-

ture of international trade. We will have much to an-

ments which codify the inequities of the cur-

ture of international trade. We will have much to an-

ments which codify the inequities of the cur-


Raul Salinas was widely rumored to have grown rich on dubious business dealings during his brother's presidency, but the accusations were almost never public or specific. Shortly before his term ended, in December 1994, his chosen successor, Ernesto Zedillo, shuttered a long Mexico tradition of impunity for presidential families by authorizing a wave of investigations into allegations that he ordered the murder of a leader of the governing party who was his former brother-in-law.

In the tiny maximum-security prison cell where Salinas has spent the last three and a half years, he has been struck by wave after wave of Federal prosecutors in New York are pressing ahead with a criminal investigation into the possibility that he may have laundered illicit funds through his accounts at Citibank headquarters in New York. And after a series of reversals in their murder case, Mexican officials say they are close to announcing new corruption charges against him.

Much of the Swiss evidence seems to come from witnesses who are identified only by pseudonyms like "Luis" and "Jan," whose credibility is difficult to judge.

Some claimed they had arranged the protection of drug shipments with Salinas directly. In at least a few such cases, United States law-enforcement officials have acknowledged that they offered witnesses protection to obtain information about Salinas. But other witnesses who have approached the United States officials have been ignored or even regarded with suspicion. In contrast to law enforcement officials in Mexico who are familiar with his case described Ramos, who remains in prison, as highly credible.

Law experts in Switzerland and the United States predicted that the confidentiality of the sources arranged by Salinas might well prove a weak point in the Government's case. If a seizure is ordered and lawyers for Salinas challenge it in court, as they insist they will, the judge who evaluates the case will have access to the witnesses' identities but the lawyers' names and their credibility is difficult to judge.

In contrast to law enforcement officials in the United States who have studied Mexican drug corruption for years, the small team of Swiss investigators have virtually no background in the subject. But since their arrest of Salinas's third wife, Paulina Castaño, as she tried to retrieve her name in the mid-1980's as Mexico's young, Harvard-trained Budget Minister, the father's life would not have permitted him to hold a high-level government position, the father decided to support his son Carlos instead.

Long before Carlos Salinas began to make his name in the mid-1980's as Mexico's youngest minister, the report suggests, his father had built a friendship with one of the legendary figures of Mexico's north-border drug trade, Juan N. Guerra. Such a relationship has been reported in the past, and angrily denied by Raul Salinas Lozano.

The eldest son of the one-time border Senator—Salinas's predominant political rival in the politics of his home state of Nuevo Leon—and a nephew of the trafficker Juan Garcia Abrego, inherited the connection, the report contends.

Quoting a series of former drug traffickers, the Swiss investigators state that Raul Salinas began arranging protection for both Garcia Abrego and the Medellin cartel in Colombia even before his brother became President.

One of those traffickers, identified as "Giuseppe," appears to be Jose Manuel Ramos, a former high-level Medellin cocaine distributor who operated out of northern Mexico and Texas in the 1980's. Three American law-enforcement officials familiar with his case described Ramos, who remains in prison, as highly credible.

Both Ramos and his wife, Luz Salazar, (the "Ludmilla" of the report) referred the Swiss detectives to payment ledgers and other documents that had been seized at the time of their arrest. According to the report, the documents helped to corroborate that from 1987 to 1989, they paid Salinas $28.7 million on behalf of their boss, Jose Gonzalez Rodriguez.

Another convicted trafficker who gushes with information about Raul Salinas, Marco Enrique Torres, has weaker bona fides. While the report quoted corroborations of Torres's account by an F.B.I. agent who pursued his case, Orlando Munoz, it fails to note Salinas's denials that he ever knew Torres. Nor does it raise questions about the most improbable parts of his tale of a long criminal friendship between a mid-level drug smuggler and a member of the Mexican political aristocracy.

Once Carlos Salinas became President at the end of 1988, the report states, his brother's power to assure the safe northward passage of drug shipments was even greater, as modern as anything in the United States, you will find workers living in abject poverty. They live literally in the cardboard boxes that carry the goods out of the plants. The labor laws in Mexico are better than ours. They are just not enforced. If you speak with the workers and you ask why do you not join an independent union or why do you not bargain for better wages, they laugh at you. And they say, "We have no ability to do that."

Mr. MATSUI. Mr. Speaker, I yield.

Mr. GEPHARDT. Mr. Speaker, I rise to oppose this bill and ask Members on both sides of the aisle to oppose this bill.

I have voted for and worked on fast track bills in the past. I worked on a bill with then President Bush that we passed back in the late 1980's. I believe in trade, and I believe in trade agreements. I believe in opening markets. I believe in free trade agreements. This is not a partisan issue. It is an issue on which I think people of like minds have to come together to prefigure an architecture so that free trade treaties that come from the fast track authority will succeed in opening up more trade and, most importantly, in increasing the compatibility between the countries that are engaging in trade.

Mr. MATSUI. Mr. Speaker, I yield.

Mr. GEPHARDT. Mr. Speaker, I rise to oppose this bill and ask Members on both sides of the aisle to oppose this bill.

I have voted for and worked on fast track bills in the past. I worked on a bill with then President Bush that we passed back in the late 1980's. I believe in trade, and I believe in trade agreements. I believe in opening markets. I believe in free trade agreements. This is not a partisan issue. It is an issue on which I think people of like minds have to come together to prefigure an architecture so that free trade treaties that come from the fast track authority will succeed in opening up more trade and, most importantly, in increasing the compatibility between the countries that are engaging in trade.

To take NAFTA, for an example, it is a free trade treaty between countries that have very different standards of living, very different attempts at enforcing their basic laws. We now know that the problems that have come from NAFTA have been caused because we did not have an architecture so that the enforcement provisions, with teeth, that would allow all the parties to get the other parties to the agreement to properly enforce their labor and environmental laws. We tried to get that in the bill first and, I think, failed.

Now, why is this important? If you go to Mexico today on the border, you will find the most modern plants in the world. In fact, there are double the number of plants there were before NAFTA and double the number of jobs. In many ways that is good. That is what we hoped would happen. But if you examine further and you go in the villages where the workers live next to the plants that are modern, as modern as anything in the United States, you will find workers living in abject poverty. They live literally in the cardboard boxes that carry the goods out of the plants. The labor laws in Mexico are better than ours. They are just not enforced. If you speak with the workers and you ask why do you not join an independent union or why do you not bargain for better wages, they laugh at you. And they say, "We have no ability to do that."

Mr. GEPHARDT. Mr. Speaker, I yield.

Mr. GEPHARDT. Mr. Speaker, I rise to oppose this bill and ask Members on both sides of the aisle to oppose this bill.

I have voted for and worked on fast track bills in the past. I worked on a bill with then President Bush that we passed back in the late 1980's. I believe in trade, and I believe in trade agreements. I believe in opening markets. I believe in free trade agreements. This is not a partisan issue. It is an issue on which I think people of like minds have to come together to prefigure an architecture so that free trade treaties that come from the fast track authority will succeed in opening up more trade and, most importantly, in increasing the compatibility between the countries that are engaging in trade.

To take NAFTA, for an example, it is a free trade treaty between countries that have very different standards of living, very different attempts at enforcing their basic laws. We now know that the problems that have come from NAFTA have been caused because we did not have an architecture so that the enforcement provisions, with teeth, that would allow all the parties to get the other parties to the agreement to properly enforce their labor and environmental laws. We tried to get that in the bill first and, I think, failed.
fast track will pass, we can work to a bipartisan fast track that will give the President the fast track authority that he wants, that has the proper conditions in it so we can construct the right architecture in the world so that free trade is also fair trade, it is trade with standards, it is trade that raises the standards in the world and not lowering everybody's standards to the lowest common denominator. Now, surely we can do this.

The fast track we have tonight not only does not allow us to have those kinds of provisions in free trade treaties, it specifically says we cannot take up those matters in free trade negotiations. It is the opposite of what we need. We are the leader in the world. We are the one that has to help bring this infrastructure, this architecture to the world.

What you are voting on tonight is a very imperfect instrument that will not get us where we need to be. We can do better. Vote to fast track down. Let us come back next year in a bipartisan way, honestly and decently, and put together a piece of legislation that will allow America to lead the world to a higher standard of living, to create the benefits of trade for all the people of the world.

Mr. ARCHER. Mr. Speaker, I yield the balance of my time to the gentleman from Georgia (Mr. GINGRICH) the Speaker of the House of Representatives.

The SPEAKER pro tempore (Mr. HASTINGS of Washington). The gentleman from Georgia is recognized for 4½ minutes.

Mr. GINGRICH. Mr. Speaker, let me say that I agree with the gentleman from Missouri that this is an imperfect instrument and that this is a difficult time. On the other hand, we were told a year ago it was the wrong time to vote. That was not an election year. Now, it is this year. Now that this year, that is the wrong time to vote. This is an election year.

Now, since under our Constitution the House is elected every two years, if it is not right to vote in the year before the election and it is not right to vote in the year of the election, the correct answer from some of our friends on the left is that there is never a time to vote, because they do not want to expand markets. And I understand that. But we need to understand just how historic this moment is. And Members are going to have to live with their conscience for a long time if they vote "no."

We have entered the first delusion since the Great Depression, from Malaysia and Thailand, to Indonesia, to South Korea, to Japan, to Russia, now to Brazil, we see all over this planet people whose economies are shaky, whose currencies are shaky and they are looking for leadership. The choice for them is also simple: Do they move into the world market which since World War II has so dramatically increased the wealth of the entire world, including the United States? Or do they move towards autarchy and protectionism and beggaring their neighbors and all of the policies which under Smoot-Hawley led to the Great Depression? Is that simple. And you get to vote in 15 minutes to send a signal to the entire world because the entire world is watching.

My friend from Washington State said the Brazilians hope we defeat it. He is right. The Brazilians want us to defeat it because they are creating a common market in South America and they do not want American exports and they know that if we do not have fast track, corporations are going to build new plants in Brazil and new plants in Argentina and take the jobs out of the U.S. because they are going to go behind that barrier. The European Common Market wants you to vote "no." The European Common Market knows that for the first time since World War II, they are selling more to Brazil than the United States. So the European Common Market hopes you will vote "no." That is the goal they have, make sure the American President stays impotent.

You say we are playing politics? It is the American President, William Clinton, who sent up the request for fast track, and who this year talked about how bitterly, that is his word, bitterly he regretted the defeat of fast track last year in his own caucus. He did not bring it up last year because we were told it was impossible because your unions would not let you vote.

Well, most of you do not have an opponent now. Most of you do not have an excuse now. This is a vote of conscience. You can vote "no," and when you vote "no," particularly those of you who have said for years you were free traders, you tell us who is playing politics: The people who vote their conscience, who are in this Congress for history, the people who send the signal to the world that we actually believe and vote for free trade? Or those of you who were for free trade until it became inconvenient for the Democratic Party?

You were for free trade until the unions told you, not this time, not on this bill, not last year, not this year. And you think the unions are going to tell you next year, oh, that is fine. GEPHARDT and GORE can be for free trade in 1999, because after all, there will not be a presidential nomination, the unions will not care.

Let us be honest. The fact is the Democratic Party is wedded to protectionism and it is willing to give away Latin America to the Europeans, it is willing to allow the Brazilians to create a common market that excludes America, it is willing to have the world market grow without us and if necessary it is willing to send the signal to Asia, go ahead and withdraw from the world market gain? Now, you will say, "Well, it hurts America." Today's Washington Post, Poverty Rate Fell, Incomes Rose in 1997. This is the great damage of NAFTA. Poverty is going down, incomes are going up, we have the lowest unemployment rate in 30 years, the lowest inflation rate in 30 years, the lowest housing mortgage rate since 1967, because we have had the guts to create a higher standard of wealth, because our companies have grown leaner and tougher and smarter, because our farmers export, our small businesses export. 108,000 of the 113,000 exporters are small businesses. But that is not good enough. More jobs for Americans, more wealth.

You think you are going to convince the Mexicans to establish a higher standard of child labor when you do not trade with them? You think you are going to convince El Salvador to create a higher standard of wealth when you do not trade with them? The fact is this administration could introduce a proposed child labor agreement with Mexico anytime it wants to. They could introduce it as a freestanding bill and make it be heard on its merits. But that is an excuse.

You know what the real issue is here. The real issue is, your union will not let you vote for free trade and you are willing to send a signal to the entire world at a time when a major firm was bailed out yesterday for $3.5 billion, an American firm, not a Japanese, not a Korean, not an Indonesian, an American firm, and in the middle of this level of instability, you yell partisan politics and then you vote partisan against your own rhetoric?

I am not going to embarrass my colleagues by reading into the Record what they said, what their President has said, what the Vice President has said. Because when they go out of the country, they are for fast track. The fact is this year, the President said he is for fast track. This year the Vice President said he is for fast track. It is sad to see the partisan politics of the unions and the Democratic Party and yes, this may go down, but if this goes down and we end up in a steep worldwide recession, some of us will have had the comfort of knowing, we cast the right vote, we sent the right signal, and we tried to sustain what has worked for 50 years and not let the world slide back to what failed in the Great Depression.

The question is on the passage of the bill. The SPEAKER pro tempore. Pursuant to House Resolution 553, the previous question is ordered on the bill, as amended.

The question is on engrossment and third reading of the bill. The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill. The question was taken; and the SPEAKER pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. RANGEL. Mr. Speaker, I demand a recorded vote.
A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 180, noes 243, answered “present” 3, not voting 9, as follows:

[Roll No. 466]

AYES—180

Bachus
Ballenger
Bartman
Bass
Batesen
Beuerman
Bereuter
Bilirakis
Biliter
Bilivy
Blunt
Boehner
Bonilla
Bono
Bowser
Bradley (TX)
Braun (WA)
Brady (PA)
Brady (WI)
Barr
Baldacci
Aderholt
Ackerman
Fossella
Ford
Foley
Eshoo
Ehrlich
Emerson
Eshoo
Etheridge
Ewing
Fawell
Foley
Ford
Fossella
Frank (NJ)

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

H.R. 4382. An act to amend the Public Health Service Act to revise and extend the program for mammography quality standards.

The message also announced that the Senate agrees to the report of the Committee of Conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4112), “An Act making appropriations for the Legislative Branch for the fiscal year ending September 30, 1999, and for other purposes.”

Mr. SOLOMON. Mr. Speaker, I ask unanimous consent that during consideration of H.R. 4579, pursuant to House Resolution 552, notwithstanding the order of the previous question, it may be in order after 30 minutes of the 60 minutes provided for initial debate on the bill, as amended pursuant to the rule, for the Chair then to postpone further consideration of the bill until the following legislative day, on which consideration may resume at a time designated by the Speaker.

The intent is that we would do 30 minutes of debate on the tax bill tonight, then rise, and after a journal vote tomorrow morning take up the remaining 30 minutes of general debate time.

Mr. RANGEL. Mr. Speaker, the right to object, I will not object, but I would like to take this time to ask my friend, why is it that he only requested 30 minutes when there is a total of 2 hours debate on this bill?

In view of the fact that so many Members would want to return to their home districts, especially this time of fiscal year, it would seem to me that if we started debate now, we could be out of here by 9 o’clock this evening.

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

Mr. RANGEL. Further requesting the right to object, I yield to the gentleman from New York.

Mr. SOLOMON. Mr. Speaker, as the gentleman knows, this was agreed to by the Republicans and the Democrat leadership. We have to make sure the appropriators are going to get our work done. It is very, very difficult. We will go along with this.

Mr. RANGEL. I am glad that the gentleman gave that lengthy explanation there, because I thought for a minute he did not have any reason why we were doing this, but now he has cleared that all up.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. SNOWBARGER). Is there objection to the request of the gentleman from New York?

There was no objection.

PERMISSION TO FILE CONFERENCE REPORTS ON H.R. 4638, ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 1999, AND H.R. 6, HIGHER EDUCATION AMENDMENTS OF 1998

Mr. SOLOMON. Mr. Speaker, I ask unanimous consent that the managers
on the part of the House have until midnight tonight to file conference reports on H.R. 4060, which is the Energy and Water Development Appropriations Act, 1999, and H.R. 6, the Higher Education Amendments of 1998.

Mr. OBEY. Mr. Speaker, I withdraw my name removed as a cosponsor from H.R. 4567.

Mr. OBEY. Reserving the right to object to the request of the gentleman from New York?

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 4567

Mr. OBEY. Reserving the right to object to the request of the gentleman from New York?

There was no objection.


Mr. SOLOMON. Mr. Speaker, I ask unanimous consent that it be in order on Monday, September 28, 1998, or any day thereafter to consider the conference reports on the following bills; that all points of order be waived against each conference report and its consideration, and that each be considered as read when called up for consideration.

The conference reports are H.R. 4103, Department of Defense Appropriations Act, 1999, H.R. 4060, Energy and Water Development Appropriations Act, 1999, and H.R. 6, Higher Education Amendments of 1998. We could then come to the floor without a rule, but under the same process.

Mr. ARCHER. Mr. Speaker, pursuant to House Resolution 552, the bill is considered as having been read for amendment.

Mr. OBEY. Further reserving the right to object, I yield to the gentleman from New York.

Mr. SOLOMON. Mr. Speaker, that is my understanding. That is the agreement that the two leaders have made.

Mr. OBEY. Mr. Speaker, I withdraw my reservation of objection.

Mr. SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 4567

Mr. STENHOLM. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor from H.R. 4567.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 4567

Mr. THOMAS. Mr. Speaker, I ask unanimous consent that the gentleman from Georgia (Mr. Norwood) be removed as a cosponsor of H.R. 4567. He was inadvertently placed on that bill through clerical error.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1995

Mr. METCALF. Mr. Speaker, I ask unanimous consent to have my name removed as a cosponsor of H.R. 1995.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

TAXPAYER RELIEF ACT OF 1998

Mr. ARCHER. Mr. Speaker, pursuant to House Resolution 552, I call up the bill (H.R. 4579) to provide tax relief for individuals, families, and farming and other small businesses, to provide tax incentives for education, to extend certain expiring provisions, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the consideration of the bill?

There was no objection.

The text of H.R. 4579 is as follows:

H.R. 4579

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, SECTION 1. SHORT TITLE, ETC. (a) SHORT TITLE.—This Act may be cited as the "Taxpayer Relief Act of 1998".

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

(c) TABLE OF CONTENTS.—

SECTION 1. SHORT TITLE, ETC.

TITLE I—PROVISIONS PRIMARILY AFFECTING INDIVIDUALS AND FAMILIES

Subtitle A—General Provisions

Sec. 101. Elimination of marriage penalty in section or other provision of the Internal Revenue Code of 1986.

Sec. 102. Exemption of certain interest and dividend income from tax.

Sec. 103. Nonrefundable personal credits allowed against alternative minimum tax.

Sec. 104. 100 percent deduction for health insurance costs of self-employed individuals.

Sec. 105. Special rule for members of uniformed services and foreign service in determining exclusion of gain from sale of principal residence.

Sec. 106. $1,000,000 exemption from estate and gift taxes.

Subtitle B—Provisions Relating to Education

Sec. 111. Eligible educational institutions permitted to maintain qualified tuition programs.

Sec. 112. Modification of arbitrage rebate rules applicable to public school construction bonds.

Subtitle C—Provisions Relating to Social Security

Sec. 121. Increases in the social security earnings limit for individuals who have attained retirement age.

Sec. 122. Recomputation of benefits after normal retirement age.

TITLE II—PROVISIONS PRIMARILY AFFECTING FARMING AND OTHER BUSINESSES

Subtitle A—Increase in Expense Treatment for Small Businesses

Sec. 201. Increase in expense treatment for small businesses.

Subtitle B—Provisions Relating to Farmers

Sec. 211. Income averaging for farmers made permanent.

Sec. 212. 5-year net operating loss carryback for farming losses.

Sec. 213. Production flexibility contract payments.

Subtitle C—Increase in Volume Cap on Private Activity Bonds

Sec. 221. Increase in volume cap on private activity bonds.

TITLE III—EXTENSION AND MODIFICATION OF CERTAIN EXPIRING PROVISIONS


Sec. 301. Research credit.

Sec. 302. Work opportunity credit.

Sec. 303. Welfare-to-work credit.

Sec. 304. Contributions of stock to private foundations: expanded public inspection of private foundations' annual returns.

Sec. 305. Subpart F exemption for active financing income.

Subtitle B—Generalized System of Preferences

Sec. 311. Extension of Generalized System of Preferences.

TITLE IV—REVENUE OFFSET

Sec. 401. Treatment of certain deductible liquidating distributions of regulated investment companies and real estate investment trusts.

TITLE V—TECHNICAL CORRECTIONS

Sec. 501. Definitions; coordination with other titles.


Sec. 503. Amendments related to Taxpayer Relief Act of 1997.


Sec. 505. Other amendments.

TITLE VI—AMERICAN COMMUNITY RENEWAL ACT OF 1998

Sec. 601. Short title.

Sec. 602. Findings and purpose.

Subtitle A—Designation and Evaluation of Renewable Communities

Sec. 611. Short title.

Sec. 612. Statement of purpose.

Sec. 613. Designation of renewable communities.

Sec. 614. Evaluation and reporting requirements.

Subtitle B—Tax Incentives for Renewable Communities

Sec. 621. Tax treatment of renewable communities.

Sec. 622. Extension of work opportunity tax credit for renewable communities.

Sec. 623. Conforming and clerical amendments.
"(A) in determining the tax imposed for the taxable year pursuant to section 871(b)(1) and only in respect of dividends and interest which are effectively connected with the conduct of a trade or business within the United States, or

(B) in determining the tax imposed for the taxable year pursuant to section 871(b).

(4) DIVIDENDS FROM STOCK OWNERSHIP PLANS.—Subsection (a) shall not apply to any dividend described in section 404(k).

(b) CONFORMING AMENDMENTS.—

(1) Paragraph (2) of section 265(a) is amended by inserting before the period "", or to purchase or carry obligations or shares, or to make a loan to, any investment company, the interest thereon is excludable from gross income under section 116.

(2) Subsection (c) of section 594 is amended by adding at the end thereof the following new flush sentence:

"The proportionate share of each participant in the amount of dividends or interest received by the common trust fund and to which section 116 applies shall be considered for purposes of such section as having been received by such participant.

(c) Application.—Subsection (a) of section 643 is amended by adding at the end thereof the following new paragraph:

"(8) and by inserting after paragraph (6) the following new paragraph:

"(7) DIVIDENDS RECEIVED FROM A REGULATED REAL ESTATE INVESTMENT TRUST.—There shall be included the amount of any dividends or interest excluded from gross income pursuant to section 116.

(4) Section 584 is amended as read to follow:

"SEC. 854. LIMITATIONS APPLICABLE TO DIVIDENDS RECEIVED FROM A REGULATED REAL ESTATE INVESTMENT TRUST.

"(a) CAPITAL GAIN DIVIDEND.—For purposes of section 116 (relating to partial exclusion of dividends and interest received by individuals) and section 243 (relating to deductions for dividends received by corporations), a capital gain dividend (as defined in section 852(b)(3)) received from a regulated investment company shall not be considered as a dividend.

(b) OTHER DIVIDENDS.—

"(1) AMOUNT TREATED AS DIVIDEND.—

"(A) DEDUCTION UNDER SECTION 263.—In any case in which—

(i) a dividend is received from a regulated investment company as a dividend to which subsection (a) applies, and

(ii) such investment company meets the requirements of section 852(a) for the taxable year during which it paid such dividend, then, in computing any deduction under section 243, there shall be taken into account only that portion of such dividend designated under this subparagraph by the regulated investment company and such dividend shall be treated as received from a corporation which is not a 20-percent owned corporation.

(B) EXCLUSION UNDER SECTION 116.—If the aggregate dividends and interest received by a regulated investment company during any taxable year are less than 95 percent of its gross income, then in computing the exclusion under section 116, rules similar to the rules of subparagraph (A) shall apply.

(c) LIMITATIONS.—

(i) Section 116.—The aggregate amount which may be designated as dividends under subparagraph (A) shall not exceed the aggregate dividends received by the company for the taxable year in which the dividend is paid, qualified under part II of subchapter M (section 565 and following).

(A) AGGREGATE INTEREST.—The term ’aggregate interest’ means only interest includible in gross income. Gross income and aggregate interest received shall each be reduced by so much of the deduction allowable by section 163 for the taxable year as does not exceed aggregate interest received for the taxable year.

(B) SPECIAL RULE FOR COMPUTING DEDUCTION UNDER SECTION 243.—For purposes of subparagraph (A) of paragraph (1), an amount shall be treated as a dividend for the purpose of paragraph (1) only if a deduction would have been allowable under section 243 to the regulated investment company described in—

(a) as if section 243 applied to dividends received by a regulated investment company,

(b) after the application of section 246 (but without regard to subsection (b) thereof), and

(c) after the application of section 246A.

"(2) NOTICE TO SHAREHOLDERS.—The amount of any distribution by a regulated investment company which may be taken into account as a dividend for purposes of section 116 and the deduction under section 243 shall not exceed the amount so designated by the company in a written notice to its shareholders mailed not later than 60 days after the close of its taxable year.

"(3) DEFINITIONS.—For purposes of this subsection—

(A) GROSS INCOME.—In the case of 1 or more sales or other dispositions of stock or securities, the term ‘gross income’ includes only the excess of—

(i) the net short-term capital gain from such sales or dispositions, over

(ii) the net long-term capital loss from such sales or dispositions.

(B) AGGREGATE DIVIDENDS.—

(i) IN GENERAL.—The term ’aggregate dividends’ does not include dividends described in section 116(b)(2) (relating to dividends excluded from income).

(ii) DISTRIBUTIONS FROM REAL ESTATE INVESTMENT TRUSTS AND OTHER REGULATED INVESTMENT COMPANIES.—The amount of any dividend for purposes of this subparagraph, the rules of section 116(c)(1) shall apply; except that, for purposes of paragraph (1)(B) of subparagraph (A), aggregate dividends shall not include a distribution from a real estate investment trust which is greater than $5,000 when the tax year of the trust in which the dividend is paid, qualified under part II of subchapter M (section 565 and following).

(A) AGGREGATE INTEREST.—The term ’aggregate interest’ means only interest includible in gross income. Gross income and aggregate interest received shall each be reduced by so much of the deduction allowable by section 163 for the taxable year as does not exceed aggregate interest received for the taxable year.

(B) SPECIAL RULE FOR COMPUTING DEDUCTION UNDER SECTION 243.—For purposes of subparagraph (A) of paragraph (1), an amount shall be treated as a dividend for the purpose of paragraph (1) only if a deduction would have been allowable under section 243 to the regulated investment company described in—

(a) as if section 243 applied to dividends received by a regulated investment company,

(b) after the application of section 246 (but without regard to subsection (b) thereof), and

(c) after the application of section 246A.

"(2) NOTICE TO SHAREHOLDERS.—The amount of any distribution by a regulated investment company which may be taken into account as a dividend for purposes of section 116 and the deduction under section 243 shall not exceed the amount so designated by the company in a written notice to its shareholders mailed not later than 60 days after the close of its taxable year.

"(3) DEFINITIONS.—For purposes of this subsection—

(A) GROSS INCOME.—In the case of 1 or more sales or other dispositions of stock or securities, the term ‘gross income’ includes only the excess of—

(i) the net short-term capital gain from such sales or dispositions, over

(ii) the net long-term capital loss from such sales or dispositions.

(B) AGGREGATE DIVIDENDS.—

(i) IN GENERAL.—The term ’aggregate dividends’ does not include dividends described in section 116(b)(2) (relating to dividends excluded from income).

(ii) DISTRIBUTIONS FROM REAL ESTATE INVESTMENT TRUSTS AND OTHER REGULATED INVESTMENT COMPANIES.—The amount of any dividend for purposes of this subparagraph, the rules of section 116(c)(1) shall apply; except that, for purposes of paragraph (1)(B) of subparagraph (A), aggregate dividends shall not include a distribution from a real estate investment trust which is greater than $5,000 when the tax year of the trust in which the dividend is paid, qualified under part II of subchapter M (section 565 and following).

(A) AGGREGATE INTEREST.—The term ’aggregate interest’ means only interest includible in gross income. Gross income and aggregate interest received shall each be reduced by so much of the deduction allowable by section 163 for the taxable year as does not exceed aggregate interest received for the taxable year.

(B) SPECIAL RULE FOR COMPUTING DEDUCTION UNDER SECTION 243.—For purposes of subparagraph (A) of paragraph (1), an amount shall be treated as a dividend for the purpose of paragraph (1) only if a deduction would have been allowable under section 243 to the regulated investment company described in—

(a) as if section 243 applied to dividends received by a regulated investment company,

(b) after the application of section 246 (but without regard to subsection (b) thereof), and

(c) after the application of section 246A.

"(2) NOTICE TO SHAREHOLDERS.—The amount of any distribution by a regulated investment company which may be taken into account as a dividend for purposes of section 116 and the deduction under section 243 shall not exceed the amount so designated by the company in a written notice to its shareholders mailed not later than 60 days after the close of its taxable year.

"(3) DEFINITIONS.—For purposes of this subsection—

(A) GROSS INCOME.—In the case of 1 or more sales or other dispositions of stock or securities, the term ‘gross income’ includes only the excess of—

(i) the net short-term capital gain from such sales or dispositions, over

(ii) the net long-term capital loss from such sales or dispositions.
only that portion of such dividend designated under this subparagraph as interest under the real estate investment trust.

(B) LIMITATION.—The aggregate amount which may be designated as interest under subparagraph (A) shall not exceed the aggregate interest received by the trust for the taxable year.

(2) AGGREGATE INTEREST.—For purposes of this subsection, the term `aggregate interest' means only interest includible in gross income.

NOTICE TO SHAREHOLDERS.—The amount of any distribution by a real estate investment trust which may be taken into account as interest for purposes of the exclusion under section 166 shall not exceed the amount so designated by the trust in a written notice to its shareholders mailed not later than 60 days after the close of its taxable year.

(6) CROSS REFERENCE.—For restriction on dividends received by a corporation, see section 243(d)(3).

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

SEC. 103. NONREFUNDABLE PERSONAL CREDITS ALLOWED AGAINST ALTERNATIVE MINIMUM TAX.

(a) IN GENERAL.—Paragraph (a) of section 1511 of title 1, is amended by striking paragraph (4) and by redesignating paragraph (5) as paragraph (4).

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

SEC. 104. 100 PERCENT DEDUCTION FOR HEALTH INSURANCE COSTS OF SELF-EMPLOYED INDIVIDUALS.

(a) IN GENERAL.—Paragraph (1) of section 162(l)(2) is amended by inserting `or special rules for health insurance costs of self-employed individuals' after `individuals' and before `and their dependents'.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after 1998.

SEC. 105. SPECIAL RULE FOR MEMBERS OF UNIFORMED SERVICES AND FOREIGN SERVICE IN DETERMINING EXCLUSION OF GAIN FROM SALE OF PRINCIPAL RESIDENCE.

(a) IN GENERAL.—Subsection (d) of section 121 (relating to exclusion of gain from sale of principal residence) is amended by adding at the end the following new paragraph:

(9) MEMBERS OF UNIFORMED SERVICES AND FOREIGN SERVICE.—

(A) IN GENERAL.—The running of the 5-year period described in subsection (a) shall be suspended with respect to an individual during any time that such individual is serving on qualified official extended duty as a member of the uniformed services or of the Foreign Service.

(B) QUALIFIED OFFICIAL EXTENDED DUTY.—For purposes of subparagraph (A)—

(i) IN GENERAL.—For purposes of this paragraph, the term `qualified official extended duty' means any period of extended duty as a member of the uniformed services or a member of the Foreign Service during which the member serves at a duty station which is at least 50 miles from such property or is under Government orders to reside in Government quarters.

(ii) UNIFORMED SERVICES.—For purposes of clause (i), the term `uniformed services' shall have the meaning given such term by section 103(a)(5) of title 10, United States Code, as in effect on the date of the enactment of this paragraph.

(iii) FOREIGN SERVICE OF THE UNITED STATES.—For purposes of clause (i), the term `Foreign Service' has the meaning given such term by section 103(a)(5) of title 10, United States Code, as in effect on the date of the enactment of this paragraph.

(iv) EXTENDED DUTY.—The term `extended duty' means any period of active duty pursuant to a call or order to such duty for a period in excess of 90 days or for an indefinite period.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to sales and exchanges after the date of the enactment of this Act.

SEC. 106. $1,000,000 EXEMPTION FROM ESTATE AND GIFT TAXES.

(a) IN GENERAL.—Subsection (c) of section 2031 (relating to the applicable credit amount) is amended to read as follows:

(1) APPLICABLE CREDIT AMOUNT.—

(A) IN GENERAL.—Subparagraph (B) of the applicable credit amount is $345,800.

(B) APPLICABLE EXCLUSION AMOUNT.—For purposes of the provisions of this title which refer to this subparagraph, the applicable exclusion amount is $1,000,000.

(c) EFFECTIVE DATE.—The amendment made by this section shall apply to estates of decedents dying after December 31, 1998.

Subtitle B—Provisions Relating to Education

SEC. 111. ELIGIBLE EDUCATIONAL INSTITUTIONS TO MAINTAIN QUALIFIED TUITION PROGRAMS.

(a) IN GENERAL.—Paragraph (1) of section 529(b)(1) (defining qualified State tuition programs) is amended by striking clauses (i) through (vii) and inserting the following new clauses:

(iv) for each month of any taxable year ending after 1998 and before 2001, $1,541.66;

(v) for each month of any taxable year ending after 1999 and before 2001, $1,616.66;

(vi) for each month of any taxable year ending after 2000 and before 2002, $1,681.66;

(vii) for each month of any taxable year ending after 2001 and before 2003, $2,000.
(b) CONFORMING AMENDMENT.—The second sentence of section 223(d)(4)(A) of such Act (42 U.S.C. 415(f)(4)(A)) is amended by inserting "and section 122 of the Taxpayer Relief Act of 1997" after such Act.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to taxable years ending after 1998.

SEC. 212. INCREASE IN EXPENSE TREATMENT FOR NORMAL RETIREMENT AGE.

(a) IN GENERAL.—Section 215(f)(2)(D) of the Old Age, Survivors and Disability Insurance Act of 1950 (42 U.S.C. 415(f)(2)(D)) is amended to read as follows:

"(i) in the case of an individual who did not die in the year with respect to which the recomputation is made, for monthly benefits beginning for January 1, 2001, (ii) in the case of an individual who did not die in the year with respect to which the recomputation is made, for monthly benefits beginning for March 1, 2001, and (iii) in the case of an individual who did not die in the year with respect to which the recomputation is made, for monthly benefits beginning for May 1, 2001.

SEC. 223. PRODUCTION FLEXIBILITY CONTRACT LOSSES.

(a) IN GENERAL.—Paragraph (1) of section 172(b) (relating to net operating loss deduction) is amended as follows:

"(1) for purposes of this section, "farming loss" means the lesser of—

"(A) the amount which would be the net operating loss for the taxable year if only income and deductions attributable to farming businesses (as defined in section 263A(e)(4)) are taken into account in computing the net operating loss, and

"(B) the amount of the net operating loss for such taxable year.

(b) COORDINATION WITH SUBSECTION (b)(2).—For purposes of this section (and subsection (b)(2)), the term "farming loss" is defined as follows:

"(1) Special Rule for Farming Losses.—For purposes of this section—

"(D) the term 'farming loss' means the tax loss (as defined in section 263A) which would be treated as an item of gross income for purposes of subsection (c)(3) if the farming loss were not deductible, and

"(2) Definition of Farming Loss.—Clause (ii) of section 172(d)(1)(F) is amended by adding at the end the following flush sentence—

"Such term shall not include any farming loss (as defined in subsection (i))."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1997.

SEC. 223A. PRODUCTION FLEXIBILITY CONTRACT LOSSES.

(a) IN GENERAL.—The term "farming loss" is defined as follows:

"(1) Special Rule for Farming Losses.—For purposes of this section—

"(A) the amount which would be the net operating loss for the taxable year if only income and deductions attributable to farming businesses (as defined in section 263A(e)(4)) are taken into account in computing the net operating loss, and

"(B) the amount of the net operating loss for such taxable year.

(b) COORDINATION WITH SUBSECTION (b)(2).—For purposes of subsection (b)(2), the term "farming loss" is defined as follows:

"(1) Special Rule for Farming Losses.—For purposes of this section—

"(D) the term 'farming loss' means the tax loss (as defined in section 263A) which would be treated as an item of gross income for purposes of subsection (c)(3) if the farming loss were not deductible, and

"(2) Definition of Farming Loss.—Clause (ii) of section 172(d)(1)(F) is amended by adding at the end the following flush sentence—

"Such term shall not include any farming loss (as defined in subsection (i))."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1997.

SEC. 223B. PRODUCTION FLEXIBILITY CONTRACT LOSSES.

(a) IN GENERAL.—The term "farming loss" is defined as follows:

"(1) Special Rule for Farming Losses.—For purposes of this section—

"(D) the term 'farming loss' means the tax loss (as defined in section 263A) which would be treated as an item of gross income for purposes of subsection (c)(3) if the farming loss were not deductible, and

"(2) Definition of Farming Loss.—Clause (ii) of section 172(d)(1)(F) is amended by adding at the end the following flush sentence—

"Such term shall not include any farming loss (as defined in subsection (i))."

SEC. 223C. PRODUCTION FLEXIBILITY CONTRACT LOSSES.

(a) IN GENERAL.—The term "farming loss" is defined as follows:

"(1) Special Rule for Farming Losses.—For purposes of this section—

"(D) the term 'farming loss' means the tax loss (as defined in section 263A) which would be treated as an item of gross income for purposes of subsection (c)(3) if the farming loss were not deductible, and

"(2) Definition of Farming Loss.—Clause (ii) of section 172(d)(1)(F) is amended by adding at the end the following flush sentence—

"Such term shall not include any farming loss (as defined in subsection (i))."

(b) COORDINATION WITH SUBSECTION (b)(2).—For purposes of subsection (b)(2), the term "farming loss" is defined as follows:

"(1) Special Rule for Farming Losses.—For purposes of this section—

"(D) the term 'farming loss' means the tax loss (as defined in section 263A) which would be treated as an item of gross income for purposes of subsection (c)(3) if the farming loss were not deductible, and

"(2) Definition of Farming Loss.—Clause (ii) of section 172(d)(1)(F) is amended by adding at the end the following flush sentence—

"Such term shall not include any farming loss (as defined in subsection (i))."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1997.

SEC. 223D. PRODUCTION FLEXIBILITY CONTRACT LOSSES.

(a) IN GENERAL.—The term "farming loss" is defined as follows:

"(1) Special Rule for Farming Losses.—For purposes of this section—

"(D) the term 'farming loss' means the tax loss (as defined in section 263A) which would be treated as an item of gross income for purposes of subsection (c)(3) if the farming loss were not deductible, and

"(2) Definition of Farming Loss.—Clause (ii) of section 172(d)(1)(F) is amended by adding at the end the following flush sentence—

"Such term shall not include any farming loss (as defined in subsection (i))."

(b) COORDINATION WITH SUBSECTION (b)(2).—For purposes of subsection (b)(2), the term "farming loss" is defined as follows:

"(1) Special Rule for Farming Losses.—For purposes of this section—

"(D) the term 'farming loss' means the tax loss (as defined in section 263A) which would be treated as an item of gross income for purposes of subsection (c)(3) if the farming loss were not deductible, and

"(2) Definition of Farming Loss.—Clause (ii) of section 172(d)(1)(F) is amended by adding at the end the following flush sentence—

"Such term shall not include any farming loss (as defined in subsection (i))."

SEC. 223E. PRODUCTION FLEXIBILITY CONTRACT LOSSES.

(a) IN GENERAL.—The term "farming loss" is defined as follows:

"(1) Special Rule for Farming Losses.—For purposes of this section—

"(D) the term 'farming loss' means the tax loss (as defined in section 263A) which would be treated as an item of gross income for purposes of subsection (c)(3) if the farming loss were not deductible, and

"(2) Definition of Farming Loss.—Clause (ii) of section 172(d)(1)(F) is amended by adding at the end the following flush sentence—

"Such term shall not include any farming loss (as defined in subsection (i))."

(b) COORDINATION WITH SUBSECTION (b)(2).—For purposes of subsection (b)(2), the term "farming loss" is defined as follows:

"(1) Special Rule for Farming Losses.—For purposes of this section—

"(D) the term 'farming loss' means the tax loss (as defined in section 263A) which would be treated as an item of gross income for purposes of subsection (c)(3) if the farming loss were not deductible, and

"(2) Definition of Farming Loss.—Clause (ii) of section 172(d)(1)(F) is amended by adding at the end the following flush sentence—

"Such term shall not include any farming loss (as defined in subsection (i))."

SEC. 223F. PRODUCTION FLEXIBILITY CONTRACT LOSSES.

(a) IN GENERAL.—The term "farming loss" is defined as follows:

"(1) Special Rule for Farming Losses.—For purposes of this section—

"(D) the term 'farming loss' means the tax loss (as defined in section 263A) which would be treated as an item of gross income for purposes of subsection (c)(3) if the farming loss were not deductible, and

"(2) Definition of Farming Loss.—Clause (ii) of section 172(d)(1)(F) is amended by adding at the end the following flush sentence—

"Such term shall not include any farming loss (as defined in subsection (i))."

(b) COORDINATION WITH SUBSECTION (b)(2).—For purposes of subsection (b)(2), the term "farming loss" is defined as follows:

"(1) Special Rule for Farming Losses.—For purposes of this section—

"(D) the term 'farming loss' means the tax loss (as defined in section 263A) which would be treated as an item of gross income for purposes of subsection (c)(3) if the farming loss were not deductible, and

"(2) Definition of Farming Loss.—Clause (ii) of section 172(d)(1)(F) is amended by adding at the end the following flush sentence—

"Such term shall not include any farming loss (as defined in subsection (i))."
"(d) PUBLIC INSPECTION OF CERTAIN ANNUAL RETURNS AND APPLICATIONS FOR EXEMPTION.—

(1) IN GENERAL.—In the case of an organization described in subsection (c) or (d) of section 501, any request for an exemption from taxation under section 501(a)—

(A) a copy of—

(i) the annual return filed under section 6033 (relating to returns by exempt organizations) by such organization, and

(ii) if the organization filed an application for recognition of exemption under section 501(b)(3), the exempt status application materials of such organization,

shall be made available by such organization for inspection during regular business hours by any individual at the principal office of such organization and, if such organization regularly maintains 1 or more regional or district offices having 3 or more employees, at each such regional or district office, and

(B) NONDISCLOSURE OF AN INDIVIDUAL MADE AT SUCH PRINCIPAL OFFICE OR SUCH A REGIONAL OR DISTRICT OFFICE, A COPY OF SUCH ANNUAL RETURN AND EXEMPT STATUS APPLICATION MATERIALS OF SUCH ORGANIZATION, SHALL BE MADE AVAILABLE BY SUCH ORGANIZATION FOR INSPECTION DURING REGULAR BUSINESS HOURS BY ANY INDIVIDUAL AT THE PRINCIPAL OFFICE OR SUCH A REGIONAL OR DISTRICT OFFICE, A COPY OF SUCH ANNUAL RETURN AND EXEMPT STATUS APPLICATION MATERIALS OF SUCH ORGANIZATION, SHALL BE MADE AVAILABLE BY SUCH ORGANIZATION FOR INSPECTION DURING REGULAR BUSINESS HOURS.

The request described in subparagraph (B) must be made in person or in writing. If such request is for such copy shall be provided immediately and, if made in writing, shall be provided within 30 days.

(2) 3-YEAR LIMITATION ON INSPECTION OF RETURNS.—Paragraph (1) shall apply to an annual return filed under section 6033 only during the 3-year period beginning on the last day prescribed for filing such return (determined with regard to any extension of time for filing).

(3) EXCEPTIONS FROM DISCLOSURE REQUIREMENT.—

(A) NONDISCLOSURE OF CONTRIBUTORS.—Paragraph (1) shall not require the disclosure of the name or address of any contributor to the organization.

(B) NONDISCLOSURE OF CERTAIN OTHER INFORMATION.—Paragraph (1) shall not require the disclosure of any information if the Secretary witheld such information from public inspection under subsection (a).

(4) LIMITATION ON PROVIDING COPIES.—Paragraph (1)(B) shall not apply to any request if, in accordance with regulations promulgated by the Secretary, the organization has made the requested documents widely available, or the Secretary determines, upon application by an organization, that such request is for a redundant or trapdoor campaign and that compliance with such request is not in the public interest.

(5) EXEMPT STATUS APPLICATION MATERIALS.—For purposes of paragraph (1), the term 'exempt status applicable materials' means the application for recognition of exemption under section 501 and any papers submitted in connection with such application and any letter or other document issued by the Internal Revenue Service with respect to such application.

(6) CONFORMING AMENDMENTS.—

(A) Subsection (c) of section 6033 is amended by adding "and" at the end of paragraph (1), by striking paragraph (2), and by redesignating paragraph (3) as paragraph (2).

(B) Subparagraph (C) of section 6652(c)(1) is amended by striking "subsection (d) or (e)(1) of section 6014 (relating to public inspection of applications for exemption)" and inserting "section 6014(d) with respect to any annual return."..

(C) Subsection (D) of section 6652(c)(1) is amended by striking "section 6014(e)(2) (relating to collection of applications for exemption)" and inserting "section 6014(d) with respect to any exempt status application materials (as defined in such section)."

(D) Section 6656 is amended by striking "or (e)"

(E) Section 7207 is amended by striking "or (e)"

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to tax years ending after January 1, 1996.

SEC. 305. SUBPART F EXEMPTION FOR ACTIVE FINANCING INCOME.

(a) INCOME DERIVED FROM BANKING, FINANCING OR SIMILAR BUSINESSES.—Section 954(h) (relating to income derived in the active conduct of banking, financing, or similar businesses) is amended to read as follows:

"(h) SPECIAL RULE FOR INCOME DERIVED IN THE ACTIVE CONDUCT OF BANKING, FINANCING, OR SIMILAR BUSINESSES.—

(1) IN GENERAL.—For purposes of subsection (c)(1), foreign personal holding company income shall not include qualified banking or financing income of an eligible controlled foreign corporation.

(2) ELIGIBLE CONTROLLED FOREIGN CORPORATION.—For purposes of this subsection—

(A) the term 'eligible controlled foreign corporation' means an eligible controlled foreign corporation which—

(i) is predominantly engaged in the active conduct of a banking, financing, or similar business, and

(ii) conducts substantial activity with respect to such business.

(B) Predominantly Engaged.—A controlled foreign corporation shall be treated as predominantly engaged in the active conduct of a banking, financing, or similar business if—

(i) more than 70 percent of the gross income of the controlled foreign corporation is derived directly from the active and regular conduct of a lending or finance business from transactions with customers which are not related persons, or

(ii) it is engaged in the active conduct of a banking, financing, or similar business by—

(I) such eligible controlled foreign corporation,

(II) a qualified business unit of such eligible controlled foreign corporation,

(iii) which is derived from 1 or more transactions with customers located in a country other than the country in which the active and regular conduct of a lending or finance business was performed, or

(iv) with customers located in a country other than the country in which the active and regular conduct of a lending or finance business was performed.

(C) RELATED PERSON.—The term 'related person' includes—

(i) the shareholders of the eligible controlled foreign corporation,

(ii) the shareholders of any qualified business unit of the eligible controlled foreign corporation,

(iii) the shareholders of such corporation's or unit's home country.

"(i) CONTROLLED FOREIGN CORPORATION.—The term 'qualified business unit' has the meaning given such term by section 959(a).

(E) RELATED PERSON.—The term 'related person' includes—

(i) the shareholders of the eligible controlled foreign corporation,

(ii) the shareholders of any qualified business unit of the eligible controlled foreign corporation,

(iii) the shareholders of such corporation's or unit's home country.

(4) LENDING OR FINANCING BUSINESS.—For purposes of this subsection, the term 'lending or financing business' means the business of—

(A) making loans,

(B) purchasing or discounting accounts receivable, notes, or installment obligations,

(C) engaging in leasing (including entering into leases and purchasing, servicing, and disposing of leases and leased assets),

(D) issuing letters of credit or providing guarantees,

(E) providing charge and credit card services, or

(F) rendering services or making facilities available in connection with activities described in subparagraphs (A) through (E) carried on by—

(i) the corporation (or qualified business unit) rendering services or making facilities available, or

(ii) another corporation (or qualified business unit of a corporation) which is a member of the same affiliated group (as defined in section 1564) but determined without regard to section 150(b)(3).

(5) OTHER DEFINITIONS.—For purposes of this subsection—

(A) CUSTOMER.—The term 'customer' means, with respect to any controlled foreign corporation or qualified business unit, any person which has a customer relationship with such corporation or unit and which is acting in its capacity as such.

(B) HOME COUNTRY.—Except as provided in regulations—

(i) CONTROLLED FOREIGN CORPORATION.—The term 'home country' means, with respect to any controlled foreign corporation, the country under the laws of which the corporation is organized.

(ii) QUALIFIED BUSINESS UNIT.—The term 'home country' means, with respect to any qualified business unit, the country in which such unit maintains its principal office.

(C) LOCATED.—The determination of where a customer is located shall be made under rules prescribed by the Secretary.

(D) QUALIFIED BUSINESS UNIT.—The term 'qualified business unit' has the meaning given such term by section 959(a).

(E) RELATED PERSON.—The term 'related person' includes—

(i) the shareholders of the eligible controlled foreign corporation,

(ii) the shareholders of any qualified business unit of the eligible controlled foreign corporation,

(iii) the shareholders of such corporation's or unit's home country.

(6) ANTI-ABUSE RULES.—For purposes of applying this subsection and subsection (c), the term 'anti-abuse rules' means—

(A) there shall be disregarded any item of income, deduction, gain, or loss and activities of such corporation not properly allocable or attributable to any qualified business unit of such corporation, and

(B) the corporation (or qualified business unit) shall be treated as a closely held corporation or unit for purposes of such corporation or unit.
to any transaction or series of transactions one of the principal purposes of which is qualifying income or gain for the exclusion under this section, including any transaction or series of transactions a principal purpose of which is the acceleration or deferral of any item in order to claim the benefits of such exclusion through the application of this section.

"(B) there shall be disregarded any item of income, gain, loss, or deduction with respect to any transaction or series of transactions utilizing the business of

"(i) an entity which is not engaged in regular and continuous transactions with customers or are not related persons, or

(ii) to the extent provided in regulations—

"(I) one or more entities in order to satisfy any one home country requirement under this subsection, or

"(II) a special purpose vehicle, including a securitization vehicle, an intragroup financing arrangement, or any similar entity or arrangement, and

"(C) a related person, an officer, a director, or an employee with respect to any controlled foreign corporation (or qualified business unit) which would otherwise be treated as a customer of such corporation or unit with respect to any transaction shall not be so treated if a principal purpose of such transaction is to satisfy any requirement of this subsection.

"(7) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this subsection, subsection (c)(2)(C)(ii), and the last sentence of subsection (e)(2).

"(8) APPLICATION.—This subsection, subsection (c)(2)(C)(ii), and the last sentence of subsection (e)(2) shall apply only to the first taxable year of a foreign corporation beginning after December 31, 1998, and before January 1, 2000, and to taxable years of United States shareholders with or within which such taxable year of such foreign corporation ends.

(b) INCOME DERIVED FROM INSURANCE BUSINESS—

"(I) INCOME ATTRIBUTABLE TO ISSUANCE OR REINSURANCE.—

"(A) IN GENERAL.—Section 953(a) (defining insurance income) is amended to read as follows:

"(a) INSURANCE INCOME.—

"(ii) a contract of insurance covered by paragraph (2) or (3) if—

"(I) the rules of section 954(h)(6) shall be applied, or

"(II) the term ‘applicable home country risks’ means risks in connection with property in, liability arising out of activity in, or the lives or health of residents of, a country other than the United States.

(b) QUALIFIED BUSINESS UNIT.—The term ‘qualified business unit’ means a qualified insurance company, determined under section 954(d)(3) in such home country, and

(c) INCOME ATTRIBUTABLE TO ISSUANCE OR REINSURANCE.—

"(I) with respect to which no policyholder, insured, annuitant, or beneficiary is a related person (as defined in section 954(d)(3)),

"(II) with respect to which no policyholder, insured, annuitant, or beneficiary is a resident of the United States.

(c) QUALIFYING INSURANCE COMPANY—

"(1) IN GENERAL.—For purposes of this section and section 954, the determination of whether a contract issued by a controlled foreign corporation is a life insurance contract or an annuity contract shall be made without regard to sections 72(s), 101(f), 817(h), and 7701 if—

"(A) such unit is licensed, authorized, or regulated by the applicable insurance regulatory body for its home country to sell insurance, reinsurance, or annuity contracts to persons other than related persons (within the meaning of section 954(d)(3)) in such home country, and

"(B) such controlled foreign corporation is a qualifying insurance company, determined under paragraph (3) as if such unit were a qualifying insurance company branch.

"(2) LIFE INSURANCE OR ANNUITY CONTRACT.—For purposes of section 954, the term ‘life insurance or annuity contract’ means, except as provided in subparagraph (B), a life insurance contract or an annuity contract issued or reinsured by a foreign corporation and each of its qualifying insurance company branches.

(d) ANTI-ABUSE RULES.—For purposes of paragraph (3) if—

"(A) the rules of section 954(h)(6) shall apply,

"(B) there shall be disregarded any change in the method of computing the principal purpose of which is the acceleration or deferral of any item in order to claim the benefits of this subsection or section 954(i),

"(C) the contract of insurance or reinsurance shall not be treated as an exempt contract (and premiums from such contract shall not be taken into account for purposes of paragraph (3) if—

"(i) any policyholder, insured, annuitant, or beneficiary is a related person, and

"(ii) any policyholder, insured, annuitant, or beneficiary is a resident of the United States.
States and such contract was marketed to such resident and was written to cover a risk outside the United States, or

(ii) the contract covers risks located within the United States and the qualifying insurance company or qualifying insurance company branch does not maintain such contemporaneous records, and file and preserve records respecting such contract as the Secretary may require.

(4) The Secretary may prescribe rules for the allocation of contracts and income from contracts among 2 or more qualifying insurance company branches of a qualifying insurance company in order to clearly reflect the income from such contracts.

(5) R E GULATIONS.ÐThe Secretary shall promulgate regulations necessary or appropriate to carry out the purposes of this subsection and section 954(i).

(6) A PPLICATION.ÐThis subsection and section 954(i) shall not apply to policies or contracts entered into before January 1, 2000, and to taxable years of United States insurers ending on the day before the date of enactment of this Act.

B. For purposes of subparagraph (A), the determination of where risks are located shall be made under the principles of section 953.

1. GENERAL.ÐFor purposes of subsection (c)(1), the Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this subsection and section 954(i).

2. A PPLICATION.ÐThis subsection and section 954(i) shall apply only to the first taxable year of a foreign corporation beginning on January 1, 1998, and before January 1, 2000, and to taxable years of United States shareholders with or within which such taxable year of such foreign corporation ends.

(1) CROSS REFERENCE.—For purposes of this subparagraph, any term used in this subsection having the same meaning as that term as used in this subchapter shall have the same meaning for purposes of section 953.

(2) C OORDINATION WITH SUBSECTION (C).—This subsection and section 954(i) shall not apply to qualified personal holding company income to which subsection (c) applies.

(3) P RINCIPLES FOR DETERMINING INSURANCE AND ANNUITY CONTRACTS.—The amount of the reserve of a qualifying insurance company or qualifying insurance company branch for any life insurance or annuity contract shall be determined in the manner prescribed in sections 982 and 983. The amounts of reserves of contracts or of 80 percent of its unearned premiums earned on such insurance contracts or of 80 percent of its unearned premiums under insurance or annuity contracts not described in subparagraph (A) shall be allocated ratably among such contract, and the reserves of each such contract, and

(4) B RANCH OF ITS RESERVES.—The unearned premiums and reserves of a qualifying insurance company branch with respect to property, casualty, or health insurance contracts shall be determined using the same methods and interest rates which would be used if such company or branch were subject to tax under chapter 1 of subtitle A of subchapter A, if such a branch were subject to tax under subchapter L, except that in applying such subchapter—

(A) the interest rate determined for the functional currency of the company's or branch's home country, and which, except as provided by the Secretary, is calculated in the same manner as the Federal mid-term rate under section 1274(d), shall be substituted for the applicable Federal interest rate, and

(B) the highest assumed interest rate per annum for determining the reserve determined under this paragraph shall be the greater of—

(i) the net surrender value of such contract (as defined in section 807(e)(1)(A)), or

(ii) the reserve determined under paragraph (5).

(5) A MOUNT OF RESERVE.—The amount of the reserve determined under this paragraph with respect to any contract shall be determined in the same manner as it would be determined by the qualifying insurance company or qualifying insurance company branch which were subject to tax under chapter 1 of subtitle L, except that in applying such subchapter—

(A) the interest rate determined for the functional currency of the company's or branch's home country, and which, except as provided by the Secretary, is calculated in the same manner as the Federal mid-term rate under section 1274(d), shall be substituted for the applicable Federal interest rate,

(B) the highest assumed interest rate per annum for determining the reserve determined under this paragraph shall be substituted for the applicable Federal interest rate,

(C) tables for mortality and morbidity which reasonably reflect the current mortality and morbidity risks in the company's or branch's home country, and which, except as provided by the Secretary, are calculated in the same manner as the tables provided by regulations, in the case of a regulated insurance company, or the prevailing State assumed interest rate, except that in applying such subchapter—

(i) the rate or rates determined for the functional currency of the company's or branch's home country, and which, except as provided by the Secretary, is calculated in the same manner as the Federal mid-term rate under section 1274(d), shall be substituted for the applicable Federal interest rate,

(ii) the highest assumed interest rate per annum for determining the reserve determined under this paragraph shall be the greater of—

(A) the interest rate determined for the functional currency of the company's or branch's home country, and which, except as provided by the Secretary, is calculated in the same manner as the Federal mid-term rate under section 1274(d), shall be substituted for the applicable Federal interest rate,

(B) the highest assumed interest rate per annum for determining the reserve determined under this paragraph shall be the greater of—

(i) the net surrender value of such contract (as defined in section 807(e)(1)(A)), or

(ii) the reserve determined under paragraph (5).

(6) N RIQUIDATIONS AND RELIQUIDATIONS.ÐFor any purpose of determining the reserve determined under this paragraph with respect to any contract (including any hedges, or similar reserves).

(7) E XEMPTION FROM FOREIGN PERSONAL HOLDING COMPANY INCOME.ÐParagraph (2) of section 954(i) is amended by inserting "other than property which gives rise to income which is exempt insurance income by reason of subsection (c)(2)(C)(i), (h), or (i)," after "subject to tax under chapter 1 of subtitle L, except that in applying such subchapter—

(A) the interest rate determined for the functional currency of the company's or branch's home country, and which, except as provided by the Secretary, is calculated in the same manner as the Federal mid-term rate under section 1274(d), shall be substituted for the applicable Federal interest rate,

(B) the highest assumed interest rate per annum for determining the reserve determined under this paragraph shall be the greater of—

(i) the net surrender value of such contract (as defined in section 807(e)(1)(A)), or

(ii) the reserve determined under paragraph (5).

(8) E XEMPTION FROM FOREIGN BASE COMPANY SERVICES INCOME.ÐParagraph (2) of section 954(e) is amended by inserting "other than property which gives rise to income which is exempt insurance income by reason of subsection (c)(2)(C)(i), (h), or (i)," after "subject to tax under chapter 1 of subtitle L, except that in applying such subchapter—

(A) the interest rate determined for the functional currency of the company's or branch's home country, and which, except as provided by the Secretary, is calculated in the same manner as the Federal mid-term rate under section 1274(d), shall be substituted for the applicable Federal interest rate,

(B) the highest assumed interest rate per annum for determining the reserve determined under this paragraph shall be the greater of—

(i) the net surrender value of such contract (as defined in section 807(e)(1)(A)), or

(ii) the reserve determined under paragraph (5).

(9) N RULING IN E XEMPTION FROM FOREIGN PERSONAL HOLDING COMPANY INCOME.ÐParagraph (2) of section 954(i) is amended by inserting "other than property which gives rise to income which is exempt insurance income by reason of subsection (c)(2)(C)(i), (h), or (i)," after "subject to tax under chapter 1 of subtitle L, except that in applying such subchapter—

(10) A PPLICATION.ÐThis subsection and section 954(i) shall apply only to the first taxable year of a foreign corporation beginning on January 1, 1998, and before January 1, 2000, and to taxable years of United States shareholders with or within which such taxable year of such foreign corporation ends.

(11) C R OSS REFERENCE.—For purposes of this subparagraph, any term used in this subsection having the same meaning as that term as used in this subchapter shall have the same meaning for purposes of section 953.
(b) that was made after June 30, 1998, and before the date of the enactment of this Act, shall be liquidated or reliquidated as free of duty, and the Secretary of the Treasury shall refund any duty paid with respect to such entry. If this subsection is read with the term ’entry’ includes a withdrawal from warehouse for consumption.

(2) REQUESTS.—Liquidation or reliquidation made by the taxpayer under paragraph (1) with respect to an entry only if a request therefor is filed with the Customs Service, within 180 days after the date of the enactment of this Act, to facilitate information to enable the Customs Service—

(A) to locate the entry; or

(B) to reconstruct the entry if it cannot be located.

TITLE IV—REVENUE OFFSET

SEC. 401. TREATMENT OF CERTAIN DEDUCTIBLE LIQUIDATING DISTRIBUTIONS OF REGULATED INVESTMENT COMPANIES AND REAL ESTATE INVESTMENT TRUSTS.

(a) IN GENERAL.—Section 332 (relating to complete liquidations of subsidiaries) is amended by adding at the end the following new subsection:

"(c) LIQUIDATING DISTRIBUTIONS AND REAL ESTATE INVESTMENT TRUSTS.—If a corporation receives a distribution from a regulated investment company or a real estate investment trust which is considered under subsection (b) as being in complete liquidation of such company or trust, then, notwithstanding any other provision of this chapter, such corporation shall recognize and treat as a dividend from such company or trust an amount equal to the deduction for dividends paid allowable to such company or trust by reason of such distribution."

(b) CONFORMING AMENDMENTS.—

(1) The material preceding paragraph (1) of section 332(b) is amended by striking "subsection (a)" and inserting "this section".

(2) Paragraph (1) of section 334(b) is amended by striking "subsection (a)" and inserting "section 332".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to distributions after May 21, 1998.

TITLE V—TECHNICAL CORRECTIONS

SEC. 501. DEFINITIONS; COORDINATION WITH OTHER TITLES.

(a) DEFINITIONS.—For purposes of this title—


(2) 1997 ACT.—The term "1997 Act" means the Internal Revenue Service Restructuring and Reform Act of 1998 (Public Law 105-206).

(3) 1998 ACT.—The term "1998 Act" means the Taxpayer Relief Act of 1997 (Public Law 105-34).

(b) COORDINATION WITH OTHER TITLES.—For purposes of applying the amendments made by any tax provision other than this title, the provisions of this title shall be treated as having been enacted immediately before the provisions of such other title.


(a) AMENDMENT RELATED TO SECTION 1101 OF 1998 ACT.—Paragraph (9) of section 603(h) of the 1998 Code, as added by section 1101(b) of the 1998 Act, is redesignated as paragraph (6).

(b) AMENDMENT RELATED TO SECTION 3001 OF 1998 ACT.—Paragraph (2) of section 7491(a) of the 1998 Code is amended by adding at the end the following new sentence:

"Subparagraph (C) shall not apply to any qualified revocable trust (as defined in section 645(b)(3)) with respect to liability for tax for any taxable year ending after the date of the decedent’s death and before the applicable date (as defined in section 645(b)(2))."

(c) AMENDMENTS RELATED TO SECTION 3002 OF 1998 ACT.—

(1) Section 742(a) of the 1986 Code is amended by striking "603(d)" and inserting "603(e)".

(2) Subparagraph (A) of section 601(e)(3) is amended by striking "of this section" and inserting "of subsection (b) or (f)".

(d) AMENDMENT RELATED TO SECTION 3301 OF 1998 ACT.—Paragraph (2) of section 3301(c) of the 1998 Act is amended by striking "The amendments and inserting ‘Subject to any applicable statute of limitation not having expired with regard to either a tax underpayment or a tax overpayment, the amendments’.

(e) AMENDMENT RELATED TO SECTION 3401 OF 1998 ACT.—Section 3401(c) of the 1998 Act is amended by inserting "6331(i)" after "6246(b)".

(f) AMENDMENT RELATED TO SECTION 3708 OF 1998 ACT.—Subparagraph (A) of section 6103(p)(3) of the 1998 Code is amended by inserting "7443A(c)" after "(c), (e),".

(g) AMENDMENT RELATED TO SECTION 5001 OF 1998 ACT.—

(1) Paragraph (B) of section 1(h)(13) of the 1998 Code is amended by striking "paragraph 7(A)(i)" and inserting "paragraph 7(A)(i)".

(2) A Subparagraphs (A)(i)(II), (A)(ii)(II), and (B)(1) of section 1(h)(13) of the 1998 Code shall be amended by striking December 31, 1997, by a regulated investment company or a real estate investment trust with respect to—

(i) gains and losses recognized directly by such company or trust, and

(ii) amounts properly taken into account by such company or trust by reason of holding (directly or indirectly) an interest in another such company or trust to the extent that such subparagraphs did not apply to such other company or trust with respect to such amounts.

(h) Subparagraph (A) shall not apply to any distribution which is treated under section 852(b)(7) or 857(b)(8) of the 1998 Code as received on December 31, 1997.

(i) For purposes of subparagraph (A), any amount which is includible in gross income of its shareholders under section 852(b)(3)(D) or 857(b)(3)(D) of the 1998 Code after December 31, 1997, shall be treated as distributed after such date.

(j) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the provisions of the 1998 Act to which they relate.

SEC. 503. AMENDMENTS RELATED TO TAXPAYER RELIEF ACT OF 1997.

(a) AMENDMENT RELATED TO SECTION 202 OF 1997 ACT.—

(1) Paragraph (2) of section 163(h) of the 1998 Code is amended by striking "and at the end of subparagraph (D), by striking the period at the end of subparagraph (E)" and inserting "or", and", and", and by adding at the end the following new subparagraph:

"(F) any interest allowable as a deduction under section 221 (relating to interest on educational loans)."

(b) PROVIDE RELATED TO SECTION 311 OF 1997 ACT.—In the case of any capital gain distribution made after 1997 by a trust to which section 664 of the 1998 Code applies with respect to a noncharitable remainder interest, any gain shall be included in the gross income of such trust from such trust during 1997, paragraphs (5)(A)(i)(I), (5)(A)(ii)(I), and (13)(A) of section 1h) of the 1996 Code (as in effect for taxable years ending on December 31, 1997) shall not apply.

(c) AMENDMENT RELATED TO SECTION 506 OF 1997 ACT.—

(1) Section 2001(f)(2) of the 1998 Code is amended by adding at the end the following:

"For purposes of subparagraph (A), the value of an item shall be treated as shown on a subsequent return, or in a statement attached to the return, in a manner adequate to apprise the Secretary of the nature of such item.

(2) Paragraph (9) of section 6501(c) of the 1998 Code is amended by striking the last sentence.

(d) AMENDMENTS RELATED TO SECTION 904 OF 1997 ACT.—

(1) Paragraph (1) of section 9510(c) of the 1998 Code is amended to read as follows:

"(1) IN GENERAL.—Amounts in the Vaccine Injury Compensation Trust Fund shall be available, as provided in appropriation Acts, only for—

(A) the payment of compensation under subtitle 2 of title XXI of the Public Health Service Act (as in effect on August 5, 1997) for vaccine-related injury or death with respect to any vaccine—

(ii) which is administered after September 30, 1988, and

(iii) which is a taxable vaccine (as defined in section 6522(c)) and the payment of compensation is under such subtitle 2, or

(B) the payment of all expenses of administration (but not in excess of $6,000,000 for any fiscal year) incurred by the Federal Government in administering such subtitle."

(2) Section 9510(b) of the 1998 Code is amended by adding at the end the following new paragraph:

"(3) LIMITATION ON TRANSFERS TO VACCINE INJURY COMPENSATION TRUST FUND.—No amount may be appropriated to the Vaccine Injury Compensation Trust Fund on and after the date of any expenditure from the Trust Fund which is not permitted by this section. The determination of whether an expenditure is so permitted shall be made without regard to—

(A) any provision of law which is not contained or referenced in this title or in a revenue Act, and

(B) whether such provision of law is a subsequently enacted provision or directly or indirectly seeks to waive the application of this paragraph.

(e) AMENDMENTS RELATED TO SECTION 915 OF 1997 ACT.—

(1) Section 915 of the Taxpayer Relief Act of 1997 is amended—

(A) in subsection (b), by inserting "or ‘1998’" after "1997", and

(B) by amending subsection (d) to read as follows:

"(4) EFFECTIVE DATE.—This section shall apply to taxable years ending on or within calendar year 1997.

(2) Paragraph (2) of section 6404(h) of the 1986 Code is amended by inserting "Robert T. Stafford" before "Disaster".

(f) AMENDMENTS RELATED TO SECTION 1012 OF 1998 ACT.—

(1) Paragraph (2) of section 351(c) of the 1998 Code, as amended by section 6010(c) of the 1998 Act, is amended by inserting (iv), or the fact that the corporation whose stock was distributed issues additional stock," after "dispose of part or all of the distributed stock.

(2) Clause (i) of section 368(a)(2)(H) of the 1986 Code, as amended by section 6010(c) of the 1998 Act, is amended by inserting (iv), or the fact that the corporation whose stock was distributed issues additional stock," after "dispose of part or all of the distributed stock".

September 25, 1998
(g) Amendment Related to Section 1002 of 1997 Act.—Subparagraph (F) of section 172(b)(1) of the 1986 Code is amended by adding at the end the following new clause: "(iv) With respect to paragraph (2), for purposes of applying paragraph (2), an eligible loss for any taxable year shall be treated in a manner similar to the manner in which casualty or theft loss is treated.

(h) Amendment Related to Section 1004 of 1997 Act.—Paragraph (3) of section 254(f) of the 1986 Code is amended by adding at the end the following flush sentence: "If the amount described in subparagraph (A) with respect to any policy or contract does not reasonably approximate its actual value, and is determined under subparagraph (A) shall be the greater of the amount of the insurance company liability or the insurance company reserve with respect to such policy or contract (as determined for purposes of the annual statement approved by the National Association of Insurance Commissioners) or shall be such other amount as is determined by the Secretary.''

(i) Amendment Related to Section 1205 of 1997 Act.—Paragraph (2) of section 6311(d) of the 1986 Code is amended by striking "under such contracts" in the last sentence and inserting "under such contract for the use of credit or debit cards for the payment of taxes described in paragraph (1)".

(j) Effective Date.—The amendments made by this section shall take effect as if included in the provisions of the Taxpayer Relief Act of 1997 to which they relate.

SEC. 504. AMENDMENTS RELATED TO TAX REFORM ACT OF 1984.

(a) In General.—Subparagraph (C) of section 374 of the 1986 Code is amended to read as follows: "(C) any deduction for casualty or theft losses allowable under paragraph (2) or (3) of section 165 of the Code shall be treated as attributable to the trade or business; and;"

(b) Conforming Amendments.—

(1) Paragraph (3) of section 671(b) of the 1986 Code is amended by striking "for losses described in subsection (c)(3) or (d) of section 165" and inserting "for casualty or theft losses described in paragraph (2) or (3) of section 165(c) or for losses described in section 165(d)".

(2) Paragraph (3) of section 681(c) of the 1986 Code is amended by striking "for losses described in subsection (c)(3) or (d) of section 165" and inserting "for casualty or theft losses described in paragraph (2) or (3) of section 165(c) or for losses described in section 165(d)".

(3) Paragraph (1) of section 873(b) is amended to read as follows: "(1) Losses.—The deduction allowed by section 165 for casualty or theft losses described in paragraph (2) or (3) of section 165(c) is limited to the amount of insurance proceeds actually received by the taxpayer in connection with the loss.

(4) Effective Date.—The amendments made by this subsection apply to taxable years beginning after December 31, 1993.

(c) Exception.—Subparagraph (A) shall apply to taxable years beginning after December 31, 1986.

(d) Effective Date.—The amendments made by subsection (b)(2) shall apply to taxable years beginning after December 31, 1990.

SEC. 505. OTHER AMENDMENTS.

(a) Amendments Related to Section 6103 of 1986 Code.—(1) Subsection (j) of section 6103 of the 1986 Code is amended by adding at the end the following new paragraph: "(5) In general.—Agriculture.—Upon request in writing by the Secretary of Agriculture, the Secretary shall furnish such reinsurance or return information reflected therein, as the Secretary may prescribe by regulation to officers and employees of the Department of Agriculture whose official duties involve the issuance of such returns or information for the purpose of, but only to the extent necessary, in structuring, preparing, and conducting the census of agriculture pursuant to section 165 of the Agricultural Act of 1997 (Public Law 105–113)."

(2) Paragraph (4) of section 6103(b) of the 1986 Code is amended by striking "(ii)(J) or (ii)(K)" in the material preceding subparagraph (A) and in subparagraph (F) and inserting "(ii)(J), (2), or (5)"

(3) The amendments made by this subsection shall take effect after the date of the enactment of this Act.

(b) Amended Related to Section 9004 of Transportation Equity Act for the 21st Century.—

(1) Paragraph (2) of section 9503(f) of the 1986 Code is amended to read as follows: "(2) Other amount as is determined by the Secretary of Housing and Urban Development, after consultation with—

(ii) the Secretary of Agriculture, Commerce, Labor, and the Treasury; the Director of the Office of Management and Budget; and the Administrator of the Small Business Administration;

(ii) in the case of an area on an Indian reservation, the Secretary of the Interior, as if such area were an Indian reservation."
forms, and contains such information, as the Secretary of Housing and Urban Developments described in subsection (d), and as a renewal community, the authority—

which the nominated area is located have unless—

make any designation of a nominated area as Housing and Urban Development shall not

determined in subsection (d).

(f) PROVISION OF REGULATIONS.—The Secretary of Housing and Urban Development shall prescribe by regulation no later than 4 months after the date of the enactment of this section, after consultation with the officials described in paragraph (1)(B)—

(i) the procedures for nominating an area under paragraph (1)(A),

(ii) the parameters relating to the size and population characteristics of a renewal community, and

(iii) the manner in which nominated areas will be evaluated based on the criteria specified in subsection (d).

(B) TIME LIMITATIONS.—The Secretary of Housing and Urban Development may designate nominated areas as renewal communities only during the 24-month period beginning on the first day of the first month following the month in which the regulations described in paragraph (A) are prescribed.

(C) PROCEDURAL RULES.—The Secretary of Housing and Urban Development shall not make any designation of a nominated area as a renewal community under paragraph (2) unless—

(i) the local governments and the State in which the nominated area is located have the authority—

(ii) to nominate such area for designation as a renewal community,

(iii) to make the State and local commitments described in subsection (d), and

(iv) to provide assurances satisfactory to the Secretary of Housing and Urban Development that such commitments will be fulfilled,

(v) a nomination regarding such area is submitted in such a manner and in such form, and contains such information, as the Secretary of Housing and Urban Development shall by regulation prescribe, and

(vi) the Secretary of Housing and Urban Development determines that any information furnished is reasonably accurate.

(S) IN PROCESS FOR INDIAN RESERVATIONS.—For purposes of this subchapter, in the case of a nominated area on an Indian reservation, the reservation governing body (as determined by the Secretary of the Interior) shall be treated as being both the State and local governments with respect to such area.

(b) PERIOD FOR WHICH DESIGNATION IS IN EFFECT

(I) IN GENERAL.—Any designation of an area as a renewal community shall remain in effect during the period beginning on the date of the designation and ending on the earliest of—

(A) December 31, 2006,

(B) the termination date designated by the State and local governments in their nomination pursuant to subsection (a)(4)(C)(iii), or

(C) the date the Secretary of Housing and Urban Development revokes such designation under paragraph (2).

(2) REVOCATION OF DESIGNATION.—The Secretary of Housing and Urban Development may, after a hearing on the record involving officials of the State or local government involved (or both, if applicable), revoke the designation of an area as a renewal community if the Secretary of Housing and Urban Development determines that the local government or State in which the area is located is not complying substantially with the specified community commitments, respectively, described in subsection (d).

(c) AREA AND ELIGIBILITY REQUIREMENTS

(I) IN GENERAL.—The Secretary of Housing and Urban Development may designate any nominated area as a renewal community under subsection (a) if the area meets the requirements of paragraphs (2) and (3) of this subsection.

(2) AREA REQUIREMENTS.—A nominated area meets the requirements of this paragraph if—

(A) the area is within the jurisdiction of a local government,

(B) the boundary of the area is continuous, and

(C) the area—

(i) has a population, as determined by the most recent census data available, of at least—

(1) 1,000 in any other case, or

(2) 4,000 if any portion of such area (other than a rural area described in subsection (d)(2)(B)(i)) is located within a metropolitan statistical area (within the meaning of section 1413(k)(2)(B)) which has a population of 50,000 or greater,

(ii) 4,000 if any portion of such area (other than a rural area described in subsection (d)(2)(B)(i)) is located within a metropolitan statistical area (within the meaning of section 1413(k)(2)(B)) which has a population of 50,000 or greater,

(iii) the local government and the State in which such area is located agree in writing that such government and the State in which the area is located are complying substantially with the requirements of paragraph (3) are met.

(3) ELIGIBILITY REQUIREMENTS.—A nominated area meets the requirements of this paragraph if the Secretary of Housing and Urban Development determines that the area is a renewal community, such government and the State or local commitments, respectively, described in subsection (d).

(4) LIMITATION ON DESIGNATIONS.—

(a) the area is one of pervasive poverty, unemployment, and general distress,

(b) the median income of households within the jurisdiction of the local government (as determined by the Bureau of the Census for the purpose of defining poverty areas) within the equivalent county division as defined by the Bureau of the Census for the purpose of defining poverty areas) within the area was at least 20 percent for the period to which such data relate, or

(c) the poverty rate (as determined by the most recent census data available) for each population census tract (or where not applicable, an equivalent county division as defined by the Bureau of the Census for the purpose of defining poverty areas) within the area was at least 20 percent for the period to which such data relate, or

(d) in the case of an urban area, at least 70 percent of the households living in the area have incomes below 80 percent of the median household income (as determined by the Secretary of the Interior) which is computed on a tract or other area basis and which is the most recent census data available, or

(e) the area is not in compliance with the requirements of paragraphs (2) and (3) are met.

(5) ECONOMIC GROWTH PROMOTION REQUIREMENTS.

(A) the local government and the State in which such area is located certify in writing that such government and the State in which the area is located agree in writing that, during any period during which the area is a renewal community, such government and the State or local government have followed a specified course of action which meets the requirements of paragraph (2) and is designed to reduce the various burdens borne by employers or employees in such area and

(B) the economic growth promotion requirements of paragraph (3) are met.

(c) COURSE OF ACTION

(I) IN GENERAL.—A course of action shall meet the requirements of this paragraph if such course of action is a written document, signed by a State (or local government) and neighborhood organizations, and describes a partnership between such State or government and community-based organizations, which commits each signatory to specify, in measurable and timetables. Such course of action shall include at least five of the following:

(A) A reduction of the total costs applying within the renewal community.

(B) An increase in the level of efficient of local services within the renewal community.

(C) Crime reduction strategies, such as crime prevention (including the provision of such services by nongovernmental entities).

(D) Actions to reduce racial, cultural, or linguistic barriers, or streamline governmental requirements applying within the renewal community.

(E) Involvement in the program by private entities, organizations, neighborhood organizations, and community groups, particularly those in the renewal community, including a commitment from such private entities to provide jobs and job training for, and technical, financial, or other assistance to, employers, employees, and residents from the renewal community.

(F) Involvement of State or local government and the economic distress benefits for fees paid for services performed by a governmental entity that were formerly performed by a governmental entity.

(G) The gift (or sale) of surplus property to public entities, organizations, neighborhood organizations, or private companies.

(3) RECOGNITION OF PAST EFFORTS.—For purposes of this section, in evaluating the course of action agreed to by any State or local government in reducing the various burdens borne by employers and employees in the area involved.

(A) ECONOMIC GROWTH PROMOTION REQUIREMENTS.—The economic growth promotion requirements of this paragraph are met with respect to a nominated area if the local government and the State in which such area is located agree in writing that, during any period during which the area is a renewal community, such government and the State, respectively, have repealed or otherwise will not enforce within the area, if such area is designated as a renewal community—

(1) Licensing requirements for occupations that do not ordinarily require a professional degree,

(2) Restrictions on home-based businesses which do not create a public nuisance,
"(C) permit requirements for street vendors who do not create a public nuisance.

"(D) zoning or other restrictions that impair the formation of schools or child care centers, any reference to, or requirement of, this section shall apply to all such governments.

"(E) franchised or other restrictions on competition for businesses providing public services, including but not limited to taxicabs, jitneys, cable television, or trash haulers, except to the extent that such regulation of businesses and occupations is necessary for well-tailored to the protection of health and safety.

"(f) Definitions.—For purposes of this subchapter—

"(1) GOVERNMENTS.—If more than one government seeks to nominate an area as a renewal community business of the United States, Guam, American Samoa, the Northern Mariana Islands, and any other possession of the United States, and any other designation of the renewal community shall be given full effect with respect to such area.

"(2) A designation as an empowerment zone, a renewal community, and (a) General rule.—Gross income does not include any qualified capital gain recognized on the sale or exchange of a qualified community asset held for more than 5 years.

"(b) Qualified community asset.—For purposes of this subsection—

"(C) during substantially all of the tax-payer’s holding period for such property, such property shall be treated as meeting the requirements of such paragraph; except that the amount of gain to which subsection (a) applies on any sale or exchange of such property shall not exceed the amount which would be qualified capital gain had such property been sold on the date of its cessation.

"(7) Treatment of community designation terminations.—The termination of any designation of an area as a renewal community business is disregarded for purposes of determining whether any property is a qualified community asset.

"(C) other definitions and special rules.—For purposes of this section—

"(1) Qualified capital gain.—Except as otherwise provided in this subsection, the term ‘qualified capital gain’ means any long-term capital gain recognized on the sale or exchange of a qualified community asset held for more than 5 years (determined without regard to any period before the designation of the renewal community).

"(2) Gain before 2000 or after 2006 not qualified.—The term ‘qualified capital gain’ shall not include any gain attributable to periods before January 1, 2000, or after December 31, 2006.

"(3) Certain gain not qualified.—The term ‘qualified capital gain’ shall not include any gain which would be treated as ordinary income under section 1245 or under section 1250 if section 1250 applied to all depreciable property at the date of any sale or exchange of such property.

"(4) Intangibles and land not integral part of DC zone business.—The term ‘qualified capital gain’ shall not include any gain attributable to any intangible property, or an intangible asset, which is not an integral part of a DC zone business.
"(5) RELATED PARTY TRANSACTIONS.—The term 'qualified capital gain' shall not include any gain attributable, directly or indirectly, in whole or in part, to a transaction with a related person. For purposes of this paragraph, persons are related to each other if such persons are described in section 267(b) or 707(b)(1).

"(b) CERTAIN OTHER RULES TO APPLY.—Rules similar to the rules of subsections (g), (h), (i), (j), and (k) of section 1222 shall apply for purposes of this section.

"(c) QUALIFIED PROPRIETORSHIP.—For purposes of this section, the term 'qualified business entity' means, with respect to any trade or business consisting of personal services performed for an individual in any business, the proprietor of such business.

"(d) QUALIFIED BUSINESS.—For purposes of this section—

(1) IN GENERAL.—For purposes of this section, the term 'qualified business' means a trade or business that consists predominantly of the active conduct of any trade or business (within the meaning of section 1221(4)) other than collectibles that are held primarily for sale to customers in the ordinary course of such business, and

(2) substantially all of the tangible property of such individual is held in a qualified account.

"(e) NONQUALIFIED FINANCIAL PROPERTY.—For purposes of this section, the term 'nonqualified financial property' means—

(1) any qualified business entity, and

(2) at least 80 percent of the total gross income of such business is derived from the active conduct of such business.

"(f) RENTAL OF REAL PROPERTY.—The rental to others of real property located in a renewal community shall be treated as a qualified business if and only if—

(1) the property is not residential rental property (as defined in section 469(f)(1)), and

(2) at least 80 percent of the rental income from the property is real property is from rental community businesses.

"(g) TREATMENT OF BUSINESS HOLDING INTANGIBLES.—The term 'qualified business' shall not include any trade or business consisting of personal services performed for an individual in any business if and only if—

(1) substantially all of the aggregate unadjusted bases of the property of such individual attributable to collectibles (as defined in section 408(m)(2)) other than collectibles that are held primarily for sale to customers in the ordinary course of such business, and

(2) less than 5 percent of the average of the aggregate unadjusted bases of the property of such individual is attributable to nonqualified financial property.

"(h) QUALIFIED BUSINESS ENTITY.—For purposes of this section, the term 'qualified business entity' means, with respect to any trade or business (whether owned or leased) within a renewal community, which was a renewal community business during substantially all of the period the taxpayer held such interest or stock, the amount of qualified capital gain shall be determined without regard to—

(1) any intangible, and any land, which is not an integral part of any qualified business entity (as defined in section 1460G(b)), and

(2) any gain attributable to periods before the designation of an area as a renewal community.

"SEC. 1400G. RENEWAL COMMUNITY BUSINESS DEFINED.—

"(a) IN GENERAL.—For purposes of this section, the term 'qualified community business' means—

(1) any qualified business entity, and

(2) any qualified proprietorship.

"(b) QUALIFIED BUSINESS ENTITY.—For purposes of this section, the term 'qualified business entity' means, with respect to any trade or business consisting of personal services performed for an individual in any business, the proprietor of such business.

"(c) QUALIFIED PROPRIETORSHIP.—For purposes of this section, the term 'qualified proprietorship' means, with respect to any trade or business consisting of personal services performed for an individual in any business, by employees of such business.

"(d) QUALIFIED BUSINESS.—For purposes of this section—

(1) IN GENERAL.—Except as otherwise provided in this section, the term 'qualified business' means any trade or business.

(2) TREATMENT OF BUSINESS HOLDING INTANGIBLES.—The term 'qualified business' shall not include any trade or business consisting of personal services performed for an individual in any business if and only if—

(1) the property is not residential rental property (as defined in section 469(f)(1)), and

(2) at least 80 percent of the rental income from the property is real property.

"REMOVED FOR COMMENT ACCOUNTS OF OTHERS.—The amount allowable as a deduction under paragraph (1) to any person shall not exceed the lesser of—

(1) $2,000, or

(2) the dollar amount in effect under paragraph (2)(A) for the taxable year.

"(2) TREATMENT OF BUSINESS HOLDING INTANGIBLES.—The term 'qualified business' shall not include any trade or business consisting of personal services performed for an individual in any business if and only if—

(1) substantially all of the aggregate unadjusted bases of the property of such individual attributable to collectibles is attributable to nonqualified financial property, and

(2) less than 5 percent of the average of the aggregate unadjusted bases of the property of such individual is attributable to nonqualified financial property.

"(3) FORM OF DEDUCTION.—The amount allowable as a deduction under paragraph (1) to any person shall not exceed—

(1) the compensation includible in such individual's gross income for the taxable year, plus

(2) the compensation includible in such individual's gross income for the taxable year, plus

(3) the compensation includible in such individual's gross income for the taxable year, plus

(4) the compensation includible in such individual's gross income for the taxable year.

"(4) ROLLOVERS.—No deduction shall be allowed under this section with respect to any rollover contribution.

"(5) TREATMENT OF DISTRIBUTIONS.—

(1) INCLUSION OF GROSS INCOME.—Except as otherwise provided in this paragraph, persons are related to each other if such persons are described in section 267(b) or 707(b)(1).
subsection, any amount paid or distributed out of a family development account shall be included in gross income by the payee or distributee, as the case may be.

(2) QUALIFIED FAMILY DEVELOPMENT DISTRIBUTIONS.—Paragraph (1) shall not apply to any qualified family development distribution.

(3) SPECIAL RULES.—Rules similar to the rules of paragraphs (4) and (5) of section 408(d) shall apply for purposes of this section.

(4) TAX TREATMENT OF ACCOUNTS.—The amount of qualified family development expenses for the holder of the account or the spouse or dependent (as defined in section 152) of such holder.

(5) CUSTODIAL ACCOUNTS.—For purposes of this section, a custodial account shall be treated as a trust if the assets of such account would otherwise be includible in gross income, to the extent that such payment or distribution is used exclusively to pay qualified family development expenses for the holder of the account or the spouse or dependent (as defined in section 152) of such holder.

(6) ZER0 BASIS.—The basis of an individual with respect to any amount paid out of a family development account which would otherwise be includible in gross income, to the extent that such payment or distribution is used exclusively to pay qualified family development expenses for the holder of the account or the spouse or dependent (as defined in section 152) of such holder.

(7) CUSTODIAL ACCOUNTS.—For purposes of this section, a custodial account shall be treated as a trust if the assets of such account would otherwise be includible in gross income, to the extent that such payment or distribution is used exclusively to pay qualified family development expenses for the holder of the account or the spouse or dependent (as defined in section 152) of such holder.

(8) NO PART OF THE TRUST FUND WILL BE INVESTED IN LIFE INSURANCE CONTRACTS.

(9) ZERO BASIS.—The basis of an individual with respect to any amount paid out of a family development account which would otherwise be includible in gross income, to the extent that such payment or distribution is used exclusively to pay qualified family development expenses for the holder of the account or the spouse or dependent (as defined in section 152) of such holder.

(10) CUSTODIAL ACCOUNTS.—For purposes of this section, a custodial account shall be treated as a trust if the assets of such account would otherwise be includible in gross income, to the extent that such payment or distribution is used exclusively to pay qualified family development expenses for the holder of the account or the spouse or dependent (as defined in section 152) of such holder.

(11) NO PART OF THE TRUST FUND WILL BE INVESTED IN LIFE INSURANCE CONTRACTS.
"(7) REPORTS.—The trustee of a family development account shall make such reports regarding such account to the Secretary and to the individual for whom the account is maintained with respect to contributions (and the years to which they relate), distributions, and such other matters as the Secretary may require under regulations. The reports required by this paragraph—

(A) shall be filed at such time and in such manner as the Secretary prescribes in such regulations; and

(B) shall be furnished to individuals—

(i) not later than January 31 of the calendar year following the calendar year to which the report relates; and

(ii) in such manner as the Secretary prescribes in such regulations.

(8) INVESTMENT IN COLLECTIBLES TREATED AS DISTRIBUTIONS.—Rules similar to the rules of section 408(m) shall apply for purposes of this section.

(h) PENALTY FOR DISTRIBUTIONS NOT USED FOR QUALIFIED FAMILY DEVELOPMENT EXPENSES.—

(1) IN GENERAL.—If any amount is distributed from a family development account and is not expended to pay qualified family development expenses for the holder of the account or the spouse or dependent (as defined in section 152) of such holder, the tax imposed by this chapter, such individual may designate that a specified portion of such distribution shall be deposited by the Secretary into a family development account of such individual. The Secretary shall so deposit such portion designated under this subsection.

(2) NUMBER OF DESIGNATIONS.—

(A) IN GENERAL.—The Secretary of Housing and Urban Development may designate not more than 25 percent of the renewal communities as FDA matching demonstration areas.

(B) MINIMUM DESIGNATION IN RURAL AREAS.—Of the areas designated under paragraph (2)(A), at least 20 of the areas may be designated as renewal communities under section 1400E(h)(4)(B)(ii).

(3) LIMITATIONS ON DESIGNATIONS.—

(A) PUBLICATION OF REGULATIONS.—The Secretary of Housing and Urban Development shall prescribe by regulation no later than 4 months after the date of the enactment of this section, after consultation with the officials described in paragraph (1)(B)—

(i) the procedures for nominating a renewal community under paragraph (1)(A) (including procedures for coordinating such nomination with the nomination of an area for designation as a renewal community under section 1400E), and

(ii) the manner in which nominated renewal communities will be evaluated for purposes of this section.

(B) TIME LIMITATIONS.—The Secretary of Housing and Urban Development may designate renewal communities as FDA matching demonstration areas only during the 24-month period beginning on the first day of the first month following the month in which the procedures described in subparagraph (A) are prescribed.

(4) DESIGNATION BASED ON DEGREE OF POVERTY, ETC.—The rules of section 1400E(a)(3) shall apply for purposes of designations of FDA matching demonstration areas under this section.

(5) PERIOD FOR WHICH DESIGNATION IS IN EFFECT.—Any designation of a renewal community as an FDA matching demonstration area shall be in effect only until the earlier of—

(A) the date upon which the designated renewal community is substantially rehabilitated or destroyed as a result of an act of God;

(B) the date upon which the designated renewal community is no longer in need of rehabilitation;

(C) the date upon which the designated renewal community is not eligible for designation as a renewal community under section 1400E; or

(D) the date upon which the designated renewal community is no longer used as a renewal community.

(6) TERMINATION.—No deduction shall be allowed under this section for any amount paid to a family development account for any taxable year beginning after December 31, 2006.

SEC. 1400I. DEMONSTRATION PROGRAM TO PROVIDE MATCHING CONTRIBUTIONS TO FAMILY DEVELOPMENT ACCOUNTS IN CERTAIN RENEWAL COMMUNITIES.

(a) DESIGNATION.—

(1) DEFINITIONS.—For purposes of this section, the term "FDA matching demonstration area" means a renewal community as defined in section 1400E(a)(1)(A), and

(2) DESIGNATION.—The Secretary shall make such designation for purposes of this section only after consultation with—

(i) the Secretaries of Agriculture, Commerce, Labor, and the Treasury, the Director of the Office of Management and Budget, and the Administrator of the Small Business Administration, and

(ii) in the case of a community on an Indian reservation, the Secretary of the Interior, designates as a FDA matching demonstration area.

(2) NUMBER OF DESIGNATIONS.—

(A) IN GENERAL.—The Secretary of Housing and Urban Development may designate not more than 25 percent of the renewal communities as FDA matching demonstration areas.

(B) MINIMUM DESIGNATION IN RURAL AREAS.—Of the areas designated under paragraph (2)(A), at least 20 of the areas may be designated as renewal communities under section 1400E(h)(4)(B)(ii).

(3) LIMITATIONS ON DESIGNATIONS.—

(A) PUBLICATION OF REGULATIONS.—The Secretary of Housing and Urban Development shall prescribe by regulation no later than 4 months after the date of the enactment of this section, after consultation with the officials described in paragraph (1)(B)—

(i) the procedures for nominating a renewal community under paragraph (1)(A) (including procedures for coordinating such nomination with the nomination of an area for designation as a renewal community under section 1400E), and

(ii) the manner in which nominated renewal communities will be evaluated for purposes of this section.

(B) TIME LIMITATIONS.—The Secretary of Housing and Urban Development may designate renewal communities as FDA matching demonstration areas only during the 24-month period beginning on the first day of the first month following the month in which the procedures described in subparagraph (A) are prescribed.

(4) DESIGNATION BASED ON DEGREE OF POVERTY, ETC.—The rules of section 1400E(a)(3) shall apply for purposes of designations of FDA matching demonstration areas under this section.

(5) PERIOD FOR WHICH DESIGNATION IS IN EFFECT.—Any designation of a renewal community as an FDA matching demonstration area shall be in effect only until the earlier of—

(A) the date upon which the designated renewal community is substantially rehabilitated or destroyed as a result of an act of God;

(B) the date upon which the designated renewal community is no longer in need of rehabilitation;

(C) the date upon which the designated renewal community is not eligible for designation as a renewal community under section 1400E; or

(D) the date upon which the designated renewal community is no longer used as a renewal community.

(6) TERMINATION.—No deduction shall be allowed under this section for any taxable year beginning after December 31, 2006.
CONGRESSIONAL RECORD — HOUSE
September 25, 1998

H8820

"(c) QUALIFIED REVITALIZATION BUILDINGS AND EXPENSES.—For purposes of this section—

"(1) QUALIFIED REVITALIZATION BUILDING.—The term 'qualified revitalization building' means any building (and its structural components) if—

"(A) such building is located in a renewal community which is placed in service after the designation of such renewal community under section 1400E,

"(B) the amount of the revitalization credit amount allocated to the building under subsection (e), and

"(C) such building is substantially renovated by the taxpayer, or (ii) $5,000.

"(2) QUALIFIED REVITALIZATION EXPENDITURES.—

"(A) IN GENERAL.—The term 'qualified revitalization expenditure' means any amount properly chargeable to capital account—

"(i) for property which is allocated to a building under section 168 and which is—

"(I) nonresidential real property, or

"(II) an addition or improvement to property described in clause (i),

"(B) with respect to the building taken into account by the taxpayer or any predecessor in determining the amount determined under this subsection for all preceding taxable years.

"(C) CERTAIN EXPENSES NOT INCLUDED.—The term 'qualified revitalization expenditure' does not include—

"(I) STRAIGHT LINE DEPRECIATION MUST BE USED.—Any expenditure (other than with respect to land acquisitions) with respect to which the taxpayer does not use the straight line method over a recovery period determined under subsection (c) or (g) of section 168. The preceding sentence shall not apply to any expenditure with respect to which the alternative depreciation system of section 168(g) applies to such expenditure by reason of subparagraph (B) of section 168(b)(3).

"(II) CREDITS.—The term 'qualified revitalization expenditure' does not include—

"(i) any such expenditures with respect to the building taken into account by the taxpayer or any predecessor in determining the amount determined under this paragraph for all preceding taxable years.

"(II) CREDITS.—The term 'qualified revitalization expenditure' does not include—

"(i) any such expenditures with respect to the building taken into account by the taxpayer or any predecessor in determining the amount determined under this paragraph for all preceding taxable years.

"(III) OTHER CREDITS.—Any expenditure which a taxpayer may take into account in computing any other credit allowed under this title unless the taxpayer elects to take the expenditure into account only for purposes of this section.

"(IV) SUBSTANTIAL REHABILITATION OR RECONSTRUCTION.—For purposes of this section, a rehabilitation or reconstruction shall be treated as a substantial rehabilitation or reconstruction only if the qualified revitalization expenditures in connection with the rehabilitation or reconstruction exceed 25 percent of the fair market value of the building (and its structural components) immediately before the rehabilitation or reconstruction.

"(b) WHEN EXPENSES TAKEN INTO ACCOUNT.—

"(1) IN GENERAL.—Qualified revitalization expenditures with respect to any qualified revitalization building shall be taken into account for the taxable year in which the qualified revitalization building is placed in service. For purposes of the preceding sentence, a substantial rehabilitation or reconstruction of a building shall be treated as a separate building.

"(2) PRORATA EXPENDITURE PAYMENTS.—Rules similar to the rules of subsections (b)(2) and (d) of section 47 shall apply for purposes of this section.

"(e) LIMITATION ON AGGREGATE CREDITS ALLOWABLE WITH RESPECT TO BUILDINGS LOCATED IN A STATE.—

"(1) IN GENERAL.—The amount of the credit determined under this section for any taxable year with respect to any building shall not exceed the commercial revitalization credit amount allocated to such building under this paragraph for such calendar year for such agency.

"(2) STATE COMMERCIAL REVITALIZATION CREDIT AMOUNT FOR BUILDINGS LOCATED IN MORE THAN ONE STATE.—If a building is located in more than one State, the commercial revitalization credit amount allocable to such building under this paragraph for any calendar year shall be determined by subtracting the commercial revitalization credit amount allocable to such building under subsection (d) of section 42(b)(2)(C) allocable to such building under this paragraph for such calendar year for such agency.

"(3) COMMERCIAL REVITALIZATION CREDIT ALLOWABLE AMOUNT FOR COMMERCIAL REVITALIZATION EXPENSES.—

"(A) IN GENERAL.—The aggregate commercial revitalization credit amount which a commercial revitalization credit agency may allocate for any calendar year is the commercial revitalization credit amount which such agency may allocate for any calendar year.

"(B) LIMITATION ON AGGREGATE CREDITS ALLOWABLE.—The aggregate commercial revitalization credit amount allocable for any calendar year to any building shall be zero unless the taxpayer elects to take the building taken into account by the taxpayer or any predecessor in determining the amount determined under this paragraph for all preceding taxable years.

"(C) TERMINATION.—This section shall not apply to any building placed in service after December 31, 2002.

"SEC. 1400L. INCREASE IN EXPENDING UNDER SECTION 179.

"(a) GENERAL RULE.—In the case of a renewal community business (as defined in section 1400G), for purposes of section 179—

"(1) the limitation under section 179(b)(1) shall be increased by the lesser of—

"(A) $35,000, or

"(B) the cost of section 179 property which is placed in service during the taxable year, and

"(2) the amount taken into account under section 179(b)(2) with respect to any section 179 property which is placed in service during the taxable year shall be 50 percent of the cost thereof.

"(b) RECAPTURE.—Rules similar to the rules under section 179(d)(10) shall apply with respect to any qualified renewable property which ceases to be used in a renewal community by a renewal community business.

"(c) QUALIFIED RENEWAL PROPERTY.—

"(1) GENERAL RULE.—For purposes of this section—

"(A) IN GENERAL.—The term ‘qualified renewable property’ means any property to which section 168 applies (or would apply but for section 179) if—

"(i) such property was acquired by the taxpayer in a transaction after December 31, 1999, and before January 1, 2007,

"(ii) the original use of which in a renewal community commences with the taxpayer,

"(iii) substantially all of the use of which is in a renewal community and is in the active conduct of a qualified business (as defined in section 1400G(d)) by the taxpayer in such renewal community.

"(2) SPECIAL RULE FOR SUBSTANTIAL RENOVATION.—If property which is placed in service during the taxable year is substantially renovated by the taxpayer, the requirements of clauses (i) and (ii) of subparagraph (A) shall be satisfied as if the property was placed in service more than once during the taxable year.

"(3) SPECIAL RULES FOR SALE-LEASEBACK—

"(A) IN GENERAL.—A taxpayer may elect to treat any renewal community environmental remediation cost as an expense which is not chargeable to capital account, as a deduction for the taxable year in which the cost is paid or incurred.
TRADE OR BUSINESS.

COMMUNITIES.

subtitle.

for any amount which is allowed as a deduction under any other provision of this section for any amount which is allowed as a deduction for depreciation or amortization, or (A) for equipment which is used in the environmental remediation and which is of a character subject to an allowance for depreciation or amortization, or (B) in connection with a site which is on the national priorities list under section 105(a)(8)(B) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9605(a)(8)(B)).

No deduction shall be allowed under this section for any amount which is allowed as a deduction under any other provision of this subtitle.

(c) SPECIAL RULES.—For purposes of this section—

(1) LIMITATION BASED ON INCOME FROM TRADE OR BUSINESS.—The amount allowed as a deduction under subsection (a) for any taxable year shall not exceed the aggregate amount of taxable income of the taxpayer for such taxable year which is derived from the active conduct of any trade or business during such taxable year. For purposes of this paragraph, rules similar to the rules of subparagraphs (B) and (C) of section 179(d)(2)(A) apply. In the case of a partnership, S corporation, trust or other pass through entity, this paragraph shall be applied at both the entity and owner levels.

(2) RECAPTURE RULES.—

(A) PROPERTY NOT USED IN TRADE OR BUSINESS.—The Secretary shall, by regulations, provide for recapture of the benefit of any deduction under subsection (a) with respect to any property not used predominantly in a trade or business at any time.

(B) TREATMENT OF GAIN AS ORDINARY INCOME.—For purposes of section 1245—

(i) the deduction allowable under subsection (a) with respect to any property is increased by the lesser of the fair market value of such property minus its adjusted basis or the amount by which the fair market value of such property is increased by any gain in respect of such property,

(ii) the amount of gain to which paragraph (iii) applies with respect to any property is increased by the amount of the gain in respect of such property, and

(iii) the amount of such gain is subject to a tax at ordinary income rates as if such gain were realized with respect to such property.

(3) AMOUNT OF TAXABLE INCOME OF THE TAXPAYER.—

(a) EXTENSION.—Subsection (c) of section 51 of the Internal Revenue Code of 1986 is amended by inserting at the end of such subsection—

(1) a description of the individual who begins work for the employer.

(2) AN EMPLOYER OF YOUTH.—In the case of an employer who is a pass through entity, this paragraph shall be applied at both the entity and owner levels.

Section 4975 is amended—

(1) by adding at the end of subsection (c) the following new paragraph:

(ii) qualified wages attributable to service rendered during the 1-year period beginning with the date the individual begins work for the employer.

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

(3) QUALIFIED SECOND-YEAR WAGES.—The term 'qualified second-year wages' means, with respect to an individual, qualified wages attributable to service rendered during the 1-year period beginning after the last day of the 1-year period beginning with the date the individual begins work for the employer.

(4) the following new paragraph:

(iii) the employer who begins work for the employer.

(b) RENEWAL COMMUNITY ENVIRONMENTAL REMEDIATION COSTS.—

The term 'qualified environmental remediation cost' means, with respect to any individual, qualified wages attributable to service rendered during the 1-year period beginning with the date the individual begins work for the employer.

(c) IN GENERAL.—The term 'qualified environmental remediation cost' means, with respect to any individual, qualified wages attributable to service rendered during the 1-year period beginning with the date the individual begins work for the employer.

(d) ENSURE RECIPIENT EMPLOYER EXAMINES QUALIFIED PROFESSIONAL.—In the case of an employer who is a pass through entity, this paragraph shall be applied at both the entity and owner levels.

(e) FAMILY DEVELOPMENT ACCOUNTS.—For purposes of this section, the term 'family development account' is defined.

(f) COMMERCIAL REVITALIZATION CREDIT.—

The term 'commercial revitalization credit' means, with respect to the taxable year of the person to whom the credit is allowed, the lesser of the amount of the credit or the amount which is required to be transferred to the account to which the credit is allowed.

(g) FAMILY DEVELOPMENT ACCOUNTS.—

The term 'qualified family development account' means, with respect to any individual, the amount of the credit allowed to the corporation in respect of such account.

(h) COMMUNITY ENVIRONMENTAL REMEDIATION CREDIT.—

The term 'community environmental remediation credit' means, with respect to the taxable year of the person to whom the credit is allowed, the lesser of the amount of the credit or the amount which is required to be transferred to the account to which the credit is allowed.

(i) ENSURE RECIPIENT EMPLOYER EXAMINES QUALIFIED PROFESSIONAL.—In the case of an employer who is a pass through entity, this paragraph shall be applied at both the entity and owner levels.

(j) FAMILY DEVELOPMENT ACCOUNTS.—

The term 'qualified family development account' means, with respect to any individual, the amount of the credit allowed to the corporation in respect of such account.

(k) COMMUNITY ENVIRONMENTAL REMEDIATION CREDIT.—

The term 'community environmental remediation credit' means, with respect to the taxable year of the person to whom the credit is allowed, the lesser of the amount of the credit or the amount which is required to be transferred to the account to which the credit is allowed.

(l) ENSURE RECIPIENT EMPLOYER EXAMINES QUALIFIED PROFESSIONAL.—In the case of an employer who is a pass through entity, this paragraph shall be applied at both the entity and owner levels.

(m) FAMILY DEVELOPMENT ACCOUNTS.—

The term 'qualified family development account' means, with respect to any individual, the amount of the credit allowed to the corporation in respect of such account.

(n) COMMUNITY ENVIRONMENTAL REMEDIATION CREDIT.—

The term 'community environmental remediation credit' means, with respect to the taxable year of the person to whom the credit is allowed, the lesser of the amount of the credit or the amount which is required to be transferred to the account to which the credit is allowed.

(o) ENSURE RECIPIENT EMPLOYER EXAMINES QUALIFIED PROFESSIONAL.—In the case of an employer who is a pass through entity, this paragraph shall be applied at both the entity and owner levels.

(p) FAMILY DEVELOPMENT ACCOUNTS.—

The term 'qualified family development account' means, with respect to any individual, the amount of the credit allowed to the corporation in respect of such account.

(q) COMMUNITY ENVIRONMENTAL REMEDIATION CREDIT.—

The term 'community environmental remediation credit' means, with respect to the taxable year of the person to whom the credit is allowed, the lesser of the amount of the credit or the amount which is required to be transferred to the account to which the credit is allowed.

(r) ENSURE RECIPIENT EMPLOYER EXAMINES QUALIFIED PROFESSIONAL.—In the case of an employer who is a pass through entity, this paragraph shall be applied at both the entity and owner levels.

(s) FAMILY DEVELOPMENT ACCOUNTS.—

The term 'qualified family development account' means, with respect to any individual, the amount of the credit allowed to the corporation in respect of such account.

(t) COMMUNITY ENVIRONMENTAL REMEDIATION CREDIT.—

The term 'community environmental remediation credit' means, with respect to the taxable year of the person to whom the credit is allowed, the lesser of the amount of the credit or the amount which is required to be transferred to the account to which the credit is allowed.
and, and by adding at the end the following new paragraph:

"(4) the commercial revitalization credit provided under section 1400K."  

(2) Section 90(e) is amended by adding at the end the following new paragraph:

"(9) NO CARRYBACK OF SECTION 1400K CREDIT BEFORE DATE OF ENACTMENT.—No portion of the unrecovered cost for any taxable year which is attributable to any commercial revitalization credit determined under section 1400K may be carried back to a taxable year ending before the date of the enactment of section 1400K."  

(3) Subparagraph (B) of section 48(a)(2) is amended by inserting "or commercial revitalization" after "rehabilitation" each place it appears in the text and heading.

(4) Subparagraph (C) of section 49(a)(2) is amended by striking "and" at the end of clause (ii), by striking the period at the end of clause (iii) and inserting "and", and by adding at the end the following new clause: "(iv) the portion of the basis of any qualified revitalization building attributable to qualified revitalization expenditures."

(5) Paragraph (2) of section 50(a) is amended by inserting "or 1400K(d)(2)" after "section 47" each place it appears.

(6) Subparagraph (A) of section 50(b)(2) is amended by inserting "or qualified revitalization building (respectively)" after "qualified rehabilitated building".

(7) Subparagraph (B) of section 50(a)(2) is amended by adding at the end the following new sentence: "A similar rule shall apply for purposes of section 1400K."

(8) Paragraph (2) of section 50(b) is amended by striking "and" at the end of subparagraph (C), by striking the period at the end of subparagraph (D) and inserting "and", and by adding at the end the following new subparagraph:

"(E) a qualified revitalization building (as defined in section 1400K) to the extent of the portion of the basis which is attributable to qualified revitalization expenditures (as defined in section 1400K)."

(9) Subparagraph (C) of section 50(b)(4) is amended—

(A) by inserting "or commercial revitalization" after "rehabilitated" in the text and heading, and

(B) by inserting "or commercial revitalization" after "rehabilitation".

(10) Subparagraph (C) of section 469(i)(3) is amended—

(A) by inserting "or section 1400K" after "section 42"; and

(B) by striking "CREDIT" in the heading and inserting "AND COMMERCIAL REVITALIZATION CREDITS".

(h) CLERICAL AMENDMENTS.—

(1) The table of subchapters for chapter 1 is amended by striking paragraph (4) as paragraph (3).

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

"63(c) (relating to standard deduction) is amended by striking paragraph (3) and by redesignating paragraph (4) as paragraph (3)."

(3) Subsection (f) of section 63 is amended by striking paragraph (4) and redesignesigning paragraph (4) as paragraph (3).

(b) TECHNICAL AMENDMENTS.—

(1) Subparagraph (B) of section 1(b)(6) is amended by striking "(other than with respect to sections 63(c)(4) and 515(d)(4)(A)(I)) shall be applied".

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

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

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

SEC. 102. EXEMPTION OF CERTAIN INTEREST AND DIVIDEND INCOME FROM TAX.

Title IV—Revenue Offset

Title V—Technical Corrections

Sec. 501. Definitions; coordination with other titles.


Sec. 503. Amendments related to Taxpayer Relief Act of 1997.


Sec. 505. Other amendments.

Title VI—American Community Renewal Act of 1998

Sec. 601. Short title.

Sec. 602. Designation of and tax incentives for renewal communities.

Sec. 603. Extension of expensing of environmental remediation costs to renewal communities.

Sec. 604. Extension of work opportunity tax credit for renewal communities.

Sec. 605. Conforming and clerical amendments.

Sec. 606. Evaluation and reporting requirements.

Title VII—Provisions Primarily Affecting Individuals and Families

Subtitle A—General Provisions

Sec. 101. Elimination of marriage penalty in standard deduction.

Sec. 102. Exemption of certain interest and dividends income from tax.

Sec. 103. Nonrefundable personal credits allowed against alternative minimum tax.

Sec. 104. 100 percent deduction for health insurance costs of self-employed individuals.

Sec. 105. Special rule for members of uniformed services and Foreign Service in determining exclusion of gain from sale of principal residence.

Sec. 106. $1,000,000 exemption from estate and gift taxes.

Subtitle B—Provisions Relating to Education

Sec. 111. Eligible educational institutions permitted to maintain qualified tuition programs.

Sec. 112. Modification of arbitrage rebate rules applicable to public school construction bonds.

Subtitle C—Provisions Relating to Social Security

Sec. 121. Increases in the social security earnings limit for individuals who have attained retirement age.

Sec. 122. Recomputation of benefits after normal retirement age.

Sec. 123. Reductions in benefits for individuals who return to work.


Sec. 126. Provisions relating to Social Security Administration.
"(2) Certain dividends excluded.—Subsection (a) shall not apply in the case of dividends from a corporation which, for the taxable year of the corporation in which the distribution is made, or for the taxable year preceding the taxable year of the corporation, is a corporation exempt from tax under section 501 (relating to certain charitable, etc., organization) or section 521 (relating to farmers' cooperatives).

(c) Special rules.—For purposes of this section—

(1) Exclusion not to apply to capital gain dividends from regulated investment companies and real estate investment trusts.—

For treatment of capital gain dividends, see section 1256 and 6057(c).

(2) Certain nonresident aliens ineligible for exclusion.—In the case of a nonresident alien individual, subsection (a) shall apply only—

(A) in determining the tax imposed for the taxable year pursuant to section 871(b) and only in respect of dividends and interest which are effectively connected with the conduct of a trade or business within the United States, or

(B) in determining the tax imposed for the taxable year pursuant to section 871(b).

(3) Dividends from employee stock ownership plans.—Subsection (a) shall not apply to any dividend described in section 404(k).

(b) Conforming amendments.—

(1) Subsection (d) of section 24 is amended by striking paragraph (2) and by redesignating paragraph (3) as paragraph (2).

(2) Section 32 is amended by striking subsection (h).

(c) Effective date.—The amendments made by this section shall apply to tax years beginning after December 31, 1997.

Sec. 105. Special Rule for Members of Uniformed Services and Foreign Service.

(a) In General.—Section 162(l) (relating to special rules for health insurance costs of self-employed individuals) is amended by adding the following new paragraph:

"(6) Section 857(c) is amended to read as follows:

"(c) Special rules.—For purposes of this section—

"(1) Treatment for section 116.—For purposes of section 116 (relating to partial exclusion of dividends and interest received by individuals) and 117, a capital gain dividend (as defined in subsection (b)(3)(C)) received from a real estate investment trust which meets the requirements of this part shall not be considered as a dividend.

"(2) Treatment for section 243.—For purposes of section 243 (relating to deductions for dividends received by corporations), a dividend received from a real estate investment trust which meets the requirements of this part shall not be considered as a dividend.

(7) The table of sections for part III of subchapter F of chapter 1 is amended by inserting after the item relating to section 115 the following new item:

"Sec. 116. Partial exclusion of dividends and interest received by individuals.

(c) Effective date.—The amendments made by this section shall apply to tax years beginning after December 31, 1997.

Sec. 103. Nonrefundable Personal Credits Allowed Against Alternative Minimum Tax.

(a) In General.—Subsection (a) of section 26 is amended to read as follows:

"(a) Limitation based on amount of tax.—

"(1) the aggregate amount of credits allowed by this chapter for the taxable year shall not exceed the sum of—

"(i) the taxpayer's regular tax liability for the taxable year,

"(ii) the tax imposed for the taxable year by paragraph (5)(B),

"(iii) the tax imposed for the taxable year by paragraph (5)(C),

"(iv) the amount of any dividend described in section 404(k), and

"(v) the amount equal to 100 percent of the amount paid by an eligible financial institution under section 401(c)(1)(A) for health insurance for a member of the Foreign Service during which the member serves at a duty station which is at least 50 miles from such property or is under Government orders to reside in Government quarters.

"(b) Conforming amendments.—

"(1) Subsection (d) of section 24 is amended by striking paragraph (2) and by redesignating paragraph (3) as paragraph (2).

"(2) Section 32 is amended by striking subsection (h).

"(3) Effective date.—The amendments made by this section shall apply to tax years beginning after December 31, 1998.

Sec. 104. Exclusion of Medical and Dependency Costs of Self-Employed Individuals.

(a) In General.—Paragraph (1) of section 162(l)(4) is amended by adding at the end thereof the following new flush sentence:

"The proportionate share of each participant in the amount of dividends or interest received by the common trust fund and to which section 116 applies shall be considered for purposes of such section as having been received by such participant.''

(4) Coordination with section 116.—This section shall be applied before section 116.

(5) Section 265(j) is amended by inserting before the period", or to purchase or carry obligations or shares, or to make deposits, to the extent the interest thereon is excludible from gross income under section 116.''

(6) Subsection (d) of section 135 is amended by redesignating paragraph (4) as paragraph (5) and by inserting after paragraph (3) the following new paragraph:

"(7) The table of sections for part VIII of subchapter F of chapter 1 is amended by striking "QUALIFIED TUITION PROGRAMS'' and inserting "QUALIFIED TUITION PROGRAMS''.

"(8) Sections 529(c)(3)(D), 529(d)(1)(B), and 669(a)(2)(C) are each amended by striking "qualified State tuition plan'' and inserting "qualified tuition program''.

(9) Paragraphs (2) of section 121 and (1) of section 161(b)(5) and (6) of section 162(l) are each amended by striking "qualified State tuition program''.
school construction issue' means any construction issue if no bond which is part of such issue is a private activity bond and all of the available construction proceeds of such issue are to be used for school purposes (as defined in section 512(b)(4) of the Internal Revenue Code of 1986), or the issuance of which is assisted in clause (iv) of public school facilities to provide education or training below the postsecondary level or for the acquisition of land that is functionally related and subordinate to such facilities.

"(iii) OTHER RULES TO APPLY.—Rules similar to the rules of the preceding provisions of this subsection shall apply to clause (ii) also apply to this clause."

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to obligations issued after December 31, 1998.

Subtitle C—Provisions Relating to Social Security

SEC. 121. INCREASES IN THE SOCIAL SECURITY EARNINGS LIMIT FOR INDIVIDUALS WHO HAVE ATTAINED RETIREMENT AGE.

(a) IN GENERAL.—Section 203(f)(1)(B) of the Social Security Act (42 U.S.C. 403(f)(1)(B)) is amended by striking clauses (iv) through (vii) and inserting the following new clauses:

(iv) for each month of any taxable year ending after 2006 and before 2008, $3,195.831
(v) for each month of any taxable year ending after 2005 and before 2007, $3,066.662
(vi) for each month of any taxable year ending after 2004 and before 2006, $2,950.00
(vii) for each month of any taxable year ending after 2002 and before 2004, $2,608.331

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

Subtitle B—Provisions Relating to Farmers

SEC. 211. INCOME AVERAGING FOR FARMERS MADE PERMANENT.

Subsection (c) of section 933 of the Taxpayer Relief Act of 1997 (26 U.S.C. 170(i)(4)) is amended by striking paragraph (1) and inserting the following:

"(1) IN GENERAL.—Paragraph (1) of section 170(b) (relating to dollar limitation) is amended to read as follows:

"(I) DOLLAR LIMITATION.—The aggregate cost which may be taken into account under such section (a) for any taxable year shall not exceed $25,000.

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

Subtitle B—Provisions Relating to Farmers

SEC. 211. INCOME AVERAGING FOR FARMERS MADE PERMANENT.

Subsection (c) of section 933 of the Taxpayer Relief Act of 1997 (26 U.S.C. 170(i)(4)) is amended by striking paragraph (1) and inserting the following:

"(1) IN GENERAL.—Paragraph (1) of section 170(b) (relating to dollar limitation) is amended to read as follows:

"(I) DOLLAR LIMITATION.—The aggregate cost which may be taken into account under such section (a) for any taxable year shall not exceed $25,000.

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

Subtitle B—Provisions Relating to Farmers

SEC. 211. INCOME AVERAGING FOR FARMERS MADE PERMANENT.

Subsection (c) of section 933 of the Taxpayer Relief Act of 1997 (26 U.S.C. 170(i)(4)) is amended by striking paragraph (1) and inserting the following:

"(1) IN GENERAL.—Paragraph (1) of section 170(b) (relating to dollar limitation) is amended to read as follows:

"(I) DOLLAR LIMITATION.—The aggregate cost which may be taken into account under such section (a) for any taxable year shall not exceed $25,000.

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

Subtitle B—Provisions Relating to Farmers

SEC. 212. 5-YEAR NET OPERATING LOSS CARRYBACK FOR FARMING LOSSES.

(a) IN GENERAL.—Paragraph (1) of section 172(b) (relating to net operating loss deduction) is amended by adding at the end the following:

"(B) the amount of the net operating loss for the taxable year for which the net operating loss carryback is available to the taxpayer for purposes of the Internal Revenue Code of 1986.

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

Subtitle C—Increase in Volume Cap on Private Activity Bonds

SEC. 221. INCREASE IN VOLUME CAP ON PRIVATE ACTIVITY BONDS.

(a) IN GENERAL.—Subsection (d) of section 146 of the Taxpayer Relief Act of 1997 (26 U.S.C. 146(d)) is amended by striking paragraph (2), (b) Coordinating Amendment.—Subsection (d) of section 146 of the Taxpayer Relief Act of 1997 (26 U.S.C. 146(d)) is amended by striking paragraph (2) and inserting the following:

"(2) The second sentence of section 223(d)(4)(A) of such Act (42 U.S.C. 4323(d)(4)(A)) is amended by inserting after "and" the following:

"(i) the second year following the year with respect to which the recoupment is made, for monthly benefits beginning with benefits for January of—

"(ii) the third year following the year with respect to which the recoupment is made, for monthly benefits beginning with benefits for January of—

"(iii) the fourth year following the year with respect to which the recoupment is made, for monthly benefits beginning with benefits for January of—

"(iv) the fifth year following the year with respect to which the recoupment is made, for monthly benefits beginning with benefits for January of—

"(B) the year of the net operating loss. Such election, once made for any taxable year, shall be irrevocable for such taxable year.

(c) ELECTION WITH FARM DISASTER LOSS YEAR.—Section 172(b)(3)(B) is amended by adding at the end the following:

"(B) any year which is a year with respect to which the recomputation is made, for monthly benefits beginning with benefits for January of—

"(1) the second year following the year with respect to which the recoupment is made, for monthly benefits beginning with benefits for January of—

"(2) the year of the net operating loss. Such election, once made for any taxable year, shall be irrevocable for such taxable year.
(b) INCREASE IN PERCENTAGES UNDER ALTERNATIVE INCREMENTAL CREDIT.—

(1) IN GENERAL.—Subparagraph (A) of section 41(c)(4) is amended by—

(A) deleting paragraph (3) and inserting in its place the following new paragraph:

"(3) BEGINNING AFTER JUNE 30, 1998.—"(2) of paragraph (1) shall apply to contributions made after June 30, 1998.";

and

(B) inserting "and" in the last sentence of paragraph (2) and striking paragraph (3) thereof.

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply to taxable years beginning after June 30, 1998.

SEC. 302. WORK OPPORTUNITY CREDIT.

(a) TEMPORARY EXTENSION.—Subparagraph (B) of section 55(c)(4) (relating to termination) is amended by striking June 30, 1998, and inserting "February 29, 2000".

(b) EFFECTIVE DATE.—The amendment made by this subsection shall apply to contributions made by individuals who begin work for the employer after June 30, 1998.

SEC. 303. WELFARE-TO-WORK CREDIT.

Subsection (f) of section 51A (relating to termination) is amended by striking "April 30, 1999" and inserting "February 29, 2000".

SEC. 304. CONTRIBUTIONS OF STOCK TO PRIVATE FOUNDATIONS; EXPANDED PUBLIC INSPECTION OF PRIVATE FOUNDATIONS' ANNUAL RETURNS.

(a) SPECIAL RULE FOR CONTRIBUTIONS OF STOCK MADE PERSISTENT.—

(1) IN GENERAL.—Paragraph (5) of section 170(e) is amended by striking subparagraph (D) and inserting in its place the following:

"(D) IN GENERAL.—The term `exempt status applicable materials' means the application for recognition of exemption under section 501, and any letter or other document issued by the Internal Revenue Service with respect to such application.";

(2) CONFORMING AMENDMENTS.—

(A) Subsection (c) of section 6033 is amended by adding "and" at the end of paragraph (1), by striking paragraph (2), and by redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively.

(B) Subparagraph (C) of section 6652(c)(1) is amended by striking "subsection (d) or (e)(1) of section 6652(c)(1) (respecting an annual return)" and inserting "section 6104(d) with respect to any annual return".

(C) Subparagraph (D) of section 6652(c)(1) is amended by striking "section 6104(e)(2) (relating to public inspection of applications for exemption)" and inserting "section 6104(d) with respect to any exempt status application materials (as defined in paragraph (3) of subsection (a) thereof)."

(D) Section 6865 is amended by striking "or (e)"); and

(E) Section 7207 is amended by striking "or (e)."

(b) EFFECTIVE DATE.—The amendments made by this subsection shall apply to returns for taxable years beginning after June 30, 1998.

SEC. 305. SUBPART F EXEMPTION FOR ACTIVE FINANCING INCOME.

(a) INCOME DERIVED FROM BANKING, FINANCING OR SIMILAR BUSINESSES.—Section 954(h) (relating to income derived in the active conduct of banking, financing, or similar businesses) is amended to read as follows:

"(h) SPECIALLY DERIVED FOREIGN INCOME DERIVED IN THE ACTIVE CONDUCT OF BANKING, FINANCING, OR SIMILAR BUSINESSES.—

(1) IN GENERAL.—For purposes of subsection (c)(1), foreign personal holding company income shall not include qualified banking or financing income of an eligible controlled foreign corporation.

(2) ELIGIBLE CONTROLLED FOREIGN CORPORATION.—

(A) IN GENERAL.—The term 'eligible controlled foreign corporation' means a controlled foreign corporation—

(i) which is predominantly engaged in the active conduct of a banking, financing, or similar business;

(ii) in the case of a qualified business unit of such controlled foreign corporation, shall be treated as qualified banking or financing income if the qualified business unit of such controlled foreign corporation is derived directly from the active and regular conduct of a lending or finance business from transactions with customers located in a country other than the United States or any other corporation not so registered which is specified by the Secretary in regulations, and

(iii) it is engaged in the active conduct of a securities business and is an institution licensed or regulated as a government securities broker or dealer under section 15(a) of the Securities Exchange Act of 1934 or is registered as a Government securities broker or dealer under section 15(a) of such Act for any other corporation not so registered which is specified by the Secretary in regulations.

(B) PREDOMINANTLY ENGAGED.—A controlled foreign corporation shall be treated as predominantly engaged in the active conduct of a banking, financing, or similar business if—

(1) more than 70 percent of the gross income of the controlled foreign corporation is derived directly from the active and regular conduct of a lending or finance business from transactions with customers located in a country other than the United States or any other corporation not so registered which is specified by the Secretary in regulations, and

(2) it is engaged in the active conduct of a securities business and is an institution licensed or regulated as a government securities broker or dealer under section 15(a) of the Securities Exchange Act of 1934 or is registered as a Government securities broker or dealer under section 15(a) of such Act for any other corporation not so registered which is specified by the Secretary in regulations.

(2) LOCAL ACTIVITY.—For purposes of this subsection—

(a) IN GENERAL.—The term 'qualified banking or financing income' means income of an eligible controlled foreign corporation which—

(i) is derived in the active conduct of a banking, financing, or similar business by—

(A) such eligible controlled foreign corporation;

(B) a qualified business unit of such eligible controlled foreign corporation;

(C) a lending or finance business from transactions with customers located in a country other than the United States, and

(D) substantially all of the activities in connection with which are conducted directly by the corporation or unit in its home country, and

(ii) is derived from 1 or more transactions—

(A) with customers located in a country other than the United States, and

(B) with customers located in a country other than the United States or any other corporation not so registered which is specified by the Secretary in regulations;

(C) substantially all of the activities in connection with which are conducted directly by the corporation or unit in its home country, and

(iii) is derived as earned by such corporation or unit in its home country for purposes of such country's tax laws.

(b) LIMITATION ON BANKING AND NONSECURITIES BUSINESSES.—No income of an eligible controlled foreign corporation described in clause (ii) or of a qualified business unit of such corporation shall be treated as qualified banking or financing income unless more than 30 percent of such corporation's or unit's gross income is derived directly from the active and regular conduct of a lending or finance business from transactions with customers located in a country other than the United States or any other corporation not so registered which is specified by the Secretary in regulations.

(c) SUBSTANTIATION REQUIREMENT FOR CERTAIN INCOME.—The term 'qualified banking or financing income' shall not include income derived from 1 or more transactions with customers located in a country other than the home country of the eligible controlled foreign corporation or a qualified business unit of such corporation unless such corporation or unit conducts substantial activity with respect to a banking, financing, or similar business in its home country.

(d) DETERMINATIONS MADE SEPARATELY.—For purposes of this subsection, the qualified banking or financing income of an eligible controlled foreign corporation and each qualified business unit of such corporation shall be determined separately for such corporation and each such business unit by taking into account—

(i) in the case of the eligible controlled foreign corporation, only items of income, deduction, gain, or loss and activities properly allocable or attributable to the corporation as a whole;

(ii) in the case of a qualified business unit of such corporation, only items of income, deduction, gain, or loss and activities properly allocable or attributable to such business unit; and

(iii) in the case of a qualified business unit, only items of income, deduction, gain, or loss and activities properly allocable or attributable to such business unit.

(e) LENDING OR FINANCE BUSINESS.—For purposes of this subsection, the term 'lending or finance business' means the business of—

(A) making loans;

(B) purchasing or discounting accounts receivable, notes, or installment obligations,
``(C) engaging in leasing (including entering into leases and purchasing, servicing, and disposing of leases and leased assets),
``(D) issuing letters of credit or providing guarantees,
``(E) providing charge and credit card services,
``(F) rendering services or making facilities available for the connection with activities described in subparagraphs (A) through (E) carried on by—
``(i) the corporation (or qualified business unit) rendering services or making facilities available, or
``(ii) another corporation (or qualified business unit) which is a member of the same affiliated group (as defined in section 1564, but determined without regard to section 1504(b)(3)).
``(5) OTHER DEFINITIONS.—For purposes of this subsection—
``(A) CUSTOMER.—The term `customer' means, with respect to any controlled foreign corporation or qualified business unit, any person which has a customer relationship with such corporation or unit and which is acting in its capacity as such.
``(B) HOME COUNTRY.—Except as provided in regulations—
``(i) Controlled foreign corporation.—The term `home country' means, with respect to any controlled foreign corporation, the country under the laws of which the corporation was created or organized.
``(ii) Qualified business unit.—The term `home country' means, with respect to any qualified business unit, the country in which such unit maintains its principal office.
``(C) LOCATED.—The determination of where a customer is located shall be made under rules prescribed by the Secretary.
``(D) QUALIFIED BUSINESS UNIT.—The term `qualified business unit' has the meaning given such term by section 998(a).
``(E) RELATED PERSON.—The term `related person' has the meaning given such term by subsection (d)(3).
``(6) COORDINATION WITH EXCEPTION FOR DEALERS.—Paragraph (1) shall not apply to income described in subsection (c)(2)(C)(ii) of a dealer in securities (within the meaning of section 475) which is an eligible controlled foreign corporation described in paragraph (2)(B)(iii).
``(7) ANTI-ABUSE RULES.—For purposes of applying this subsection and subsection (c)(2)(C)(ii)—
``(A) there shall be disregarded any item of income, gain, loss, or deduction with respect to any transaction or series of transactions a principal purpose of which is accelerating or deferring of any item in order to claim the benefits of such exclusion through the application of this subsection,
``(B) there shall be disregarded any item of income, gain, loss, or deduction of an entity which is not engaged in regular and continuous transactions with customers which are not related persons,
``(C) there shall be disregarded any item of income, gain, loss, or deduction of an entity which is not engaged in regular and continuous transactions with customers which are not related persons,
``(D) a special purpose entity or arrangement, including a securitization, financing, or similar entity or arrangement, if one or more entities in order to satisfy any home country requirement under this subsection,
``(E) any person, an officer, a director, or an employee with respect to any controlled foreign corporation (or qualified business unit) which would otherwise be treated as a customer of such corporation or unit with respect to any transaction shall not be so treated if a principal purpose of such transaction is to satisfy any requirement of this subsection,
``(F) the Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this subsection.
``(8) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this subsection.

``(i) the corporation (or qualified business unit) rendering services or making facilities available, or
``(ii) another corporation (or qualified business unit) which is a member of the same affiliated group (as defined in section 1564, but determined without regard to section 1504(b)(3)).
``(5) OTHER DEFINITIONS.—For purposes of this subsection—
``(A) CUSTOMER.—The term `customer' means, with respect to any controlled foreign corporation or qualified business unit, any person which has a customer relationship with such corporation or unit and which is acting in its capacity as such.
``(B) HOME COUNTRY.—Except as provided in regulations—
``(i) Controlled foreign corporation.—The term `home country' means, with respect to any controlled foreign corporation, the country under the laws of which the corporation was created or organized.
``(ii) Qualified business unit.—The term `home country' means, with respect to any qualified business unit, the country in which such unit maintains its principal office.
``(C) LOCATED.—The determination of where a customer is located shall be made under rules prescribed by the Secretary.
``(D) QUALIFIED BUSINESS UNIT.—The term `qualified business unit' has the meaning given such term by section 998(a).
``(E) RELATED PERSON.—The term `related person' has the meaning given such term by subsection (d)(3).
``(6) COORDINATION WITH EXCEPTION FOR DEALERS.—Paragraph (1) shall not apply to income described in subsection (c)(2)(C)(ii) of a dealer in securities (within the meaning of section 475) which is an eligible controlled foreign corporation described in paragraph (2)(B)(iii).
``(7) ANTI-ABUSE RULES.—For purposes of applying this subsection and subsection (c)(2)(C)(ii)—
``(A) there shall be disregarded any item of income, gain, loss, or deduction with respect to any transaction or series of transactions a principal purpose of which is accelerating or deferring of any item in order to claim the benefits of such exclusion through the application of this subsection,
``(B) there shall be disregarded any item of income, gain, loss, or deduction of an entity which is not engaged in regular and continuous transactions with customers which are not related persons,
``(C) there shall be disregarded any item of income, gain, loss, or deduction of an entity which is not engaged in regular and continuous transactions with customers which are not related persons,
``(D) a special purpose entity or arrangement, including a securitization, financing, or similar entity or arrangement, if one or more entities in order to satisfy any home country requirement under this subsection,
``(E) any person, an officer, a director, or an employee with respect to any controlled foreign corporation (or qualified business unit) which would otherwise be treated as a customer of such corporation or unit with respect to any transaction shall not be so treated if a principal purpose of such transaction is to satisfy any requirement of this subsection,
``(F) the Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this subsection.

``(ii) in the case of a qualifying insurance company, the determination of whether a contract issued by a qualifying insurance company branch is an exempt contract unless such company or branch derives more than 30 percent of its net written premiums from exempt contracts (determined without regard to subsection (e)(2)).
``(iii) in the case of a qualifying insurance company branch, as the case may be, issuing or reinsuring the contract covering the risks.
``(C) SUBSTANTIAL ACTIVITY REQUIREMENTS FOR CROSS BORDER RISKS.—A contract issued by a qualifying insurance company or qualifying insurance company branch which covers risks of a qualifying applicable country risks (as defined in subparagraph (b)(iii)) shall not be treated as an exempt contract unless such company or branch, as the case may be, is engaged in substantially all of the activities necessary to give rise to the income generated by such contract.
``(3) QUALIFYING INSURANCE COMPANY.—The term `qualifying insurance company' means any controlled foreign corporation which—
``(A) is subject to regulation as an insurance company by its home country, and
``(B) is licensed, authorized, or regulated by the applicable insurance regulatory body for its home country to sell insurance, reinsurance, or annuity contracts to persons other than related persons (within the meaning of section 954(d)(3)) in such home country.
``(4) QUALIFYING INSURANCE COMPANY BRANCH.—The term `qualifying insurance company branch' means a qualified business unit of such company branch which—
``(A) is subject to regulation as an insurance company by its home country, and
``(B) is licensed, authorized, or regulated by the applicable insurance regulatory body for its home country to sell insurance, reinsurance, or annuity contracts to persons other than related persons (within the meaning of section 954(d)(3)) in such home country.
``(5) LIFE INSURANCE OR ANNUITY CONTRACT.—For purposes of this section and section 954, the determination of whether a contract issued by a qualifying insurance company or qualifying insurance company branch is an exempt contract unless such company or branch derives more than 30 percent of its net written premiums from exempt contracts (determined without regard to subsection (e)(2)).
``(6) MINIMUM HOME COUNTRY INCOME REQUIRED.—
``(i) in general.—No contract of a qualifying insurance company or of a qualifying insurance company branch shall be treated as an exempt contract unless such company or branch derives more than 30 percent of its net written premiums from exempt contracts (determined without regard to subsection (e)(2)).
``(ii) with respect to which no policyholder, insured, annuitant, or beneficiary is a related person (as defined in section 954(d)(3)).
``(iv) APPLICABLE COUNTRY RISKS.—The term `qualifying applicable country risks' includes risks in connection with property in, liability arising out of activity in, or the lives or health of residents of, the home country of the qualifying insurance company or qualifying insurance company branch, as the case may be, issuing or reinsuring the contract covering the risks.

``(A) IN GENERAL.—For purposes of section 952(a)(1), the term `income insurance' means any income which—
``(i) is attributable to the issuing (or reinsuring) of an insurance or annuity contract, and
``(ii) is earned by the qualifying insurance company which—
``(A) is attributable to the issuing (or reinsuring) of an exempt contract by such company or a qualifying insurance company branch of such company, and
``(B) is earned by such company or branch in its home country for purposes of such country's tax laws.
``(B) EXCEPT FOR CERTAIN ARRANGEMENTS.—Such term shall not include income attributable to the issuing (or reinsuring) of an exempt contract as the result of any arrangement—
``(A) where the principal purpose of which is accelerating or deferring of any item in order to claim the benefits of such exclusion through the application of this subsection,
``(B) where the principal purpose of which is accelerating or deferring of any item in order to claim the benefits of such exclusion through the application of this subsection,
``(C) where the principal purpose of which is accelerating or deferring of any item in order to claim the benefits of such exclusion through the application of this subsection,
``(D) where the principal purpose of which is accelerating or deferring of any item in order to claim the benefits of such exclusion through the application of this subsection,
``(E) where the principal purpose of which is accelerating or deferring of any item in order to claim the benefits of such exclusion through the application of this subsection.
``(F) DETERMINATIONS MADE SEPARATELY.—For purposes of this subsection and section 954(i), the exempt income and exempt contracts of a qualifying insurance company or any qualifying insurance company branch of such company branch shall be determined separately for such company and each such branch by taking into account—
``(i) in the case of the qualifying insurance company, only items of income, deduction, gain, or loss, and activities of such company not properly allocable or attributable to any qualifying insurance company branch of such company branch, and
``(ii) in the case of a qualifying insurance company branch, only items of income, deduction, gain, or loss and activities properly allocable or attributable to such unit.
``(2) EXEMPT CONTRACT.—
``(A) IN GENERAL.—For purposes of this section, `exempt contract' means an insurance or annuity contract issued or reinsured by a qualifying insurance company or qualifying insurance company branch in connection with a life insurance contract, annuity contract, or endorsement of an applicable insurance policy, in respect of which—
``(i) the annuitant, or beneficiary is a related person, or
``(ii) in the case of a qualifying insurance company, determined under paragraph (3) as if such unit were a qualifying insurance company branch.
``(3) LIFE INSURANCE OR ANNUITY CONTRACT.—For purposes of this section, `life insurance contract' means a contract of a qualifying insurance company or of a qualifying insurance company branch which is an exempt contract unless such company or branch derives more than 30 percent of its net written premiums from exempt contracts (determined without regard to subsection (e)(2)).
For income exempt from foreign personal holding company income, see section 954(f).
(e) Exemption for Gain.—Section 954(c)(1)(B)(ii) (relating to net gains from certain property transactions) is amended by inserting "other than property which gives rise to income not from a trade or business that is a qualified foreign commerce or foreign trade zone by reason of subsection (h) or (i) for the taxable year" before the comma at the end.

Subtitle B—Generalized System of Preferences

SEC. 311. EXTENSION OF GENERALIZED SYSTEM OF PREFERENCES.


(b) Retroactive Application for Certain Liquidating Distributions.—(1) IN GENERAL.—Notwithstanding section 514 of the Tariff Act of 1930 or any other provision of law, and subject to paragraph (2), any entry—

(A) of an article to which duty-free treatment under title V of the Trade Act of 1974 would have applied if such title had been in effect during the period ending on July 1, 1998, and on ending on the day before the date of the enactment of this Act, and

(B) that was made after June 30, 1998, and before the date on which the enactment of this Act shall be liquidated or re liquidated as free of duty, and the Secretary of the Treasury shall refund the duty on such entry in accordance with respect to such entry.

As used in this subsection, the term "entry" includes a withdrawal from warehouse for consumption.

(2) LIQUIDATING LIQUIDATION OR RE LIQUIDATION may be made under paragraph (1) with respect to an entry only if a request therefor is filed with the Customs Service, within 180 days after the date of the enactment of this Act, that contains sufficient information to enable the Customs Service—

(A) to locate the entry; or

(B) to reconstruct the entry if it cannot be located.

TITLE IV—REVENUE OFFSET

SEC. 401. TREATMENT OF CERTAIN DEDUCTIBLE LIQUIDATING DISTRIBUTIONS OF REGULATED INVESTMENT COMPANIES AND REAL ESTATE INVESTMENT TRUSTS.

(a) IN GENERAL.—Section 332 (relating to complete liquidations of subsidiaries) is amended by adding at the end the following new subsection:

"(c) DEDUCTIBLE LIQUIDATING DISTRIBUTIONS OF REGULATED INVESTMENT COMPANIES AND REAL ESTATE INVESTMENT TRUSTS.—If a corporation receives a distribution from a regulated investment company or a real estate investment trust which is considered under subsection (b) as being in complete liquidation of such company or trust, then, notwithstanding any other provision of this chapter, such corporation shall recognize and treat as a dividend from such company or trust an amount equal to the deduction for dividends paid allowable to such company or trust in respect of such distribution."

(b) CONFORMING AMENDMENTS.—(1) The material preceding paragraph (1) of section 332(b) is amended by striking "subsection (a)" and inserting "this section".

(2) Paragraph (1) of section 332(b) is amended by striking "section 332" and inserting "section 332(a)".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to distributions after May 21, 1998.

TITLE V—TECHNICAL CORRECTIONS

SEC. 501. DEFINITIONS; COORDINATION WITH OTHER TITLES.

(a) Definitions.—For purposes of this title—


(3) 1997 ACT.—The term "1997 Act" means the Taxpayer Relief Act of 1997 (Public Law 105-34).

(b) Coordination With Other Titles.—For purposes of applying the amendments made by any title of this Act other than this title, the provisions of this title shall be treated as having been enacted immediately before the provisions of such other titles.


(a) Amendment Related to Section 1101 of 1998 Act.—Paragraph (5) of section 6103(h) of the 1986 Code, as added by section 1101(b) of the 1998 Act, is reenacted as paragraph (6).

(b) Amendment Related to Section 3001 of 1998 Act.—Paragraph (2) of section 7491(a) of the 1986 Code is amended by adding at the end the following flush sentence:

"Subparagraph (C) shall not apply to any qualified revocable trust (as defined in section 642(b)(3)(D) of the 1986 Code) with respect to liability for tax for any taxable year ending after the date of the decedent's death and before the applicable date (as defined in section 642(b)(2))."

(c) Amended Related to Section 3201 of 1998 Act.—

(1) Section 7421(a) of the 1986 Code is amended by striking "6015(d)" and inserting "6015(e).

(2) Subparagraph 6015(a)(3) is amended by striking "of this section" and inserting "of subsection (b) or (f)".

(d) Amendment Related to Section 3301 of 1998 Act.—Paragraph (2) of section 7443A(c) of the 1986 Code is amended by striking "The amendments" and inserting "Subject to any applicable statute of limitation not having expired with regard to any underpayment or a tax overpayment, the amendments".

(e) Amendment Related to Section 3401 of 1998 Act.—Section 3401(c) of the 1998 Act is amended—

(1) in paragraph (1), by striking "7433(b)" and inserting "7433(a)"; and

(2) in paragraph (2), by striking "7433(b)" and inserting "7433(a)".

(f) Amendment Related to Section 3433 of 1998 Act.—Section 7421(a) of the 1986 Code is amended by inserting "6331(b)", after "6246(b)".

(g) Amendment Related to Section 3708 of 1998 Act.—Paragraph (A) of section 3631p(b)(3) of the 1986 Code is amended by inserting "if (f)(5)" after "(c), (e), (f)".

(h) Amendment Related to Section 5001 of 1998 Act.—

(1) Paragraph (8) of section 7801 of the 1986 Code is amended by striking "paragraph (7)(A)" and inserting "paragraph (7)(A)(i)".

(2) Paragraphs (A)(ii)(I), (A)(iii)(I), and (B)(iii)(I) of section 7805 of the 1986 Code shall not apply to any distribution after December 31, 1997, by a regulated investment company or a real estate investment trust with respect to—

(i) gains and losses recognized directly by such company or trust, and

(ii) amounts properly taken into account by such company or trust by reason of holding directly or indirectly an interest in another such company or trust to the extent that such subparagraphs apply to such other company or trust with respect to such amounts.

(b) Subparagraph (A) shall not apply to any distribution which is treated under section 852(b)(7) or 857(b)(8) of the 1986 Code as received on December 31, 1997.

(c) For purposes of subparagraph (A), any amount which is includible in gross income of its shareholding partner under section 852(b)(7) or 857(b)(8) of the 1986 Code after December 31, 1997, shall be treated as distributed after such date.

SEC. 503. AMENDMENTS RELATED TO TAXPAYER RELIEF ACT OF 1997.

(a) Amendment Related to Section 202 of 1997 Act.—Paragraph (2) of section 163(h) of the 1986 Code is amended by striking "and" at the end of subparagraph (D), by striking the period at the end of subparagraph (E) and inserting "", and", and by adding at the end the following new subparagraph:

"(F) any interest allowable as a deduction under section 221 (relating to interest on educational loans)."

(b) Provision Related to Section 311 of 1997 Act.—In the case of any capital gain distribution made after 1997 by a trust to which section 664 of the 1986 Code applies with respect to amounts properly taken into account by such trust during 1997, paragraphs (5)(A)(i)(I), (5)(A)(iii)(I), and (13)(A) of section 1(h) of the 1986 Code as in effect on December 31, 1997, shall not apply.

(c) Amendment Related to Section 506 of 1997 Act.—Section 2001(f)(2) of the 1986 Code is amended by adding at the end the following:

"For purposes of subparagraph (A), the value of an item shall be determined as shown on the return, if the item is disclosed in the return, or in a statement attached to the return, in a manner adequate to apprise the Secretary of the nature of such item."

(b) Paragraph (9) of section 6501(c) of the 1986 Code is amended by striking the last sentence.

(d) Amendments Related to Section 304 of 1997 Act.—

(1) Paragraph (1) of section 9510(c) of the 1986 Code is amended to read as follows:

"(1) IN GENERAL.—Amounts in the Vaccine Injury Compensation Trust Fund shall be available, as provided in appropriation Acts, only for—

(A) "The payment of compensation under subparagraph 2 of title XXI of the Public Health Service Act (as in effect on August 5, 1997) for vaccine related injury or death with respect to any vaccine which is administered before September 30, 1988, and (B) amounts paid to a covered entity in respect of a vaccine which is a taxable vaccine (as defined in section 4132(a)(1)) at the time compensation is paid under such subparagraph 2, or
SEC. 504. AMENDMENTS RELATED TO TAX REFORM ACT OF 1984.

(a) IN GENERAL.—Subparagraph (C) of section 172(d)(4) of the 1986 Code is amended to read as follows:

(1) Any deduction for casualty or theft losses allowable under paragraph (2) or (3) of section 165(c) shall be treated as attributable to the trade or business;

(b) CONFORMING AMENDMENTS.—

(1) Paragraph (3) of section 67(b) of the 1986 Code is amended by striking “for losses described in subsection (c)(3) or (d) of section 165” and inserting “for casualty or theft losses described in paragraph (2) or (3) of section 165(c) or for losses described in section 165(d)”.

(2) Paragraph (3) of section 68(c) of the 1986 Code is amended by striking “for losses described in subsection (c)(3) or (d) of section 165” and inserting “for casualty or theft losses described in paragraph (2) or (3) of section 165(c) or for losses described in section 165(d)”.

(3) Paragraph (1) of section 873(b) is amended to read as follows:

(1) LOSES.—The deduction allowed by section 165 for casualty or theft losses described in paragraph (2) or (3) of section 165(c), but only if the loss is property located within the United States.

(2) EFFECTIVE DATE.—This section shall apply to taxable years ending with or within calendar year 1997.

(2) Paragraph (2) of section 640A(c) of the 1986 Code is amended by inserting “Robert T. Stafford” before “Disaster”.

(f) AMENDMENTS RELATED TO SECTION 102 OF 1997 ACT.—

(1) Paragraph (2) of section 351(c) of the 1986 Code, as amended by section 6010(c) of the 1998 Act, is amended by inserting “, or the fact that the corporation whose stock was distributed issues additional stock after “dispose of part or all of the distributed stock”.

(2) Clause (ii) of section 368(a)(2)(H) of the 1986 Code, as amended by section 6010(c) of the 1998 Act, is amended by inserting “, or the fact that the corporation whose stock was distributed issues additional stock, after “dispose of part or all of the distributed stock”.

(3) The amendment made by subsection (b)(3) of section 165(c) of the 1986 Code is amended by adding at the end the following new paragraph:

(5) DEPARTMENT OF AGRICULTURE.—Upon request in writing by the Secretary of Agriculture, the Secretary shall furnish such returns, or return information reflected therein, as the Secretary may prescribe by regulation to officers and employees of the Department of Agriculture whose official duties require access to such returns or information for the purpose of, but only to the extent necessary in, structuring, preparing, and issuing the final report pursuant to the Census of Agriculture Act of 1997 (Public Law 105-113).

(4) Paragraph (4) of section 6103(b)(1) of the 1986 Code is amended by striking “(1) or (2) in the material preceding subparagraph (A) and in subparagraph (F) and inserting “(1), (2), or (5)”.

(5) The amendments made by this subsection shall be applied to returns made on or after the date of the enactment of this Act.

(b) AMENDMENTS RELATED TO SECTION 9004 OF TRANSPORTATION ACT FOR THE 21ST CENTURY.—

(1) Paragraph (2) of section 9503(f) of the 1986 Code is amended to read as follows:

(2) notwithstanding section 9602(b), obligations held by such Fund after September 30, 1998, shall be obligations of the United States which are not interest-bearing.

(2) The amendment made by paragraph (1) shall take effect on October 1, 1998.

(c) CLERICAL AMENDMENTS.—

(1) Clause (ii) of section 53(d)(6)(B) of the 1986 Code is amended by striking “rehabilitation plan” and inserting “plan for employment.”

(2) The reference to plan for employment in such clause as amended is included as a reference to the rehabilitation plans referred to in such clause as in effect before the amendment made by the preceding sentence.

(3) Subparagraphs (A) and (D) of section 663(a)(12) of the 1986 Code are each amended by striking “Section” and inserting “section”. Title VI—American Community Renewal Act of 1998

SEC. 601. SHORT TITLE.

This title may be cited as the “American Community Renewal Act of 1998.”

SEC. 602. DESIGNATION AND TAX INCENTIVES FOR RENEWAL COMMUNITIES.

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

Subchapter X—Renewal Communities

Part I. Designation

Part II. Renewal community capital gain; renewal community business

Part III. Family development accounts

Part IV. Additional incentives

Part I—DESIGNATION

Sec. 1400E. Designation of renewal communities.

Sec. 1400F. Designation of renewal community business.
(iii) of such 10, 2 shall be areas described in paragraph (2)(B).

(4) LIMITATION ON DESIGNATIONS.—

(A) PUBLICATION OF REGULATIONS.—The Secretary of Housing and Urban Development shall prescribe by regulation no later than 4 months after the date of the enactment of this section, after consultation with the officials described in paragraph (1)(A), the procedures for designating areas as renewal communities only during the 24-month period beginning on the first day of the first month following the month in which the regulations described in subparagraph (A) are prescribed.

(B) TIME LIMITATIONS.—The Secretary of Housing and Urban Development may designate nominated areas as renewal communities only during the 24-month period beginning on the first day of the first month following the month in which the regulations described in subsection (d) become effective.

(2) AREA REQUIREMENTS.—A nominated area meets the requirements of paragraphs (2) and (3) of this subsection if—

(A) the area is within the jurisdiction of one or more local governments,

(B) the boundary of the area is continuous, and

(C) the area—

(i) has a population, of at least—

(1) 400,000 in the case of an area (other than a rural area described in subsection (a)(2)(B) located within a metropolitan statistical area (within the meaning of section 139(k)(2)(B)) which has a population of 200,000 or greater, or

(2) 1,000 in any other case, or

(ii) is entirely within an Indian reservation (as determined by the Secretary of the Interior),

(iii) is a renewal community (as defined by the Secretary of the Interior),

(iv) the manner in which nominated areas will be evaluated based on the criteria specified in subsection (d).

(C) PROCEDURAL RULES.—The Secretary of Housing and Urban Development shall not make any designation of a nominated area as a renewal community under this section if such Secretary determines that—

(i) the local governments and the States in which the nominated area is located have the authority to nominate such area for designation as a renewal community,

(ii) to nominate such area for designation as a renewal community,

(iii) to make the State and local commitments described in subsection (d), and

(iv) to assure that such commitments will be met.

(3) ELIGIBILITY REQUIREMENTS.—A nominated area meets the requirements of this paragraph if—

(A) PUBLICATION OF REGULATIONS.—The Secretary of Housing and Urban Development shall not make any designation of a nominated area as a renewal community under this section if such Secretary determines that—

(i) the area is within the jurisdiction of one or more local governments,

(ii) of such 10, 2 shall be areas described in paragraph (2)(B) unless

(nominate areas that are subject to paragraph (2) unless

(i) the local governments and the States in which the nominated area is located have the authority to nominate such area for designation as a renewal community,

(ii) to nominate such area for designation as a renewal community,

(iii) to make the State and local commitments described in subsection (d), and

(iv) to assure that such commitments will be met.

(2) AREA REQUIREMENTS.—A nominated area meets the requirements of paragraphs (2) and (3) of this subsection if—

(A) the local government and the State in which the area is located agree in writing that, during any period during which the area is a renewal community, such governments will follow a specified course of action which meets the requirements of paragraph (2) and is designed to reduce the various burdens borne by employers or employees of such area, and

(B) the economic growth promotion requirements of paragraph (3) are met.

(2) COURSE OF ACTION.—

(A) IN GENERAL.—A course of action meets the requirements of this paragraph if such course of action is a written document, signed by a State (or local government) and neighborhood organizations, which evidences a partnership between such State or government and community-based organizations and which commits such signatory to specific and measurable goals, actions, and timetables. Such course of action shall include at least five of the following—

(i) A reduction of tax rates or fees applying within the renewal community.

(ii) An increase in the level of efficiency of local services within the renewal community.

(iii) Crime prevention, such as crime prevention (including the provision of such services by nongovernmental entities).

(iv) Actions to reduce, remove, simplify, or streamline governmental requirements applying within the renewal community.

(v) Involvement in the program by private entities, community organization groups, and community groups, particularly those in the renewal community, including a commitment on such private entities' jobs and training for, and technical, financial, or other assistance to, employers, employees, and residents from the renewal community.

(B) RECOGNITION OF PAST EFFORTS.—For purposes of this section, in evaluating the course of action agreed to by any State or local government, the Secretary of Housing and Urban Development shall take into account the past efforts of such State or local government in reducing the various burdens borne by employers and employees in the area involved.

(3) ECONOMIC GROWTH PROMOTION REQUIREMENTS.—The economic growth promotion requirements of this paragraph are met with respect to a nominated area if such area is designated as a renewal community, and the Secretary of Housing and Urban Development shall not make any designation of a nominated area as a renewal community under this section if such Secretary determines that—

(A) Designations shall remain in effect as renewal communities until such time as the Secretary determines that such designations are in effect with respect to such area.

(B) Designations may be revoked by the Secretary of Housing and Urban Development if such Secretary determines that such designations are in effect with respect to such area.

(5) CONSIDERATION OF COMMUNITIES IDENTIFIED IN GAO STUDY.—The Secretary of Housing and Urban Development shall identify, in selecting nominated areas for designation as renewal communities under this section, the extent to which such areas have a high incidence of crime.
"PART II—RENEWAL COMMUNITY CAPITAL GAIN; RENEWAL COMMUNITY BUSINESS"

"SEC. 1400F. Renewal community capital gain.

"SEC. 1400G. Renewal community business defined.

"SEC. 1400H. Family development accounts for renewal community EITC recipients.

"SEC. 1400I. Demonstration program to provide matching contributions to family development accounts in certain renewal communities.

"SEC. 1400J. Designation of earned income tax credit payments for deposit to family development account.

"PART III—FAMILY DEVELOPMENT ACCOUNTS"

"SEC. 1400M. Family development accounts for renewal community EITC recipients.

"SEC. 1400N. Demonstration program to provide matching contributions to family development accounts in certain renewal communities.

"SEC. 1400O. Designation of earned income tax credit payments for deposit to family development account.

"(A) IN GENERAL.—There shall be allowed as a deduction—

"(i) in the case of a qualified individual, the amount paid in cash for the taxable year by such individual to any family development account for such individual's benefit, and

"(ii) during substantially all of the calendar year in which the portion of the calendar year for which such deduction is allowable for purposes of a renewal community business of the taxpayer.

"(B) LIMITATION.—No deduction shall be allowed under this paragraph for any taxable year by reason of paragraph (1)(A) which would otherwise be includible in the individual's gross income for such taxable year.

"(C) COORDINATION WITH OTHER BENEFITS.—The amount of qualified higher education expenses paid or distributed out of a family development account which would otherwise be includible in gross income, to the extent that such payment or distribution is used exclusively to pay qualified higher education expenses for the holder of the account or the spouse or dependent (as defined in section 152) of such holder.

"(D) QUALIFIED FAMILY DEVELOPMENT EXPENSES.—The term 'qualified family development expenses' means any of the following:

"(A) Qualified higher education expenses.

"(B) Qualified first-time homebuyer costs.

"(C) Qualified business capitalization costs.

"(D) Qualified medical expenses.

"(E) Qualified rollovers.

"(3) QUALIFIED higher education expenses.

"(1) in general.—The term 'qualified higher education expenses' has the meaning given such term in section 220(a)(8) of the Internal Revenue Code of 1986 (as defined in section 220(b)(3)).

"(2) QUALIFIED medical expenses.

"(3) QUALIFIED first-time homebuyer costs.

"(4) QUALIFIED business capitalization costs.

"(5) QUALIFIED medical expenses.

"(6) QUALIFIED first-time homebuyer costs.

"(7) QUALIFIED business capitalization costs.

"SEC. 1400K. Family development accounts for renewal community EITC recipients.

"SEC. 1400L. Demonstration program to provide matching contributions to family development accounts in certain renewal communities.

"SEC. 1400M. Designation of earned income tax credit payments for deposit to family development account.

"PART III—FAMILY DEVELOPMENT ACCOUNTS"

"SEC. 1400H. Family development accounts for renewal community EITC recipients.

"SEC. 1400I. Demonstration program to provide matching contributions to family development accounts in certain renewal communities.

"SEC. 1400J. Designation of earned income tax credit payments for deposit to family development account.

"(A) IN GENERAL.—There shall be allowed as a deduction—

"(i) in the case of a qualified individual, the amount paid in cash for the taxable year by such individual to any family development account for such individual's benefit, and

"(ii) during substantially all of the calendar year in which the portion of the calendar year for which such deduction is allowable for purposes of a renewal community business of the taxpayer.

"(B) LIMITATION.—No deduction shall be allowed under this paragraph for any taxable year by reason of paragraph (1)(A) which would otherwise be includible in the individual's gross income for such taxable year.

"(C) COORDINATION WITH OTHER BENEFITS.—The amount of qualified higher education expenses paid or distributed out of a family development account which would otherwise be includible in gross income, to the extent that such payment or distribution is used exclusively to pay qualified higher education expenses for the holder of the account or the spouse or dependent (as defined in section 152) of such holder.

"(D) QUALIFIED FAMILY DEVELOPMENT EXPENSES.—The term 'qualified family development expenses' means any of the following:

"(A) Qualified higher education expenses.

"(B) Qualified first-time homebuyer costs.

"(C) Qualified business capitalization costs.

"(D) Qualified medical expenses.

"(E) Qualified rollovers.

"(3) QUALIFIED higher education expenses.

"(1) in general.—The term 'qualified higher education expenses' has the meaning given such term in section 220(a)(8) of the Internal Revenue Code of 1986 (as defined in section 220(b)(3)).

"(2) QUALIFIED medical expenses.

"(3) QUALIFIED first-time homebuyer costs.

"(4) QUALIFIED business capitalization costs.

"(5) QUALIFIED medical expenses.

"(6) QUALIFIED first-time homebuyer costs.

"(7) QUALIFIED business capitalization costs.

"SEC. 1400K. Family development accounts for renewal community EITC recipients.

"SEC. 1400L. Demonstration program to provide matching contributions to family development accounts in certain renewal communities.

"SEC. 1400M. Designation of earned income tax credit payments for deposit to family development account.

"(A) IN GENERAL.—There shall be allowed as a deduction—

"(i) in the case of a qualified individual, the amount paid in cash for the taxable year by such individual to any family development account for such individual's benefit, and

"(ii) during substantially all of the calendar year in which the portion of the calendar year for which such deduction is allowable for purposes of a renewal community business of the taxpayer.

"(B) LIMITATION.—No deduction shall be allowed under this paragraph for any taxable year by reason of paragraph (1)(A) which would otherwise be includible in the individual's gross income for such taxable year.

"(C) COORDINATION WITH OTHER BENEFITS.—The amount of qualified higher education expenses paid or distributed out of a family development account which would otherwise be includible in gross income, to the extent that such payment or distribution is used exclusively to pay qualified higher education expenses for the holder of the account or the spouse or dependent (as defined in section 152) of such holder.

"(D) QUALIFIED FAMILY DEVELOPMENT EXPENSES.—The term 'qualified family development expenses' means any of the following:

"(A) Qualified higher education expenses.

"(B) Qualified first-time homebuyer costs.

"(C) Qualified business capitalization costs.

"(D) Qualified medical expenses.

"(E) Qualified rollovers.

"(3) QUALIFIED higher education expenses.

"(1) in general.—The term 'qualified higher education expenses' has the meaning given such term in section 220(a)(8) of the Internal Revenue Code of 1986 (as defined in section 220(b)(3)).

"(2) QUALIFIED medical expenses.

"(3) QUALIFIED first-time homebuyer costs.

"(4) QUALIFIED business capitalization costs.

"(5) QUALIFIED medical expenses.

"(6) QUALIFIED first-time homebuyer costs.

"(7) QUALIFIED business capitalization costs.
"(d) Tax Treatment of Accounts.—

"(1) In General.—Any family development account is exempt from taxation under this subtitle unless such account has ceased to be a family development account by reason of paragraph (2). Notwithstanding the preceding sentence, any such account is subject to the taxes imposed by section 5211 (relating to imposition of tax on unrelated organizations of charitable, etc., or governmental organizations). Notwithstanding any other provision of this title (including chapters 11 and 12), the basis of any person in such an account is zero.

"(2) Loss of Exemption in Case of Prohibited Transactions.—For purposes of this section, this paragraph is similar to the rules of section 408(e) as applied.

"(3) Other Rules to Apply.—Rules similar to the rules of paragraphs (4), (5), and (6) of section 408(d) shall apply for purposes of this section.

"(e) Family Development Account.—For purposes of this title, the term 'family development account' means a trust created or organized in the United States for the exclusive benefit of a qualified individual or his beneficiaries, but only if the written governing instrument creating the trust meets the following requirements:

"(1) Except in the case of a qualified rollover (as defined in subsection (c)(7))—

"(A) no contribution will be accepted unless it is in cash, and

"(B) contributions will not be accepted for the taxable year in excess of $3,000 (determined without regard to any contribution made under section 14001 (relating to demonstration program to provide matching amounts in renewal communities), and

"(2) The requirements of paragraphs (2) through (6) of section 408(a) are met.

"(f) Annual Report.—For purposes of this section, the term 'qualified individual' means, for any taxable year, an individual—

"(1) who is a bona fide resident of a renewal community beginning on or after the date on which the account was credited by reason of paragraph (1),

"(2) to whom a credit was allowed under section 32 for the preceding taxable year.

"(g) Other Definitions and Special Rules.—

"(1) Compensation.—The term 'compensation' has the meaning given such term by section 212(h)(1).

"(2) Married Individuals.—The maximum deduction under subsection (a) shall be computed separately for each individual, and this section shall be applied with regard to any community property laws.

"(3) Time When Contributions Deemed Made.—For purposes of this section, a contribution shall be deemed to have made a contribution to a family development account on the last day of the preceding taxable year if the contribution is made on account of such taxable year and is not made later than the time prescribed by law for filing the return for such taxable year (not including extensions thereof).

"(4) Employer Payments; Custodial Accounts.—Rules similar to the rules of sections 219(f)(5) and 408(h) shall apply for purposes of this section.

"(5) Reports.—The trustee of a family development account shall make such reports regarding such account to the Secretary and to the individual for whom the account is maintained with respect to contributions (and the proceeds thereof) to which they relate, distributions, and other matters as the Secretary may require under regulations. The reports required by this paragraph—

"(A) shall be filed at such time and in such manner as the Secretary prescribes in such regulations;

"(B) shall be furnished to individuals—

"(i) not later than January 31 of the calendar year following the calendar year to which such report relates, and

"(ii) in such manner as the Secretary prescribes in such regulations.

"(g) Investment in Collectibles Treated as Distributions.—Rules similar to the rules of section 408(m) shall apply for purposes of this section.

"(h) Penalty for Distributions Not Used for Qualified Family Development Expenses.—

"(1) In General.—If any amount is distributed from a family development account and is not used exclusively to pay qualified family development expenses for the holder of the account or the spouse or dependent (as defined in subsection (c)(7)) who is attributable to amounts contributed under section 14001 (relating to demonstration program to provide matching amounts in renewal communities), and

"(2) if the written governing instrument creating the trust meets the following requirements:

"(A) 100 percent of the portion of such amount which is attributable to amounts contributed under section 14001 (relating to demonstration program to provide matching amounts in renewal communities), and

"(B) 10 percent of the portion of such amount which is includible in gross income and is attributable to amounts contributed under section 14001 (relating to demonstration program to provide matching amounts in renewal communities), and

"(3) other matters as the Secretary prescribes in such regulations.

"(i) Designation—

"(1) Definitions.—For purposes of this section, the term 'designated family development account' means a family development account of each qualified individual for the taxable year. For the purposes of this subsection, distributions which are includible in gross income shall be treated as attributable to amounts contributed under section 14001 (relating to demonstration program to provide matching amounts in renewal communities), and

"(2) TIME WHEN CONTRIBUTIONS DEEMED MADE.—

"(A) Compensation.—The term 'compensation' means the compensation attributable to amounts contributed under section 14001 (relating to demonstration program to provide matching amounts in renewal communities), and

"(B) Matching Contributions to Family Development Accounts.—

"(3) other matters as the Secretary prescribes in such regulations.

"(j) Reporting Requirements.—The reports required by this paragraph—

"(A) shall be furnished to individuals—

"(i) not later than January 31 of the calendar year following the calendar year to which such report relates, and

"(ii) in such manner as the Secretary prescribes in such regulations.
such taxable year) specified in regulations pre-
scribed by the Secretary. Such designation shall be made in such manner
certified as attributable to the earned income tax credit if the extent that such overpayment 
does not exceed the credit allowed to the tax-
payer under section 32 for such taxable year.

(9) TERMINATION.—This section shall not apply to any taxable year beginning after De-

*PART IV—ADDITIONAL INCENTIVES*

``Sec. 1400K. Commercial revitalization credit.
Sec. 1400L. Increase in expensing under section 179.

*SEC. 1400K. COMMERCIAL REVITALIZATION CREDIT.*

(a) General Rule.—For purposes of section 46, except as the proviso in subsection (e), the com-
mercial revitalization credit for any taxable year is an amount equal to the applicable percentage of the qualified revitalization expenditures with respect to any qualified revitalization building.

(b) Applicable Percentage.—For purposes of this section—

(1) in general.—The term ‘applicable percentage’ means—

(1) 20 percent for the taxable year in which a qualified revitalization building is placed in service,

(2) at the election of the taxpayer, 5 percent for each taxable year in the credit period.

The election under subparagraph (B), once made, shall be irrevocable.

(2) Credit Period.—

(A) In general.—The term ‘credit period’ means, with respect to any building, the period of 10 taxable years beginning with the taxable year in which the building is placed in service.

(B) Applicable Rules.—Rules similar to the rules under paragraphs (2) and (4) of section 42(f) shall apply.

(c) Qualified Revitalization Buildings and Expenditures.—For purposes of this section—

(1) Qualified Revitalization Building.—The term ‘qualified revitalization building’ means any building (and its structural components) that—

(A) such building is located in a renewal community and is placed in service after December 31, 1999,

(B) a commercial revitalization credit amount is allocated to the building under subsection (e), and

(C) the amount (or amortization in lieu of depreciation) is allowable with respect to the building,

(2) Qualified Revitalization Expenditure.—

(A) In General.—The term ‘qualified revitalization expenditure’ means any amount propri-
ortually chargeable to capital account—

(ii) for property for which depreciation is allowable under section 168 and which—

(i) nonresidential real property, or

(ii) property or improvement to property described in clause (I), and

(iii) in connection with the construction of any qualified revitalization building which was not previously placed in service in connection with the substantial rehabilitation (within the meaning of section 47)(II)(C) of a building which was placed in service before the begin-
ing of such building, if

(B) Dollar Limitation.—The aggregate amount which may be treated as qualified revi-
talization expenditures with respect to any qualified revitalization building for any taxable year shall not exceed the excess of—

(1) $2,000,000, reduced by

(ii) any qualified revitalization expenditures with respect to the building taken into account by the taxpayer or any predecessor in determining the amount of the credit under this section for all preceding taxable years, and

(2) Certain Expenditures Not Included.—The term ‘qualified revitalization expenditure’ does not include—

(i) Straight Line Depreciation Must Be Used.—Any expenditure (other than with respect to land acquisitions) with respect to which the taxpayer does not use the straight line method over a recovery period determined under subsection (c) or (g) of section 168. The preceding sentence shall not apply to any expenditure to the extent that the depreciation system of section 168(g) applies to such expenditure by reason of subparagraph (B) or (C) of section 168(g)(3).

(ii) Acquisition Costs.—The costs of acquiring any building or interest therein and any land in connection with such building to the ex-
tent that such costs exceed 30 percent of the qualified revitalization expenditures determined without regard to this clause.

(iii) Other Credits.—Any expenditure for which the taxpayer elects to take the expen-
siture into account only for purposes of this section.

(iii) When Expenditures Taken Into Account.—

(1) In General.—Qualified revitalization expenditures with respect to any qualified revitalization building shall be taken into account for the taxable year in which the qualified revitalization expenditures with respect to such building are placed in service. For pur-
poses of the preceding sentence, a substantial rehabilitation of a building shall be treated as a separate building.

(2) Progress Expenditure Payments.—Rules similar to the rules of subsections (b)(2) and (d) of section 47 shall apply for purposes of this section.

(d) Limitation on Aggregate Credits Allowable With Respect to Buildings Located in a State.—

In general.—The amount of the credit determined under this section for any taxable year with respect to any building shall not exceed the commercial revitalization credit amount that may be determined under subsection (b)(2)(C) of such building under section 162.

(e) Certain Rules to Apply.—

(1) Treatment of Out-of-State Buildings.—

(A) General.—The aggregate commercial revitalization credit which may be allowed across buildings placed in service within any calendar year is the amount of the State commercial revitalization credit ceiling determined under this paragraph for such calendar year for such State.

(B) State Commercial Revitalization Credit Ceiling.—The State commercial revitalization credit ceiling applicable to any State—

(i) for each calendar year after 1999 and before 2007 is $2,000,000 for each renewal community in the State, and

(ii) zero for any calendar year thereafter.

(C) Commercial Revitalization Credit Agency.—For purposes of this section, the term ‘commercial revitalization credit agency’ means any agency authorized by the State to carry out this section.

(R) Responsibilities of Commercial Revitalization Credit Agency.—

(1) Plans for Allocation.—Notwithstanding any other provision of this section, the com-
mercial revitalization credit amount with respect to any building shall be zero unless—

(1) such amount was allocated pursuant to a qualified allocation plan of the commercial revitalization credit agency (as defined in section 1400G), for purposes of section 179.

(2) Certain Rules to Apply.—The rules of subsections (a)(2) and (b) of section 179 shall apply for purposes of this section.

(e) Termination.—This section shall not apply to any building placed in service after December 31, 2006.

*SEC. 1400L. INCREASE IN EXPENSING UNDER SECTION 179.*

(a) General Rule.—For purposes of section 179, for the case of a renewal community (as defined in section 1400G), for purposes of section 179, the limitation under section 179(b)(1) shall be increased by the lesser of—

(A) $35,000, or

(B) the cost of section 179 property which is qualified renewal property placed in service during the taxable year, and

(2) the amount taken into account under section 179(b)(2) with respect to any section 179 property which is qualified renewal property shall be 50 percent of the cost thereof.

(b) Recapture.—Rules similar to the rules of sections 179(d) and 179(e) shall apply with respect to qualified renewal property which ceases to be used in a renewal community by a renewal community business.

(c) Qualified Renewal Property.—For purposes of this section—

(1) in general.—The term ‘qualified renewal property’ means any property to which section 168 applies (or would apply but for section 179) if—

(A) such property was acquired by the taxpayer by purchase (as defined in section 179) after December 31, 1999, and before January 1, 2007, and

(B) such property would be qualified zone property (as defined in section 1397C) if re-
fers to renewal communities.

(2) Certain Rules to Apply.—The rules of the paragraphs of section 1397C shall apply for purposes of this section.

*SEC. 603. EXTENSION OF EXPENSING OF ENVIRONMENTAL REMEDIATION COSTS TO RENEWAL COMMUNITIES.*

(a) Extension.—Paragraph (2) of section 198(c) (defining targeted area) is amended by re-
placing the term ‘targeted area’ with ‘targeted area or renewal community’ and by inserting after subparagraph (B) the following new subparagraph:

(B) such agency notifies the chief executive officer (or its equivalent) of the local jurisdic-
tion within which the building is located of such allocation and provides such individual a rea-
sonable opportunity to comment on the alloca-
tion.
SEC. 604. EXTENSION OF WORK OPPORTUNITY TAX CREDIT FOR RENEWAL COMMUNITIES.—Subsection (c) of section 51 (relating to termination) is amended by adding at the end the following new paragraph:

"(I) 15 percent of the qualified second-year wages for such year, and

(II) 30 percent of the qualified second-year wages for such year.

``(2) QUALIFIED SUMMER YOUTH EMPLOYEE.—The term `qualified summer youth employee' means, with respect to each 1-year period, employees performed in such renewal community in the 1-year period beginning on the day after the last day of such 1-year period.

``(B) QUALIFIED FIRST-AND SECOND-YEAR WAGES.—For purposes of subparagraph (A), the term `qualified first-and second-year wages' means, with respect to each 1-year period, wages paid or incurred by the employer during the taxable year to any individual but only if—

(1) the employer is engaged in a trade or business in a renewal community throughout such 1-year period,

(2) the principal place of abode of such individual is in such renewal community throughout such 1-year period, and

(3) substantially all of the services which such individual performs for the employer during such 1-year period are performed in such renewal community.

``(C) the excess (if any) of the maximum amount allowable as a deduction under section 1400H for the taxable year over the amount contributed to the account for the taxable year (other than a contribution under section 1400H).

``(D) the amount allowable as a deduction under section 1400H for the taxable year over the amount contributed to the account for the taxable year.

"(E) a family development account described in section 1400H for such contributions, and

(2) the amount determined under this subsection for the preceding taxable year reduced by the sum of—

(1) the amount contributed to the account for the taxable year which were included in the gross income of the payee under section 1400H(b)(1),

(2) the amount allowable as a deduction under section 1400H for the taxable year over the amount contributed to the account for the taxable year.

(3) the amount which is distributed from the family development account in a distribution to which rules similar to the rules of section 408(d)(4) apply by reason of section 1400H(d)(3), and

(4) the excess (if any) of the maximum amount allowable as a deduction under section 1400H for the taxable year over the amount contributed to the account for the taxable year.

"(F) the amount which is attributable to any commercial revitalization building attributable to qualified revitalization expenditures.

"(G) a family development account described in section 1400H for such contributions, and

(2) for purposes of section 1400H, any contribution which is distributed from the family development account in a distribution to which rules similar to the rules of section 408(d)(4) apply by reason of section 1400H(d)(3) shall be treated as an amount not contributed.

"(H) the amount which is attributable to any commercial revitalization building attributable to qualified revitalization expenditures.

"(I) the amount which is attributable to any commercial revitalization building attributable to qualified revitalization expenditures.

"(J) the amount which is attributable to any commercial revitalization building attributable to qualified revitalization expenditures.

"(K) the amount which is attributable to any commercial revitalization building attributable to qualified revitalization expenditures.

"(L) the amount which is attributable to any commercial revitalization building attributable to qualified revitalization expenditures.

``(M) the amount which is attributable to any commercial revitalization building attributable to qualified revitalization expenditures.

``(N) the amount which is attributable to any commercial revitalization building attributable to qualified revitalization expenditures.

``(O) the amount which is attributable to any commercial revitalization building attributable to qualified revitalization expenditures.

``(P) the amount which is attributable to any commercial revitalization building attributable to qualified revitalization expenditures.

``(Q) the amount which is attributable to any commercial revitalization building attributable to qualified revitalization expenditures.

``(R) the amount which is attributable to any commercial revitalization building attributable to qualified revitalization expenditures.

``(S) the amount which is attributable to any commercial revitalization building attributable to qualified revitalization expenditures.

``(T) the amount which is attributable to any commercial revitalization building attributable to qualified revitalization expenditures.

``(U) the amount which is attributable to any commercial revitalization building attributable to qualified revitalization expenditures.

``(V) the amount which is attributable to any commercial revitalization building attributable to qualified revitalization expenditures.

``(W) the amount which is attributable to any commercial revitalization building attributable to qualified revitalization expenditures.

``(X) the amount which is attributable to any commercial revitalization building attributable to qualified revitalization expenditures.

``(Y) the amount which is attributable to any commercial revitalization building attributable to qualified revitalization expenditures.

``(Z) the amount which is attributable to any commercial revitalization building attributable to qualified revitalization expenditures.

"(a) EXTENSION.—Subsection (c) of section 51 (relating to termination) is amended by adding at the end the following new paragraph:

"(A) the amount contributed to the account for the taxable year which were included in the gross income of the payee under section 1400H(b)(1),

(2) the amount allowable as a deduction under section 1400H for the taxable year over the amount contributed to the account for the taxable year.

(3) the amount which is distributed from the family development account in a distribution to which rules similar to the rules of section 408(d)(4) apply by reason of section 1400H(d)(3), and

(4) the excess (if any) of the maximum amount allowable as a deduction under section 1400H for the taxable year over the amount contributed to the account for the taxable year.

(5) the amount which is attributable to any commercial revitalization building attributable to qualified revitalization expenditures.

(6) the amount which is attributable to any commercial revitalization building attributable to qualified revitalization expenditures.

"(b) DEDUCTION FOR CONTRIBUTIONS TO FAMILY DEVELOPMENT ACCOUNTS.—Subsection (d) of section 49(a)(4) is amended by adding after paragraph (3) the following new paragraph:

"(F) if the account described in section 1400H is a family development account described in section 1400H(e), after "section 49(a)(4)".
Housing and Urban Development first designates an area as a renewal community under section 1400e of the Internal Revenue Code of 1986, and at the close of each fourth calendar year thereafter, such Secretary shall prepare and submit to the Congress a report on the effects of such designations in stimulating the creation of new jobs, particularly for disadvantaged individuals, and in promoting the revitalization of economically distressed areas.

**SEC. 2. EXCLUSION OF EFFECTS OF THIS ACT FROM PAYGO SCORECARD.**

Upon the enactment of this Act, the Director of the Office of Management and Budget shall not make any estimates of changes in receipts under title 2 to the Balanced Budget and Emergency Deficit Control Act of 1985 resulting from the enactment of this Act.

The SPEAKER pro tempore. After 1 hour of debate on the bill, as amended, it shall be in order to consider the further amendment printed in the Congressional Record numbered 1, which shall be considered as read and debatable for 1 hour, equally divided and controlled by the proponent and an opponent.

Pursuant to the order of the House today, the gentleman from Texas (Mr. Archer) and the gentleman from New York (Mr. Rangel) each will control 15 minutes of debate on the bill.

The Chair recognizes the gentleman from Texas (Mr. Archer).

**GENERAL LEAVE**

Mr. Archer. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H. R. 4579 and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

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

Mr. Speaker, the Federal Government is clearly too big, it spends too much, and taxes are too high; in fact, the highest in peacetime history.

Today we can do something about it. With this bill, we let the American people keep more of their hard-earned money, and when they do, there will be less money in Washington for the politicians to spend, downsizing Washington in power and upsizing the power of people.

Earlier today we set aside 90 percent of the surplus until social security can be saved. Today we can help overtaxed husbands and wives, farmers and ranchers, small businesses, and senior citizens. Our tax plan reduces the marriage penalty, makes health care more affordable for small business owners, reduces death taxes, and it fixes an unfair work penalty for senior citizens who decide that they would like to continue to work. Five hundred thousand senior citizens will be benefited by this provision.

It also eliminates all taxation on interest earned by senior citizens for 32 million people. Importantly it provides badly needed help for farmers and ranchers, who have been hit particularly hard this year.

Finally, the plan simplifies the tax code for millions of Americans. Fewer forms will need to be filled out, making April 15 less of a burden on millions of taxpayers.

This plan protects social security and it cuts taxes. Mr. Speaker, it stops the politicians from Washington from wasting taxpayer money by taking it away from them before they have a chance to create new spending ideas. Mr. Speaker, I reserve the balance of my time.

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

Mr. Speaker, I am not prepared to debate the distinguished chairman of the Committee on Ways and Means. I have been hearing for the last 3½ years that the Republicans had a tax plan that was going to pull up the IRS by the roots, so I have been studying that. I have been studying the value-added tax, the VAT. I have been studying the sales tax. Now they come up with a Democratic plan, it is unfair to do this at election time. It catches us at a complete disadvantage.

The only problem we have, of course, is that we had thought that we had adopted rules in the budget which says that we did not spend what we have not got. Now they are changing the rules on that and they are saying, that is different if it is a tax cut, and it is especially different if it is just before the election.

What are we going to believe? Are we going to pull up the tax code by the roots and get rid of it with a simplified code that we can put on a postal card, or are we going to single out special people and give them tax cuts that we would want to give to them after we fix social security first?

I suspect that we will do all of these things maybe next year with a different Congress, but it surprises me how fluid we can be in terms of tax policy. So much for deep-sixing the tax code. So much for nothing to attempt to raid the social security trust fund.

Mr. Speaker, I yield 2 minutes to my friend, the gentleman from Tennessee (Mr. Clement).

Mr. Clement. Mr. Speaker, I thank the gentleman for yielding time to me. Mr. Speaker, I have serious reservations, just like the gentleman from New York (Mr. Rangel) and many others concerning the timing of this particular bill, as well as the justification for it, because the fact is, we had a significant tax cut last year in 1997.

And it was so significant, it was very, very helpful to our society and we needed it. But why do we want to come back at this particular time? And the fact is, we are raiding the Social Security system. We are raiding it because that is a contract between the government and the taxpayers.

Like most Members, I support tax cuts. But the timing of this, even though the provisions are good, and how could we be against it? And I like what has been proposed, but there is no surplus unless we count the Social Security surplus. The projected surplus may never materialize. We need to reserve all the budget surplus for Social Security reform and abandoning fiscal discipline is the wrong message to send to financial markets.

Over the next 5 years, the total budget surplus is $520 billion, but if one excludes the part of the surplus that belongs to Social Security, there is, in fact, a deficit in the budget of $137 billion. There is no significant budget surplus until 2006, 8 years from now.

Mr. Speaker, we did go through the numbers, and we know that this tax cut sounds good, but it also is not going to solve our problems when it comes to a solvent Social Security system.

We need the President working in concert with the U.S. House of Representatives and the United States Senate to come up with something that is workable and fair and to keep our contract with our senior citizens.

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

Mr. Speaker, it is like a broken record on the other side. Perhaps the same speech writer writes the same speeches for everybody, and if they say "raiding the Social Security trust fund" over and over again, perhaps people who do not know differently will believe it. But it is unsupportable. It is false. And they know it is false.

So, every time that that phrase is used, it has been preprogrammed to create an impression that is false. The administration representative from Social Security, appointed by President Clinton, testified in our committee that it was false.

I expect they will keep using it because they think they can convince people as to something that is unsupportable. I expect they will keep using it last time, but hopefully this will be the last time that I have to speak to this, and that those who listen to these speeches will understand when the term "raiding the Social Security trust fund" over and over again, perhaps people who do not know differently will believe it. But it is unsupportable. It is false. And they know it is false.

I expect they will keep using it because they think they can convince people as to something that is unsupportable.
in light of the just completed vote on fast track, perhaps a vital necessity.

In particular, I commend Chairman Archer and the staff for the resolution of the question relating to the interaction of this provision with the use of so-called hybrid arrangements. In January of this year, the Treasury Department issued Notice 98-11 attacking the use of hybrid arrangements by United States-owned foreign companies. Chairman Archer, along with a bipartisan majority of the Committee on Ways and Means strongly and rightly opposed Treasury's actions.

In response to the overwhelming concern expressed by the committee, the Treasury Department issued Notice 98-35, which provided specific rules with respect to the use of hybrid arrangements and allowed Congress time to review the important policy issues involved.

Mr. Speaker, the United States financial services industry is a critical component to United States productive capacity both here and abroad. We should not create or endorse policies that hamstring their ability to compete in the global marketplace. This provision is intended to improve the capability of the United States financial services industry to compete with their foreign counterparts, and because of the importance of this issue, I am very pleased that it was included in this legislation.

At this time I would like to enter into a colloquy with the gentleman from Texas (Mr. Archer), chairman of the Committee on Ways and Means.

Mr. Speaker, earlier this year, in response to concerns raised by the gentleman from Texas and a bipartisan majority of our committee, the Treasury Department announced its intentions to withdraw Notice 98-11 and the related temporary regulations on so-called hybrid entities. Treasury agreed not to issue regulations in this area any earlier than January 1, 2000, in order to allow Congress the opportunity to fully consider the tax policy issues involved.

Mr. Speaker, I would ask the gentleman, am I correct that nothing in the proposal before us would alter the Treasury Department's agreement to allow Congress the opportunity to fully consider the tax policy issues involved before finalizing any regulations in this area?

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

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

Mr. ARCHER. Mr. Speaker, the gentleman is correct. There is nothing in the proposal that would alter the agreement with the Treasury Department.

Mr. McCrery. Mr. Speaker, reclaiming my time, I thank the gentleman for his courtesy. I would like to add that contrary to what we will probably hear over and over here, not one penny of the money for this tax cut will be taken from the Social Security trust fund. Please, let us get off that and talk about the merits of this tax bill.

Mr. Rangel. Mr. Speaker, I yield myself 30 seconds.

Mr. Speaker, we were able to go to C-Span and read the rest of Ms. Chesser's remarks where she indicated that this tax cut would have a negative impact in the future in bringing about the solvency of the Social Security system.

Since there is such a widespread belief that our senior citizens have no idea what we are doing, perhaps we can print up some educational material for the Members tomorrow so that they would know that we only are saying it over and over so that they will see that it is true.

Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania (Mr. Klinc).

Mr. KLINE. Mr. Speaker, I thank the gentleman from New York (Mr. Rangel), our ranking member, for yielding me this time.

Mr. Speaker, I think that we all know, or should all know, that if it was not for excess Social Security taxes taken from the hard-earned paychecks of Americans, there would be no surplus. We can play semantical games with the term 'trust fund,' but if it was not for those Social Security taxes that are coming into the Federal Government, there would be no surplus.

Let us not talk about the speeches that are emanating from this side of the aisle. Let us talk about some other speeches, like that from William Niskanen, the Chairman of the Cato Institute, who said though House Republicans portray the tax cuts as an economic booster, economists seem unimpressed with the package and not persuaded that it was needed. "It's entirely political. It's responsive to the narrow constituencies of the Republican Party. It makes no sense on a tax basis or a macro[economic] basis."

Let us talk about Allen Sinai, the chief global economist for Primark Decision Economics, who said that whatever small economic stimulus this tax cut might provide, it could be costly in other ways. "The economy does not need domestic macroeconomic stimulus at this time. The economy needs interest rate cuts that will help stabilize the world economy and world markets [which are] the biggest threat to this economy."

This is Republican hocus-pocus: We will give an election year tax cut with one hand, but hand voters higher interest rates, so on their payments, their house payments, their car payments, their credit card payments are all a lot higher.

Let us talk about what the Concord Coalition said. Without dipping into funds dedicated for Social Security, there is no budget surplus to spend.

Let us talk about Ohio Republican Governor George Voinovich who called for segregating Social Security money from the rest of the budget and said he agreed with President Clinton, and his Democrat opponent, Mary Boyle, that any tax cuts must wait until the retirement needs of baby boomers are guaranteed.

Let us talk about Pete Domenici, a Republican Senator in the other body, and Phil Gramm, who agree with us. Social Security must be saved first.

Mr. ARCHER. Mr. Speaker, I yield 2 minutes to the gentleman from Connecticut (Ms. Johnson), the chairman of the Subcommittee on Oversight of the Committee on Ways and Means.

Ms. Johnson. Mr. Speaker, I say to the gentleman from Pennsylvania (Mr. Klinc), I will take it. If this bill directs benefits to the "narrow base of the Republican party," absolutely. You bet it does, because it directs itself to the interests of all the working people of America. The great items, including maintaining this economic boom possible.

Mr. Speaker, I rise in strong support of this important tax cut. I thank the gentleman from Texas (Mr. Archer) for determined leadership in bringing this bill to the floor that does provide middle-class tax relief and strengthens our economy.

If we can use the surplus to help the people of Bosnia, if we can use the surplus to help the people of Bosnia, then we can certainly help the American people by retaining a small portion of the surplus to their pocketbooks.

This legislation is about fairness for hard-working middle-class families and protecting their economic future. It is sound, balanced and needed tax policy which will have a sweeping impact on taxpayers across the country.

It helps families by beginning the process of eliminating the marriage penalty. Small businesses will get help to buy equipment and create jobs. Communities that need new schools or repair existing ones will receive a boost. And people needing affordable housing will get help. Seniors too will be benefited by this strong bill. Members' support is recommended.

Mr. Speaker, I yield 2 minutes to the gentleman from California (Ms. Lee).

Ms. Lee. Mr. Speaker, I thank the gentleman from New York (Mr. Rangel) for yielding me some time today.

Mr. Speaker, I rise in strong support of the President's tax cut proposal to the Republican tax cut bill. Taxes really are like powerful medicine, and yet we take our medicine as
of the marriage penalty for a majority of those who suffer it. In fact, by doubling the standard deduction, 28 million married working couples will see an extra $243 during a year because we eliminate the marriage penalty for majority of those who suffer it. Mr. Speaker, that is a car payment.

Mr. WELLMAN. Mr. Speaker, this is an exciting week, because this week we are actually doing the people's business, something the folks back home have asked us to do for a long time.

This is a great opportunity because not only have we passed legislation which sets aside $1.4 trillion for the Social Security system needs constant checkups and tuning. We are in the process of tuning, of making adjustments so that Social Security can remain the rock that this Nation created.

The Republican tax bill threatens the health and the life of Social Security. The Republican tax cut is not only irresponsible, but it cuts really is a killer.

Mr. ARCHER. Mr. Speaker, this is an exciting week, because this week we are actually doing the people's business, something the folks back home have asked us to do for a long time.

This is a great opportunity because not only have we passed legislation which sets aside $1.4 trillion for the Social Security system, but we also address an issue which sets aside $1.4 trillion for the Social Security trust fund. It is $243 during a year because we eliminate the marriage penalty for majority of those who suffer it. Mr. Speaker, that is a car payment.

Mr. WELLMAN. Mr. Speaker, this is an exciting week, because this week we are actually doing the people's business, something the folks back home have asked us to do for a long time.

This is a great opportunity because not only have we passed legislation which sets aside $1.4 trillion for the Social Security system, but we also address an issue which sets aside $1.4 trillion for the Social Security trust fund. It is $243 during a year because we eliminate the marriage penalty for majority of those who suffer it. Mr. Speaker, that is a car payment.

Mr. WELLMAN. Mr. Speaker, this is an exciting week, because this week we are actually doing the people's business, something the folks back home have asked us to do for a long time.

This is a great opportunity because not only have we passed legislation which sets aside $1.4 trillion for the Social Security system, but we also address an issue which sets aside $1.4 trillion for the Social Security trust fund. It is $243 during a year because we eliminate the marriage penalty for majority of those who suffer it. Mr. Speaker, that is a car payment.

Mr. WELLMAN. Mr. Speaker, this is an exciting week, because this week we are actually doing the people's business, something the folks back home have asked us to do for a long time.

This is a great opportunity because not only have we passed legislation which sets aside $1.4 trillion for the Social Security system, but we also address an issue which sets aside $1.4 trillion for the Social Security trust fund. It is $243 during a year because we eliminate the marriage penalty for majority of those who suffer it. Mr. Speaker, that is a car payment.

Mr. WELLMAN. Mr. Speaker, this is an exciting week, because this week we are actually doing the people's business, something the folks back home have asked us to do for a long time.

This is a great opportunity because not only have we passed legislation which sets aside $1.4 trillion for the Social Security system, but we also address an issue which sets aside $1.4 trillion for the Social Security trust fund. It is $243 during a year because we eliminate the marriage penalty for majority of those who suffer it. Mr. Speaker, that is a car payment.

Mr. WELLMAN. Mr. Speaker, this is an exciting week, because this week we are actually doing the people's business, something the folks back home have asked us to do for a long time.

This is a great opportunity because not only have we passed legislation which sets aside $1.4 trillion for the Social Security system, but we also address an issue which sets aside $1.4 trillion for the Social Security trust fund. It is $243 during a year because we eliminate the marriage penalty for majority of those who suffer it. Mr. Speaker, that is a car payment.

Mr. WELLMAN. Mr. Speaker, this is an exciting week, because this week we are actually doing the people's business, something the folks back home have asked us to do for a long time.

This is a great opportunity because not only have we passed legislation which sets aside $1.4 trillion for the Social Security system, but we also address an issue which sets aside $1.4 trillion for the Social Security trust fund. It is $243 during a year because we eliminate the marriage penalty for majority of those who suffer it. Mr. Speaker, that is a car payment.

Mr. WELLMAN. Mr. Speaker, this is an exciting week, because this week we are actually doing the people's business, something the folks back home have asked us to do for a long time.

This is a great opportunity because not only have we passed legislation which sets aside $1.4 trillion for the Social Security system, but we also address an issue which sets aside $1.4 trillion for the Social Security trust fund. It is $243 during a year because we eliminate the marriage penalty for majority of those who suffer it. Mr. Speaker, that is a car payment.

Mr. WELLMAN. Mr. Speaker, this is an exciting week, because this week we are actually doing the people's business, something the folks back home have asked us to do for a long time.

This is a great opportunity because not only have we passed legislation which sets aside $1.4 trillion for the Social Security system, but we also address an issue which sets aside $1.4 trillion for the Social Security trust fund. It is $243 during a year because we eliminate the marriage penalty for majority of those who suffer it. Mr. Speaker, that is a car payment.

Mr. WELLMAN. Mr. Speaker, this is an exciting week, because this week we are actually doing the people's business, something the folks back home have asked us to do for a long time.

This is a great opportunity because not only have we passed legislation which sets aside $1.4 trillion for the Social Security system, but we also address an issue which sets aside $1.4 trillion for the Social Security trust fund. It is $243 during a year because we eliminate the marriage penalty for majority of those who suffer it. Mr. Speaker, that is a car payment.

Mr. WELLMAN. Mr. Speaker, this is an exciting week, because this week we are actually doing the people's business, something the folks back home have asked us to do for a long time.

This is a great opportunity because not only have we passed legislation which sets aside $1.4 trillion for the Social Security system, but we also address an issue which sets aside $1.4 trillion for the Social Security trust fund. It is $243 during a year because we eliminate the marriage penalty for majority of those who suffer it. Mr. Speaker, that is a car payment.
from Peter to pay Paul. And what I am concerned about, Paul is made up of seniors and people who will be seniors, those people who are young now will soon be old. They have been paying into this system. It is unfair to take some of it for a tax break and leave the rest of it for a tax break.

Despite the fact that what you want to do is good, but you just do not have the way to do it, so you are taking it out of Social Security trust fund.

Now, this bill sets the 90 percent of the total Federal budget surplus for Social Security and permits the remaining 10 percent to be used for a tax cut. But I want to look at how this formula would work if it were the law today.

In the first 10 months of the current fiscal year, the total Federal budget surplus is $43 billion. Under the Republican formula, only 90 percent or 39 billion would be saved for Social Security and the remaining 11 billion would pay for a tax cut. This year Social Security is running a surplus of 167 billion. And the rest of the Federal Government is running on a deficit of 124 billion. So under this bill, I want Members to listen to me, we would be taking 11 percent of the Federal budget surplus and using it for a tax cut.

I just take that as an example to show my colleagues that we are using the wrong pot of money. We are using money that is going to undermine the Social Security surplus.

I want Members who think the people in this country are blind, they are not here, but they are not blind. They hear this. They know what you are doing, and they know who you are.

Mr. ARCHER. Mr. Speaker, I yield 2 minutes to the gentleman from South Dakota (Mr. THUNE).

Mr. THUNE. Mr. Speaker, let me just repeat one thing that I think the American people need to hear over and over again. The other side is going to continue to try and perpetuate this fraud that somehow we are raiding Social Security for this tax relief plan. The fact of the matter is that not one penny of this tax relief plan comes out of the Social Security taxes.

It is coming from people, income taxes that people in this country, hard-working Americans have overpaid.

It is coming out of the income tax surplus that we have generated from the health care of the American people, not from Social Security. The American people need to hear it over and over again because the other side continues to perpetuate this fraud.

I just wanted to thank the chairman, distinguished chairman of the House Committee on Ways and Means, the gentleman from Texas (Mr. ARCHER), for structuring a tax package that is so beneficial to the farmers and ranchers of South Dakota and across this country. If you could consider some good things in this tax bill that are going to help the economic crisis that we are facing in rural America, from death tax relief to deductibility for self-employed people of health insurance premiums to a loss carry-back provision that allows you to offset this year's losses against profits in past years and gets tax money back from the IRS, to the income averaging provisions that are made permanent under this bill. This is a very positive tax relief package for agriculture. It will do a great deal to assist our farmers and ranchers who are trying to make a living out there right now.

I want to reiterate one point, because you are going to hear over and over again, that they are raiding Social Security. I just want to ask the American people to think about who do you believe is going to save Social Security. The people who are committing 90 percent of this surplus or $1.4 trillion, or those who for years have not put a dime into the Social Security trust fund?

We have a commitment to save Social Security. Our arguments that bring tax relief to the hard-working people, the families of this country and to the farmers and ranchers in South Dakota and across America. I want to ask that Members on both sides of the aisle support this important tax relief bill.

Mr. RANGEL. Mr. Speaker, I yield 1½ minutes to the gentleman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE. Mr. Speaker, thank you for sharing your time with me.

Mr. ARCHER. Mr. Speaker, I yield 2 minutes to the gentleman from South Dakota (Mr. THUNE).

Mr. THUNE. Mr. Speaker, let me just finish the point I was making.

We developed a program in 1934 that is an important program. And you say this, I hear everybody say it, but I see so few do anything about it. I would have one suggestion, it would be that everybody take this very seriously, that you start looking at the bills that are now proposed and you come up with improvements to that legislation so we can really do it and quit talking about it, because it is an important program that so many people depend on.

We developed a program in 1934 that was a pay-as-you-go program, that as you run out of people working, paying into Social Security and benefits in to provide the benefits for existing retirees, it has developed a huge demographic problem, it needs to be dealt with. The longer we put off the solution, the more drastic that solution is going to have to be.

This year Social Security is one of the most important programs that we have. And the people who are going to continue to try and perpetuate this fraud, the people on the other side are doing it again. They want to talk about Social Security. They want to talk about Social Security, and they want to say, we have a commitment to save Social Security. Do you want to look at it? Do you just want to talk about it? Do you just want to say, hey, let us not have any tax cuts, let us save Social Security?

I just urge my colleagues in this House to look at some of these legislation. I introduced my first Social Security bill when I came here in 1993. Then I introduced another bill last session, and H.R. 3082, the last year of this session.

Social Security is a huge problem. It is an important program. And you say this, I hear everybody say it, but I see so few do anything about it. I would have one suggestion, it would be that everybody take this very seriously, that you start looking at the bills that are now proposed and you come up with improvements to that legislation so we can really do it and quit talking about it, because it is an important program that so many people depend on.

We developed a program in 1934 that was a pay-as-you-go program, that as you run out of people working, paying into Social Security and benefits in to provide the benefits for existing retirees, it has developed a huge demographic problem, it needs to be dealt with. The longer we put off the solution, the more drastic that solution is going to have to be.

We developed a program in 1934 that was a pay-as-you-go program, that as you run out of people working, paying into Social Security and benefits in to provide the benefits for existing retirees, it has developed a huge demographic problem, it needs to be dealt with. The longer we put off the solution, the more drastic that solution is going to have to be.

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

Mr. SMITH. Mr. Speaker, I yield 1½ minutes to the gentleman from Mississippi (Mr. TAYLOR).

Mr. TAYLOR. Mr. Speaker, I yield 2 minutes to the gentleman from Mississippi (Mr. TAYLOR).

Mr. TAYLOR. Mr. Speaker, I yield 2 minutes to the gentleman from Mississippi (Mr. TAYLOR).

Mr. TAYLOR. Mr. Speaker, I yield 2 minutes to the gentleman from Mississippi (Mr. TAYLOR).
thank the gentleman from Mobile, AL (Mr. Callahan). We have agreed to pair on this. Hurricane Georges will undoubtedly hit either his congressional district or mine. We have reached the decision that the best place for us to be tomorrow is with our families and with our constituents. The gentleman from Alabama is going to vote for it. I am going to vote against it.

Our Nation is $5.5 trillion in debt. We owe the Social Security trust fund $500 billion each year. As a Nation we squander $356 billion a year, that is $1 billion a day, on interest on the national debt. Yet because for the first time in 30 years we are not borrowing money to make ends meet, we are deciding to find all sorts of ways to bail it away. That is wrong. It totally ignores national defense.

This year’s Republican Congress will spend $30 billion less in real dollars, in 1998 dollars than they did in 1995 on defense. We are sending kids out in 30-year-old warships, 30-year-old helicopters, 30-year-old warplanes. The consequences of that can be dead young Americans in some future war. If we have any money left over, we need to take care of that.

We owe the Social Security trust fund $800 million. That is a pledge that has to be fulfilled. Above all, if you have seen Private Ryan, there is an entire generation of Americans who have seen Private Ryan, there is an entire generation of Americans who served this country in the military who were promised free health care for life if they fulfilled their end of the obligation and now when they are too old to do anything about it, we are not fulfilling it. The defense health care trust fund is un-funded by $600 million next year. Yet we can find time to give big contributors a tax break but not keep the promises we have already made.

For all of us I want to be recorded as voting "no."

PARLIAMENTARY INQUIRY

Mr. TAYLOR of Mississippi. Parliamentary inquiry, Mr. Speaker.

The SPEAKER pro tempore. The gentleman from Mississippi will state his parliamentary inquiry.

Mr. TAYLOR of Mississippi. Mr. Speaker, the gentleman from Alabama (Mr. Callahan) and myself have agreed to pair tomorrow on the vote on the tax package. I would like for my statement to be included in the RECORD at that time, but I will not be here tomorrow to do so. Therefore, I am asking if it would be in order to ask at this time that that statement be included in the RECORD.

The SPEAKER pro tempore. The gentleman may ask unanimous consent to do so.

Mr. TAYLOR of Mississippi. Mr. Speaker, I ask unanimous consent that my statement be included in the RECORD at the appropriate place tomorrow.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The SPEAKER pro tempore. Pursuant to the order of the House, the Chair postpones further consideration of H.R. 4579 until tomorrow.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker’s announced policy of January 7, 1997, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. Conyers) is recognized for 5 minutes.

His remarks will appear hereafter in the Extensions of Remarks.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. Pappas) is recognized for 5 minutes.

His remarks will appear hereafter in the Extensions of Remarks.

SAVE SOCIAL SECURITY

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Florida (Ms. Brown) is recognized for 5 minutes.

Ms. BROWN of Florida. Mr. Speaker, I rise today to stand against another case of reverse Robin Hood. But this time it is stealing from our seniors to give out tax breaks in an election year. When we talk about Social Security, we are talking about one of the most important programs in the history of the United States. This program ensures that our seniors and our disabled will be taken care of. The Social Security program is the result of hard work by working families across our Nation. By digging into the Social Security cookie jar, we jeopardize the security of seniors who count on these monthly checks during their retirement.

Let me close with a tribute today to the late Claude Pepper, one of the most important advocates for the elderly and for Social Security expansion in the United States Congress. Claude Pepper cared about seniors across this Nation and he fought to protect them so that they could enjoy their elderly years in life without being afraid of where their next check was coming from. As a Member of Congress from the State of Florida, Claude Pepper’s legacy for fighting for the rights of seniors and the poor speaks for itself. He would not stand for election-year gimmicks that punished the working families who have contributed to the Social Security trust fund. In the name of decency and in the name of Claude Pepper, the leadership of this House should vote to save Social Security first. This is a mean-spirited attack on the needy. We have a responsibility to today’s seniors and to tomorrow’s seniors to protect this valuable program.

ENDING MARRIAGE TAX PENALTY

The SPEAKER pro tempore (Mr. Boehlert). Under a previous order of the House, the gentleman from Illinois (Mr. Weller) is recognized for 5 minutes.

Mr. Weller. Mr. Speaker, I appreciate the opportunity to air a few moments of thoughts regarding some issues important to this Congress and not just to the politicians that were elected to this House but to the folks back home in Illinois. I represent a very diverse district. I represent the south suburbs of Chicago and the south side of the city of Chicago, a lot of rural and bedroom communities. They often ask important questions. One of the most important questions we have this year is they know that Social Security long-term has financial problems and they know there is unfairness in the tax code. They say there is a question out there, can we save Social Security and can we eliminate the marriage tax penalty, for example, in the same effort?

We Republicans believe that you can, that you can save Social Security and you can bring greater fairness to our tax code by working to eliminate the marriage tax penalty, and we have a plan. When I think of Social Security, just like everyone, you always think of your own family and how issues affect your family. When I think of Social Security, I think of my mom and dad, Marilyn and LaVern Weller, a couple of farmers back home in Illinois who are retired and on Social Security. I also think of my Aunt Mary and my Aunt Eileen, my Uncle Jack and Uncle Bob who are also on Social Security. When I think of the marriage tax penalty, I think of my sister Pat and her husband Rich, a teacher and a farmer back in rural Sheldon, Illinois, and they like 28 million other married working couples with two incomes suffer the marriage tax penalty.

We have had a big victory today in the passage of legislation which will help save Social Security by setting aside $1.4 trillion, twice what President Clinton suggested back in January we set aside, more than two times the $600 billion, in fact $1.4 trillion we are setting aside for the future efforts over the next couple of years to save Social Security. This is a big victory for people like my mom and dad and the senior citizens in Illinois.

I am often asked as well as we work to bring fairness to the tax code a pretty simple question, and, that is, is it fair, is it right that under our current tax code that almost 28 million married working couples, people like my sister Pat and her husband Rich who because they have two incomes under our tax code pay more in taxes just because they are married under our tax code? A lot of us think that is wrong. That is why addressing the marriage
tax penalty is such a priority. We have answered the call for bringing fairness to the tax code by making the centerpiece of the legislation this House is going to vote on tomorrow legislation which will eliminate for a majority of those married working couples paying the marriage tax penalty, will eliminate the marriage tax penalty.

In fact, I have an example here of a machinist and a school teacher in Joliet, Illinois, with a standard deduction of $50,000. Currently under our tax code, because the standard deduction for joint filers, for married couples, is now twice what it is for a single, if you figure in their personal exemptions and then give them the standard deduction when they file jointly, that standard deduction currently is only $6,900. If we want to be fair about it, the standard deduction for a joint filer should always be twice what it is for single filers. We do that in the tax package we are going to vote on tomorrow. The result is for this machinist and this school teacher in Joliet, Illinois, with a standard deduction now of $8,500, twice what it is for a single person, they will see a net benefit of $240 in higher take-home pay as a result of our efforts to eliminate the marriage tax penalty.

Now, we eliminate the marriage tax penalty for a majority of those married couples and double it by doubling the standard deduction. Not only is that an issue of bringing fairness to the tax code but because we double the standard deduction for married working couples, we also simplify the tax code. The reason we simplify the tax code, now as a result of doubling the standard deduction which 28 million married working couples will enjoy and benefit from, seeing an extra $240 in higher take-home pay, that is an extra car payment, 6 million of those couples will no longer have to itemize. We are simplifying their taxes. In fact they will no longer need to use the Schedule A. All they will need now is just to use the 1040-EZ. That is simplification.

Now, the opponents, some of whom we have heard from this evening and who oppose our efforts to eliminate the marriage tax penalty for a majority of those who suffer it, they claim that somehow our effort to eliminate the marriage tax penalty somehow will hurt low-income families out of the Social Security trust fund. Now, there is an important question that was asked in the House Committee on Ways and Means this past week when we acted and produced our effort to save Social Security and eliminate the marriage tax penalty. We asked the representative, the Deputy Commissioner of the Social Security Administration, are those charges true? Is as a result of the tax cut being considered by the committee will we devoid the Social Security trust fund? Judy Chesser, who is the Deputy Commissioner of the Social Security Administration, had a very simple answer. Frankly for someone in the bureaucracy, it was very short, sweet and to the point. She said, “No.” By saying “no,” that means the Social Security trust fund is not impacted.

Ladies and gentlemen, we are going to vote on tomorrow that the centerpiece eliminates the marriage tax penalty for millions, in fact the majority of those who suffer it. This package is good because it helps married couples in Illinois, helps families that small businesspeople, helps schools in Illinois and helps parents who want to send their kids off to college.

We can save Social Security. We can eliminate the marriage tax penalty. We have a good opportunity to do that tomorrow. It deserves bipartisan support. I urge bipartisan support for the Save Social Security Act which passed today as well as the 1998 Taxpayer Relief Act. Let us save Social Security. Let us eliminate the marriage tax penalty.

\[2000\]

**CUT TAXES ONLY AFTER TRULY BALANCING THE BUDGET**

The SPEAKER pro tempore (Mr. SNOWBARGER). Under a previous order of the House, the gentleman from Minnesota (Mr. MINGE) is recognized for 5 minutes.

Mr. MINGE. Mr. Speaker, I share with the previous Member the commitment to finding a way to reduce taxes. Really the question is, however, not do we have a commitment to reduce taxes and believe that the bill that has been brought up or will be brought up tomorrow is a fair bill in that respect. The question is the timing.

The previous speaker I think laid out quite clearly the issue, and that is to extend what everyone is talking about, this package to the American people by saying to them we have a surplus and we can balance the budget and go through a tax cut, without somehow compromising our commitment to stay the course and not add to our Nation’s debt and not make it more difficult to solve the Social Security problems in the future?

The simple answer is, we do not have a balanced budget. We are borrowing this year approximately $104 billion from the Social Security trust fund. We are going to have a deficit of approximately $70 billion this year, an on-budget deficit of $70 billion. What does this mean? It means that we have not adequately planned for the future. We have not adequately planned for 1998, and we are proposing a tax cut when we have not balanced the budget. I think this is tragic.

It also points up the fact that we do not yet even have a budget for the next fiscal year, and this too is tragic. Here we are, we are five months and 24 days past the deadline for having a budget agreement in Congress, and we do not yet have one. The House and the Senate have not agreed. No budget resolution. We do not have guidance for the Committee on Appropriations, we do not have guidance for the Committee on Ways and Means. The committees are free-lancing it. The Committee on Ways and Means has come out with a tax cut package. They do not know how it fits into a budget, because we do not have a budget. And here we are in the chamber saying to local government, act responsibly. Act fiscally responsibly, so when we grant you money, we know and you know that you are properly budgeting for your operations.

We say to the United Nations, act fiscally responsibly; prepare a budget. We do not have a budget. We say to nonprofit entities and others that apply for Federal grants, have a budget. Show us your budget. We do not have a budget.

This is a very, very unfortunate situation. The leadership in this body and on the other end of the building have not even appointed conference agrees on what a budget resolution should look like and bring it back to each chamber for a vote. We have a failure of leadership. We need to address the question of what is the Federal budget to be for 1999, and we are only six days away from the beginning of the next fiscal year. No budget.

I submit that the tax cut package, as attractive as it is and as much as we all would like to vote on it and go back home and beat our chest and say what wonderful Members of Congress we are, the tax cut package ought to be deferred until the leadership in this body has developed a budget for the next fiscal year and until we know that we have eliminated the scourge of the deficit spending that has haunted this government year after year.

We cannot afford to add to the deficit. We cannot afford to add to the debt. I know from talking to my friends and neighbors at home that they are all for tax cuts, but they also recognize that we have to act responsibly, and they want us to make sure we balance the budget first, and they want us to make sure we stop borrowing from Social Security.

We are continuing to do that, and that is going to handicap our ability to fix the Social Security program, because all of that borrowing goes right into the U.S. Treasury and we are postponing the day of reckoning.

**SHORTFALLS IN FUNDING FOR NATIONAL SECURITY**

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. HUNTER) is recognized for 5 minutes.

Mr. HUNTER. Mr. Speaker, I talked yesterday about the problems with national security that are now becoming
Today we did something else, Mr. Speaker, and I would like to just comment briefly on the fast-track legislation, because most of us agree that trade, which creates jobs, has to be a bipartisan approach or has to have a bipartisan approach.

But the one thing that is attractive to Americans when you speak of trade is jobs. It is opportunities for small businesses. It is the ability to sell one's wares and ideas internationally and be assured to get a good dollar and fair compensation for that.

I have been on record supporting the African Growth and Opportunity Act which passed the House this past summer, giving opportunity to small businesses, providing dollars for infrastructure support, opening up Africa to the many opportunities or many business opportunities for both Americans and Africans to work together.

I have supported the Caribbean Basin Initiative, which works with our Caribbean friends, again increasing opportunities for our business opportunity, to work free of barriers.

At the same time, this legislation was brought to the floor of the House in a bad manner and at a bad time. For example, we are facing crises around the world, but the Republicans have not seen fit to fund the International Monetary Fund. Why? Because that is not popular.

That sounds off negative connotations. I would simply argue that seeing governments collapse or financial systems collapse, when we have the opportunity to work with the IMF, is irresponsible.

Yet, we bring a trade bill that is not collaborative, does not work with Members on both sides of the aisle, does not work with business and working Americans to discuss issues dealing with the environment and dealing with the question of working conditions.

Last year when we were talking about this issue, I offered an amendment to work on the question of difficulties in Texas along the border. Let me read it, Mr. Speaker, my amendment, called "Review of conditions along United States-Mexican border".

The President shall establish a task force to review conditions along the United States-Mexican border relating to housing, labor, the environment, and other relevant issues, as they relate to United States companies that are located along the border.

The task force should determine the ways in which partnerships made up of public and private entities can improve conditions along the border. The President shall report to Congress not later than 1 year after the date of the enactment of this act on the results of the review under subsection A.

My understanding is, without a call to my office, this was put into the present bill. The tragedy is that the bill fails because we did not have collaboration. We had politics. In fact, Members of the other party were quoted as saying, "We want to see who will get on the line and vote for fast
track, Democrats, so we can go in their districts, if they do not vote for it, and threaten their elections.’

This is not the spirit in which we should work. We should be working in a bipartisan manner to tell Americans that, yes, trade is good. Trade brings good and positive working conditions.

Mr. Speaker, I would simply say, we can work on trade issues. We can create jobs. We can help business. We can help small businesses. But this House must do it together.

We must ensure that Americans realize that trade is about jobs and the environment and working together.

COMMENDING THE HOUSE FOR OUTSTANDING WORK ON SAVING SOCIAL SECURITY AND IMPROVING THE LIVES AND HEALTH OF SENIOR CITIZENS

The SPEAKER pro tempore. Under a previous understanding, the House, the gentleman from Pennsylvania (Mr. Fox) is recognized for 5 minutes.

Mr. FOX of Pennsylvania. Mr. Speaker, I rise to address the House this evening to commend the House for its outstanding work on saving Social Security and improving the lives and health of senior citizens.

Mr. Speaker, with senior citizens living longer we want to make sure they live better. We want to make sure we strengthen the social security system. We also at the same time want to look to improving health care for our seniors and others. That is why the House is to be congratulated for leading the way here in Congress and in Washington on FDA reform, to make sure we speed up the approval of lifesaving drugs and medical devices.

That legislation, while we are waiting for a cure or vaccines for many illnesses, will help us be able to make sure that we are helping with clinical trials and with third-party review, and be able to make sure that we help our citizens live longer and better.

I am interested in also pointing out that here in Congress and at the House we have worked to double the NIH funding, the National Institutes of Health. That is very important when it comes to increasing the research monies that are allocated for breast cancer research, uterine cancer, ovarian cancer, prostate cancer. It is coming at a very important time.

Tomorrow, Mr. Speaker, we are having the first march of its kind, a march to fight against cancer, to find a cure in our lifetime for all the cancers. This is an important march where very important health care providers, health care practitioners, researchers, and entertainers will be here on the Washington Mall, together with elected officials, to make sure we stand arm in arm to make sure the kind of dollars, resources, and emphasis is placed on cures for cancer.

That dovetails with legislation that I have introduced, Mr. Speaker, to protect our senior citizens, the Senior Citizen Bill of Rights. In that legislation we are going to roll back the 1993 tax on Social Security. We are going to keep social security off-budget, so it is not used for deficit reduction, but used for seniors and their security.

It will also address the notch baby problem, those babies born between 1917 and 1926 who are in their golden years and should be able to have the Social Security benefits that other Social Security recipients have. Our notch baby provision will be addressed in that legislation.

We also, in the Senior Citizen Bill of Rights, increase the penalties for those who would commit fraud against senior citizens, such as telemarketing fraud and others who would prey upon our senior citizens and take away their life savings.

Also our legislation calls for elimination of the inheritance taxes. Many people have a family business, a family farm, and they take the money and have to give it to Uncle Sam, instead of making sure the next generation of the family can enjoy the fruits of labor that many of our families and friends have built up over a lifetime.

Finally, we have patient protection. We have legislation this House has adopted to make sure, Mr. Speaker, that doctors have the final say in making sure our patients get the medical advice they need, get the referrals to specialists they need, get the admissions to hospitals that they need, and as well, have the right to appeal a wrongful denial of health care on behalf of their patients and our constituents.

I think we have done a great deal to move forward in health care as far as senior citizens, on their rights, on their security, and making sure, above all, that Social Security and Medicare are protected and that fraud strengthened.

The final item which I think we will embark on is the fact that we make sure with Medicare we have those new prevention programs on an annual basis and other programs that are annual, we have the mammograms, we also have the colorectal cancer screening, the diabetes screening, and osteoporosis.

Those kinds of prevention programs we fought for are making a difference, and the fact that those who would now defraud Medicare are eligible for jail terms and loss of rights to be a provider are strengthening Medicare the way citizens want.

We need to move forward, together with much other legislation, but we certainly have to take this time to look at what we have done for our seniors, and to make sure we redouble our efforts to do even more.

CONFERENCE REPORT ON H.R. 4060

Mr. MCDANIEL submitted the following conference report and statement on the bill (H.R. 4060) making appropriations for energy and water development for the fiscal year ending September 30, 1999, and for other purposes:

CONFERENCE REPORT (H. REPT. 105-749)

The committee of conference on the disagreeing votes of the two Houses on the passage of the Senate to the bill (H.R. 4060) “making appropriations for energy and water development for the fiscal year ending September 30, 1999, and for other purposes”, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House rescind from its disagreement to the amendment of the Senate, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert:

That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 1999, for energy and water development, and for other purposes, namely:

TITLE I

DEPARTMENT OF DEFENSE—CIVIL

DEPARTMENT OF THE ARMY

CORPS OF ENGINEERS—CIVIL

The following appropriations shall be expended under the direction of the Secretary of the Army and the Chief of Engineers for authorized civil functions of the Department of the Army pertaining to rivers and harbors, flood control, beach erosion, and related purposes.

GENERAL INVESTIGATIONS

For expenses necessary for the collection and study of basic information pertaining to river and harbor, flood control, shore protection, and related projects, re-study of authorized projects, miscellaneous investigations, and, when authorized by laws, surveys and detailed studies and plans and specifications of projects prior to construction, $161,747,000, to remain available until expended, of which funds are provided for the following projects in the amounts specified:

Delaware Bay Coastline, Delaware and New Jersey, $49,000;

Tampa Harbor, Alafia Channel, Florida, $200,000;

Barnegat Inlet to Little Egg Harbor Inlet, New Jersey, $32,000;

 Brigantine Inlet to Great Egg Harbor Inlet, New Jersey, $113,000;

Great Egg Harbor Inlet to Townsend’s Inlet, New Jersey, $200,000;

Lower Cape May Meadows—Cape May Point, New Jersey, $100,000;

Manasquan Inlet to Barnegat Inlet, New Jersey, $300,000;

Raritan Bay to Sandy Hook Bay, New Jersey, $750,000; and
Townsend’s Inlet to Cape May Inlet, New Jersey, $250,000; Provided, That the Secretary of the Army, acting through the Chief of Engineers, is directed to use $700,000 of the funds appropriated in Public Law 101-373 for the Red River Watershed, Shreveport, Louisiana, to Daingerfield, Texas, project for the feasibility phase of the Red River Navigation, South Dakota, and South Dakota, to provide: Provided further, That the Secretary of the Army is directed to use $500,000 of the funds appropriated herein to implement section 211(f)(7) of Public Law 104-302 (110 Stat. 3684) and to reimburse the non-Federal sponsor a portion of the Federal share of project costs for the project consisting of the Hayou Bayou element of the project for flood control, Buffalo Bayou and tributaries, Texas; Provided further, That the Secretary of the Army is directed to use $300,000 of the funds appropriated herein to implement section 211(f)(8) of Public Law 104-302 (110 Stat. 3684) and to reimburse the non-Federal sponsor a portion of the Federal share of project costs for the project for flood control, White Oak Bayou watershed, Texas.

CONSTRUCTION, GENERAL

For the prosecution of river and harbor, flood control, shore protection, and related projects authorized by laws; and detailed studies, and plans and specifications, of projects (including those for which such sums as are necessary are authorized by laws under consideration for participation by States, local governments, or private groups) authorized or made eligible for selection by law (but such studies shall not constitute a commitment of the Government to construction), $1,429,885,000, to remain available until expended, of which such sums as are necessary for the Federal share of construction of the projects authorized by the Dredged Material Disposal Facilities program shall be derived from the Harbor Maintenance Trust Fund, as authorized by Public Law 104-302, and, as necessary, as are necessary by Public Law 99-662 shall be derived from the Inland Waterways Trust Fund, for one-half of the costs of construction and rehabilitation of inland waterway projects, in United States waters and related projects, in which such sums as are necessary are authorized by laws: Provided, That any funds heretofore appropriated and made available in Public Law 103-126 for projects associated with the restoration of the Colorado River and for other purposes, as designated, is modified to authorize the Secretary of the Army, acting through the Chief of Engineers, to construct the project at a total cost of $12,600,000 with an estimated first Federal cost of $4,950,000 and an estimated total non-Federal cost of $7,650,000: Provided further, That the Secretary of the Army, acting through the Chief of Engineers, is directed to use $4,500,000 of the funds appropriated herein to implement section 211(f)(6) of Public Law 104-303 (110 Stat. 3683) and to reimburse the non-Federal sponsor a portion of the Federal share of project construction costs for the flood control components comprising the Brays Bayou element of the project for flood control, Buffalo Bayou and tributaries, Texas; Provided further, That the navigation project for Cook Inlet Navigation, Alaska, authorized by Section 101(b)(2) of Public Law 104-303 is modified to authorize the Secretary of the Army, acting through the Chief of Engineers, to construct the project at a total cost of $12,600,000 with an estimated first Federal cost of $9,450,000 and an estimated total non-Federal cost of $3,150,000: Provided further, That the flood control project for West Sacramento, California, authorized by Section 101(4) of Public Law 102-580 is modified to authorize the Secretary of the Army, acting through the Chief of Engineers, to construct the project at a total cost of $32,900,000 with an estimated first Federal cost of $24,700,000 and an estimated total non-Federal cost of $8,200,000: Provided further, That the flood control project for Sacramento River, Glenn-Colusa Irrigation District, California, authorized by Section 2 of the Act entitled "Act of August 7, 1980, For the control of floods of the Sacramento River and the Sacramento River, and for other purposes", approved March 1, 1980 (92 Stat. 317), is modified to authorize the Secretary of the Army, acting through the Chief of Engineers, to construct the project at a total cost of $20,700,000 with an estimated first Federal cost of $15,570,000 and an estimated total non-Federal cost of $5,130,000: Provided further, That the Secretary of the Army, acting through the Chief of Engineers, is directed to use $4,000,000 provided herein to construct and operate the project: Provided further, That the Secretary of the Army, acting through the Chief of Engineers, is directed to use $2,000,000 provided herein to construct the emergency outlet to Congress: Provided further, That the plans for the emergency outlet shall be reviewed and, to be effective, shall contain assurances provided by the Secretary of State, after consultation with the International Joint Commission, that the project will not violate the requirements or intent of the Treaty Between the United States and Great Britain relating to the boundary between the United States and Canada, signed at Washington January 11, 1909 (36 Stat. 2448; TS 548) (commonly known as the 'Boundary Waters Treaty of 1909'): Provided further, That the Secretary of the Army shall submit the final plans and other documents for the emergency outlet to Congress: Provided further, That no funds made available for any other Act for any fiscal year may be used by the Secretary of the Army to carry out the portion of the feasibility study of the Devils Lake Basin, North Dakota, authorized by laws; and the Army and Water Development Appropriations Act, 1993 (Public Law 102-377), that addresses the need for stabilization of large lakes through inlet controls, or to otherwise stabilize a facility or carry out any activity that would permit the transfer of water from the Missouri River Basin into Devils Lake: Provided further, That, the Secretary of the Army, acting through the Chief of Engineers, is directed to transfer remaining General Investigations funds previously appropriated for the Junius River, Pennsylvania, study and Musseers Dam, Pennsylvania, project to Construction, General for use in equal amounts at Broad Top/Coaldale, Bedford County, Pennsylvania, and Franklin County, Pennsylvania, which are part of the South Central Pennsylvania Environment Improvement Program.

FLOOD CONTROL, MISSISSIPPI RIVER AND TRIBUTARIES, ARKANSAS, ILLINOIS, KENTUCKY, LOUISIANA, MISSISSIPPI, MISSOURI, AND TENNESSEE

For expenses necessary for prosecuting work of flood control, and rescue work, repair, maintenance, or development of flood control projects threatened or destroyed by flood, as authorized by law (33 U.S.C. 702a, 702g-1), $321,149,000, to remain available until expended.

OPERATION AND MAINTENANCE, GENERAL

For expenses necessary for navigation, operation, maintenance, and care of existing river and harbor, flood control, and related works, including such sums as may be necessary for repair, maintenance, and care of existing navigation, operation, maintenance, and care of existing flood control, and related works, such as may be necessary to be made available by a State, municipality, or other public agency, outside of harbor lines, and serving essential needs of general commerce and navigation, surveys and charting of northern and northwestern lakes and connecting waters; clearing and straightening channels; and removal of obstructions; navigation, $465,000,000, to remain available until expended, of which such sums as become available from the special account established by the Land and Water Conservation Act of 1965, as amended, if the sum of $465,000,000 is available from that account for construction, operation, and maintenance of outdoor recreation facilities,
and of which \$420,000 is provided for repair of Chickamauga Lock, Tennessee: Provided, That no funds, whether appropriated, contributed, or otherwise provided, shall be available to the United States Army Corps of Engineers for the purpose of acquiring land in Jasper County, South Carolina, in connection with the Savannah Harbor navigation project: Provided further, That the authority of the Act and appropriations through the Chief of Engineers, is directed to undertake authorized maintenance and repairs on the Allegheny River, Pennsylvania, project, using \$25,000,000 provided under this heading in Public Law 105–62 for extending the navigation channel on the Allegheny River, Pennsylvania, to provide passenger boat access to Kittanning, Pennsylvania, Riverfront Park.

Regulatory Program

For expenses necessary for administration of laws pertaining to regulation of navigable waters, \$65,000,000, to remain available until expended.

Formerly Utilized Sites Remedial Action Program (Including Transfer of Funds)

For expenses to clean up contaminated sites throughout the United States where work was performed as part of the Nation's early atomic energy program, \$140,000,000, to remain available until expended: Provided, That the response actions by the U.S. Army Corps of Engineers under this program shall consist of the following functions and activities to be performed: Remediation, remediation, or selection of the necessary and appropriate response actions as the lead Federal agency, preparation of designation reports, cleanup and closeout of sites, and any other actions directed by the Chief of Engineers as necessary for remediation: Provided further, That response actions by the U.S. Army Corps of Engineers under this program shall be subject to the administrative, procedural, and regulatory provisions of the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. 9601 et seq., and the National Oil and Hazardous Substances Pollution Contingency Plan, 40 C.F.R., Chapter 1, Part 300: Provided further, That, except as stated herein, these provisions do not alter, curtail or limit the functions or authorities of any other agencies under the Atomic Energy Act, 42 U.S.C. 2201 et seq.: Provided further, That any sums recovered under CERCLA for response actions resulted from a contractor, insurer, surety, or other party to reimburse the U.S. Army Corps of Engineers for any expenditures for response actions, shall be credited to the account used to fund response actions on eligible sites, and will be available for response action costs for any eligible site: Provided further, That the Secretary of Energy may exercise the authority of 42 U.S.C. 2208 to make assessments in lieu of taxes for Federally-owned property where Formerly Utilized Sites Remedial Action Program activities are conducted, regardless of which Federal agency has acquire the property and notwithstanding references to "the activities of the Commission" in 42 U.S.C. 2208: Provided further, That the unexpended balances of prior appropriations provided for these activities in this Act or any previous Energy and Water Development Appropriations Act may be transferred to and merged with this appropriation account, which may be credited for as one fund for the same time period as originally enacted.

General Expenses

For expenses necessary for general administration, and all expenditures of the Office of the Chief of Engineers and offices of the Division Engineers; activities of the Coastal Engineering Research Board, the Humphreys Engineering Center Support Activity, the Water Resources Support Center, and headquarters support functions at the USACE Finance Center; \$486,000,000, to remain available until expended: Provided, That no part of any other appropriation provided in title I of this Act shall be available to fund the activities of the Office of the Chief of Engineers for the execution of general direction and management activities of the division offices.

Revolving Fund

Using amounts available in the Revolving Fund, the Secretary of Defense is authorized to renovate office space in the General Accounting Office headquarters building in Washington, DC, for use by the Corps and GAO. The Secretary is further authorized to lease to GAO to occupy such renovated space as appropriate, for the Corps' headquarters. The Secretary shall ensure that the Revolving Fund is appropriately reimbursed from appropriations of the Corps' benefitting programs by collection each year of amounts sufficient to repay the capitalized cost of such renovation and through rent reductions or rebates from GAO.

Administrative Provision

Appropriations in this title shall be available for official reception and representation expenses (not to exceed \$5,000); and during the current fiscal year, and for the fiscal year of \$6,000 only, on a non-reimbursable basis: Provided, That no funds, whether appropriated, contributed, or otherwise provided, shall be available for expenditures for the current or any other fiscal year for travel expenses (not to exceed \$10,000) except as authorized by section 8 of Public Law 99–294 and section 5002 of the Acres of Land Appropriations Act, 1986.

General Provisions

Corps of Engineers—Civil

Sec. 101. Notwithstanding any other provisions of law, no fully allocated funding policy shall be applied to projects for which funds are authorized by the Central Valley Project Improvement Act of 1984, or by the Central Valley Project Improvement Act of 1982, or the Central Valley Project Improvement Act, \$33,130,000, to be deposited into the Utah Reclamation and Reuse, Idaho, project accounts: Provided further, That of the total sums appropriated, \$7,996,000 shall be derived from that Fund.

Central Utah Project

Sec. 102. None of the funds made available in this Act may be used to revise the Missouri River Master Water Control Manual when it is determined that the manual is no longer relevant to the water management of the Missouri Basin, \$15,476,000 shall be deposited into the Utah Reclamation and Reuse, Idaho, project accounts: Provided further, That of the total sums appropriated, \$140,000,000, to remain available until expended: Provided further, That of the total sums appropriated, \$148,000,000, to remain available until expended: Provided further, That of the total sums appropriated, \$188,000,000, to remain available until expended.

Bureau of Reclamation Loan Program Account

Bureau of Reclamation Loan Program Account

For the cost of direct loans and/or grants, \$188,000,000, to remain available until expended, as authorized by the Small Reclamation Projects Act of August 6, 1956, as amended (43 U.S.C. 422a–422i); Provided, That such costs, including the cost of modifying loans, shall be as defined in section 502 of the Agricultural Credit Act of 1974, as amended: Provided further, That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed \$38,000,000.

In addition, for administrative expenses necessary to carry out the program for direct loans and/or grants, \$42,000,000, to remain available until expended, as authorized by the 1974 Act; Provided, That of the total sums appropriated, \$42,000,000, to remain available until expended.

In addition, for expenses incurred in carrying out related responsibilities of the Secretary of the Interior, \$1,283,000, to remain available until expended.

Bureau of Reclamation

For carrying out the functions of the Bureau of Reclamation as provided in the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof or supplementary thereto) and other Acts applicable to that Bureau as follows:

WATER AND RELATED RESOURCES

For management, development, and restoration of water and related natural resources and for related activities, including the operation, maintenance, improvement, and rehabilitation of irrigation and other facilities, participation in fulfilling related Federal responsibilities to Native Americans, and related grants to, and cooperative and interagency agreements with, Federal agencies, Indian Tribes, and others, \$642,845,000, to remain available until expended, of which \$2,000,000 shall be for construction of the Tulsa Treatment Plant, and \$1,873,000 shall be available for transfer to the Upper Colorado River Basin Fund and \$45,990,000 shall be available for transfer to the Lower Colorado River Basin Development Fund, and of which such amounts as may be necessary may be advanced to the Colorado River Dams Fund: Provided, That such transfers may be increased or decreased within the overall appropriation under this heading: Provided further, That of the total appropriation, \$20,000,000 shall be available for the purposes that may be financed by the Reclamation Fund or the Bureau of Reclamation special fee account established by 16 U.S.C. 460i–9b(i) shall be derived from the Revolving Fund or other funds: Provided further, That funds contributed under 43 U.S.C. 395 are available only for expenses for the purposes for which contributed: Provided further, That funds advanced under 43 U.S.C. 397a, shall be credited to this account and are available only for expenses for the purposes for which sums are appropriated under this heading: Provided further, That funds deposited into the Reclamation Fund or in the Revolving Fund are available for expenditure for the Department of the Interior, United States Army Corps of Engineers, for the Corps' headquarters. The Secretary is authorized to enter into a lease with the General Accounting Office, and the General Accounting Office is authorized to lease the facility to the Secretary for use by the Corps and GAO. The Secretary and the General Accounting Office may enter into an agreement to transfer to the Secretary from the General Accounting Office funds advanced under 43 U.S.C. 397a, \$188,000,000, for the Secretary to transfer to the Lower Colorado River Basin Development Fund, and of which each such amount as may be necessary may be advanced to the Colorado River Dams Fund.

Bureau of Reclamation
For necessary expenses of the Department of the Interior and other participating Federal agencies in carrying out the California Bay-Delta Conservation Plan and the provisions of the Endangered Species Act of 1973, including the acquisition or condemnation of real property or any facility or for plant or facility acquisition, construction, or expansion, and uranium supply and enrichment activities including the purchase, construction and acquisition of plant and capital equipment and other expenses necessary for science activities including the purchase, construction, or expansion, $1,696,676,000, to remain available until expended.

DEPARTMENT OF ENERGY

For expenses of the Department of Energy activities including the purchase, construction and acquisition of plant and capital equipment and other expenses necessary for departmental administrative sites, including the purchase, construction, or expansion, $7,600,000 of the unobligated balances originally available for Superconducting Super Collider termination activities shall be available for other activities under this heading.

NUCLEAR WASTE DISPOSAL

For nuclear waste disposal activities to carry out the purposes of Public Law 97-425, as amended, including the acquisition or condemnation of real property or facility construction or expansion, $169,000,000, to remain available until expended, of which $65,000,000 is to be derived from the Nuclear Waste Policy Act of 1982 except that such funds may be obligated by the Department of Energy to reimburse the State of Nevada solely for expenditures, other than salaries and expenses of State employees, to conduct scientific oversight responsibilities pursuant to the Nuclear Waste Policy Act of 1982, and not to exceed $5,540,000 may be provided to affected local governments, as determined by the Department of Energy: Provided further, that the funds shall be made available to the units of local government by direct payment: Provided further, that within ninety days of the completion of each Federal fiscal year, each local entity shall provide certification to the Department of Energy, that all funds expended from such payments have been spent according to Public Law 97-425. Failure to provide such certification shall cause such entity to be prohibited from any further funding provided for similar activities: Provided further, that any further funding provided for similar activities is used to reimburse the Department of Energy for any ballistic missile defense program undertaken by the Department of Defense, the Department of Energy for the Department of Defense shall be provided by the Department of Defense according to procedures established for Work for Others by the Department of Energy.

DEFENSE ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT

For expenses of the Department of Energy activities including the purchase, construction and acquisition of plant and capital equipment and other expenses necessary for atomic energy defense environmental restoration and waste management activities in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101 et seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; the purchase of not to exceed one fixed wing aircraft; and the purchase of passenger motor vehicles (not to exceed 32 for replacement only and one bus), $4,400,000, to remain available until expended: Provided, That such funds may be retained and used for operating expenses within this account, and may remain available until expended, as authorized by section 201 of Public Law 95-238, notwithstanding the provisions of section 31 U.S.C. 3502. Provided further, That the sum herein appropriated shall be reduced by the amount of miscellaneous revenues received during fiscal year 1999 so as to result in a final fiscal year 1999 appropriation for the General Fund estimated at not more than $63,945,000.

DEFENSE FACILITIES CLOSURE PROJECTS

For expenses of the Department of Energy to accelerate the closure of defense environmental management sites, including the purchase, construction and acquisition of plant and capital equipment and other necessary expenses, $1,038,240,000, to remain available until expended.

DEFENSE ENVIRONMENTAL MANAGEMENT PRIVATIZATION

For Department of Energy expenses for privatization projects necessary to implement the defense environmental management activities authorized by the Department of Energy Organization Act (42 U.S.C. 7101 et seq.), $228,357,000, to remain available until expended.

OTHER DEFENSE ACTIVITIES

For Department of Energy expenses, including the purchase, construction and acquisition of plant and capital equipment and other necessary expenses for atomic energy defense nonreimbursable as provided in 43 U.S.C. 377: To be derived from the Reclamation Fund and be available to the five regions of the Bureau of Reclamation, and related functions in the office of the Secretary of the Interior, in conformance with 40 CFR 1506.1(c); and (2) used for purposes that the Secretary finds are sufficiently high priority to warrant such an expenditure.

POLICY AND ADMINISTRATION

For necessary expenses of policy, administration, and other necessary expenses in the office of the Commissioner, the Denver office, and offices in the five regions of the Bureau of Reclamation, to remain available until expended, $47,000,000, to be derived from the Reclamation Fund and be nonreimbursable as provided in 43 U.S.C. 377: Provided, That none of the funds provided further, That such funds may be obligated prior to the completion of a final programmatic environmental impact statement only if: (1) consistent with 4 CFR 1506.1(c); and (2) used for purposes that the Secretary finds are sufficiently high priority to warrant such an expenditure.

ADMINISTRATIVE PROVISION

Appropriations for the Bureau of Reclamation shall be available for purchase of not to exceed six passenger motor vehicles for replacement only.

TITLE III
DEPARTMENT OF ENERGY

ENERGY PROGRAMS

ENERGY SUPPLY

For expenses of the Department of Energy activities including the purchase, construction and acquisition of plant and capital equipment and other expenses necessary for energy supply, and uranium supply and enrichment activities in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101 et seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; and the purchase of not to exceed 22 passenger motor vehicles for replacement only, $272,091,000, of which not to exceed $3,000 may be used for advertising and representation expenses for transparency activities.

NON-DEFENSE ENVIRONMENTAL MANAGEMENT

For Department of Energy expenses, including the purchase, construction and acquisition of plant and capital equipment and other expenses necessary for non-defense environmental management activities in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101 et seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; and the purchase of not to exceed 22 passenger motor vehicles for replacement only, $272,091,000, of which not to exceed $3,000 may be used for advertising and representation expenses for transparency activities.

URANIUM ENRICHMENT DECOMMISSIONING FUND


SCIENCE

For expenses of the Department of Energy activities including the purchase, construction and acquisition of plant and capital equipment and other expenses necessary for science activities including the purchase, construction, or expansion, and other expenses necessary for atomic energy defense, $29,000,000, to remain available until expended.

ATOMIC ENERGY DEFENSE ACTIVITIES

WEAPONS ACTIVITIES

For Department of Energy expenses, including the purchase, construction and acquisition of plant and capital equipment and other incidental expenses necessary for atomic energy defense, 32 for replacement only, and one bus), $4,400,000, to remain available until expended.

DEFENSE ENVIRONMENTAL MANAGEMENT PRIVATIZATION

For Department of Energy expenses for privatization projects necessary to implement the defense environmental management activities authorized by the Department of Energy Organization Act (42 U.S.C. 7101 et seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; the purchase of not to exceed one fixed wing aircraft; and the purchase of passenger motor vehicles (not to exceed 32 for replacement only and one bus), $4,400,000, to remain available until expended: Provided, That such funds may be retained and used for operating expenses within this account, and may remain available until expended, as authorized by section 201 of Public Law 95-238, notwithstanding the provisions of section 31 U.S.C. 3502. Provided further, That the sum herein appropriated shall be reduced by the amount of miscellaneous revenues received during fiscal year 1999 so as to result in a final fiscal year 1999 appropriation for the General Fund estimated at not more than $63,945,000.

O FFICE OF THE INSPECTOR GENERAL

For necessary expenses of the Office of the Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, $2,300,000, to remain available until expended.

VERDATE 11-SEP-98 01:00 Sep 27, 1998 Jkt 059061 PO 00000 Frm 00189 Fmt 4634 Sfmt 6333 E:\CR\CRI\H25SE8.REC pfrm10 PsN: pfrm10
SALARIES AND EXPENSES

SEC. 301. (a) None of the funds appropriated by this Act or any prior appropriations Act may be used to award a management and operating contract unless such contract is awarded using competitive procedures or the Secretary of Energy and Water Development of the Committees on Appropriations of the House of Representatives and the Senate a report notifying the subcommittees of the reasons for the waiver. The Secretary may not delegate the authority to grant such a waiver.

(b) At least 60 days before a contract award, amendment, or modification for which the Secretary intends to grant such a waiver, the Secretary shall submit to the House and Senate a report notifying the subcommittees of the reasons for the waiver.

SEC. 302. (a) None of the funds appropriated by this Act or any prior appropriations Act may be used to award, amend, or modify a contract in a manner that deviates from the Federal Acquisition Regulation, unless the Secretary notifies the subcommittees of the reasons for the waiver.

(b) At least 60 days before a contract award, amendment, or modification for which the Secretary intends to grant such a waiver, the Secretary shall notify the subcommittees of the reasons for the waiver.

SEC. 303. None of the funds appropriated by this Act or any prior appropriations Act may be used to—

(1) develop or implement a workforce restructuring plan that covers employees of the Department of Energy;

(2) provide Governmental severance payments or other benefits for employees of the Department of Energy; or

(3) pay severance payments to employees of the Department of Energy who are employees of the private entity leasing the enriching plant nor the Department.

SEC. 304. None of the funds appropriated by this Act or any prior appropriations Act may be used to award a contract for the operation and maintenance of the Department of Energy Operations and Maintenance Fund of the Western Area Power Administration or to prepare a report for the Department of Energy Operations and Maintenance Fund of the Western Area Power Administration, as provided in section 423 of the Energy Policy Act of 1992.

SEC. 305. None of the funds appropriated by this Act or any prior appropriations Act may be used to prepare or initiate Requests For Proposals (RFPs) for a program if the program has not been funded by another Act of Congress.

SEC. 306. The unexpended balances of prior appropriations provided for activities in this Act shall be transferred to the Department of Energy Operations and Maintenance Fund of the Western Area Power Administration, as provided in section 423 of the Energy Policy Act of 1992.

SEC. 307. Notwithstanding 41 U.S.C. section 254(a), the Secretary of Energy may use funds appropriated by this Act to enter into multyear contracts for the construction of property or services. Such contracts shall be awarded by a competitive process and shall be consistent with any applicable law or regulation. Such contracts may be exercised or canceled by the Secretary as necessary to meet the requirements of the Department of Energy.

SEC. 308. None of the funds in this Act may be used to pay any amount for the purpose of the type of work that is prohibited by law or regulation, or any amount that is obligated or unobligated for a purpose that is prohibited by law or regulation.

SEC. 309. None of the funds in this Act may be used to pay any amount for the purpose of the type of work that is prohibited by law or regulation, or any amount that is obligated or unobligated for a purpose that is prohibited by law or regulation.

SEC. 310. None of the funds in this Act may be used to pay any amount for the purpose of the type of work that is prohibited by law or regulation, or any amount that is obligated or unobligated for a purpose that is prohibited by law or regulation.

SEC. 311. None of the funds in this Act may be used to pay any amount for the purpose of the type of work that is prohibited by law or regulation, or any amount that is obligated or unobligated for a purpose that is prohibited by law or regulation.

SEC. 312. None of the funds in this Act may be used to pay any amount for the purpose of the type of work that is prohibited by law or regulation, or any amount that is obligated or unobligated for a purpose that is prohibited by law or regulation.
shall reduce its payments under any contract or
lease to other action to offset its share of the
costs referred to in subparagraph (A), and the
Department shall not reimburse the private
entity for any of these costs.

"(C) Nothing in this subsection shall alter the
Department's responsibilities to pay the safety,
safeguards and security costs associated with
the Department's highly enriched uranium ac-
tivities."

SEC. 311. None of the funds in this Act may be
used by the Department of Energy to commis-
sion nuclear reactor or reprocessing fuel project
proposals, or to any other external reviews or
timelines related to these proposals.

SEC. 312. Of the amounts provided in this title
under the heading, "Atomic Energy Defense Ac-
tivities, Weapons Activities", $57,000,000 shall
not be available for obligation until September 30,
1999.

TITLE IV—INDEPENDENT AGENCIES
APPALACHIAN REGIONAL COMMISSION
For expenses necessary to carry out the pro-
grame of the Appalachian Regional Com-
mission under the Appalachian Regional De-
velopment Act of 1965, as amended, notwith-
standing section 405 of said Act, for necessary
expenses for the Federal Co-Chairman and the
alternating Co-Chairman of the Appalachian Re-
gional Commission: Provided, That the sum
appropriated herein, $3,200,000, shall be made
available until expended.

DELAWARE COMMISSION
For expenses of the Delaware Commission in in-
cluding the purchase, construction and acquisi-
tion of real property, necessary equipment, mu-
licancy and capital equipment as neces-
sary and other expenses, $20,000,000, to remain
available until expended, subject to enactment of
authorizing legislation.

DEFENSE NUCLEAR FACILITIES SAFETY BOARD
SALARIES AND EXPENSES
For necessary expenses of the Defense Nuclear
Facility Safety Board in carrying out activities
authorized by the Atomic Energy Act of 1954, as
amended by Public Law 110-106, section 1441,
$16,500,000, to remain available until expended.

NUCLEAR REGULATORY COMMISSION
SALARIES AND EXPENSES
For necessary expenses of the Commission in car-
rying out the purposes of the Energy Reorga-
nization Act of 1973, as amended, and the Atomi-
c Energy Act of 1954, as amended, including of-
ficial representation expenses (not to exceed
$15,000); $466,000,000, to remain available until
expended: Provided, That the amount appropri-
ated herein, $17,000,000 shall be derived from
the Nuclear Waste Fund: Provided further, That
revenues from licensing fees, inspection services,
and other services and collections estimated at
$444,800,000 in fiscal year 1999 shall be retained
and used for necessary salaries and expenses in this
account, notwithstanding 31 U.S.C. 3309, and shall
remain available until expended: Provided, That of the amount appro-
priated herein, $17,000,000 shall be derived from
the Nuclear Waste Fund: Provided further, That
these funds shall not be available until fiscal year
1999 so as to result in a full fiscal year 1999 appro-
piation estimated at not more than $20,000,000.

OFFICE OF INSPECTOR GENERAL
For necessary expenses of the Office of Ins-
pector General in carrying out the provisions of
the Inspector General Act of 1978, as amended,
$4,800,000, to remain available until expended.
Provided, That the sum herein appropriated
shall be reduced by the amount of revenues re-
ceived during fiscal year 1999 so as to result in a
full fiscal year 1999 appropriation estimated at not
more than $0.

NUCLEAR WASTE TECHNICAL REVIEW BOARD
SALARIES AND EXPENSES
For necessary expenses of the Nuclear Waste
Technical Review Board, as authorized by Pub-
lic Law 102-203, section 5051, $2,600,000, to be
drawn from the Nuclear Waste Fund, and to
remain available until expended.

TITLES V—GENERAL PROVISIONS
SEC. 501. None of the funds appropriated by
this Act may be used in any way, directly or in-
directly, to influence congressional action on any
legislation or appropriation pending before Congress, other than to communicate to M embers of Congress as described in section 1913 of title 18, United States Code.

SEC. 502. Funds appropriated for "American-
Made Equipment and Products"—It is the sense
of the Congress that, to the greatest extent prac-
ticable, all equipment and products purchased
with funds made available in this Act should be
American-made.

SEC. 503. (a) None of the funds appropriated
or otherwise made available by this Act may be
used to determine the final point of discharge
for the interceptor drain for the San Luis Unit
until delivery by the Secretar y of Interior and the
State of California of a plan, which shall conform to the water quality standards of the State of California as approved by the Ad-
ministrator of the Environmental Protection
Agency, to minimize any detrimental effect of the
San Luis drainage waters.

(b) The costs of the Kesterson Reservoir
Cleanup Program at locations of the San Joa-
quin Valley Drainage Program shall be classi-
fied by the Secretary of the Interior as reimburs-
able or nonreimbursable and collected until
fully repaid pursuant to the "Cleanup Pro-
gram—Alternative Repayment Plan" and the
"SVPD—Alternative Repayment Plan" de-
scribed in the report entitled "Repayment Re-
quested Executive Office of the President and
San Joaquin Valley Drainage Program, Feb-
uary 1995", prepared by the Department of the
Interior, Bureau of Reclamation. Any future ob-
ligations for funds in San Joaquin Valley Drain-
age studies for the San Luis Unit shall be fully
reimbursable by San Luis Unit beneficiaries of
such service or studies pursuant to Federal Re-
clamation law.

SEC. 504. None of the funds made available
in this Act may be used to restart the High
Flux Beam Reactor.

SEC. 505. Section 6010(a)(3) of the Omnibus
Budget Reconciliation Act of 1990, as amended,
(42 U.S.C. 2262) as amended by striking "September 30, 1998" and inserting "September 30,
1999"

SEC. 506. Funds appropriated for "Nuclear Regu-
latory Commission Salaries and Ex-
penses" shall be available to the Commission for
the following additional purposes:
his leadership and outstanding contributions to the designation of wilderness in the State of Arkansas and to the protection and preservation of natural resources for the benefit of the people of the United States.

"(b) Short title. In further recognition of his efforts to protect wilderness resources in the State of Arkansas, this Act shall, upon enactment of this section, be known as the 'Dale Bumpers Wilderness Resources Protection Act'.

"(c) Public notification. Not later than 180 days after enactment of this section, the Secretary of Agriculture, acting through the Chief of the Forest Service, shall take such actions as may be necessary to recognize the contributions of Senator Dale Bumpers to the preservation of wilderness in the State of Arkansas. Such actions shall include, but not be limited to, appropriate signs and other materials, commemorative markers, maps, interpretive programs or other means as will adequately inform the public of the efforts of Senator Bumpers to preserve and protect National Forest wilderness areas in Arkansas.'"

"And the Senate agree to the same.


Pete Domenici, Thad Cochran, Slade Gorton, Mark McCollum, R. F. Bennett, Conrad Burns, Larry E. Craig, Ted Stevens, Harry Reid, Robert Byrd, Fritz Hollings, Pete V. Domenici, Herb Kohl, Byron L. Dorgan, Daniel Inouye, Managers on the Part of the Senate.

Joint Explanatory Statement of the Committee of Conference

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4060) making appropriations for energy and water development for the fiscal year ending September 30, 1999, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effects of the amendments agreed upon by the managers and recommended in the accompanying conference report.

The language and allocations set forth in House Report 106-581 and Senate Report 106-206 should be compiled with unless specifically addressed to the contrary in the conference report and statement of the managers. Report language included by the House which is not contradicted by the report of the Senate or the conference, and Senate report language which is not contradicted by the report of the House or the conference is approved by the committee of conference. The statement of managers, while repeating some report language for emphasis, does not in any way negate the language referred to above unless expressly provided herein. In cases where both the House report and Senate report address a particular issue not specifically addressed in the conference report or joint statement of managers, the conferences have determined that the House and Senate language is not inconsistent and are to be interpreted accordingly. In cases in which the House or Senate have directed the submission of a report, such report is to be submitted to the Appropriations Committees of both Chambers.

Senate amendment: The Senate deleted the entire House bill after the enacting clause and inserted the Senate bill. The conference agreement includes a revised bill.

Title I

Department of Defense—Civil

General investigations

The conference agreement appropriates $1,161,747,000 for General Investigations instead of $1,650,000 as proposed by the House.

The conference agreement includes $100,000 for a reconnaissance study of flood control and related purposes for a reconnaissance study of the Front Range and the South Platte River in the vicinity of Boulder and Denver, Colorado.

The conference agreement directs that the funds provided for the Delaware Bay Coastline, Delaware and New Jersey, project be distributed as follows: $153,000 for the Villas and Vicinity portion; $100,000 for the Roosevelt/Lewis Beach portion; and $200,000 for the Port Monahan portion of the project.

The conference agreement includes $100,000 for a reconnaissance study of the efficiency of existing water systems serving sugar cane plantations and surrounding communities in the State of Hawaii.

The conference agreement does not include funding for the Panther Creek, Kentucky, project in the General Investigations account. Funding for this project has been provided in the Construction, General account, under the Section 205 Small Flood Control Projects program of the Corps of Engineers.

The conference agreement includes $133,000 for the Absecon Island element of the Brigantine Inlet to Great Egg Harbor Inlet, New Jersey, project.

The conference agreement includes $275,000 for the Packery Channel, Corpus Christi, Texas, project.

The conference agreement appropriates $100,000 for a reconnaissance study of flood control and related purposes for the Woodbridge and Rahway rivers, New Jersey.

The conference agreement includes $500,000 for a feasibility study of the Packery Channel, Corpus Christi, Texas, project.

The conference agreement includes $100,000 for a reconnaissance study as directed by the Water Resources and Development Act of 1996 and to reimburse the non-Federal share of project costs for the Conduct of the Red River Navigation, Southwest Arkansas, project.

The conference agreement includes language proposed by both the House and Senate directing the Corps of Engineers to use $700,000 of previously appropriated funds to continue the feasibility phase of the Red River Navigation, Southwest Arkansas, project.

The conference agreement includes language proposed by the House directing the Corps of Engineers to use $500,000 to implement Section 211(f)(7) of the Water Resources Development Act of 1996 to reimburse the non-Federal share of project costs for the Nurse River Project in the State of South Dakota.

The conference agreement includes language proposed by the House directing the Corps of Engineers to use $500,000 to implement Section 211(f)(7) of the Water Resources Development Act of 1996 to reimburse the non-Federal share of project costs for the White Oak Bayou, Texas, project.

Construction, General

The conference agreement appropriates $1,429,885,000 for Construction. General account instead of $1,456,529,000 as proposed by the House and $1,248,068,000 as proposed by the Senate.

The conference agreement includes $585,000 for channel extension work at the Mobile Harbor, Alabama, project.
The conference agreement provides $3,500,000 for the Red River Emergency Bank Protection, Arkansas, project. Using those funds, the Corps of Engineers is directed to proceed with the projects described in the House and Senate reports.

The conference directs the Corps of Engineers to complete a reevaluation report of the Sacramento River, Ship Canal, California, project using available funds.

Funds provided for the Sacramento River Bank Protection Project in California will permit the Corps of Engineers to complete reinforcement and protection work on a five-mile section of Reclamation District 108’s so-called “left bank of the Colusa Basin Drain.”

The conference directs that none of the funds provided for the Dade County, Florida, project be used for the acquisition of foreign source materials for the project unless the Secretary of the Army provides written certification to the Committees on Appropriations that domestic sources of materials are not available.

The conference directs the Corps of Engineers to proceed with the projects described in the House and Senate reports. Of the amount provided for the Lower Slopes Wetlands Demonstration, Illinois, project, $3,400,000 is for the Cedar River, Washington, project.

The conference agreement includes $1,000,000 for construction of the Comite River, Lincoln project.

The conference agreement includes $3,800,000 for the Mississippi River, Gulf Outlet, Louisiana, project. The Corps of Engineers is directed to proceed with the projects described in the House and Senate reports.

The conference agreement includes $80,000,000 for the Columbia River Fish Mitigation, Washington, Oregon, and Idaho, project instead of $7,758,000 as proposed by the Senate. Funds are provided for phase I only of the Columbia River fish conservation study as outlined in the scoping document and report of the Corps of Engineers dated February 22, 1996. Funds are also provided to continue feasibility study and to continue ongoing construction activity.

The conference agreement includes $13,200,000 for the Section 108 program. Using those funds, the Corps of Engineers is directed to proceed with the projects described in the House and Senate reports.

The conference agreement includes $2,000,000 for the Section 103 program. Using those funds, the Corps of Engineers is directed to proceed with the project described in the House report.

The conference agreement includes $7,000,000 for the Section 14 program. Using those funds, the Corps of Engineers is directed to proceed with the projects described in the House and Senate reports.

The conference agreement includes $34,800,000 for the Section 205 program. Using those funds, the Corps of Engineers is directed to proceed with the projects described in the House and Senate reports. Of the amount provided for the Section 205 program, $100,000 is for the Port Indian, West Virginia, project; $1,500,000 is for the Port Indian, West Virginia, project; $2,000,000 is for the Port Indian, West Virginia, project; $1,000,000 is for the Port Indian, West Virginia, project.

The conference agreement includes $300,000 for the Section 208 program. Using those funds, the Corps of Engineers is directed to proceed with the projects described in the House report.

The conference agreement includes $7,000,000 for the Section 14 program. Using those funds, the Corps of Engineers is directed to proceed with the projects described in the House and Senate reports.

The conference agreement includes $11,000,000 for the Section 1135 program. Using those funds, the Corps of Engineers is directed to proceed with the projects described in the House and Senate reports. Of the amount provided for the Section 1135 program, $500,000 is for the Green-Duwamish Ecosystem Restoration project and $1,758,000 is for the Lower Hamm Creek, Washington, project.

The conference agreement includes language proposed by the House providing funds specifically for Panama of the Lock and Dam 24, Mississippi River, Illinois and Missouri, project instead of language proposed by the Senate providing funds to the project without specifying location.

The conference provides in the bill earmarking funds for the following projects: $1,200,000 for the Upper Mississippi River, Northern Minnesota, project; $11,200,000 for the Section 206 program. Using those funds, the Corps of Engineers is directed to proceed with the projects described in the House and Senate reports. Of the amount provided for the Section 206 program, $10,000,000 is for the Harlan/Cloverbury, Virginia; $4,500,000 is for the Bottom, West Virginia; $2,000,000 for the Hatfield Bottom, West Virginia, element; $3,400,000 for the Lower Mingo County (Kermic), West Virginia; $1,475,000 for the Upper Mingo County, West Virginia, element; and $1,675,000 for the Upper Mingo County, West Virginia, element.

The conference agreement includes $50,000,000 for the John Day Reservoir drawdown study in Oregon.

The conference agreement includes $60,000,000 for the Lower Yorkshire, South Dakota, project.

The conference agreement includes $200,000 for the Lower Mingo County (Kermit), West Virginia, element; $4,500,000 is for the Port Indian, West Virginia, project; $6,200,000 for the Natchez Bluff, Mississippi, project; $2,000,000 for the Clarks Fork, Kentucky, element; $300,000 for the Hatfield Bottom, West Virginia, element; $30,000 for the Town of Martin, Kentucky; $80,000 for the Grundy, Kentucky, element; $30,000 for the Hatfield Bottom, West Virginia, element; $300,000 for the Great Miami, Ohio, project; $1,500,000 for the Williamsburg, Kentucky, element; $500,000 for the Grundy, Kentucky, element; $3,850,000 for the Martin County, Kentucky, element; $730,000 for the Town of Martin, Kentucky; $300,000 for the Montgomery, Alabama, project; $80,000 for the Grundy, Kentucky, element; $30,000 for the Hatfield Bottom, West Virginia, element; $3,400,000 for the Lower Mingo County (Kermic), West Virginia; $1,475,000 for the Upper Mingo County, West Virginia, element; and $1,675,000 for the Upper Mingo County, West Virginia, element.

The conference agreement includes $3,800,000 for the Lower Hamm Creek, Washington, project.

The conference agreement includes $80,000,000 for the Columbia River Fish Mitigation, Washington, Oregon, and Idaho, project instead of $7,758,000 as proposed by the Senate. Funds are provided for phase I only of the Columbia River fish conservation study as outlined in the scoping document and report of the Corps of Engineers dated February 22, 1996. Funds are also provided to continue feasibility study and to continue ongoing construction activity.

The conference agreement includes $13,200,000 for the Section 108 program. Using those funds, the Corps of Engineers is directed to proceed with the projects described in the House and Senate reports.

The conference agreement includes $2,000,000 for the Section 103 program. Using those funds, the Corps of Engineers is directed to proceed with the project described in the House report.

The conference agreement includes $7,000,000 for the Section 14 program. Using those funds, the Corps of Engineers is directed to proceed with the projects described in the House and Senate reports.

The conference agreement includes $34,800,000 for the Section 205 program. Using those funds, the Corps of Engineers is directed to proceed with the projects described in the House and Senate reports. Of the amount provided for the Section 205 program, $100,000 is for the Port Indian, West Virginia, project; $1,500,000 is for the Port Indian, West Virginia, project; $2,000,000 is for the Port Indian, West Virginia, project; $1,000,000 is for the Port Indian, West Virginia, project.

The conference agreement includes $300,000 for the Section 208 program. Using those funds, the Corps of Engineers is directed to proceed with the projects described in the House report.

The conference agreement includes $7,000,000 for the Section 14 program. Using those funds, the Corps of Engineers is directed to proceed with the projects described in the House and Senate reports.

The conference agreement includes $34,800,000 for the Section 205 program. Using those funds, the Corps of Engineers is directed to proceed with the projects described in the House and Senate reports. Of the amount provided for the Section 205 program, $100,000 is for the Port Indian, West Virginia, project; $1,500,000 is for the Port Indian, West Virginia, project; $2,000,000 is for the Port Indian, West Virginia, project; $1,000,000 is for the Port Indian, West Virginia, project.

The conference agreement includes $300,000 for the Section 208 program. Using those funds, the Corps of Engineers is directed to proceed with the project described in the House report.
Sewer Authority, Lackawanna County, $1,000,000; Moosic Borough, Lackawanna County, $700,000; WilliamSPORT Municipal Authority, Loyalsock County, $400,000; Loyalsock Township and South WilliamsPORT Borough, $400,000; 2, $700,000; Tobyhanna Township, Monroe County, $200,000; Pike County $3,000,000; and Sullivan County, $700,000.

Of the amount appropriated for the South Central Pennsylvania Environment Improvement Program, funds are provided for environmental improvement and recreation projects at the sites specified in the amounts specified: Broad Top Township; Bedford County, $500,000; Chestnut Ridge Municipal Authority, Juniata County, $500,000; Northern Blair County Regional Sewer Authority, Blair County, $650,000; Burns ice Borough, Clearfield County, $50,000; Graham Township, Clearfield County, $50,000; Curwensville Municipal Authority, Clearfield County, $500,000; Glen Hope Water Association, Clearfield County, $200,000; Iriona Municipal Authority Clearfield County, $500,000; West Decatur Township, Clearfield County, $200,000; Guilford Township, Franklin County, $500,000; Alexandria Borough/Porter Township, Juniata County, $500,000; Mount Union, Huntingdon County, $500,000; Huntingdon Borough, Huntingdon County, $850,000; Orinonia Borough, Huntingdon County, $500,000; Juniata Township and Juniata Municipal Authority, Juniata County, $500,000; Juniata Borough, Mifflin County, $500,000; Adams Township, Snyder County, $250,000; and Harrison Borough, Snyder County, $1,000,000.

The conference agreement includes language proposed by the Senate directing the Secretary of the Army to incorporate the economic analyses for the Green Ridge and Plot Sections of the Lackawanna River, Scranton, Pennsylvania, into the final analysis for the Albright Street section of the project and cost-share and implement the combined sections as a single project. The conference agreement also includes language proposed by the House making funds previously appropriated for the restoration of the Lackawanna River Basin Corridor, Pennsylvania, available for other projects and activities on the Lackawanna River in Pennsylvania.

The conference agreement includes language proposed by the Senate that increases the appropriation ceiling for the Cook Inlet, Alaska, project and for the Natchez Bluff, Mississippi, project. In addition, the conference agreement includes language that increases the appropriation ceiling for the West Sacramento, California, project, and the Sacramento River, Glenn-Colusa Irrigation District, California, project.

The conference agreement includes language providing that the Corps of Engineers may use up to $5,000,000, instead of $8,000,000 as proposed by the Senate, to construct and maintain an emergency outlet from Devils Lake, North Dakota, to the Sheyenne River. The Corps may proceed with this project using available funds from the conference agreement. The conference agreement deletes language proposed by the Senate designating the appropriation as an emergency. The conference agreement includes language proposed by the Senate that reduces the total amount of funds on this project to a number of conditions. Although the conference does not specifically endorse the Senate report language regarding this project, they are prepared to consider providing additional resources if circumstances warrant.

The conference agreement includes language providing for the transfer of remaining General Investigations funds previously appropriated for the J unitaire River, Pennsylvania, to Construction, General for use in specified components of the South Central Pennsylvania Environment Improvement Program.

The conference agreement deletes language proposed by the Senate directing the Corps of Engineers to appropriate $5,200,000 for the LaFarge Lake, Kickapoo River, Wisconsin, project to complete and transmit to the appropriated committees of Congress by January 15, 1999.
The conference agreement includes language in the bill proposed by the House earmarking $4,200,000 for the repair of Chickamauga Lock in Tennessee. Within this amount, such funds as are necessary may be expended on studies associated with the repair work, including assessments, evaluations, or analyses of the existing lock. The conference agreement deletes language proposed by the Senate making the appropriation for Chickamauga Lock subject to authorization.

The conference agreement deletes language contained in the Senate bill providing funds for the Ponce DeLeon Inlet, Florida, project. The amount appropriated for Operation and Maintenance, General includes $4,000,000 for this project.

The conference agreement deletes language contained in the Senate bill providing funds for the Delaware River, Philadelphia to the Sea, Pea Patch Island, Delaware and New Jersey, project. The amount appropriated for Operation and Maintenance, General includes $750,000 for this project.

The conference agreement deletes language contained in the Senate bill providing funds for the Yaquina Bay and Harbor, North Marina Breakwater, Oregon, project. The amount appropriated for Operation and Maintenance, General includes $1,069,000 for this project.

The conference agreement deletes language proposed by the Senate making available $460,000 for the Omaha District to pay pending takings claims for flooding of property adjacent to the Missouri River. The conferees direct the Corps of Engineers to expeditiously process such claims and make prompt payment upon their disposition by settlement, adjudication, arbitration, or administrative process.

The conference agreement also deletes language proposed by the Senate providing funding for the Missouri River Between Fort Peck Dam and Gavins Point, South Dakota and Montana, project. The amount appropriated for Operation and Maintenance, General includes $3,000,000 for this project.

The conference agreement includes language proposed by the Senate which provides that none of the funds appropriated in the Act shall be used for the purpose of acquiring land in Jasper County, South Carolina, in connection with the Savannah Harbor navigation project. The conference agreement deletes language proposed by the Senate providing funds to reimburse the Tri-Cities Power Authority for the reevaluation study of the Bluestone lake, West Virginia, project.

The conference agreement includes language directing the Secretary of the Army to undertake maintenance and repairs on the Allegheny River, Pennsylvania, project using $6,000,000 provided in Public Law 105-62 for extending the navigation channel on the Allegheny River, Pennsylvania, project to provide passenger boat access to the Kittanning, Pennsylvania, Riverfront Park.

**REGULATORY PROGRAM**

The conference agreement appropriates $106,000,000 for the Regulatory Program as proposed by the Senate instead of $110,000,000 as proposed by the House.

The conference agreement deletes language proposed by the Senate providing funding for the National Contaminated Sediment Task Force.

**FORMERLY UTILIZED SITES REMEDIAL ACTION PROGRAM**

The conference agreement appropriates $140,000,000 for the Formerly Utilized Sites Remedial Action Program (FUSRAP) as proposed by both the House and the Senate, and adopts with modifications the statutory provisions proposed by the Senate. The modifications to the language clarify the authority of the Corps of Engineers as the lead Federal agency; permit the use of recovered or contributed funds for credit in the FUSRAP account and use on projects; and permit the Department of Energy to continue to make payments in lieu of taxes for Federally-owned property where FUSRAP activities are conducted.

**GENERAL EXPENSES**

The conference agreement appropriates $148,000,000 for General Expenses as proposed by the House and the Senate.

The conference agreement includes language proposed by the House making funding specifically available for headquarters support functions at the USACE Finance Center. The conference agreement deletes language proposed by the House prohibiting the use of funds to support an office of congressional affairs within the executive office of the Chief of Engineers. The conference agreement deletes language proposed by the Senate making funds available for the implementation of a plan to reduce the number of division offices of the Corps of Engineers.

The conferees are aware of a Defense Finance and Accounting Service initiative to assume the finance and accounting support functions which are now performed by the U.S. Corps of Engineers Finance and Accounting Service initiative to assume the finance and accounting support functions which are now performed by the U.S. Corps of Engineers Finance and Accounting Center in Memphis, Tennessee. Because more than ninety-five percent of the Corps-wide operating budget is project funded, active oversight of accounting for operational and project costs is necessary to achieve maximum efficiency for project customers. To this end, the conferees are committed to the highest possible levels of finance and accounting support for the Corps. The Corps must continue to be a competitive engineering service provider, which necessitates full integration of financial and other business processes. This can be achieved only by retaining all of its finance and accounting activities at a central location: the U.S. Army Corps of Engineers Finance and Accounting Center. To ensure that the proposed capitalization by the Defense Finance and Accounting Service fully recognizes Corps missions and responsibilities, the Chief of Engineers is directed to report to the Committees on Appropriations on the progress of capitalization once detailed plans have been formulated.

**REVOLVING FUND**

The conference agreement deletes language proposed by the Senate which permits the Corps of Engineers to use amounts in the Revolving Fund for an addition to the Alaska District’s main office building on Elmendorf Air Force Base and which directs that the Revolving Fund shall be reimbursed from the benefitting appropriations by collections each year of user fees sufficient to repay the capital cost of the asset and to operate and maintain the asset. The conferees understand that the language is no longer required.

The conference agreement includes language proposed by the Senate authorizing the Secretary of the Army to use amounts in the Revolving Fund for activities associated with the relocation of the headquarters of the Corps of Engineers and requiring that the Revolving Fund be appropriately reimbursed.

**GENERAL PROVISIONS**

**CORPS OF ENGINEERS—CIVIL**

**SEC. 101.** The conference agreement includes a provision proposed by the Senate directing the Secretary of the Army, acting through the Chief of Engineers, to undertake work funded in the conference agreement using continuing contracts and providing that no fully allocated funding policy shall apply to projects for which funds are provided in the conference agreement.

**SEC. 102.** The conference agreement includes language proposed by the Senate providing that none of the funds made available in the conference agreement may be used to revise the Missouri River Master Water Control Manual if such revision provides 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.

PROVISION not included in the conference agreement.—The conference agreement deletes language proposed by the Senate authorizing and directing the Secretary of the Army to provide planning, design, and construction assistance to non-Federal interests in carrying out water related environmental infrastructure and environmental resources development projects in the State of Alaska and earmarking $5,000,000 for such activities.
<table>
<thead>
<tr>
<th>TYPE OF PROJECT</th>
<th>PROJECT TITLE</th>
<th>BUDGET ESTIMATES</th>
<th>CONFERENCE ALLOWANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>INVESTIGATIONS</td>
<td>PLANNING</td>
</tr>
<tr>
<td>ALABAMA</td>
<td>ALABAMA RIVER BELOW CLAIBORNE LOCK AND DAM, AL</td>
<td>---</td>
<td>250,000</td>
</tr>
<tr>
<td></td>
<td>BALDWIN COUNTY, AL</td>
<td>---</td>
<td>100,000</td>
</tr>
<tr>
<td></td>
<td>BAYOU LABATRE, AL</td>
<td>---</td>
<td>100,000</td>
</tr>
<tr>
<td></td>
<td>BIRMINGHAM WATERSHEDS, VILLAGE CREEK, AL</td>
<td>---</td>
<td>500,000</td>
</tr>
<tr>
<td></td>
<td>BLACK WARRIOR-TOOMBEE WATERWAY, AL</td>
<td>---</td>
<td>100,000</td>
</tr>
<tr>
<td></td>
<td>BRENTON AND EAST BRENTON, AL</td>
<td>---</td>
<td>100,000</td>
</tr>
<tr>
<td></td>
<td>CANADA RIVER WATERSHED, AL</td>
<td>---</td>
<td>50,000</td>
</tr>
<tr>
<td></td>
<td>DOG RIVER, AL</td>
<td>---</td>
<td>100,000</td>
</tr>
<tr>
<td>ALASKA</td>
<td>AKUTAN HARBOR, AK</td>
<td>140,000</td>
<td>---</td>
</tr>
<tr>
<td></td>
<td>ANCHORAGE HARBOR DEEPENING, AK</td>
<td>---</td>
<td>100,000</td>
</tr>
<tr>
<td></td>
<td>BREIG MISSION, AK</td>
<td>---</td>
<td>100,000</td>
</tr>
<tr>
<td></td>
<td>CHENA RIVER WATERSHED, AK</td>
<td>150,000</td>
<td>---</td>
</tr>
<tr>
<td></td>
<td>COASTAL STUDIES NAVIGATION IMPROVEMENT, AK</td>
<td>300,000</td>
<td>---</td>
</tr>
<tr>
<td></td>
<td>DOUGLAS HARBOR EXPANSION, AK</td>
<td>150,000</td>
<td>---</td>
</tr>
<tr>
<td></td>
<td>FALSE PASS HARBOR, AK</td>
<td>250,000</td>
<td>---</td>
</tr>
<tr>
<td></td>
<td>KENAI RIVER NAVIGATION, AK</td>
<td>100,000</td>
<td>---</td>
</tr>
<tr>
<td></td>
<td>KENAI RIVER WATERSHED, AK</td>
<td>100,000</td>
<td>---</td>
</tr>
<tr>
<td></td>
<td>MATANUSKA RIVER WATERSHED STUDY, AK</td>
<td>100,000</td>
<td>---</td>
</tr>
<tr>
<td></td>
<td>NOME HARBOR IMPROVEMENTS, AK</td>
<td>---</td>
<td>209,000</td>
</tr>
<tr>
<td></td>
<td>NOME HARBOR IMPROVEMENTS, AK</td>
<td>10,000</td>
<td>---</td>
</tr>
<tr>
<td></td>
<td>PORT LIONS HARBOR, AK</td>
<td>100,000</td>
<td>---</td>
</tr>
<tr>
<td></td>
<td>SAND POINT HARBOR, AK</td>
<td>---</td>
<td>217,000</td>
</tr>
<tr>
<td></td>
<td>SHEWARD HARBOR, AK</td>
<td>---</td>
<td>150,000</td>
</tr>
<tr>
<td></td>
<td>SIKE CREEK WATERSHED, AK</td>
<td>150,000</td>
<td>---</td>
</tr>
<tr>
<td></td>
<td>SITKA LIGHTERING FACILITY, AK</td>
<td>100,000</td>
<td>---</td>
</tr>
<tr>
<td></td>
<td>VALUZ ED HARBOR EXPANSION, AK</td>
<td>219,000</td>
<td>---</td>
</tr>
<tr>
<td></td>
<td>WANGANELL HARBOR, AK</td>
<td>---</td>
<td>60,000</td>
</tr>
<tr>
<td></td>
<td>WANGANELL HARBOR, AK</td>
<td>67,000</td>
<td>---</td>
</tr>
<tr>
<td>AMERICAN SAMOA</td>
<td>TUTUILLA, AMERICAN SAMOA</td>
<td>---</td>
<td>100,000</td>
</tr>
<tr>
<td>ARIZONA</td>
<td>COLONIAS ALONG U.S.-MEXICO BORDER, AZ AND TX</td>
<td>---</td>
<td>600,000</td>
</tr>
<tr>
<td></td>
<td>GILA RIVER, NORTH SOUTHDALE, AZ</td>
<td>272,000</td>
<td>---</td>
</tr>
<tr>
<td></td>
<td>GILA RIVER, SANTA CRUZ RIVER BASIN, AZ</td>
<td>407,000</td>
<td>---</td>
</tr>
<tr>
<td></td>
<td>LITTLE COLORADO RIVER WATERSHED, AZ</td>
<td>---</td>
<td>150,000</td>
</tr>
<tr>
<td></td>
<td>RILLITO RIVER, PIMA COUNTY, AZ</td>
<td>---</td>
<td>200,000</td>
</tr>
<tr>
<td></td>
<td>SAINT AUGUSTINE, FLAGSTAFF, AZ</td>
<td>---</td>
<td>613,000</td>
</tr>
<tr>
<td></td>
<td>RIO SALADO, SALT RIVER, AZ</td>
<td>460,000</td>
<td>---</td>
</tr>
<tr>
<td></td>
<td>SANTA CRUZ RIVER (PASEO DE LAS IGLESIAS), AZ</td>
<td>---</td>
<td>2,000,000</td>
</tr>
<tr>
<td></td>
<td>SANTA CRUZ RIVER (PASEO DE LAS IGLESIAS), AZ</td>
<td>---</td>
<td>100,000</td>
</tr>
<tr>
<td>TYPE OF PROJECT</td>
<td>PROJECT TITLE</td>
<td>BUDGET ESTIMATES</td>
<td>CONFERENCE ALLOWSANCE</td>
</tr>
<tr>
<td>----------------</td>
<td>---------------------------------------------------</td>
<td>------------------</td>
<td>-----------------------</td>
</tr>
<tr>
<td></td>
<td></td>
<td>INVESTIGATIONS</td>
<td>PLANNING</td>
</tr>
<tr>
<td></td>
<td></td>
<td>PLANNING</td>
<td>PLANNING</td>
</tr>
<tr>
<td>(E)</td>
<td>TUCSON DRAINAGE AREA, AZ.</td>
<td>610,000</td>
<td>610,000</td>
</tr>
<tr>
<td>(F)</td>
<td>TUCSON DRAINAGE AREA, AZ.</td>
<td>329,000</td>
<td>329,000</td>
</tr>
</tbody>
</table>

ARKANSAS

| (F)            | ARKANSAS RIVER, FORT SMITH, AR.                   | 100,000          | 100,000               |
| (F)            | ARKANSAS RIVER, FORT SMITH, AR.                   | 250,000          | 250,000               |
| (N)            | WHITE RIVER NAVIGATION TO NEWPORT, AR.            | 900,000          | 900,000               |

CALIFORNIA

<p>| (E)            | ALISO CREEK WATERSHED MANAGEMENT, CA.             | 290,000          | 290,000               |
| (F)            | AMERICAN RIVER WATERSHED, CA.                     | 80,000           | 80,000                |
| (F)            | ARROYO PASADENA, CA.                             | 200,000          | 200,000               |
| (E)            | BOLINAS LAKE ECOLOGY RESTORATION, CA.            | 175,000          | 175,000               |
| (E)            | CITIES OF ARCADIA AND SIERRA MADRE, CA.          | 175,000          | 175,000               |
| (E)            | CITY OF FOLSOM, CA.                              | 100,000          | 100,000               |
| (E)            | CITY OF HUNTINGTON BEACH, CA.                    | 350,000          | 350,000               |
| (E)            | CLEAR LAKE BASIN WATERSHED RESTORATION, CA.      | 200,000          | 200,000               |
| (E)            | HAMILTON AIRFIELD WETLANDS RESTORATION, CA.      | 500,000          | 500,000               |
| (E)            | HUNTINGTON BEACH, BLUFFTOP PARK, CA.             | 100,000          | 100,000               |
| (E)            | IMPERIAL COUNTY WATERSHED STUDY, CA.             | 1,165,000        | 1,165,000             |
| (F)            | KERN RIVER VALLEY, ISABELLA LAKE, CA.            | 100,000          | 100,000               |
| (E)            | LAGUNA DE SANTA ROSA, RUSSELL RIVER, CA.         | 150,000          | 150,000               |
| (E)            | MARIE ISLAND STRAND EXPANSION, CA.               | 100,000          | 100,000               |
| (E)            | MARITA REY AND BALLONA CREEK, CA.                | 100,000          | 100,000               |
| (E)            | MALIBU CREEK WATERSHED, CA.                      | 150,000          | 150,000               |
| (E)            | MORRO BAY ESTUARY, CA.                           | 100,000          | 100,000               |
| (F)            | N. CA STREAMS, BAY CREEK, MIDDLETOWN, CA.        | 100,000          | 100,000               |
| (E)            | N. CA STREAMS, FAIRFIELD STREAMS AND CORNELIA MARSH, CA | 100,000          | 100,000               |
| (E)            | N. CA STREAMS, FOUNTAINS AND SERRA MARSH, CA.    | 100,000          | 100,000               |
| (E)            | N. CA STREAMS, LOMA SANTA RIVER AND SERRA MARSH, CA | 100,000          | 100,000               |
| (E)            | N. CA STREAMS, SAN GABRIEL VALLEY, CA.           | 100,000          | 100,000               |
| (E)            | N. CA STREAMS, SANTA CRUZ CREEK, CA.             | 100,000          | 100,000               |
| (E)            | N. CA STREAMS, TUNA RIVER BASIN, CA.             | 100,000          | 100,000               |
| (E)            | NAPA RIVER, CA.                                  | 744,000          | 744,000               |
| (E)            | NAPA RIVER, SALT MARSH RESTORATION, CA.          | 300,000          | 300,000               |
| (E)            | NAPA VALLEY WATERSHED MANAGEMENT, CA.            | 300,000          | 300,000               |
| (E)            | NEWPORT BAY HARBOR, CA.                          | 200,000          | 200,000               |
| (E)            | NEWPORT BAY/SAN DIEGO CREEK WATERSHED, CA.       | 200,000          | 200,000               |
| (E)            | OAKLAND HARBOR, CA.                              | 200,000          | 200,000               |
| (E)            | ORANGE COUNTY SANTA ANA RIVER, CA.               | 100,000          | 100,000               |
| (E)            | PAJARO RIVER AND C.                              | 325,000          | 325,000               |
| (F)            | PAJARO RIVER AND C.                              | 435,000          | 435,000               |
| (E)            | PORT OF STOCKTON, CA.                            | 100,000          | 100,000               |
| (E)            | PRADO BASIN WATER SUPPLY, CA.                    | 150,000          | 150,000               |
| (E)            | RANCHO PALOS VERDES, CA.                         | 333,000          | 333,000               |
| (E)            | SAN CARLOS CREEK, CA.                            | 200,000          | 200,000               |</p>
<table>
<thead>
<tr>
<th>TYPE OF PROJECT</th>
<th>PROJECT TITLE</th>
<th>BUDGET ESTIMATES</th>
</tr>
</thead>
<tbody>
<tr>
<td>(N)</td>
<td>REDWOOD CITY HARBOR, CA.</td>
<td>200,000</td>
</tr>
<tr>
<td>(E)</td>
<td>RUSSIAN RIVER ECOSYSTEM RESTORATION, CA.</td>
<td>200,000</td>
</tr>
<tr>
<td>(E)</td>
<td>SACRAMENTO - SAN JOAQUIN DELTA, CA.</td>
<td>200,000</td>
</tr>
<tr>
<td>(E)</td>
<td>SACRAMENTO AND SAN JOAQUIN COMPREHENSIVE BASIN STUDY, SACRAMENTO WATERSHED MANAGEMENT PLAN, CA.</td>
<td>200,000</td>
</tr>
<tr>
<td>(E)</td>
<td>SAN BERNARDINO COUNTY, CA.</td>
<td>200,000</td>
</tr>
<tr>
<td>(E)</td>
<td>SAN CLIMENTE CREEK, CA.</td>
<td>200,000</td>
</tr>
<tr>
<td>(N)</td>
<td>SAN DIEGO HARBOR (DEEPENING), CA.</td>
<td>200,000</td>
</tr>
<tr>
<td>(N)</td>
<td>SAN DIEGO HARBOR, NATIONAL CITY, CA.</td>
<td>200,000</td>
</tr>
<tr>
<td>(E)</td>
<td>SAN FRANCISCO BAY, CA.</td>
<td>200,000</td>
</tr>
<tr>
<td>(E)</td>
<td>SAN JOAQUIN R BASIN, SANTA BARBARA COUNTY STREAMS, LOWER MISSION CREEK, CA.</td>
<td>200,000</td>
</tr>
<tr>
<td>(E)</td>
<td>SAN JOAQUIN R BASIN, STOCKTON METROPOLITAN AREA, CA.</td>
<td>200,000</td>
</tr>
<tr>
<td>(E)</td>
<td>SAN JOAQUIN R BASIN, TULE RIVER, CA.</td>
<td>200,000</td>
</tr>
<tr>
<td>(E)</td>
<td>SAN JOAQUIN R BASIN, WEST STANISLAUS COUNTY, CA.</td>
<td>200,000</td>
</tr>
<tr>
<td>(E)</td>
<td>SAN JUAN CREEK WATERSHED MANAGEMENT, CA.</td>
<td>200,000</td>
</tr>
<tr>
<td>(E)</td>
<td>SAN PABLO BAY WATERSHED, CA.</td>
<td>200,000</td>
</tr>
<tr>
<td>(E)</td>
<td>SANTA MARGARITA RIVER AND TRIBUTARIES, CA.</td>
<td>200,000</td>
</tr>
<tr>
<td>(E)</td>
<td>SOUTHERN CALIFORNIA AQUATIC RESOURCES, CA.</td>
<td>200,000</td>
</tr>
<tr>
<td>(E)</td>
<td>SUTTER BASIN, CA.</td>
<td>200,000</td>
</tr>
<tr>
<td>(E)</td>
<td>TIJUANA RIVER ENVIRONMENTAL RESTORATION, CA.</td>
<td>200,000</td>
</tr>
<tr>
<td>(E)</td>
<td>UPPPER GUADALUPE RIVER, CA.</td>
<td>200,000</td>
</tr>
<tr>
<td>(E)</td>
<td>UPPPER PINONITA CREEK, CA.</td>
<td>200,000</td>
</tr>
<tr>
<td>(E)</td>
<td>UPPPER SANTA ANA RIVER WATERSHED, CA.</td>
<td>200,000</td>
</tr>
<tr>
<td>(E)</td>
<td>VENTURA HARBOR SAND Bypass, CA.</td>
<td>200,000</td>
</tr>
<tr>
<td>(E)</td>
<td>WHITNEY RIVER BASIN, CA.</td>
<td>200,000</td>
</tr>
<tr>
<td>(E)</td>
<td>WHITE RIVER, POSO AND DEER CREEKS, CA.</td>
<td>200,000</td>
</tr>
<tr>
<td>COLORADO (E)</td>
<td>CHATFIELD, CHERRY CREEK AND BEAR CREEK RESERVOIRS, CO.</td>
<td>200,000</td>
</tr>
<tr>
<td>CONNECTICUT (E)</td>
<td>COASTAL CONNECTICUT ECOSYSTEM RESTORATION, CT.</td>
<td>200,000</td>
</tr>
<tr>
<td>DELAWARE (N)</td>
<td>C&amp;D CANAL, BALTIMORE HARBOR CHANNELS, DE &amp; MD (DEP.).</td>
<td>200,000</td>
</tr>
<tr>
<td>(SP)</td>
<td>DELAWARE BAY COASTLINE, DE &amp; NJ.</td>
<td>200,000</td>
</tr>
<tr>
<td>(SP)</td>
<td>DELAWARE COAST FROM CAPE HEHLOHEN TO FAIRWOLD, DE.</td>
<td>200,000</td>
</tr>
</tbody>
</table>
## Type of Project

<table>
<thead>
<tr>
<th>Project Title</th>
<th>Budget Estimates</th>
<th>Conference Allowance</th>
</tr>
</thead>
<tbody>
<tr>
<td>FLORIDA</td>
<td>Biscayne Bay, FL.</td>
<td>100,000</td>
</tr>
<tr>
<td></td>
<td>Cedar Hammock, Wares Creek, FL.</td>
<td>270,000</td>
</tr>
<tr>
<td></td>
<td>Hillsboro Inlet, FL.</td>
<td>262,000</td>
</tr>
<tr>
<td></td>
<td>Intracoastal Waterway, Palm Beach County, FL.</td>
<td>270,000</td>
</tr>
<tr>
<td></td>
<td>Jacksonville Harbor, FL.</td>
<td>600,000</td>
</tr>
<tr>
<td></td>
<td>Lake Worth Inlet Sand Transfer Plant, FL.</td>
<td>297,000</td>
</tr>
<tr>
<td></td>
<td>Lido Key Beach, FL.</td>
<td>268,000</td>
</tr>
<tr>
<td></td>
<td>Nassau County, FL.</td>
<td>86,000</td>
</tr>
<tr>
<td></td>
<td>Ponce de Leon Inlet, FL.</td>
<td>370,000</td>
</tr>
<tr>
<td></td>
<td>Port Everglades Harbor, FL.</td>
<td>265,000</td>
</tr>
<tr>
<td></td>
<td>ST Johns River, FL.</td>
<td>100,000</td>
</tr>
<tr>
<td></td>
<td>ST Lucie Inlet, FL.</td>
<td>205,000</td>
</tr>
<tr>
<td></td>
<td>Tampa Harbor, Apalachee Channel, FL.</td>
<td>200,000</td>
</tr>
<tr>
<td>GEORGIA</td>
<td>Augusta, GA.</td>
<td>200,000</td>
</tr>
<tr>
<td></td>
<td>Brunswick Harbor, GA.</td>
<td>250,000</td>
</tr>
<tr>
<td></td>
<td>Chatham County Flood Control, GA.</td>
<td>125,000</td>
</tr>
<tr>
<td></td>
<td>City of Savannah Flood Control, GA.</td>
<td>125,000</td>
</tr>
<tr>
<td></td>
<td>Long Island, Marsh and Johns Creek, GA.</td>
<td>100,000</td>
</tr>
<tr>
<td></td>
<td>Metro Atlanta Watershed, GA.</td>
<td>550,000</td>
</tr>
<tr>
<td></td>
<td>New Savannah Bell Swamp Lock and Dam, GA &amp; SC.</td>
<td>350,000</td>
</tr>
<tr>
<td></td>
<td>Savannah Harbor Expansion, GA.</td>
<td>250,000</td>
</tr>
<tr>
<td></td>
<td>Savannah River Basin Comprehensive, GA &amp; SC.</td>
<td>300,000</td>
</tr>
<tr>
<td>HAWAI'I</td>
<td>Ala Wai Canal, Oahu, HI.</td>
<td>100,000</td>
</tr>
<tr>
<td></td>
<td>Barbers Point Harbor Modification, Oahu, HI.</td>
<td>125,000</td>
</tr>
<tr>
<td></td>
<td>HONOLULU Harbor Modifications, Oahu, HI.</td>
<td>125,000</td>
</tr>
<tr>
<td></td>
<td>KAHULUI Harbor, HI.</td>
<td>100,000</td>
</tr>
<tr>
<td></td>
<td>KIKILOA Small Boat Harbor, Kauai, HI.</td>
<td>100,000</td>
</tr>
<tr>
<td></td>
<td>Wai'ale Stream Flood Control Study, Oahu, HI.</td>
<td>318,000</td>
</tr>
<tr>
<td></td>
<td>Wai'ale Stream Flood Control Study, Oahu, HI.</td>
<td>40,000</td>
</tr>
<tr>
<td>TYPE OF PROJECT</td>
<td>PROJECT TITLE</td>
<td>BUDGET ESTIMATES</td>
</tr>
<tr>
<td>-----------------</td>
<td>---------------</td>
<td>------------------</td>
</tr>
<tr>
<td></td>
<td></td>
<td>INVESTIGATIONS</td>
</tr>
<tr>
<td></td>
<td></td>
<td>178,000</td>
</tr>
<tr>
<td></td>
<td>ALEXANDER AND PULASKI COUNTIES, IL</td>
<td>---</td>
</tr>
<tr>
<td></td>
<td>DES PLAINES RIVER, IL</td>
<td>---</td>
</tr>
<tr>
<td></td>
<td>ILLINOIS RIVER ECOSYSTEM RESTORATION, IL</td>
<td>479,000</td>
</tr>
<tr>
<td></td>
<td>ILLINOIS SHORELINE EROSION (INTERIM IV), IL</td>
<td>940,000</td>
</tr>
<tr>
<td></td>
<td>KANKANEE RIVER BASIN, IL &amp; IN</td>
<td>195,000</td>
</tr>
<tr>
<td></td>
<td>MISSISSIPPI RIVER AT QUINCY, IL</td>
<td>---</td>
</tr>
<tr>
<td></td>
<td>NITWOOD DRAINAGE AND LEVEE DISTRICT, IL</td>
<td>325,000</td>
</tr>
<tr>
<td></td>
<td>PEDRA RIVERFRONT DEVELOPMENT, IL</td>
<td>377,000</td>
</tr>
<tr>
<td></td>
<td>ROCK RIVER DRAINAGE BASIN, IL</td>
<td>---</td>
</tr>
<tr>
<td></td>
<td>UPPER MISS RVR SYS FLOW FREQUENCY STUDY, IL, IA, WI</td>
<td>1,331,000</td>
</tr>
<tr>
<td></td>
<td>UPPER MISSISSIPPI &amp; ILLINOIS NAV STUDY, IL, IA, WI, MO</td>
<td>5,700,000</td>
</tr>
<tr>
<td></td>
<td>WALKERECAN HARBOUR</td>
<td>73,000</td>
</tr>
<tr>
<td></td>
<td>WOOD RIVER DRAINAGE AND LEVEE DISTRICT, MADISON COUNTY</td>
<td>---</td>
</tr>
<tr>
<td></td>
<td>WOOD RIVER LEVEE, IL</td>
<td>100,000</td>
</tr>
</tbody>
</table>

**INDIANA**
- BEAUTY CREEK WATERSHED, VALPARAISO, IN | --- | --- | 100,000 |
- DEEP RIVER BASIN, IN | --- | --- | 100,000 |
- MIDDLE MANASS, GREENFIELD BAYOU ENVIRON RESTORATION, I | --- | --- | 200,000 |
- OHIO RIVER GREENRAT | --- | --- | 200,000 |
- TIPPECANOE RIVER, IN | 200,000 | --- | 100,000 |

**IOWA**
- WOLF AND GEORGE LAKES, IN | --- | --- | --- |

**KANSAS**
- TOPKA, KS | 200,000 | --- | 200,000 |

**KENTUCKY**
- AUGUSTA, KY | 318,000 | --- | 318,000 |
- GRAYSON LAKE, KY | --- | --- | 60,000 |
- GREEN AND BARREN RIVERS NAVIGATION DISPOSITION STUDY | --- | --- | --- |

**OHIO**
- GRAYHORSE, KY | 238,000 | --- | 238,000 |
- KENTUCKY RIVER TRIBUTARIES, FRANKFORT, KY | 200,000 | --- | 200,000 |
- LICKING RIVER, CYNTHIANA, KY | 250,000 | --- | 250,000 |
- LICKING RIVER, FAIRMONT, KY | 250,000 | --- | 250,000 |
- METROPOLITAN LOUISVILLE, BEARGRAVE CREEK, KY | 356,000 | --- | 356,000 |
- METROPOLITAN LOUISVILLE, MILL CREEK BASIN, KY | 295,000 | --- | 295,000 |
- METROPOLITAN LOUISVILLE, SOUTHWEST, KY | --- | --- | 165,000 |
- OHIO RIVER MAIN STEM SYSTEMS STUDY, KY, IL, IN, PA, WV | 10,150,000 | --- | 10,150,000 |
<table>
<thead>
<tr>
<th>TYPE OF PROJECT</th>
<th>PROJECT TITLE</th>
<th>BUDGET ESTIMATES</th>
<th>CONFERENCE ALLOWANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>INVESTIGATIONS</td>
<td>PLANNING</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(FDP)</td>
<td>OLIVE HILL, KY.</td>
<td>218,000</td>
<td>218,000</td>
</tr>
<tr>
<td>(FDP)</td>
<td>PADUCAH, KY.</td>
<td>---</td>
<td>100,000</td>
</tr>
<tr>
<td>(FDP)</td>
<td>PANTHER CREEK, KY.</td>
<td>150,000</td>
<td>---</td>
</tr>
<tr>
<td>(FDP)</td>
<td>RUSSELL, KY.</td>
<td>---</td>
<td>100,000</td>
</tr>
</tbody>
</table>

**LOUISIANA**

<table>
<thead>
<tr>
<th>TYPE OF PROJECT</th>
<th>PROJECT TITLE</th>
<th>BUDGET ESTIMATES</th>
<th>CONFERENCE ALLOWANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>INVESTIGATIONS</td>
<td>PLANNING</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(FDP)</td>
<td>AMITE RIVER, DARLINGTON RESERVOIR, LA.</td>
<td>400,000</td>
<td>400,000</td>
</tr>
<tr>
<td>(FDP)</td>
<td>CALCASIEU LOCK, LA.</td>
<td>---</td>
<td>100,000</td>
</tr>
<tr>
<td>(FDP)</td>
<td>COMITE RIVER, LA.</td>
<td>---</td>
<td>395,000</td>
</tr>
<tr>
<td>(N)</td>
<td>EAST BATON ROUGE PARISH, LA.</td>
<td>---</td>
<td>100,000</td>
</tr>
<tr>
<td>(N)</td>
<td>EAST FORK CALCASIEU PASS, LA. (SEC. 509)</td>
<td>---</td>
<td>600,000</td>
</tr>
<tr>
<td>(N)</td>
<td>INTRACOASTAL WATERWAY LOCKS, LA.</td>
<td>550,000</td>
<td>600,000</td>
</tr>
<tr>
<td>(FDP)</td>
<td>JEFFERSON PARISH, LA.</td>
<td>428,000</td>
<td>428,000</td>
</tr>
<tr>
<td>(FDP)</td>
<td>LAFAYETTE PARISH, LA.</td>
<td>550,000</td>
<td>550,000</td>
</tr>
<tr>
<td>(N)</td>
<td>MISSISSIPPI RIVER SHIP CHANNEL IMPROVEMENTS, LA.</td>
<td>415,000</td>
<td>415,000</td>
</tr>
<tr>
<td>(FDP)</td>
<td>ORLEANS PARISH, LA.</td>
<td>574,000</td>
<td>574,000</td>
</tr>
<tr>
<td>(FDP)</td>
<td>PORT FOURCHON, LA.</td>
<td>---</td>
<td>50,000</td>
</tr>
<tr>
<td>(FDP)</td>
<td>WALLACE LAKE AREA, LA.</td>
<td>308,000</td>
<td>308,000</td>
</tr>
<tr>
<td>(FDP)</td>
<td>WEST SHORE, LAKE PONCHARTRAIN, LA.</td>
<td>388,000</td>
<td>388,000</td>
</tr>
</tbody>
</table>

**MARYLAND**

<table>
<thead>
<tr>
<th>TYPE OF PROJECT</th>
<th>PROJECT TITLE</th>
<th>BUDGET ESTIMATES</th>
<th>CONFERENCE ALLOWANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>INVESTIGATIONS</td>
<td>PLANNING</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(E)</td>
<td>ANACOSTIA RIVER FEDERAL WATERSHED IMPACT ASSESSMENT, M</td>
<td>---</td>
<td>300,000</td>
</tr>
<tr>
<td>(FDP)</td>
<td>ANACOSTIA RIVER, NORTHWEST BRANCH, MD &amp; DC.</td>
<td>108,000</td>
<td>108,000</td>
</tr>
<tr>
<td>(FDP)</td>
<td>ANACOSTIA RIVER, PG COUNTY LEVEL, MD &amp; DC.</td>
<td>231,000</td>
<td>231,000</td>
</tr>
<tr>
<td>(N)</td>
<td>BALTIMORE HARBOR ANCHORAGES AND CHANNELS, MD &amp; VA.</td>
<td>---</td>
<td>207,000</td>
</tr>
<tr>
<td>(FDP)</td>
<td>BALTIMORE METROPOLITAN, DEEP RUN/TIPTER HUDSON, MD.</td>
<td>35,000</td>
<td>35,000</td>
</tr>
<tr>
<td>(FDP)</td>
<td>BALTIMORE METROPOLITAN, MARKSMANMESSuda, MD.</td>
<td>199,000</td>
<td>199,000</td>
</tr>
<tr>
<td>(FDP)</td>
<td>CHESSAPEAKE BAY INTEGRATED ECOSSYSTEM &amp; ATLANTIC COAST</td>
<td>---</td>
<td>400,000</td>
</tr>
<tr>
<td>(FDP)</td>
<td>SHELF MODEL, MD.</td>
<td>---</td>
<td>100,000</td>
</tr>
</tbody>
</table>

**MASSACHUSETTS**

<table>
<thead>
<tr>
<th>TYPE OF PROJECT</th>
<th>PROJECT TITLE</th>
<th>BUDGET ESTIMATES</th>
<th>CONFERENCE ALLOWANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>INVESTIGATIONS</td>
<td>PLANNING</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(E)</td>
<td>BLACKSTONE RIVER WATERSHED RESTORATION, MA &amp; RI.</td>
<td>393,000</td>
<td>393,000</td>
</tr>
<tr>
<td>(E)</td>
<td>COASTAL MASSACHUSETTS ECOSSYSTEM RESTORATION, MA.</td>
<td>100,000</td>
<td>---</td>
</tr>
<tr>
<td>STATE</td>
<td>PROJECT TITLE</td>
<td>BUDGET ESTIMATES</td>
<td>CONFERENCE ALLOWANCE</td>
</tr>
<tr>
<td>--------------</td>
<td>--------------------------------------</td>
<td>------------------</td>
<td>-----------------------</td>
</tr>
<tr>
<td>MICHIGAN</td>
<td>PAW PAW RIVER, MI</td>
<td>---</td>
<td>100,000</td>
</tr>
<tr>
<td></td>
<td>SAULT STE MARIE, MI</td>
<td>---</td>
<td>500,000</td>
</tr>
<tr>
<td>MINNESOTA</td>
<td>CROOKSTON, MN</td>
<td>255,000</td>
<td>255,000</td>
</tr>
<tr>
<td></td>
<td>GRAND FORKS, ND - EAST GRAND FORKS, MN</td>
<td>945,000</td>
<td>945,000</td>
</tr>
<tr>
<td>MISSISSIPPI</td>
<td>BAYOU PIERRE, MS</td>
<td>100,000</td>
<td>---</td>
</tr>
<tr>
<td></td>
<td>PASCAGOUA HARBOR, BAYOU CASOTTE EXTENSION, MS</td>
<td>150,000</td>
<td>150,000</td>
</tr>
<tr>
<td></td>
<td>PEARL RIVER WATERSHED, MS</td>
<td>---</td>
<td>100,000</td>
</tr>
<tr>
<td>MISSOURI</td>
<td>BALLWIN, ST LOUIS COUNTY, MO</td>
<td>100,000</td>
<td>100,000</td>
</tr>
<tr>
<td></td>
<td>BLUE RIVER BASIN, KANSAS CITY, MO</td>
<td>457,000</td>
<td>457,000</td>
</tr>
<tr>
<td></td>
<td>CHESTERFIELD, MO</td>
<td>300,000</td>
<td>300,000</td>
</tr>
<tr>
<td></td>
<td>FESTUS AND CRYSTAL CITY, MO</td>
<td>61,000</td>
<td>61,000</td>
</tr>
<tr>
<td></td>
<td>FESTUS AND CRYSTAL CITY, MO</td>
<td>153,000</td>
<td>100,000</td>
</tr>
<tr>
<td></td>
<td>KANSAS CITY, MO &amp; KS</td>
<td>245,000</td>
<td>450,000</td>
</tr>
<tr>
<td></td>
<td>LOWER RIVER DES PERES, MO</td>
<td>64,000</td>
<td>64,000</td>
</tr>
<tr>
<td></td>
<td>MISSOURI RIVER LEVEE SYSTEM, UNITS L62 &amp; R450-471, MO</td>
<td>311,000</td>
<td>311,000</td>
</tr>
<tr>
<td></td>
<td>ST LOUIS FLOOD PROTECTION, MO</td>
<td>200,000</td>
<td>200,000</td>
</tr>
<tr>
<td></td>
<td>ST LOUIS HARBOUR, MO &amp; IL</td>
<td>314,000</td>
<td>314,000</td>
</tr>
<tr>
<td></td>
<td>SMOKE PARK INDUSTRIAL AREA, KANSAS CITY, MO</td>
<td>196,000</td>
<td>196,000</td>
</tr>
<tr>
<td>NEBRASKA</td>
<td>ANTELOPE CREEK, LINCOLN, NE</td>
<td>---</td>
<td>74,000</td>
</tr>
<tr>
<td></td>
<td>ANTELOPE CREEK, LINCOLN, NE</td>
<td>150,000</td>
<td>150,000</td>
</tr>
<tr>
<td></td>
<td>LOWER PLATTE RIVER AND TRIBUTARIES, NE</td>
<td>310,000</td>
<td>310,000</td>
</tr>
<tr>
<td>NEVADA</td>
<td>CARSON RIVER, NV</td>
<td>---</td>
<td>100,000</td>
</tr>
<tr>
<td></td>
<td>FALLON, NV</td>
<td>---</td>
<td>100,000</td>
</tr>
<tr>
<td></td>
<td>LOWER LAS VEGAS WASH WETLANDS, NV</td>
<td>300,000</td>
<td>300,000</td>
</tr>
<tr>
<td></td>
<td>LOWER TRUCKEE RIVER, PYRAMID LAKE PAUTE RESERVATION, NV</td>
<td>230,000</td>
<td>230,000</td>
</tr>
<tr>
<td></td>
<td>LOWER TRUCKEE RIVER, WASHOE COUNTY, NV</td>
<td>50,000</td>
<td>50,000</td>
</tr>
<tr>
<td></td>
<td>TRUCKEE MEADOWS, NV</td>
<td>---</td>
<td>1,100,000</td>
</tr>
<tr>
<td></td>
<td>WALKER RIVER BASIN, NV</td>
<td>150,000</td>
<td>400,000</td>
</tr>
<tr>
<td>TYPE OF PROJECT</td>
<td>PROJECT TITLE</td>
<td>NEW JERSEY</td>
<td>NEW MEXICO</td>
</tr>
<tr>
<td>----------------</td>
<td>--------------------------------------------------------------------------------</td>
<td>----------------------------------------------------------------------------</td>
<td>----------------------------------------------------------------------------</td>
</tr>
<tr>
<td>(E)</td>
<td>Arthur Kill Channel, Perth Amboy, NJ.</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>(E)</td>
<td>Barnegat Bay, NJ.</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>(E)</td>
<td>Barnegat Inlet to Little Egg Harbor Inlet, NJ.</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>(E)</td>
<td>Brigantine Inlet to Great Egg Harbor Inlet, NJ.</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>(E)</td>
<td>Great Egg Harbor Inlet to Tomsens Inlet, NJ.</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>(E)</td>
<td>Lower Cape May Meadows, Cape May Point, NJ.</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>(E)</td>
<td>Manasquan Inlet to Barnegat Inlet, NJ.</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>(SP)</td>
<td>New Jersey Intracoastal Waterway, DE/Restoration, NJ.</td>
<td>400,000</td>
<td>400,000</td>
</tr>
<tr>
<td>(SP)</td>
<td>Raritan Bay to Sandy Hook Bay, NJ.</td>
<td>425,000</td>
<td>400,000</td>
</tr>
<tr>
<td>(FDP)</td>
<td>South River, Raritan River Basin, NJ.</td>
<td>382,000</td>
<td>382,000</td>
</tr>
<tr>
<td>(FDP)</td>
<td>Tomsens Inlet to Cape May Inlet, NJ.</td>
<td>100,000</td>
<td>100,000</td>
</tr>
<tr>
<td>(FDP)</td>
<td>Upper Passaic River and Tribs, Long Hill, Morris County, NJ.</td>
<td>100,000</td>
<td>100,000</td>
</tr>
<tr>
<td>(FDP)</td>
<td>Upper Rockaway River, Morris County, NJ.</td>
<td>100,000</td>
<td>100,000</td>
</tr>
<tr>
<td>(E)</td>
<td>Woodbridge and Ramapo, NJ.</td>
<td>100,000</td>
<td>100,000</td>
</tr>
<tr>
<td>(E)</td>
<td>Rio Grande Water Management, NM, CO &amp; TX.</td>
<td>210,000</td>
<td>210,000</td>
</tr>
<tr>
<td>(E)</td>
<td>SW Valley Flood Damage Reduction Study, Albuquerque, NM.</td>
<td>210,000</td>
<td>210,000</td>
</tr>
<tr>
<td>(RC)</td>
<td>Addison, NY.</td>
<td>92,000</td>
<td>92,000</td>
</tr>
<tr>
<td>(N)</td>
<td>Arthur Kill Channel, Howland Hook Marine Terminal, NY.</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>(FDP)</td>
<td>Ausable River Basin, Essex and Clinton Counties, NY.</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>(FDP)</td>
<td>Bousquet River Basin and Tributaries, Essex County, NY.</td>
<td>100,000</td>
<td>100,000</td>
</tr>
<tr>
<td>(SP)</td>
<td>Bronx River, NY.</td>
<td>100,000</td>
<td>100,000</td>
</tr>
<tr>
<td>(E)</td>
<td>Chumung River Basin Environmental Restoration, NY &amp; PA.</td>
<td>400,000</td>
<td>400,000</td>
</tr>
<tr>
<td>(E)</td>
<td>Flushong Bay and Creek, NY.</td>
<td>250,000</td>
<td>250,000</td>
</tr>
<tr>
<td>(N)</td>
<td>Hudson River Habitat Restoration, NY.</td>
<td>250,000</td>
<td>250,000</td>
</tr>
<tr>
<td>(SP)</td>
<td>Jamaica Bay, Marine Park and Plumb Beach, Arverne, NY.</td>
<td>100,000</td>
<td>100,000</td>
</tr>
<tr>
<td>(SP)</td>
<td>Jamaica Bay, Marine Park and Plumb Beach, NY.</td>
<td>300,000</td>
<td>300,000</td>
</tr>
<tr>
<td>(SP)</td>
<td>Lindenhurst, NY.</td>
<td>100,000</td>
<td>100,000</td>
</tr>
<tr>
<td>(SP)</td>
<td>New York and New Jersey Harbor, NY &amp; NJ.</td>
<td>7,902,000</td>
<td>7,902,000</td>
</tr>
<tr>
<td>(SP)</td>
<td>New York Harbor Anchorage Areas, NY.</td>
<td>125,000</td>
<td>125,000</td>
</tr>
<tr>
<td>(SP)</td>
<td>North Shore of Long Island, Bayville, NY.</td>
<td>210,000</td>
<td>210,000</td>
</tr>
<tr>
<td>(SP)</td>
<td>Oneida Lake, NY.</td>
<td>100,000</td>
<td>100,000</td>
</tr>
<tr>
<td>(SP)</td>
<td>Onondaga Lake, NY.</td>
<td>125,000</td>
<td>125,000</td>
</tr>
<tr>
<td>(SP)</td>
<td>Oswego Lake, NY.</td>
<td>250,000</td>
<td>250,000</td>
</tr>
<tr>
<td>(E)</td>
<td>Pan Hill River Basin, NY.</td>
<td>100,000</td>
<td>100,000</td>
</tr>
<tr>
<td>(SP)</td>
<td>South Shore of Long Island, NY.</td>
<td>100,000</td>
<td>100,000</td>
</tr>
<tr>
<td>(SP)</td>
<td>South Shore of Staten Island, NY.</td>
<td>100,000</td>
<td>100,000</td>
</tr>
<tr>
<td>(SP)</td>
<td>Susquehanna River Basin, PA &amp; MD.</td>
<td>320,000</td>
<td>320,000</td>
</tr>
<tr>
<td>(E)</td>
<td>Upper Delaware Watershed, NY.</td>
<td>361,000</td>
<td>361,000</td>
</tr>
<tr>
<td>(E)</td>
<td>Upper Susquehanna River Basin Environmental Restoration, NY.</td>
<td>300,000</td>
<td>400,000</td>
</tr>
<tr>
<td>TYPE OF PROJECT</td>
<td>PROJECT TITLE</td>
<td>BUDGET ESTIMATES</td>
<td>CONFERENCE ALLOWANCE</td>
</tr>
<tr>
<td>----------------</td>
<td>---------------</td>
<td>------------------</td>
<td>----------------------</td>
</tr>
<tr>
<td></td>
<td></td>
<td>INVESTIGATIONS</td>
<td>PLANNING</td>
</tr>
<tr>
<td></td>
<td></td>
<td>PLANNING</td>
<td>PLANNING</td>
</tr>
<tr>
<td>PUERTO RICO</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(FC)</td>
<td>RIO GUANAJIBO, PR.</td>
<td>---</td>
<td>600,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>RIO IQUA AT SALINAS, PR.</td>
<td>---</td>
<td>306,000</td>
</tr>
<tr>
<td>RHODE ISLAND</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(E)</td>
<td>RHODE ISLAND SOUTH COAST, HABITAT REST AND STRM DWG RE</td>
<td>350,000</td>
<td>---</td>
</tr>
<tr>
<td></td>
<td>RHODE ISLAND ECOSYSTEM RESTORATION, RI</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>SOUTH CAROLINA</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(RCP)</td>
<td>ATLANTIC INTRACOASTAL WATERWAY, SC</td>
<td>800,000</td>
<td>---</td>
</tr>
<tr>
<td>(E)</td>
<td>CHARLESTON ESTUARY, SC</td>
<td>175,000</td>
<td>---</td>
</tr>
<tr>
<td>(SP)</td>
<td>PAMLIE'S ISLAND, SC</td>
<td>150,000</td>
<td>---</td>
</tr>
<tr>
<td>(E)</td>
<td>SANTEE, COOPER, CONAREE RIVERS, SC</td>
<td>150,000</td>
<td>---</td>
</tr>
<tr>
<td>(E)</td>
<td>YADKIN - PEE DEE RIVER WATERSHED, SC &amp; NC</td>
<td>160,000</td>
<td>---</td>
</tr>
<tr>
<td>SOUTH DAKOTA</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(FDP)</td>
<td>JAMES RIVER, SD &amp; ND</td>
<td>90,000</td>
<td>---</td>
</tr>
<tr>
<td>(FC)</td>
<td>WATERTOWN AND VICINITY, SD</td>
<td>---</td>
<td>380,000</td>
</tr>
<tr>
<td>TENNESSEE</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(E)</td>
<td>DUCK RIVER WATERSHED, IN</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td></td>
<td>FRENCH BROAD WATERSHED, TN</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>(FDP)</td>
<td>METRO CENTER LEVEE, DAVIDSON COUNTY, TN</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td></td>
<td>MILANOUGHTY WATERSHED, TN</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td></td>
<td>NORTH CHICKAMAUGA CREEK, TN</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>TEXAS</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(FDP)</td>
<td>BUFFALO BAYOU AND TRIBUTARIES, WHITE OAK BAYOU, TX</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>(N)</td>
<td>CORPUS CHRISTI SHIP CHANNEL, TX</td>
<td>---</td>
<td>300,000</td>
</tr>
<tr>
<td>(E)</td>
<td>CYPRESS VALLEY WATERSHED, TX</td>
<td>---</td>
<td>300,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>DALLAS FLOODWAY EXTENSION, TRINITY RIVER, TX</td>
<td>---</td>
<td>1,330,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>FORT WORTH SUMP 14 AND 15, UPPER TRINITY RIVER BASIN, IN</td>
<td>---</td>
<td>490,000</td>
</tr>
<tr>
<td>(RCP)</td>
<td>G.J.W. BAYOU TO FORT O'CONNOR, TX</td>
<td>---</td>
<td>935,000</td>
</tr>
<tr>
<td>(N)</td>
<td>G.J.W. HIGH ISLAND TO BRAZOS RIVER, TX</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>(N)</td>
<td>G.J.W. PORT O'CONNOR TO CORPUS CHRISTI BAY, TX</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>(FC)</td>
<td>GRANAM, TX (BRAZOS RIVER BASIN)</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>(FC)</td>
<td>GREENS BAYOU, HOUSTON, TX</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>(FC)</td>
<td>HUNTING BAYOU, HOUSTON, TX</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>(FC)</td>
<td>JOHNSON CREEK, UPPER TRINITY BASIN, ARLINGTON, TX</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>(FDP)</td>
<td>MIDDLE BRAZOS RIVER, TX</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>(N)</td>
<td>NEELAS RIVER AND TRIBUTARIES, SALTWATER BARRIER, TX</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>(FC)</td>
<td>PACKERY CHANNEL, CORPUS CHRISTI, TX</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>(FDP)</td>
<td>NORTHWEST EL PASO, TX</td>
<td>160,000</td>
<td>---</td>
</tr>
<tr>
<td>TYPE OF PROJECT</td>
<td>PROJECT TITLE</td>
<td>BUDGET ESTIMATES</td>
<td>CONFERENCE ALLOWANCE</td>
</tr>
<tr>
<td>-----------------</td>
<td>---------------</td>
<td>------------------</td>
<td>----------------------</td>
</tr>
<tr>
<td></td>
<td></td>
<td>INVESTIGATIONS</td>
<td>PLANNING</td>
</tr>
<tr>
<td></td>
<td></td>
<td>INVESTIGATIONS</td>
<td>PLANNING</td>
</tr>
<tr>
<td>(FC)andasdasdasd</td>
<td>ONION CREEK, TX...</td>
<td>---</td>
<td>--- 100,000</td>
</tr>
<tr>
<td>(E)</td>
<td>PECAN BAYOU, BROWWOOD, TX...</td>
<td>150,000</td>
<td>150,000 350,000</td>
</tr>
<tr>
<td>(FC)asdasdasdasdasdasd</td>
<td>RAYMONDVILLE DRAIN, TX...</td>
<td>---</td>
<td>--- 400,000</td>
</tr>
<tr>
<td>(N)</td>
<td>SABINE - NECHES WATERWAY, TX...</td>
<td>500,000</td>
<td>500,000 400,000</td>
</tr>
<tr>
<td>(FDP)asdasdasd</td>
<td>SOUTH MAIN CHANNEL, TX...</td>
<td>---</td>
<td>--- 600,000</td>
</tr>
<tr>
<td></td>
<td>SULPHUR RIVER, TX...</td>
<td>1,000,000</td>
<td>1,000,000 600,000</td>
</tr>
<tr>
<td></td>
<td>UPPER TRINITY RIVER BASIN, TX...</td>
<td>---</td>
<td>--- 100,000</td>
</tr>
<tr>
<td></td>
<td>UTAH...</td>
<td>150,000</td>
<td>150,000 100,000</td>
</tr>
<tr>
<td>(FDP)asdasdasdasdasdasd</td>
<td>PROVO AND VICINITY, UT...</td>
<td>---</td>
<td>--- 100,000</td>
</tr>
<tr>
<td></td>
<td>VIRGIN ISLANDS...</td>
<td>150,000</td>
<td>150,000 100,000</td>
</tr>
<tr>
<td>(N)</td>
<td>CROWN BAY CHANNEL, VI...</td>
<td>---</td>
<td>--- 130,000</td>
</tr>
<tr>
<td></td>
<td>VIRGINIA...</td>
<td>130,000</td>
<td>130,000 130,000</td>
</tr>
<tr>
<td>(N)asdasdasdasdasdasd</td>
<td>AIW円, BRIDGES AT DEEP CREEK, VA...</td>
<td>425,000</td>
<td>425,000 425,000</td>
</tr>
<tr>
<td>(FC)asdasdasdasdasdasd</td>
<td>ELIZABETH RIVER BASIN, ENVIR. RESTORATION, HAMPTON ROAD...</td>
<td>450,000</td>
<td>450,000 450,000</td>
</tr>
<tr>
<td>(N)</td>
<td>JAMES RIVER, VA...</td>
<td>150,000</td>
<td>150,000 150,000</td>
</tr>
<tr>
<td>(N)</td>
<td>NORFOLK HARBOR AND CHANNELS, CRANEY ISLAND, VA...</td>
<td>250,000</td>
<td>250,000 250,000</td>
</tr>
<tr>
<td>(FDP)asdasdasdasdasdasd</td>
<td>POCOEDEN, VA...</td>
<td>100,000</td>
<td>100,000 100,000</td>
</tr>
<tr>
<td></td>
<td>PULASKI, VA...</td>
<td>450,000</td>
<td>450,000 450,000</td>
</tr>
<tr>
<td>(E)</td>
<td>POWELL RIVER WATERSHED, VA...</td>
<td>400,000</td>
<td>400,000 400,000</td>
</tr>
<tr>
<td>(E)</td>
<td>PRINCE WILLIAM COUNTY WATERSHED, VA...</td>
<td>250,000</td>
<td>250,000 250,000</td>
</tr>
<tr>
<td>(E)</td>
<td>RAFFAHAINO宣传K RIVER, EMBRAY DAM, VA...</td>
<td>200,000</td>
<td>200,000 200,000</td>
</tr>
<tr>
<td></td>
<td>WASHINGTON...</td>
<td>---</td>
<td>--- 176,000</td>
</tr>
<tr>
<td>(N)</td>
<td>BLAIR WATERSHAY, TACOMA HARBOR, WA...</td>
<td>49,000</td>
<td>49,000 200,000</td>
</tr>
<tr>
<td>(N)</td>
<td>CHEHALIS RIVER, WA...</td>
<td>---</td>
<td>--- 200,000</td>
</tr>
<tr>
<td></td>
<td>COLUMBIA RIVER, TRI-CITIES AREA, WA...</td>
<td>---</td>
<td>--- 100,000</td>
</tr>
<tr>
<td>(E)</td>
<td>DUNAMISH AND GREEN RIVER BASIN, WA...</td>
<td>600,000</td>
<td>600,000 600,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>RAPAHAINO宣传K RIVER, WA...</td>
<td>---</td>
<td>--- 100,000</td>
</tr>
<tr>
<td>(RC)</td>
<td>OCEAN SHORES, WA...</td>
<td>---</td>
<td>--- 100,000</td>
</tr>
<tr>
<td></td>
<td>TRI-CITIES AREA, WA...</td>
<td>---</td>
<td>--- 100,000</td>
</tr>
<tr>
<td>(N)</td>
<td>PUGET SOUND CONFINED DISPOSAL SITES, WA...</td>
<td>665,000</td>
<td>665,000 665,000</td>
</tr>
<tr>
<td>(FDP)</td>
<td>ROGEOE LAKE, OHELLO, WA...</td>
<td>---</td>
<td>--- 100,000</td>
</tr>
<tr>
<td>(FDP)</td>
<td>SKAGIT RIVER, WA...</td>
<td>678,000</td>
<td>678,000 678,000</td>
</tr>
<tr>
<td>(FDP)</td>
<td>SKOKOMISH RIVER BASIN, WA...</td>
<td>186,000</td>
<td>186,000 186,000</td>
</tr>
<tr>
<td>(E)</td>
<td>STILLAGANU宣传K RIVER BASIN, WA...</td>
<td>---</td>
<td>--- 186,000</td>
</tr>
<tr>
<td>TYPE OF PROJECT</td>
<td>PROJECT TITLE</td>
<td>BUDGET ESTIMATES</td>
<td>CONFERENCE ALLOWANCE</td>
</tr>
<tr>
<td>----------------</td>
<td>---------------------------------------------------</td>
<td>------------------</td>
<td>----------------------</td>
</tr>
<tr>
<td></td>
<td></td>
<td>INVESTIGATIONS</td>
<td>PLANNING INVESTIGATIONS</td>
</tr>
<tr>
<td></td>
<td></td>
<td>PLANNING</td>
<td>PLANNING</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>WEST VIRGINIA</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(E)</td>
<td>CHEAT RIVER BASIN, BEAVER CREEK ENVIRON RESTORATION, WV</td>
<td>215,000</td>
<td>215,000</td>
</tr>
<tr>
<td>(E)</td>
<td>CHEAT RIVER BASIN, SOVERN RUN ENVIRON RESTORATION, WV</td>
<td>137,000</td>
<td>137,000</td>
</tr>
<tr>
<td>(N)</td>
<td>KANAWHA RIVER NAVIGATION, WV</td>
<td>800,000</td>
<td>800,000</td>
</tr>
<tr>
<td></td>
<td>LOWER MUD RIVER, WV</td>
<td></td>
<td>300,000</td>
</tr>
<tr>
<td></td>
<td>MORGANTOWN, WV</td>
<td></td>
<td>200,000</td>
</tr>
<tr>
<td>(FDP)</td>
<td>MERGER COUNTY, WV</td>
<td>350,000</td>
<td>350,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>NORTH BRANCH POTOMAC RIVER ENVIRON RESTORATION, WV</td>
<td></td>
<td>240,000</td>
</tr>
<tr>
<td>(FDP)</td>
<td>NORTH BRANCH POTOMAC RIVER ENVIRON RESTORATION, WV</td>
<td>69,000</td>
<td>69,000</td>
</tr>
<tr>
<td>(E)</td>
<td>TYGART THREE-WATERSHED ECOSYSTEM RESTORATION, FORDS RU</td>
<td>100,000</td>
<td>100,000</td>
</tr>
<tr>
<td>(E)</td>
<td>TYGART THREE-WATERSHED ECOSYSTEM RESTORATION, MAPLE RU</td>
<td>267,000</td>
<td>267,000</td>
</tr>
<tr>
<td>(F)</td>
<td>WEST VIRGINIA STATEWIDE FLOOD PROTECTION PLAN,</td>
<td></td>
<td>624,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>WYOMING</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(E)</td>
<td>JACKSON HOLE RESTORATION, WV</td>
<td>202,000</td>
<td>202,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MISCELLANEOUS</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>COASTAL FIELD DATA COLLECTION</td>
<td>1,800,000</td>
<td>1,300,000</td>
</tr>
<tr>
<td></td>
<td>ENVIROMENTAL DATA STUDIES</td>
<td>100,000</td>
<td>100,000</td>
</tr>
<tr>
<td></td>
<td>FLOOD DAMAGE DATA</td>
<td>500,000</td>
<td>500,000</td>
</tr>
<tr>
<td></td>
<td>FLOOD PLAIN MANAGEMENT SERVICES</td>
<td>9,400,000</td>
<td>9,000,000</td>
</tr>
<tr>
<td></td>
<td>GREAT LAKES REMEDIAL ACTION PROGRAM (SEC. 401)</td>
<td></td>
<td>500,000</td>
</tr>
<tr>
<td></td>
<td>HYDROLOGIC STUDIES</td>
<td>600,000</td>
<td>500,000</td>
</tr>
<tr>
<td></td>
<td>INTERNATIONAL WATER STUDIES</td>
<td>1,900,000</td>
<td>1,500,000</td>
</tr>
<tr>
<td></td>
<td>OTHER COORDINATION PROGRAMS</td>
<td>5,400,000</td>
<td>6,000,000</td>
</tr>
<tr>
<td></td>
<td>PLANNING ASSISTANCE TO STATES</td>
<td>6,300,000</td>
<td>6,300,000</td>
</tr>
<tr>
<td></td>
<td>PRECIPITATION STUDIES (NATIONAL WEATHER SERVICE)</td>
<td>400,000</td>
<td>400,000</td>
</tr>
<tr>
<td></td>
<td>REMOTE SENSING/GEOPHASIC INFORMATION SYSTEM SUPPORT</td>
<td>400,000</td>
<td>400,000</td>
</tr>
<tr>
<td></td>
<td>RESEARCH AND DEVELOPMENT</td>
<td>30,000,000</td>
<td>27,000,000</td>
</tr>
<tr>
<td></td>
<td>SCIENTIFIC AND TECHNICAL INFORMATION CENTERS</td>
<td>100,000</td>
<td>100,000</td>
</tr>
<tr>
<td></td>
<td>STREAM GAGING (U.S. GEOLOGICAL SURVEY)</td>
<td>900,000</td>
<td>900,000</td>
</tr>
<tr>
<td></td>
<td>TRANSPORTATION SYSTEMS</td>
<td>850,000</td>
<td>850,000</td>
</tr>
<tr>
<td></td>
<td>TRI-SERVICE CADD/GIS TECHNOLOGY CENTER</td>
<td>650,000</td>
<td>650,000</td>
</tr>
<tr>
<td></td>
<td>REDUCTION FOR ANTICIPATED SAVINGS AND SLIPAGE</td>
<td>-25,777,000</td>
<td>-27,420,000</td>
</tr>
</tbody>
</table>

TOTAL, GENERAL INVESTIGATIONS: 123,151,000 26,849,000 128,849,000 32,698,000
<table>
<thead>
<tr>
<th>TYPE OF PROJECT</th>
<th>PROJECT TITLE</th>
<th>BUDGET</th>
<th>CONFERENCE ALLOWANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>ALABAMA</td>
<td>BLACK WARRIOR AND TOMBIGEE RIVERS, VICINITY OF JACKSO MOBILE HARBOR, AL</td>
<td>500,000</td>
<td>500,000</td>
</tr>
<tr>
<td></td>
<td>WALTER F GEORGE POWERHOUSE AND DAM, AL &amp; GA (MAJOR REH)</td>
<td>1,000,000</td>
<td>586,000</td>
</tr>
<tr>
<td></td>
<td>WALTER F GEORGE POWERPLANT, AL &amp; GA (MAJOR REH)</td>
<td>4,000,000</td>
<td>4,000,000</td>
</tr>
<tr>
<td>ALASKA</td>
<td>CHIGNIK HARBOR</td>
<td>---</td>
<td>748,000</td>
</tr>
<tr>
<td></td>
<td>COOK INLET, AK</td>
<td>---</td>
<td>6,000,000</td>
</tr>
<tr>
<td></td>
<td>KAKE HARBOR, AK</td>
<td>5,000,000</td>
<td>5,000,000</td>
</tr>
<tr>
<td></td>
<td>ST. PAUL HARBOR</td>
<td>---</td>
<td>5,000,000</td>
</tr>
<tr>
<td>ARIZONA</td>
<td>CLIFTON, AZ</td>
<td>1,600,000</td>
<td>1,500,000</td>
</tr>
<tr>
<td>ARKANSAS</td>
<td>GARDANELLE LOCK AND DAM POWERHOUSE, AR (MAJOR REH)</td>
<td>5,000,000</td>
<td>5,000,000</td>
</tr>
<tr>
<td></td>
<td>MCCLELLAN - KERR ARKANSAS RIVER NAVIGATION SYSTEM, AR</td>
<td>560,000</td>
<td>680,000</td>
</tr>
<tr>
<td></td>
<td>MONTGOMERY POINT LOCK AND DAM, AR</td>
<td>19,000,000</td>
<td>44,000,000</td>
</tr>
<tr>
<td></td>
<td>RED RIVER EMERGENCY BANK PROTECTION, AR</td>
<td>---</td>
<td>3,500,000</td>
</tr>
<tr>
<td></td>
<td>RED RIVER MTRBY, INDEX, AR TO DENISON DAM, AR, OK, TX</td>
<td>---</td>
<td>800,000</td>
</tr>
<tr>
<td>CALIFORNIA</td>
<td>AMERICAN RIVER WATERSHED (COMMON ELEMENTS), CA</td>
<td>1,000,000</td>
<td>1,500,000</td>
</tr>
<tr>
<td></td>
<td>AMERICAN RIVER WATERSHED (NATOMAS)</td>
<td>920,000</td>
<td>920,000</td>
</tr>
<tr>
<td></td>
<td>CORTE MADRE CREEK, CA</td>
<td>500,000</td>
<td>500,000</td>
</tr>
<tr>
<td></td>
<td>COYOTE AND BERRYessa CREEKS, CA</td>
<td>100,000</td>
<td>100,000</td>
</tr>
<tr>
<td></td>
<td>CRESCENT CITY HARBOR, CA</td>
<td>340,000</td>
<td>340,000</td>
</tr>
<tr>
<td></td>
<td>GUADALUPE RIVER, CA</td>
<td>4,000,000</td>
<td>7,000,000</td>
</tr>
<tr>
<td></td>
<td>HUMBOLDT HARBOR AND BAY, CA</td>
<td>3,600,000</td>
<td>10,000,000</td>
</tr>
<tr>
<td></td>
<td>LOS ANGELES COUNTY DRAINAGE AREA, CA</td>
<td>11,000,000</td>
<td>50,000,000</td>
</tr>
<tr>
<td></td>
<td>LOS ANGELES HARBOR, CA</td>
<td>12,000,000</td>
<td>52,000,000</td>
</tr>
<tr>
<td></td>
<td>LOWER SACRAMENTO AREA LEVEE RECONSTRUCTION, CA</td>
<td>950,000</td>
<td>950,000</td>
</tr>
<tr>
<td></td>
<td>MARYSVILLE/UBA CITY LEVEE RECONSTRUCTION, CA</td>
<td>740,000</td>
<td>1,000,000</td>
</tr>
<tr>
<td></td>
<td>MERCED COUNTY STREETS, CA</td>
<td>650,000</td>
<td>500,000</td>
</tr>
<tr>
<td></td>
<td>MID-VALLEY AREA LEVEE RECONSTRUCTION, CA</td>
<td>1,700,000</td>
<td>1,700,000</td>
</tr>
<tr>
<td></td>
<td>NORCRO BLUFFS, CA</td>
<td>---</td>
<td>4,400,000</td>
</tr>
<tr>
<td></td>
<td>PORT OF LONG BEACH, CA</td>
<td>---</td>
<td>6,000,000</td>
</tr>
<tr>
<td></td>
<td>SACRAMENTO RIVER BANK PROTECTION PROJECT, CA</td>
<td>7,080,000</td>
<td>10,080,000</td>
</tr>
<tr>
<td></td>
<td>SACRAMENTO RIVER, GLEN-COLUSA IRRIGATION DISTRICT, CA</td>
<td>2,090,000</td>
<td>2,090,000</td>
</tr>
<tr>
<td></td>
<td>SAN LORENZO RIVER</td>
<td>2,800,000</td>
<td>2,800,000</td>
</tr>
<tr>
<td></td>
<td>SANTA ANA RIVER MAINSTEM, CA</td>
<td>20,030,000</td>
<td>44,000,000</td>
</tr>
<tr>
<td></td>
<td>SANTA ANA RIVER BREAKWATER, CA</td>
<td>2,700,000</td>
<td>4,000,000</td>
</tr>
<tr>
<td></td>
<td>SANTA PAULA CREEK, CA</td>
<td>2,700,000</td>
<td>4,000,000</td>
</tr>
<tr>
<td></td>
<td>UPPER SACRAMENTO AREA LEVEE RECONSTRUCTION, CA</td>
<td>400,000</td>
<td>400,000</td>
</tr>
<tr>
<td>PROJECT TITLE</td>
<td>STATE</td>
<td>TYPE OF PROJECT</td>
<td>ESTIMATE</td>
</tr>
<tr>
<td>---------------</td>
<td>-------</td>
<td>----------------</td>
<td>----------</td>
</tr>
<tr>
<td>WEST SACRAMENTO, CA</td>
<td>CALIFORNIA</td>
<td>Corps of Engineers - Construction, General</td>
<td>$2,500,000</td>
</tr>
<tr>
<td>FALLUNGER ISLAND, CT</td>
<td>CONNECTICUT</td>
<td>DELAWARE COAST PROTECTION, DE</td>
<td>$1,500,000</td>
</tr>
<tr>
<td>BUTTERWORTH, FL</td>
<td>FLORIDA</td>
<td>DELAWARE COAST PROTECTION, FL</td>
<td>$1,500,000</td>
</tr>
<tr>
<td>LEEDS COUNTY, GA</td>
<td>GEORGIA</td>
<td>DELAWARE COAST PROTECTION, GA</td>
<td>$1,200,000</td>
</tr>
<tr>
<td>MATUS COUNTY, IDAHO</td>
<td>IDAHO</td>
<td>DELAWARE COAST PROTECTION, ID</td>
<td>$1,200,000</td>
</tr>
<tr>
<td>WASHINGTON COUNTY, ME</td>
<td>MAINE</td>
<td>DELAWARE COAST PROTECTION, ME</td>
<td>$1,200,000</td>
</tr>
<tr>
<td>RHODES COUNTY, NY</td>
<td>NEW YORK</td>
<td>DELAWARE COAST PROTECTION, NY</td>
<td>$1,200,000</td>
</tr>
<tr>
<td>HAMILTON COUNTY, OH</td>
<td>OHIO</td>
<td>DELAWARE COAST PROTECTION, OH</td>
<td>$1,200,000</td>
</tr>
<tr>
<td>MONTGOMERY COUNTY, PA</td>
<td>PENNSYLVANIA</td>
<td>DELAWARE COAST PROTECTION, PA</td>
<td>$1,200,000</td>
</tr>
<tr>
<td>WASHINGTON COUNTY, SD</td>
<td>SOUTH DAKOTA</td>
<td>DELAWARE COAST PROTECTION, SD</td>
<td>$1,200,000</td>
</tr>
<tr>
<td>HARRISON COUNTY, TN</td>
<td>TENNESSEE</td>
<td>DELAWARE COAST PROTECTION, TN</td>
<td>$1,200,000</td>
</tr>
<tr>
<td>BUTLER COUNTY, UTAH</td>
<td>UTAH</td>
<td>DELAWARE COAST PROTECTION, UT</td>
<td>$1,200,000</td>
</tr>
<tr>
<td>LINCOLN COUNTY, VT</td>
<td>VERMONT</td>
<td>DELAWARE COAST PROTECTION, VT</td>
<td>$1,200,000</td>
</tr>
<tr>
<td>MONTGOMERY COUNTY, WA</td>
<td>WASHINGTON</td>
<td>DELAWARE COAST PROTECTION, WA</td>
<td>$1,200,000</td>
</tr>
<tr>
<td>MONTGOMERY COUNTY, WY</td>
<td>WYOMING</td>
<td>DELAWARE COAST PROTECTION, WY</td>
<td>$1,200,000</td>
</tr>
</tbody>
</table>

**Total**

<p>| | | | <strong>$11,500,000</strong> | <strong>$13,000,000</strong> | <strong>$2,700,000</strong> | <strong>$0</strong> | <strong>$0</strong> |</p>
<table>
<thead>
<tr>
<th>Type of Project</th>
<th>Project Title</th>
<th>Budget Estimate</th>
<th>Conference Allowance</th>
</tr>
</thead>
<tbody>
<tr>
<td>(N)</td>
<td>Lock and Dam 25, Mississippi River, IL &amp; MO (Major Ren)</td>
<td>4,900,000</td>
<td>6,000,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>Loves Park, IL</td>
<td>200,000</td>
<td>200,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>McCook and Thornton Reservoirs, IL</td>
<td>900,000</td>
<td>3,200,000</td>
</tr>
<tr>
<td>(N)</td>
<td>Melvin Price Lock and Dam, IL &amp; MO</td>
<td>1,330,000</td>
<td>1,330,000</td>
</tr>
<tr>
<td>(N)</td>
<td>O'Harre Reservoir, IL</td>
<td></td>
<td>1,800,000</td>
</tr>
<tr>
<td>(N)</td>
<td>Olmsted Locks and Dam, IL &amp; KY</td>
<td>54,500,000</td>
<td>54,500,000</td>
</tr>
<tr>
<td>(N)</td>
<td>Upper Miss RVR System Engr Rpt Prgm, IL, IA, NV, MO</td>
<td>18,255,000</td>
<td>16,800,000</td>
</tr>
</tbody>
</table>

Indiana

| (FC)            | Fort Wayne Metropolitan Area, IN                                              | 5,900,000       | 6,700,000            |
| (FC)            | Indiana Shoreline Erosion, IN                                                |                | 200,000              |
| (FC)            | Indianapolis Central Waterfront, IN                                          |                | 4,000,000            |
| (FC)            | Little Calumet River, IN                                                     | 4,000,000       | 7,000,000            |
| (FC)            | Ohio River Flood Control, IN                                                 |                | 750,000              |
| (FC)            | Patoka Lake, IN (Major Ren), Indiana                                         | 3,800,000       | ---                  |
| (FC)            | Wabash River, New Harmony, IN                                                |                | 2,000,000            |

Iowa

| (N)             | Lock and Dam 14, Mississippi River, IA (Major Ren), IA                       | 4,400,000       | 4,400,000            |
| (N)             | Missouri River Fish and Wildlife Mitigation, IA, NE, KS & MO                | 1,391,000       | 6,000,000            |
| (FC)            | Missouri River Level System, IA, NE, KS & MO                                | 824,000         | 200,000              |
| (FC)            | Muscatine Island, IA                                                         | 790,000         | 1,000,000            |
| (FC)            | Perry Creek, IA                                                              | 1,967,000       | 3,950,000            |

Kansas

| (FC)            | Arkansas City, KS                                                            | 300,000         | 2,000,000            |
| (FC)            | Winfield, KS                                                                  | 2,330,000       | 2,330,000            |

Kentucky

| (MD)            | Barkley Dam and Lake Barkley, KY & TH.                                       | 300,000         | 1,600,000            |
| (FC)            | Denney Lake, KY (Dam Safety)                                                  | 900,000         | 900,000              |
| (N)             | Kentucky Lock and Dam, KY                                                     |                | 9,300,000            |
| (N)             | McAlpine Locks and Dam, KY & IN                                               | 1,000,000       | 5,300,000            |
| (FC)            | Metropolitan Louisville, Pond Creek, KY                                      | 1,900,000       | 1,500,000            |
| (N)             | Southern and Eastern Kentucky, KY                                            |                | 4,000,000            |

Louisiana

<p>| (FC)            | Aloe - Rigoletta, LA                                                          | 320,000         | 800,000              |
| (FC)            | Comite River, LA                                                              |                | 1,000,000            |
| (FC)            | Lake Pontchartrain and Vicinity, LA (Hurricane Protect)                       | 5,876,000       | 16,000,000           |
| (N)             | Lake Pontchartrain Stormwater Discharge, LA                                   |                | 4,800,000            |
| (FC)            | Longue Sound Golden Meadow, LA (Hurricane Protection)                        | 250,000         | 1,600,000            |
| (N)             | Mississippi River, Gulf Outlet, LA                                           | 2,000,000       | 3,800,000            |
| (N)             | Mississippi River Ship Channel, Gulf to Baton Rouge, LA                      |                | 1,000,000            |
| (FC)            | New Orleans to Venice, LA (Hurricane Protection)                             | 500,000         | 750,000              |</p>
<table>
<thead>
<tr>
<th>Type of Project</th>
<th>Project Title</th>
<th>Budget Estimate</th>
<th>Conference Allowance</th>
</tr>
</thead>
<tbody>
<tr>
<td>(N)</td>
<td>RED RIVER WATERWAY, MISSISSIPPI RIVER TO SHREVEPORT, LA</td>
<td>$322,000</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>SOUTHEAST LOUISIANA, LA</td>
<td>19,979,000</td>
<td>75,000,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>WEST BANK VICINITY OF NEW ORLEANS, LA</td>
<td>3,936,000</td>
<td>7,000,000</td>
</tr>
<tr>
<td>MARYLAND</td>
<td>(E) ANACOSTIA RIVER AND TRIBUTARIES, MD &amp; DC</td>
<td>36,000</td>
<td>2,400,000</td>
</tr>
<tr>
<td></td>
<td>(BE) ASSATEAGUE ISLAND, MD</td>
<td>4,000,000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(BE) ATLANTIC COAST OF MARYLAND, MD</td>
<td>100,000</td>
<td>100,000</td>
</tr>
<tr>
<td></td>
<td>(E) CHESAPEAKE BAY ENVIRONMENTAL RESTORATION AND PROTECTION PROGRAM, MD, VA, PA</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(E) CHESAPEAKE BAY OYSTER RECOVERY, MD</td>
<td>23,000</td>
<td>543,000</td>
</tr>
<tr>
<td></td>
<td>(E) POPLAR ISLAND, MD</td>
<td>157,000</td>
<td>8,300,000</td>
</tr>
<tr>
<td>MASSACHUSETTS</td>
<td>(N) BOSTON HARBOR, MA</td>
<td>40,000</td>
<td>2,000,000</td>
</tr>
<tr>
<td></td>
<td>(FC) HODGES VILLAGE DAM, MA (MAJOR REHAB)</td>
<td>5,443,000</td>
<td>6,443,000</td>
</tr>
<tr>
<td></td>
<td>(FC) MOUGHAANS POINT, REVERE, MA</td>
<td>2,680,000</td>
<td>2,680,000</td>
</tr>
<tr>
<td></td>
<td>(FC) TOWN BROOK, QUINCY AND BRAINTREE, MA</td>
<td>20,000</td>
<td>300,000</td>
</tr>
<tr>
<td>MINNESOTA</td>
<td>(N) LOCK AND DAM 3, MISSISSIPPI RIVER, MN (MAJOR REHAB)</td>
<td>6,200,000</td>
<td>6,200,000</td>
</tr>
<tr>
<td></td>
<td>(FC) MARSHALL, MN</td>
<td>40,000</td>
<td>1,900,000</td>
</tr>
<tr>
<td></td>
<td>(N) PINE RIVER DAM, CROSS LAKE, MN (DAM SAFETY)</td>
<td>1,487,000</td>
<td>1,487,000</td>
</tr>
<tr>
<td></td>
<td>ST CROIX RIVER, STILLWATER, MN</td>
<td></td>
<td>2,000,000</td>
</tr>
<tr>
<td>MISSISSIPPI</td>
<td>(E) JACKSON COUNTY, MS</td>
<td></td>
<td>6,200,000</td>
</tr>
<tr>
<td></td>
<td>(E) NATCHES BLUFF, MS</td>
<td></td>
<td>4,000,000</td>
</tr>
<tr>
<td></td>
<td>(E) PASCAGULLA HARBOR, MS</td>
<td></td>
<td>12,000,000</td>
</tr>
<tr>
<td>MISSOURI</td>
<td>(FC) BLUE RIVER CHANNEL, KANSAS CITY, MO</td>
<td>9,650,000</td>
<td>15,300,000</td>
</tr>
<tr>
<td></td>
<td>(FC) CAPE GIRARDEAU, JACKSON, MO</td>
<td>400,000</td>
<td>2,000,000</td>
</tr>
<tr>
<td></td>
<td>(FC) MEMPHIS RIVER BASIN, VALLEY PARK LEVEE, MO</td>
<td>1,980,000</td>
<td>3,800,000</td>
</tr>
<tr>
<td></td>
<td>(N) MISSISSIPPI RIVER RTN THE OHIO AND MO RIVERS (REG WORKS), MO</td>
<td>1,200,000</td>
<td>1,800,000</td>
</tr>
<tr>
<td></td>
<td>(FC) ST GENEVIEVE, MO</td>
<td>4,617,000</td>
<td>6,200,000</td>
</tr>
<tr>
<td></td>
<td>(MP) TABLE ROCK LAKE, MO &amp; AR (DAM SAFETY)</td>
<td>2,650,000</td>
<td>2,650,000</td>
</tr>
<tr>
<td>NEBRASKA</td>
<td>(FC) MISSOURI NATIONAL RECREATIONAL RIVER, NE &amp; SO</td>
<td>125,000</td>
<td>125,000</td>
</tr>
<tr>
<td></td>
<td>(FC) WOOD RIVER, GRAND ISLAND, NE</td>
<td>68,000</td>
<td>500,000</td>
</tr>
<tr>
<td>TYPE OF PROJECT</td>
<td>PROJECT TITLE</td>
<td>BUDGET ESTIMATE</td>
<td>CONFERENCE ALLOWANCE</td>
</tr>
<tr>
<td>-----------------</td>
<td>-------------------------------------------------------</td>
<td>-----------------</td>
<td>-----------------------</td>
</tr>
<tr>
<td>NEVADA</td>
<td>TROPICANA AND FLAMINGO WASHES, NV</td>
<td>12,295,000</td>
<td>23,000,000</td>
</tr>
<tr>
<td>NEW JERSEY</td>
<td>CAPE MAY INLET TO LOWER TOWNSHIP, NJ</td>
<td>60,000</td>
<td>1,000,000</td>
</tr>
<tr>
<td></td>
<td>GREAT EGG HARBOR INLET AND FECK BEACH, NJ</td>
<td>150,000</td>
<td>150,000</td>
</tr>
<tr>
<td></td>
<td>HOLLY ANN'S BROOK AT HALEDON, PROSPECT PARK AND PETERS</td>
<td>4,170,000</td>
<td>4,170,000</td>
</tr>
<tr>
<td></td>
<td>NEW YORK HARBOR &amp; ADJACENT CHANNELS, PORT JERSEY CHANN</td>
<td>300,000</td>
<td>5,000,000</td>
</tr>
<tr>
<td></td>
<td>PASSAIC RIVER PRESERVATION OF NATURAL STORAGE AREAS, N</td>
<td>200,000</td>
<td>1,000,000</td>
</tr>
<tr>
<td></td>
<td>PASSAIC RIVER STREAMBANK RESTORATION, NJ</td>
<td>---</td>
<td>3,000,000</td>
</tr>
<tr>
<td></td>
<td>RANARC RIVER AT OAKLAND, NJ</td>
<td>75,000</td>
<td>3,000,000</td>
</tr>
<tr>
<td></td>
<td>RARITAN BAY TO SANDY HOOK BAY, NJ</td>
<td>---</td>
<td>150,000</td>
</tr>
<tr>
<td></td>
<td>RARITAN RIVER BASIN, GREEN BROOK SUB-BASIN, NJ</td>
<td>---</td>
<td>9,000,000</td>
</tr>
<tr>
<td></td>
<td>SANDY HOOK TO BARNEGAT INLET, NJ</td>
<td>3,300,000</td>
<td>10,000,000</td>
</tr>
<tr>
<td>NEW MEXICO</td>
<td>ABOQUIU DAM EMERGENCY GATES, NM</td>
<td>3,569,000</td>
<td>3,569,000</td>
</tr>
<tr>
<td></td>
<td>ACEQUIA IRRIGATION SYSTEM, NM</td>
<td>150,000</td>
<td>500,000</td>
</tr>
<tr>
<td></td>
<td>ALAMOSORO, NM</td>
<td>300,000</td>
<td>300,000</td>
</tr>
<tr>
<td></td>
<td>GALLITO DAM, NM (DAM SAFETY)</td>
<td>2,000,000</td>
<td>2,500,000</td>
</tr>
<tr>
<td></td>
<td>LAS CRUCES, NM</td>
<td>150,000</td>
<td>3,470,000</td>
</tr>
<tr>
<td></td>
<td>MIDDLE RIO GRANDE FLOOD PROTECTION, BERNALILLO TO BELE</td>
<td>510,000</td>
<td>510,000</td>
</tr>
<tr>
<td></td>
<td>RIO GRANDE FLOODWAY, SAN ACACIA TO BOSQUE DEL APACHES</td>
<td>300,000</td>
<td>750,000</td>
</tr>
<tr>
<td>NEW YORK</td>
<td>ATLANTIC COAST OF NYC, ROCKAWAY INLET TO HORTON POINT</td>
<td>300,000</td>
<td>800,000</td>
</tr>
<tr>
<td></td>
<td>EAST ROCKAWAY INLET TO ROCKAWAY INLET AND JAMAICA BAY</td>
<td>300,000</td>
<td>3,300,000</td>
</tr>
<tr>
<td></td>
<td>FIRE ISLAND INLET TO JONES INLET, NY</td>
<td>300,000</td>
<td>2,500,000</td>
</tr>
<tr>
<td></td>
<td>FIRE ISLAND INLET TO MONTAUK POINT, NY</td>
<td>2,400,000</td>
<td>4,400,000</td>
</tr>
<tr>
<td></td>
<td>HUDSON RIVER, ATHENS, NY</td>
<td>---</td>
<td>3,000,000</td>
</tr>
<tr>
<td></td>
<td>KILL VAN KULL AND NERMARK BAY CHANNEL, NY &amp; NJ</td>
<td>32,000,000</td>
<td>30,000,000</td>
</tr>
<tr>
<td></td>
<td>LONG BEACH ISLAND, NY</td>
<td>---</td>
<td>7,800,000</td>
</tr>
<tr>
<td></td>
<td>NEW YORK CITY WATERSHED, NY</td>
<td>---</td>
<td>1,000,000</td>
</tr>
<tr>
<td></td>
<td>NEW YORK STATE CANAL SYSTEM, NY</td>
<td>---</td>
<td>1,800,000</td>
</tr>
<tr>
<td></td>
<td>ORCHARD BEACH, NY</td>
<td>---</td>
<td>2,000,000</td>
</tr>
<tr>
<td>NORTH CAROLINA</td>
<td>A1WW, REPLACEMENT OF FEDERAL HIGHWAY BRIDGES, NC</td>
<td>6,000,000</td>
<td>6,000,000</td>
</tr>
<tr>
<td></td>
<td>WILMINGTON HARBOUR, NC</td>
<td>5,300,000</td>
<td>8,300,000</td>
</tr>
<tr>
<td>TYPE OF PROJECT</td>
<td>PROJECT TITLE</td>
<td>BUDGET ESTIMATE</td>
<td>CONFERENCE ALLOWANCE</td>
</tr>
<tr>
<td>-----------------</td>
<td>--------------------------------------------------------</td>
<td>-----------------</td>
<td>-----------------------</td>
</tr>
<tr>
<td>NORTH DAKOTA</td>
<td>BIFORD-TRENTON IRRIGATION DISTRICT LAND ACQUISITION, N</td>
<td>2,000,000</td>
<td>2,000,000</td>
</tr>
<tr>
<td></td>
<td>DEVILS LAKE EMERGENCY OUTLET, ND</td>
<td>16,000,000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>GORDON DARNELL DAM AND POWER PLANT, ND (MAJOR REHAB)</td>
<td>274,000</td>
<td>274,000</td>
</tr>
<tr>
<td></td>
<td>HOMME DAM, ND (DAM SAFETY)</td>
<td>250,000</td>
<td>250,000</td>
</tr>
<tr>
<td></td>
<td>LAKE ASHTABULA AND BALDHILL DAM, ND (DAM SAFETY)</td>
<td>489,000</td>
<td>489,000</td>
</tr>
<tr>
<td></td>
<td>LAKE ASHTABULA AND BALDHILL DAM, ND (MAJOR REHAB)</td>
<td>1,000,000</td>
<td>1,000,000</td>
</tr>
<tr>
<td></td>
<td>SHEYENNE RIVER, ND</td>
<td>400,000</td>
<td>400,000</td>
</tr>
<tr>
<td>OHIO</td>
<td>BEACH CITY LAKE, MUSKINGUM RIVER LAKES, OH (DAM SAFETY)</td>
<td>200,000</td>
<td>200,000</td>
</tr>
<tr>
<td></td>
<td>HOLES CREEK, WEST CARROLLTON, OH</td>
<td>1,131,000</td>
<td>1,131,000</td>
</tr>
<tr>
<td></td>
<td>METROPOLITAN REGION OF CINCINNATI, DUCK CREEK, OH</td>
<td>669,000</td>
<td>669,000</td>
</tr>
<tr>
<td></td>
<td>MILL CREEK, OH</td>
<td>700,000</td>
<td>700,000</td>
</tr>
<tr>
<td></td>
<td>WEST COLUMBUS, OH</td>
<td>1,800,000</td>
<td>14,000,000</td>
</tr>
<tr>
<td>OKLAHOMA</td>
<td>BINGO CREEK, TULSA, OK</td>
<td>6,328,000</td>
<td>6,328,000</td>
</tr>
<tr>
<td></td>
<td>SKIAHARNER LAKE, OK (DAM SAFETY)</td>
<td>500,000</td>
<td>500,000</td>
</tr>
<tr>
<td></td>
<td>TENKILLER FERRY LAKE, OK (DAM SAFETY)</td>
<td>25,000</td>
<td>25,000</td>
</tr>
<tr>
<td>OREGON</td>
<td>BONNEVILLE POWERHOUSE PHASE II, OR &amp; WA (MAJOR REHAB)</td>
<td>8,000,000</td>
<td>8,000,000</td>
</tr>
<tr>
<td></td>
<td>COLUMBIA RIVER TREATY FISHING ACCESS SITES, OR &amp; WA</td>
<td>1,700,000</td>
<td>2,500,000</td>
</tr>
<tr>
<td></td>
<td>ELK CREEK LAKE, OR</td>
<td>300,000</td>
<td>300,000</td>
</tr>
<tr>
<td>PENNSYLVANIA</td>
<td>JOHNSTOWN, PA (MAJOR REHAB)</td>
<td>4,450,000</td>
<td>4,450,000</td>
</tr>
<tr>
<td></td>
<td>LACKAWANNA RIVER, OLYPHANT, PA</td>
<td>50,000</td>
<td>50,000</td>
</tr>
<tr>
<td></td>
<td>LACKAWANNA RIVER, SCRANTON, PA</td>
<td>100,000</td>
<td>40,560,000</td>
</tr>
<tr>
<td></td>
<td>LOCKS AND DAMS 2, 3 AND 4, WONGANGSHA LAKE, PA</td>
<td>4,500,000</td>
<td>26,520,000</td>
</tr>
<tr>
<td></td>
<td>PREQUE ISLE PENINSULA, PA (PERMANENT)</td>
<td>500,000</td>
<td>500,000</td>
</tr>
<tr>
<td></td>
<td>SMH MILL RUN, PITTSBURGH, PA</td>
<td>400,000</td>
<td>1,200,000</td>
</tr>
<tr>
<td></td>
<td>SOUTH CENTRAL PA ENVIRONMENT IMPROVEMENT, PA</td>
<td>---</td>
<td>39,000,000</td>
</tr>
<tr>
<td></td>
<td>SOUTHEASTERN PENNSYLVANIA, PA</td>
<td>780,000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>WYOMING VALLEY, PA (LEVEE RAISING)</td>
<td>3,280,000</td>
<td>4,000,000</td>
</tr>
<tr>
<td>PUERTO RICO</td>
<td>PORTUGUES AND BUCANA RIVERS, PR</td>
<td>6,082,000</td>
<td>6,500,000</td>
</tr>
<tr>
<td></td>
<td>RIO DE LA PLATA, PR</td>
<td>428,000</td>
<td>3,000,000</td>
</tr>
<tr>
<td></td>
<td>RIO PUERTO NUEVO, PR</td>
<td>7,082,000</td>
<td>7,082,000</td>
</tr>
<tr>
<td></td>
<td>SAN JUAN HARBOR, PR</td>
<td>500,000</td>
<td>3,000,000</td>
</tr>
<tr>
<td>TYPE OF PROJECT</td>
<td>PROJECT TITLE</td>
<td>BUDGET ESTIMATE</td>
<td>CONFERENCE ALLOWANCE</td>
</tr>
<tr>
<td>-----------------</td>
<td>--------------</td>
<td>-----------------</td>
<td>----------------------</td>
</tr>
<tr>
<td>SOUTH CAROLINA</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(N)</td>
<td>CHARLESTON HARBOUR, SC.</td>
<td>22,000,000</td>
<td></td>
</tr>
<tr>
<td>(BE)</td>
<td>MYRTLE BEACH, SC.</td>
<td>3,000,000</td>
<td>3,000,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>BIG SIOUX RIVER, SIOUX FALLS, SD.</td>
<td>2,200,000</td>
<td>---</td>
</tr>
<tr>
<td>TENNESSEE</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(N)</td>
<td>BLACK FOX, MURFREE AND OAKLANDS SPRINGS WETLANDS, TN.</td>
<td>500,000</td>
<td>500,000</td>
</tr>
<tr>
<td>(BE)</td>
<td>TENNESSEE RIVER, HAMILTON COUNTY, TN.</td>
<td>1,500,000</td>
<td></td>
</tr>
<tr>
<td>TEXAS</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(N)</td>
<td>BEALS CREEK, BIG SPRING, TX.</td>
<td>1,560,000</td>
<td>1,560,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>BRAYS BAYOU, TX.</td>
<td>1,200,000</td>
<td>4,500,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>CLEAR CREEK, TX.</td>
<td>1,770,000</td>
<td>1,770,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>EL PASO, TX.</td>
<td>400,000</td>
<td>4,000,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>GUWW, ARANSAS NATIONAL WILDLIFE REFUGE, TX.</td>
<td>---</td>
<td>3,200,000</td>
</tr>
<tr>
<td>(N)</td>
<td>HOUSTON - GALVESTON NAVIGATION CHANNELS, TX.</td>
<td>5,220,000</td>
<td>49,200,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>MCGRAH CREEK, WICHITA FALLS, TX.</td>
<td>1,514,000</td>
<td>5,140,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>SAN ANTONIO CHANNEL IMPROVEMENT, TX.</td>
<td>800,000</td>
<td>800,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>SIMS BAYOU, HOUSTON, TX.</td>
<td>9,480,000</td>
<td>12,900,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>WACO LAKE, TX (DAM SAFETY)</td>
<td>500,000</td>
<td>3,954,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>WALLISVILLE LAKE, TX.</td>
<td>5,520,000</td>
<td></td>
</tr>
<tr>
<td>UTAH</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(FC)</td>
<td>UPPER JORDAN RIVER, UT.</td>
<td>200,000</td>
<td>860,000</td>
</tr>
<tr>
<td>VIRGINIA</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(N)</td>
<td>AIWW, BRIDGE AT GREAT BRIDGE, VA.</td>
<td>393,000</td>
<td>3,800,000</td>
</tr>
<tr>
<td>(N)</td>
<td>NORFOLK HARBOR AND CHANNELS (DEEPENING), VA.</td>
<td>420,000</td>
<td>420,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>ROANOKE RIVER UPPER BASIN, HEADWATERS AREA, VA.</td>
<td>200,000</td>
<td>600,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>VIRGINIA BEACH, VA.</td>
<td>800,000</td>
<td>18,000,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>VIRGINIA BEACH, VA (REIMBURSEMENT)</td>
<td>---</td>
<td>1,460,000</td>
</tr>
<tr>
<td>TYPE OF PROJECT</td>
<td>PROJECT TITLE</td>
<td>BUDGET ESTIMATE</td>
<td>CONFERENCE ALLOANCE</td>
</tr>
<tr>
<td>-----------------</td>
<td>----------------</td>
<td>-----------------</td>
<td>---------------------</td>
</tr>
<tr>
<td>WASHINGTON</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(MP)</td>
<td>COLUMBIA RIVER FISH MITIGATION, WA, OR &amp; ID.</td>
<td>117,000,000</td>
<td>60,000,000</td>
</tr>
<tr>
<td>(MP)</td>
<td>LOWER SNAKE RIVER FISH &amp; WILDLIFE COMPENSATION, WA, OR</td>
<td>650,000</td>
<td>11,650,000</td>
</tr>
<tr>
<td>(MP)</td>
<td>THE DALLES POWERHOUSE (UNITS 1-14), WA &amp; OR (MAJOR REHAB)</td>
<td>900,000</td>
<td>2,000,000</td>
</tr>
<tr>
<td>WEST VIRGINIA</td>
<td>GREENBRIER RIVER BASIN, WV.</td>
<td>---</td>
<td>1,000,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>LEVISA AND TUG FORKS AND UPPER CUMBERLAND RIVER, WV, V</td>
<td>3,000,000</td>
<td>38,500,000</td>
</tr>
<tr>
<td>(N)</td>
<td>LONDON LOCKS AND DAM, KANAWHA RIVER, WV (MAJOR REHAB)</td>
<td>1,700,000</td>
<td>---</td>
</tr>
<tr>
<td>(N)</td>
<td>MARSHET LOCK, KANAWHA RIVER, WV</td>
<td>1,500,000</td>
<td>6,500,000</td>
</tr>
<tr>
<td>(N)</td>
<td>ROBERT C. BYRD LOCKS AND DAM, WV &amp; OH</td>
<td>7,000,000</td>
<td>8,000,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>SOUTHERN WEST VA ENVIRONMENTAL INFRASTRUCTURE PROG, WV</td>
<td>2,400,000</td>
<td>1,500,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>TYGART LAKE, WV (FLOOD SAFETY)</td>
<td>---</td>
<td>2,400,000</td>
</tr>
<tr>
<td>(N)</td>
<td>WEST VIRGINIA AND PENNSYLVANIA FLOOD CONTROL</td>
<td>4,500,000</td>
<td>4,500,000</td>
</tr>
<tr>
<td>WISCONSIN</td>
<td>WINFIELD LOCKS AND DAM, WV.</td>
<td>---</td>
<td>2,800,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>LAFARGE LAKE, KICKAPOO RIVER, WI.</td>
<td>3,199,000</td>
<td>3,199,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>PORTAGE, WI</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>MISCELLANEOUS</td>
<td>AQUATIC PLANT CONTROL PROGRAM</td>
<td>2,000,000</td>
<td>3,000,000</td>
</tr>
<tr>
<td></td>
<td>AQUATIC ECOSYSTEM RESTORATION (SECTION 206)</td>
<td>2,000,000</td>
<td>11,200,000</td>
</tr>
<tr>
<td></td>
<td>BEACH EROSION CONTROL PROJECTS (SECTION 103)</td>
<td>2,600,000</td>
<td>2,000,000</td>
</tr>
<tr>
<td></td>
<td>BENEFICIAL USES OF DREDGED MATERIAL (SECTION 204)</td>
<td>200,000</td>
<td>380,000</td>
</tr>
<tr>
<td></td>
<td>CLEANING AND SNUDDLING PROJECT (SECTION 206)</td>
<td>300,000</td>
<td>---</td>
</tr>
<tr>
<td></td>
<td>DREDGED MATERIAL DISPOSAL FACILITIES PROGRAM</td>
<td>350,000</td>
<td>---</td>
</tr>
<tr>
<td></td>
<td>EMERGENCY STREAM BANK &amp; SHORELINE PROTECTION (SEC. 14)</td>
<td>15,000,000</td>
<td>---</td>
</tr>
<tr>
<td></td>
<td>EMPLOYEES’ COMPENSATION</td>
<td>18,269,000</td>
<td>18,289,000</td>
</tr>
<tr>
<td></td>
<td>FLOOD CONTROL PROJECTS (SECTION 205)</td>
<td>26,500,000</td>
<td>34,800,000</td>
</tr>
<tr>
<td></td>
<td>INLAND WATERWAYS USERS BOARD - BOARD EXPENSE</td>
<td>45,000</td>
<td>45,000</td>
</tr>
<tr>
<td></td>
<td>INLAND WATERWAYS USERS BOARD - COGS EXPENSE</td>
<td>185,000</td>
<td>185,000</td>
</tr>
<tr>
<td></td>
<td>NAVIGATION MITIGATION PROJECT (SECTION 111)</td>
<td>100,000</td>
<td>200,000</td>
</tr>
<tr>
<td></td>
<td>NAVIGATION PROJECTS (SECTION 107)</td>
<td>2,700,000</td>
<td>6,000,000</td>
</tr>
<tr>
<td></td>
<td>PROJECT MODIFICATIONS FOR IMPROVEMENT OF THE ENVIRONMENTAL RIVERINE ECOSYSTEM RESTORATION AND FLOOD HAZARD MITIGATION</td>
<td>5,300,000</td>
<td>11,000,000</td>
</tr>
<tr>
<td></td>
<td>REDEVELOPMENT FOR ANTICIPATED SAVINGS AND SLIPPAGE</td>
<td>32,348,000</td>
<td>62,046,000</td>
</tr>
</tbody>
</table>

| TOTAL, CONSTRUCTION GENERAL | 806,000,000 | 1,429,885,000 |
## Corps of Engineers - Flood Control, Mississippi River and Tributaries

### General Investigations

<table>
<thead>
<tr>
<th>Project Title</th>
<th>Budget Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SURVEYS:</strong></td>
<td></td>
</tr>
<tr>
<td><strong>GENERAL STUDIES:</strong></td>
<td></td>
</tr>
<tr>
<td>DONALDSONVILLE TO GULF OF MEXICO...</td>
<td>---</td>
</tr>
<tr>
<td>MISSISSIPPI RIVER, ALDEN COUNTY, IL AND SCOTT...</td>
<td>100,000</td>
</tr>
<tr>
<td>ALEXANDRIA, LA TO THE GULF OF MEXICO...</td>
<td>500,000</td>
</tr>
<tr>
<td>MORGANZA, LA TO THE GULF OF MEXICO...</td>
<td>755,000</td>
</tr>
<tr>
<td>MEMPHIS METRO AREA, TN &amp; MS...</td>
<td>800,000</td>
</tr>
<tr>
<td>REELFOOT LAKE, TN &amp; KY...</td>
<td>66,000</td>
</tr>
<tr>
<td>SOUTHEAST ARKANSAS, AR...</td>
<td>500,000</td>
</tr>
<tr>
<td>WOLF RIVER, MEMPHIS, TN...</td>
<td>150,000</td>
</tr>
<tr>
<td>BAYOU METO BASIN, AR...</td>
<td>2,500,000</td>
</tr>
<tr>
<td>REELFOOT LAKE, TN &amp; KY...</td>
<td>450,000</td>
</tr>
<tr>
<td><strong>COLLECTION AND STUDY OF BASIC DATA:</strong></td>
<td>360,000</td>
</tr>
<tr>
<td><strong>SUBTOTAL, GENERAL INVESTIGATIONS:</strong></td>
<td>5,721,000</td>
</tr>
</tbody>
</table>

### Construction

<table>
<thead>
<tr>
<th>Project Title</th>
<th>Budget Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CHANNEL IMPROVEMENT, AR, IL, KY, LA, MS, MO &amp; TN:</strong></td>
<td>44,599,000</td>
</tr>
<tr>
<td>EIGHT MILE CREEK, AR...</td>
<td>561,000</td>
</tr>
<tr>
<td>GRAND PRAIRIE REGION, AR...</td>
<td>11,500,000</td>
</tr>
<tr>
<td>HELENA AND VICINITY, AR...</td>
<td>910,000</td>
</tr>
<tr>
<td>MISSISSIPPI RIVER LEVEES, AR, IL, KY, LA, MS, MO &amp; TN...</td>
<td>23,760,000</td>
</tr>
<tr>
<td>ST FRANCIS RIVER BASIN, AR &amp; MO...</td>
<td>4,900,000</td>
</tr>
<tr>
<td>WHITEMAN'S CREEK, AR...</td>
<td>674,000</td>
</tr>
<tr>
<td>ATCHAFALAYA BASIN, FLOODWAY SYSTEM, LA...</td>
<td>7,500,000</td>
</tr>
<tr>
<td>ATCHAFALAYA BASIN, LA...</td>
<td>21,023,000</td>
</tr>
<tr>
<td>LOUISIANA STATE PENITENTIARY, LA...</td>
<td>400,000</td>
</tr>
<tr>
<td>MISSISSIPPI AND LOUISIANA ESTUARINE AREAS, LA &amp; MS...</td>
<td>250,000</td>
</tr>
<tr>
<td><strong>MISSISSIPPI DELTA REGION, LA:</strong></td>
<td>14,000,000</td>
</tr>
<tr>
<td><strong>TENSAS BASIN, RED RIVER BACKWATER, LA:</strong></td>
<td>10,100,000</td>
</tr>
<tr>
<td><strong>YAZOO BASIN, MS:</strong></td>
<td>(18,665,000)</td>
</tr>
<tr>
<td>BIG SUNFLOWER RIVER, MS...</td>
<td>3,450,000</td>
</tr>
<tr>
<td>DEMONSTRATION EROSION CONTROL, MS...</td>
<td>3,900,000</td>
</tr>
<tr>
<td>MAIN STEM, MS...</td>
<td>250,000</td>
</tr>
<tr>
<td>REFORMATION UNIT, MS...</td>
<td>1,840,000</td>
</tr>
<tr>
<td>TRIBUTARIES, MS...</td>
<td>200,000</td>
</tr>
<tr>
<td><strong>UPPER YAZOO PROJECTS, MS:</strong></td>
<td>9,250,000</td>
</tr>
<tr>
<td><strong>YAZOO BACKWATER PUMP:</strong></td>
<td>250,000</td>
</tr>
<tr>
<td><strong>ST JOHNS BAYOU AND NEW MADRID FLOODWAY, MO:</strong></td>
<td>250,000</td>
</tr>
<tr>
<td>NONCONNAH CREEK, FLOOD CONTROL FEATURE, TN &amp; MS...</td>
<td>122,000</td>
</tr>
<tr>
<td><strong>WEST TENNESSEE TRIBUTARIES, TN:</strong></td>
<td>3,750,000</td>
</tr>
<tr>
<td><strong>SUBTOTAL, CONSTRUCTION:</strong></td>
<td>162,974,000</td>
</tr>
</tbody>
</table>

### Maintenance

<table>
<thead>
<tr>
<th>Project Title</th>
<th>Budget Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CHANNEL IMPROVEMENT, AR, IL, KY, LA, MS, MO &amp; TN:</strong></td>
<td>53,329,000</td>
</tr>
</tbody>
</table>

---

**Date:** September 25, 1998
<table>
<thead>
<tr>
<th>PROJECT TITLE</th>
<th>BUDGET ESTIMATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>(H) HELENA HARBOR, PHILLIPS COUNTY, AR.</td>
<td>393,000</td>
</tr>
<tr>
<td>(F) INSECT OF COMPLETED WORKS, AR.</td>
<td>487,000</td>
</tr>
<tr>
<td>(F) LOWER ARKANSAS RIVER, NORTH BANK, AR.</td>
<td>112,000</td>
</tr>
<tr>
<td>(F) LOWER ARKANSAS RIVER, SOUTH BANK, AR.</td>
<td>250,000</td>
</tr>
<tr>
<td>(F) MISSISSIPPI RIVER LEVEES, AR, IL, KY, LA, MS, MO &amp; TN.</td>
<td>6,600,000</td>
</tr>
<tr>
<td>(F) TENNESSEE BASIN, SOWS AND TENNESSEE RIVERS, AR &amp; LA.</td>
<td>2,374,000</td>
</tr>
<tr>
<td>(F) WHITE RIVER BACKWATER, AR.</td>
<td>1,490,000</td>
</tr>
<tr>
<td>(F) ADVANCE FLOODWATER CONTROL, AR.</td>
<td>51,000</td>
</tr>
<tr>
<td>(F) ATCHAFALAYA BASIN, FLOODWAY SYSTEM, LA.</td>
<td>612,000</td>
</tr>
<tr>
<td>(F) ATCHAFALAYA BASIN, LA.</td>
<td>9,438,000</td>
</tr>
<tr>
<td>(F) BATON ROUGE HARBOR, CHEVI SWAMP, LA.</td>
<td>146,000</td>
</tr>
<tr>
<td>(F) BAYOU COCCOURIE AND TRIBUTARIES, LA.</td>
<td>90,000</td>
</tr>
<tr>
<td>(F) BONNET CARRE', LA.</td>
<td>978,000</td>
</tr>
<tr>
<td>(F) INSECT OF COMPLETED WORKS, LA.</td>
<td>999,000</td>
</tr>
<tr>
<td>(F) INSECT OF COMPLETED WORKS, SOUTH BANK LEVEES, LA.</td>
<td>1,000,000</td>
</tr>
<tr>
<td>(F) MISSISSIPPI, DELTA REGION, LA.</td>
<td>1,000,000</td>
</tr>
<tr>
<td>(F) OLD RIVER, LA.</td>
<td>2,000,000</td>
</tr>
<tr>
<td>(F) TENNESSEE BASIN, RED RIVER BACKWATER, LA.</td>
<td>2,820,000</td>
</tr>
<tr>
<td>(N) GREENVILLE HARBOR, MS.</td>
<td>381,000</td>
</tr>
<tr>
<td>(F) INSECT OF COMPLETED WORKS, MS.</td>
<td>185,000</td>
</tr>
<tr>
<td>(N) VICKSBURG HARBOR, MS.</td>
<td>247,000</td>
</tr>
<tr>
<td>(F) YAC-A-SPOLE-MAC, YACOA-LAKE-MAC</td>
<td>124,000</td>
</tr>
<tr>
<td>(F) ALABAMA LAKE, MS.</td>
<td>3,192,000</td>
</tr>
<tr>
<td>(F) ANN-SHAVER RIVER, MS.</td>
<td>238,000</td>
</tr>
<tr>
<td>(F) ENID LAKE, MS.</td>
<td>3,273,000</td>
</tr>
<tr>
<td>(F) GREENWOOD, MS.</td>
<td>897,000</td>
</tr>
<tr>
<td>(F) GRENADE LAKE, MS.</td>
<td>4,330,000</td>
</tr>
<tr>
<td>(F) MAIN STEM, MS.</td>
<td>1,621,000</td>
</tr>
<tr>
<td>(F) SANDIS LAKE, MS.</td>
<td>4,320,000</td>
</tr>
<tr>
<td>(F) TRIBUTARIES, MS.</td>
<td>1,288,000</td>
</tr>
<tr>
<td>(F) WALTERS TANDEM OAK CREEK, MS.</td>
<td>1,000,000</td>
</tr>
<tr>
<td>(F) YAZOO BACKWATER AREA, MS.</td>
<td>621,000</td>
</tr>
<tr>
<td>(F) YAZOO CITY, MS.</td>
<td>1,000,000</td>
</tr>
<tr>
<td>(F) INSECT OF COMPLETED WORKS, MO.</td>
<td>210,000</td>
</tr>
<tr>
<td>(F) WAPPAPETTO LAKE, MO.</td>
<td>6,892,000</td>
</tr>
<tr>
<td>(F) INSECT OF COMPLETED WORKS, TN.</td>
<td>118,000</td>
</tr>
<tr>
<td>(N) MEMPHIS HARBOR, MEMPHIS LAKE, TN.</td>
<td>1,400,000</td>
</tr>
<tr>
<td>(F) WARPING</td>
<td>999,000</td>
</tr>
</tbody>
</table>

**SUBTOTAL, MAINTENANCE**

<table>
<thead>
<tr>
<th></th>
<th>126,073,000</th>
</tr>
</thead>
</table>

**REDUCTION FOR ANTICIPATED SAVINGS AND SLIPPAGE**

<table>
<thead>
<tr>
<th></th>
<th>-12,768,000</th>
</tr>
</thead>
</table>

**TOTAL, FLOOD CONTROL, MISSISSIPPI RIVER AND TRIBUTARIES**

<table>
<thead>
<tr>
<th></th>
<th>280,000,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>TYPE OF PROJECT</td>
<td>PROJECT TITLE</td>
</tr>
<tr>
<td>-----------------</td>
<td>---------------</td>
</tr>
<tr>
<td>ALABAMA</td>
<td>ALABAMA - CODSA RIVER, AL</td>
</tr>
<tr>
<td></td>
<td>BAYOU LA BATRE, AL</td>
</tr>
<tr>
<td></td>
<td>BLACK HARRIS AND TOMBIGEE RIVERS, AL</td>
</tr>
<tr>
<td></td>
<td>BON SECOUR RIVER, AL</td>
</tr>
<tr>
<td></td>
<td>GULF INTRACOASTAL WATERWAY, AL</td>
</tr>
<tr>
<td></td>
<td>MILLERS FERRY LOCK AND DAM, WILLIAM BULL DANNELL LA</td>
</tr>
<tr>
<td></td>
<td>MOBILE HARBOR, AL</td>
</tr>
<tr>
<td></td>
<td>PROJECT CONDITION SURVEYS, AL</td>
</tr>
<tr>
<td></td>
<td>ROBERT F HENRY LOCK AND DAM, AL</td>
</tr>
<tr>
<td></td>
<td>SCHEDULING RESERVOIR OPERATIONS, AL</td>
</tr>
<tr>
<td></td>
<td>TENNESSEE - TOMBIGEE WATERWAY, AL &amp; GA</td>
</tr>
<tr>
<td></td>
<td>WALTER F GEORGE LOCK AND DAM, AL &amp; GA</td>
</tr>
<tr>
<td>ALASKA</td>
<td>ANCHORAGE HARBOR, AK</td>
</tr>
<tr>
<td></td>
<td>CHENA RIVER LAKES, AK</td>
</tr>
<tr>
<td></td>
<td>DILLINGHAM HARBOR, AK</td>
</tr>
<tr>
<td></td>
<td>HOMER HARBOR, AK</td>
</tr>
<tr>
<td></td>
<td>INSPECTION OF COMPLETED WORKS, AK</td>
</tr>
<tr>
<td></td>
<td>NINE LEAK HARBOR, AK</td>
</tr>
<tr>
<td></td>
<td>PROJECT CONDITION SURVEYS, AK</td>
</tr>
<tr>
<td></td>
<td>ST. PAUL HARBOR, AK</td>
</tr>
</tbody>
</table>

| ARIZONA         | ALAMO LAKE, AZ              | 1,114,000   | 1,114,000   |
|                 | INSPECTION OF COMPLETED WORKS, AZ | 70,000     | 70,000      |
|                 | PAINTED ROCK DAM, AZ        | 1,079,000   | 1,079,000   |
|                 | SCHEDULING RESERVOIR OPERATIONS, AZ | 25,000   | 25,000      |
|                 | WHITCOMB RANCH DAM, AZ      | 192,000     | 192,000     |

<p>| ARKANSAS        | BEAVER LAKE, AR             | 3,885,000   | 3,885,000   |
|                 | BLAKEY MT DAM, LA QUACHITA, AR | 4,564,000   | 4,564,000   |
|                 | BLUE MOUNTAIN LAKE, AR      | 898,000     | 898,000     |
|                 | BULL SHOALS LAKE, AR        | 4,632,000   | 4,632,000   |
|                 | DARDANELLE LOCK AND DAM, AR  | 5,891,000   | 5,891,000   |
|                 | DEWESY LAKE, AR             | 3,888,000   | 3,888,000   |
|                 | DELAWARE LAKE, AR           | 955,000     | 955,000     |
|                 | DIERKS LAKE, AR             | 984,000     | 984,000     |
|                 | GILLIAM LAKE, AR            | 698,000     | 698,000     |
|                 | GREENS FERRY LAKE, AR       | 4,148,000   | 4,148,000   |
|                 | HELENA HARBOR, PHILLIPS COUNTY, AR | 278,000   | 278,000     |</p>
<table>
<thead>
<tr>
<th>TYPE OF PROJECT</th>
<th>PROJECT TITLE</th>
<th>BUDGET ESTIMATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>(FC)</td>
<td>Inspection of Completed Works, AR...</td>
<td>253,000, 253,000</td>
</tr>
<tr>
<td>(N)</td>
<td>McEllan - Kerr Arkansas River Navigation System, AR...</td>
<td>22,005,000, 24,982,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>Millwood Lake, AR...</td>
<td>1,871,000, 1,871,000</td>
</tr>
<tr>
<td>(MP)</td>
<td>Narrows Dam, Lake Greer, AR...</td>
<td>3,854,000, 3,854,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>Nimrod Lake, AR...</td>
<td>1,397,000, 1,397,000</td>
</tr>
<tr>
<td>(MP)</td>
<td>Northfork Lake, AR...</td>
<td>3,471,000, 3,471,000</td>
</tr>
<tr>
<td>(H)</td>
<td>Osceola Harbor, AR...</td>
<td>385,000, 385,000</td>
</tr>
<tr>
<td>(MP)</td>
<td>Quachita and Black Rivers, AR &amp; LA...</td>
<td>6,332,000, 6,332,000</td>
</tr>
<tr>
<td>(MP)</td>
<td>Ozark - Jeta Taylor Lock and Dam, AR...</td>
<td>4,186,000, 4,186,000</td>
</tr>
<tr>
<td>(H)</td>
<td>Project Condition Surveys, AR...</td>
<td>4,000, 4,000</td>
</tr>
<tr>
<td>(N)</td>
<td>White River, AR...</td>
<td>2,747,000, 2,747,000</td>
</tr>
<tr>
<td>(H)</td>
<td>Yellow Bend Port, AR...</td>
<td>116,000, 116,000</td>
</tr>
<tr>
<td>(CALIFORNIA)</td>
<td>Black Butte Lake, CA...</td>
<td>1,782,000, 1,782,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>Buchanan Dam, H. V. Eastman Lake, CA...</td>
<td>1,870,000, 1,826,000</td>
</tr>
<tr>
<td>(N)</td>
<td>Channel Islands Harbor, CA...</td>
<td>3,246,000, 3,246,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>Coyote Valley Dam, Lake Mendocino, CA...</td>
<td>3,121,000, 3,121,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>Dry Creek (Barm Springs) Lake and Channel, CA...</td>
<td>4,060,000, 4,060,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>Fairmont Dam, CA...</td>
<td>374,000, 374,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>Hidden Dam, Hensley Lake, CA...</td>
<td>1,843,000, 1,843,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>Humboldt Harbor and Bay, CA...</td>
<td>3,810,000, 3,810,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>Inspection of Completed Works, CA...</td>
<td>973,000, 973,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>Isabella Lake, CA...</td>
<td>1,401,000, 1,401,000</td>
</tr>
<tr>
<td>(N)</td>
<td>Los Angeles - Long Beach Harbor Model, CA...</td>
<td>165,000, 165,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>Los Angeles County Drainage Area, CA...</td>
<td>3,613,000, 3,613,000</td>
</tr>
<tr>
<td>(H)</td>
<td>Marina Del Rey, CA...</td>
<td>1,600,000, 1,600,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>Merced County Stream, CA...</td>
<td>288,000, 288,000</td>
</tr>
<tr>
<td>(HG)</td>
<td>Mojave River Dam, CA...</td>
<td>237,000, 237,000</td>
</tr>
<tr>
<td>(N)</td>
<td>Morro Bay Harbor, CA...</td>
<td>1,000,000, 1,000,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>Moss Landing Harbor, CA...</td>
<td>1,732,000, 1,732,000</td>
</tr>
<tr>
<td>(N)</td>
<td>New Hogan Lake, CA...</td>
<td>1,052,000, 1,052,000</td>
</tr>
<tr>
<td>(MP)</td>
<td>New Melones Lake, Downstream Channel, CA...</td>
<td>3,424,000, 3,424,000</td>
</tr>
<tr>
<td>(N)</td>
<td>Oakdale Harbor, CA...</td>
<td>3,424,000, 3,424,000</td>
</tr>
<tr>
<td>(N)</td>
<td>Oceanside Harbor, CA...</td>
<td>2,197,000, 2,197,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>Pine Flat Lake, CA...</td>
<td>2,197,000, 2,197,000</td>
</tr>
<tr>
<td>(N)</td>
<td>Project Condition Surveys, CA...</td>
<td>1,106,000, 1,106,000</td>
</tr>
<tr>
<td>(N)</td>
<td>Redwood City Harbor, CA...</td>
<td>2,860,000, 2,860,000</td>
</tr>
<tr>
<td>(N)</td>
<td>Sacramento Dam, CA...</td>
<td>5,384,000, 5,384,000</td>
</tr>
<tr>
<td>(N)</td>
<td>Sacramento River (30 foot Project), CA...</td>
<td>2,192,000, 2,192,000</td>
</tr>
<tr>
<td>(N)</td>
<td>Sacramento River and Tributaries (Emergency Control), CA...</td>
<td>1,166,000, 1,166,000</td>
</tr>
<tr>
<td>(N)</td>
<td>Sacramento River Shallow Draft Channel, CA...</td>
<td>135,000, 135,000</td>
</tr>
<tr>
<td>(N)</td>
<td>San Francisco Bay, Delta Model Structure, CA...</td>
<td>2,211,000, 2,211,000</td>
</tr>
<tr>
<td>(N)</td>
<td>San Francisco Harbor and Bay (Drift Removal), CA...</td>
<td>2,392,000, 2,392,000</td>
</tr>
<tr>
<td>(N)</td>
<td>San Francisco Harbor, CA...</td>
<td>2,338,000, 2,338,000</td>
</tr>
<tr>
<td>(N)</td>
<td>San Joaquin River, CA...</td>
<td>3,004,000, 3,004,000</td>
</tr>
<tr>
<td>(N)</td>
<td>San Pablo Bay and Name Island Straits, CA...</td>
<td>1,890,000, 1,890,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>Santa Ana River Basin, CA...</td>
<td>3,023,000, 3,023,000</td>
</tr>
<tr>
<td>(N)</td>
<td>Santa Barbara Harbor, CA...</td>
<td>1,841,000, 1,841,000</td>
</tr>
<tr>
<td>Type of Project</td>
<td>Project Title</td>
<td>Budget Estimate</td>
</tr>
<tr>
<td>-----------------</td>
<td>------------------------------------------------------------</td>
<td>-----------------</td>
</tr>
<tr>
<td>(FC)</td>
<td>SCHEDULING RESERVOIR OPERATIONS, CA</td>
<td>1,081,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>SUCCESS LAKE, CA</td>
<td>1,890,000</td>
</tr>
<tr>
<td>(N)</td>
<td>SUSAN BAY CHANNEL, CA</td>
<td>1,044,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>TERMINUS DAM, LAKE KAREAN, CA</td>
<td>1,970,000</td>
</tr>
<tr>
<td>(N)</td>
<td>VENTURA HARBOR, CA</td>
<td>2,705,000</td>
</tr>
<tr>
<td>(N)</td>
<td>YUBA RIVER, CA</td>
<td>35,000</td>
</tr>
</tbody>
</table>

**COLORADO**

| (FC)            | BEAR CREEK LAKE, CO                                        | 460,000         | 460,000     |
| (FC)            | CHATFIELD LAKE, CO                                         | 948,000         | 948,000     |
| (FC)            | CHERRY CREEK LAKE, CO                                     | 985,000         | 985,000     |
| (FC)            | INSPECTION OF COMPLETED WORKS, CO                          | 1,771,000       | 1,771,000   |
| (FC)            | JOHN MARTIN RESERVOIR, CO                                 | 1,588,000       | 1,588,000   |
| (FC)            | SCHEDULING RESERVOIR OPERATIONS, CO                        | 376,000         | 376,000     |
| (FC)            | TRINIDAD LAKE, CO                                          | 767,000         | 767,000     |

**CONNECTICUT**

| (FC)            | BLACK ROCK LAKE, CT                                        | 440,000         | 440,000     |
| (FC)            | COLDMOUTH RIVER LAKE, CT                                  | 516,000         | 516,000     |
| (FC)            | FIVE MILE RIVER, CT                                        | 467,000         | 467,000     |
| (FC)            | HANCOCK BROOK LAKE, CT                                     | 216,000         | 216,000     |
| (FC)            | HOP BROOK LAKE, CT                                         | 867,000         | 867,000     |
| (NC)            | INSPECTION OF COMPLETED WORKS, CT                          | 35,000          | 35,000      |
| (FC)            | MANFIELD HOLLIDAY LAKE, CT                                 | 418,000         | 418,000     |
| (NC)            | NORTHFIELD BROOK LAKE, CT                                  | 319,000         | 319,000     |
| (N)             | PROJECT CONDITION SURVEYS, CT                              | 971,000         | 971,000     |
| (FC)            | STAMFORD HURRICANE BARRIER, CT                             | 296,000         | 296,000     |
| (NC)            | THOMASTON DAM, CT                                          | 572,000         | 572,000     |
| (FC)            | WEST THOMPSON LAKE, CT                                     | 496,000         | 496,000     |

**DELAWARE**

| (N)             | CEDAR CREEK, DE                                            | 250,000         | 250,000     |
| (N)             | CHESAPEAKE AND DELAWARE CANAL - ST GEORGE'S BRIDGE REP     | 14,000,000      | 14,000,000  |
| (N)             | INDIAN RIVER INLET AND BAY, DE                            | 280,000         | 280,000     |
| (N)             | INTRACOASTAL WATERWAY, DELAWARE R TO CHESAPEAKE BAY, D    | 12,816,000      | 12,816,000  |
| (N)             | INTRACOASTAL WATERWAY, RENDEL TO DELAWARE BAY, D           | 43,000          | 43,000      |
| (N)             | MISPLAINE RIVER, DE                                        | 228,000         | 228,000     |
| (N)             | PROJECT CONDITION SURVEYS, DE                             | 35,000          | 35,000      |
| (N)             | WILMINGTON HARBOR, DE                                      | 6,690,000       | 6,690,000   |

**DISTRICT OF COLUMBIA**

<p>| (FC)            | INSPECTION OF COMPLETED WORKS, DC                          | 5,000           | 5,000       |
| (N)             | POTOMAC AND ANACOSTIA RIVERS (DEPENETAL), DC               | 880,000         | 880,000     |
| (N)             | POTOMAC RIVER BAY WASHINGON, DC                            | 183,000         | 183,000     |
| (N)             | PROJECT CONDITION SURVEYS, DC                              | 33,000          | 33,000      |
| (N)             | WASHINGTON HARBOR, DC                                      | 35,000          | 35,000      |</p>
<table>
<thead>
<tr>
<th>Type of Project</th>
<th>Project Title</th>
<th>Budget Estimate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>FLORIDA</td>
<td>A1WW, NORFOLK, VA TO ST JOHNS RIVER, FL, GA, SC, NC &amp; AL</td>
<td>30,000</td>
<td>20,000</td>
</tr>
<tr>
<td></td>
<td>CANAVES, HARBOR, FL</td>
<td>3,967,000</td>
<td>3,967,000</td>
</tr>
<tr>
<td></td>
<td>CENTRAL AND SOUTHERN FLORIDA, FL</td>
<td>8,598,000</td>
<td>8,598,000</td>
</tr>
<tr>
<td></td>
<td>CAYCE HARBOR, FL</td>
<td>4,000</td>
<td>2,500,000</td>
</tr>
<tr>
<td></td>
<td>FERNANDINA HARBOR, FL</td>
<td>1,815,000</td>
<td>1,615,000</td>
</tr>
<tr>
<td></td>
<td>PETERS BEACH, FL</td>
<td>1,000,000</td>
<td>1,000,000</td>
</tr>
<tr>
<td></td>
<td>FORT PIERCE HARBOR, FL</td>
<td>441,000</td>
<td>441,000</td>
</tr>
<tr>
<td></td>
<td>INSPECTION OF COMPLETED WORKS, FL</td>
<td>75,000</td>
<td>75,000</td>
</tr>
<tr>
<td></td>
<td>INTRACOASTAL WATERWAY, CALOOSAHATCHEE R TO ANCLORTE R, FL</td>
<td>88,000</td>
<td>88,000</td>
</tr>
<tr>
<td></td>
<td>INTRACOASTAL WATERWAY, JACKSONVILLE TO MIAMI, FL</td>
<td>3,125,000</td>
<td>3,125,000</td>
</tr>
<tr>
<td></td>
<td>JACKSONVILLE HARBOR, FL</td>
<td>7,625,000</td>
<td>7,625,000</td>
</tr>
<tr>
<td></td>
<td>LAKE EUSTIS LOCK AND DAM, LAKE SEMINOLE, FL, AL &amp; GA</td>
<td>5,400,000</td>
<td>5,400,000</td>
</tr>
<tr>
<td></td>
<td>MANATEE HARBOR, FL</td>
<td>200,000</td>
<td>200,000</td>
</tr>
<tr>
<td></td>
<td>MIAMI HARBOR, FL</td>
<td>200,000</td>
<td>200,000</td>
</tr>
<tr>
<td></td>
<td>OKCHOCHEE WATERWAY, FL</td>
<td>3,150,000</td>
<td>3,150,000</td>
</tr>
<tr>
<td></td>
<td>OKEECHOBEE RIVER, FL</td>
<td>3,150,000</td>
<td>3,150,000</td>
</tr>
<tr>
<td></td>
<td>PINE ISLAND ROYAL, FL</td>
<td>2,150,000</td>
<td>2,150,000</td>
</tr>
<tr>
<td></td>
<td>POCOY CITY HARBOR, FL</td>
<td>20,000</td>
<td>20,000</td>
</tr>
<tr>
<td></td>
<td>PORT EVERGALDES HARBOR, FL</td>
<td>530,000</td>
<td>530,000</td>
</tr>
<tr>
<td></td>
<td>PROJECT CONDITION SURVEYS, FL</td>
<td>425,000</td>
<td>425,000</td>
</tr>
<tr>
<td></td>
<td>REMOVAL OF AQUATIC GROWTH, FL</td>
<td>2,700,000</td>
<td>2,700,000</td>
</tr>
<tr>
<td></td>
<td>SCIPIO CREEK, FL</td>
<td>34,000</td>
<td>34,000</td>
</tr>
<tr>
<td></td>
<td>ST AUGUSTINE HARBOR, FL</td>
<td>60,000</td>
<td>60,000</td>
</tr>
<tr>
<td></td>
<td>ST LUCIE INLET, FL</td>
<td>60,000</td>
<td>60,000</td>
</tr>
<tr>
<td></td>
<td>TAMPA HARBOR, FL</td>
<td>5,201,000</td>
<td>5,201,000</td>
</tr>
<tr>
<td></td>
<td>WITHLACOCHIE RIVER, FL</td>
<td>34,000</td>
<td>34,000</td>
</tr>
<tr>
<td>GEORGIA</td>
<td>ALLATONA LAKE, GA</td>
<td>4,900,000</td>
<td>4,900,000</td>
</tr>
<tr>
<td></td>
<td>APALACHICOLA CHATTahoochee AND FLINT RIVERS, GA, AL &amp; NC</td>
<td>4,700,000</td>
<td>4,700,000</td>
</tr>
<tr>
<td></td>
<td>ATLANTIC INTRACOASTAL WATERWAY, GA</td>
<td>2,162,000</td>
<td>2,162,000</td>
</tr>
<tr>
<td></td>
<td>BRUNSWICK HARBOR, GA</td>
<td>9,728,000</td>
<td>9,728,000</td>
</tr>
<tr>
<td></td>
<td>BURFDON AND LAKE SIDNEY LANIER, GA</td>
<td>6,400,000</td>
<td>6,400,000</td>
</tr>
<tr>
<td></td>
<td>CARTERS DAM AND LAKE, GA</td>
<td>4,600,000</td>
<td>4,600,000</td>
</tr>
<tr>
<td></td>
<td>HARTWELL LAKE, GA, SC</td>
<td>8,988,000</td>
<td>8,988,000</td>
</tr>
<tr>
<td></td>
<td>J STROM THUMNHD LAKE, GA &amp; SC</td>
<td>8,200,000</td>
<td>8,200,000</td>
</tr>
<tr>
<td></td>
<td>RICHARD R RUSSELL DAM AND LAKE, GA &amp; SC</td>
<td>6,380,000</td>
<td>6,380,000</td>
</tr>
<tr>
<td></td>
<td>SAVANNAH HARBOR, GA</td>
<td>8,181,000</td>
<td>8,181,000</td>
</tr>
<tr>
<td></td>
<td>SAVANNAH RIVER BELOW AUGUSTA, GA</td>
<td>200,000</td>
<td>200,000</td>
</tr>
<tr>
<td></td>
<td>WEST POINT DAM AND LAKE, GA &amp; AL</td>
<td>4,800,000</td>
<td>4,800,000</td>
</tr>
<tr>
<td>TYPE OF PROJECT</td>
<td>PROJECT TITLE</td>
<td>BUDGET ESTIMATE</td>
<td>CONFERENCE</td>
</tr>
<tr>
<td>-----------------</td>
<td>---------------</td>
<td>----------------</td>
<td>------------</td>
</tr>
<tr>
<td>HAWAII</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(N)</td>
<td>BARBERS POINT HARBOR, HI</td>
<td>916,000</td>
<td>916,000</td>
</tr>
<tr>
<td>(N)</td>
<td>HONOLULU HARBOR, HI</td>
<td>1,880,000</td>
<td>1,880,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>INSPECTION OF COMPLETED WORKS, HI</td>
<td>292,000</td>
<td>292,000</td>
</tr>
<tr>
<td>(N)</td>
<td>KAHULI HARBOR, HI</td>
<td>910,000</td>
<td>910,000</td>
</tr>
<tr>
<td>(N)</td>
<td>NAWILIKI HARBOR, HI</td>
<td>992,000</td>
<td>992,000</td>
</tr>
<tr>
<td>(N)</td>
<td>PORT ALLEN HARBOR, KAULI, HI</td>
<td>292,000</td>
<td>292,000</td>
</tr>
<tr>
<td>(N)</td>
<td>PROJECT CONDITION SURVEYS, HI</td>
<td>416,000</td>
<td>416,000</td>
</tr>
<tr>
<td>IDAHO</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(WP)</td>
<td>ALBENI FALLS DAM, ID</td>
<td>1,432,000</td>
<td>1,432,000</td>
</tr>
<tr>
<td>(WP)</td>
<td>DOWSKE DAM AND RESERVOIR, ID</td>
<td>3,743,000</td>
<td>3,743,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>INSPECTION OF COMPLETED WORKS, ID</td>
<td>89,000</td>
<td>89,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>LUCKY PEAK LAKE</td>
<td>975,000</td>
<td>975,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>SCHEDULING RESERVOIR OPERATIONS, ID</td>
<td>190,000</td>
<td>190,000</td>
</tr>
<tr>
<td>(N)</td>
<td>SURVEILLANCE OF NORTHERN BOUNDARY WATERS, ID</td>
<td>62,000</td>
<td>62,000</td>
</tr>
<tr>
<td>ILLINOIS</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(N)</td>
<td>CALUMET HARBOR AND RIVER, IL &amp; IN</td>
<td>1,444,000</td>
<td>1,444,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>CARLYLE LAKE, IL</td>
<td>6,337,000</td>
<td>6,337,000</td>
</tr>
<tr>
<td>(N)</td>
<td>CHICAGO HARBOR, IL</td>
<td>4,888,000</td>
<td>4,888,000</td>
</tr>
<tr>
<td>(N)</td>
<td>CHICAGO RIVER, IL</td>
<td>362,000</td>
<td>362,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>FARM CREEK RESERVOIRS, IL</td>
<td>156,000</td>
<td>156,000</td>
</tr>
<tr>
<td>(N)</td>
<td>ILLINOIS WATERWAY, IL &amp; IN</td>
<td>22,934,000</td>
<td>22,934,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>INSPECTION OF COMPLETED WORKS, IL</td>
<td>657,000</td>
<td>657,000</td>
</tr>
<tr>
<td>(N)</td>
<td>KASKASKIA RIVER NAVIGATION, IL</td>
<td>2,273,000</td>
<td>2,260,000</td>
</tr>
<tr>
<td>(N)</td>
<td>LAKE MICHIGAN DIVERSION, IL</td>
<td>537,000</td>
<td>1,037,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>LAKE SHELBURNE, IL</td>
<td>4,319,000</td>
<td>4,000,000</td>
</tr>
<tr>
<td>(N)</td>
<td>MILE R BETWEEN NO R AND MINNEAPOLIS, IL, IA, MN, MO &amp; I</td>
<td>96,985,000</td>
<td>90,000,000</td>
</tr>
<tr>
<td>(N)</td>
<td>PROJECT CONDITION SURVEYS, IL</td>
<td>72,000</td>
<td>72,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>RENO LAKE, IL</td>
<td>3,666,000</td>
<td>3,666,000</td>
</tr>
<tr>
<td>(N)</td>
<td>SURVEILLANCE OF NORTHERN BOUNDARY WATERS, IL</td>
<td>96,000</td>
<td>96,000</td>
</tr>
<tr>
<td>(N)</td>
<td>WAREGAN HARBOR, IL</td>
<td>895,000</td>
<td>992,000</td>
</tr>
<tr>
<td>INDIANA</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(FC)</td>
<td>BROOKVILLE LAKE, IN</td>
<td>776,000</td>
<td>776,000</td>
</tr>
<tr>
<td>(N)</td>
<td>BURNS WATERWAY HARBOR, IN</td>
<td>975,000</td>
<td>975,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>CAGLES MILL LAKE, IN</td>
<td>757,000</td>
<td>757,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>CECIL M HARRISON LAKE, IN</td>
<td>424,000</td>
<td>424,000</td>
</tr>
<tr>
<td>(N)</td>
<td>INDANA HARBOR, IN</td>
<td>364,000</td>
<td>364,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>INSPECTION OF COMPLETED WORKS, IN</td>
<td>80,000</td>
<td>80,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>J. EDWARD ROUSH LAKE, IN</td>
<td>733,000</td>
<td>733,000</td>
</tr>
<tr>
<td>(N)</td>
<td>MICHIGAN CITY HARBOR, IN</td>
<td>57,000</td>
<td>82,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>MESSICKBAKER LAKE, IN</td>
<td>851,000</td>
<td>851,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>MONROE LAKE, IN</td>
<td>836,000</td>
<td>836,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>PATOKA LAKE, IN</td>
<td>836,000</td>
<td>836,000</td>
</tr>
<tr>
<td>Project Title</td>
<td>Budget Estimate</td>
<td></td>
<td></td>
</tr>
<tr>
<td>--------------------------------------------------------------------------</td>
<td>-----------------</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Project Condition Surveys, IN.</td>
<td>$67,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salamonie Lake, IN.</td>
<td>$788,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Surveillance of Northern Boundary Waters, IN.</td>
<td>$62,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Coralville Lake, IA.</td>
<td>$2,615,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inspection of Completed Works, IA.</td>
<td>$170,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Missouri River - Kernels Bend, NE to Sioux City, IA.</td>
<td>$144,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Iowa</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Missouri River - Sioux City to Mouth, IA, NE, KS &amp; MO.</td>
<td>$6,280,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rathbun Lake, IA.</td>
<td>$2,156,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Red Rock Dam and Lake Red Rock, IA.</td>
<td>$3,365,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gaylorville Lake, IA.</td>
<td>$4,170,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Clinton Lake, KS.</td>
<td>$2,389,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Council Grove Lake, KS.</td>
<td>$956,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>El Dorado Lake, KS.</td>
<td>$461,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Elk City Lake, KS.</td>
<td>$585,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fall River Lake, KS.</td>
<td>$1,092,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hilldale Lake, KS.</td>
<td>$940,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inspection of Completed Works, KS.</td>
<td>$267,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inspection of Completed Works, KS.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>John Redmond Dam and Reservoir, KS.</td>
<td>$913,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kankakee Lake, KS.</td>
<td>$1,752,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Marion Lake, KS.</td>
<td>$1,206,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Milford Lake, KS.</td>
<td>$1,383,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Milford Lake, KS.</td>
<td>$1,699,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pearson - Skubitz Big Hill Lake, KS.</td>
<td>$787,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Perry Lake, KS.</td>
<td>$1,860,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pomona Lake, KS.</td>
<td>$1,832,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Scheduling Reservoir Operations, KS.</td>
<td>$335,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Toronto Lake, KS.</td>
<td>$440,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tuttle Creek Lake, KS.</td>
<td>$1,977,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wilson Lake, KS.</td>
<td>$1,655,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kentucky</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Barren Lake and Lake Barren, KY &amp; TN.</td>
<td>$8,005,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Barren River Lake, KY.</td>
<td>$2,077,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Big Sandy Harbor, KY.</td>
<td>$1,170,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Buckhorn Lake, KY.</td>
<td>$1,317,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cane Run Lake, KY.</td>
<td>$1,406,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cave Run Lake, KY.</td>
<td>$1,450,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Desmet Lake, KY.</td>
<td>$1,421,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Elsberry Landing (Elsberry) Harbor, KY.</td>
<td>$1,437,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fishtrap Lake, KY.</td>
<td>$1,460,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grayson Lake, KY.</td>
<td>$1,619,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Green and Barren Rivers, KY.</td>
<td>$1,691,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Green River Lake, KY.</td>
<td>$1,672,000</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Corps of Engineers – Operation and Maintenance

<table>
<thead>
<tr>
<th>TYPE OF PROJECT</th>
<th>PROJECT TITLE</th>
<th>BUDGET ESTIMATE</th>
<th>CONFERENCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>(FC)</td>
<td>INSPECTION OF COMPLETED WORKS, KY.</td>
<td>105,000</td>
<td>105,000</td>
</tr>
<tr>
<td>(N)</td>
<td>KENTUCKY RIVER, KY.</td>
<td>4,488,000</td>
<td>4,488,000</td>
</tr>
<tr>
<td>(NP)</td>
<td>LAUREL RIVER LAKE, KY.</td>
<td>1,286,000</td>
<td>1,286,000</td>
</tr>
<tr>
<td>(N)</td>
<td>LICKING RIVER OPEN CHANNEL WORK, KY.</td>
<td>17,000</td>
<td>17,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>MARTINS FORK LAKE, KY.</td>
<td>686,000</td>
<td>686,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>MIDDLEBROOK CUMBERLAND RIVER BASIN, KY.</td>
<td>53,000</td>
<td>53,000</td>
</tr>
<tr>
<td>(N)</td>
<td>NO LIN LAKE, KY.</td>
<td>1,764,000</td>
<td>1,764,000</td>
</tr>
<tr>
<td>(N)</td>
<td>OHIO RIVER LOCKS AND DAMS, KY, IL, IN, OH, PA &amp; WV.</td>
<td>59,814,000</td>
<td>59,814,000</td>
</tr>
<tr>
<td>(N)</td>
<td>OHIO RIVER OPEN CHANNEL WORK, KY, IL, IN, OH, PA &amp; WV.</td>
<td>5,447,000</td>
<td>5,447,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>PAINTSVILLE LAKE, KY.</td>
<td>920,000</td>
<td>920,000</td>
</tr>
<tr>
<td>(N)</td>
<td>PROJECT CONDITION SURVEYS, KY.</td>
<td>4,000</td>
<td>4,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>ROUGH RIVER LAKE, KY.</td>
<td>1,531,000</td>
<td>1,531,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>TAYLORSVILLE LAKE, KY.</td>
<td>1,056,000</td>
<td>1,056,000</td>
</tr>
<tr>
<td>(MP)</td>
<td>WOLF CREEK DAM, LAKE CUMBERLAND, KY.</td>
<td>3,927,000</td>
<td>4,977,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>YATESVILLE LAKE, KY.</td>
<td>1,090,000</td>
<td>1,090,000</td>
</tr>
</tbody>
</table>

**LOUISIANA**

<p>| (N)             | ATCHAFALEA RIVER AND BAYOU CHENE, BOUTH AND BLACK, LA. | 7,681,000 | 7,681,000 |
| (N)             | BASATARIA BAY WATERWAY, LA. | 1,450,000 | 1,450,000 |
| (FC)            | BASOU BOSCAU RESERVOIR, LA. | 481,000 | 481,000 |
| (N)             | BAYOU LABOURS AND LABOURS JUMP WATERWAY, LA. | 5,000 | 5,000 |
| (FC)            | BAYOU PIERRE, LA. | 25,000 | 25,000 |
| (N)             | BAYOU TECHNE AND VERMILION RIVER, LA. | 50,000 | 50,000 |
| (N)             | BAYOU TECHNE, LA. | 140,000 | 2,750,000 |
| (N)             | CADDY LAKE, LA. | 114,000 | 114,000 |
| (N)             | CALCASIEU RIVER AND PASS, LA. | 5,800,000 | 7,000,000 |
| (N)             | FRESHWATER BAYOU, LA. | 2,900,000 | 3,900,000 |
| (N)             | GULF INTRAVERSAL WATERWAY, LA &amp; TX. | 19,561,000 | 21,000,000 |
| (N)             | HOUA NAVIGATION CANAL, LA. | 641,000 | 641,000 |
| (FC)            | INSPECTION OF COMPLETED WORKS, LA. | 423,000 | 423,000 |
| (N)             | LAKE PROVIDENCE HARBOR, LA. | 368,000 | 368,000 |
| (N)             | MADISON PARISH PORT, LA. | 11,400 | 11,400 |
| (N)             | MERMENTAU RIVER, LA. | 2,808,000 | 2,808,000 |
| (N)             | MISSISSIPPI RIVER OUTLET AT VENICE, LA. | 1,095,000 | 1,095,000 |
| (N)             | MISSISSIPPI RIVER, BATON ROUGE TO THE GULF OF MEXICO. | 46,220,000 | 46,220,000 |
| (N)             | MISSISSIPPI RIVER, GULF OUTLET, LA. | 11,580,000 | 13,000,000 |
| (N)             | PROJECT CONDITION SURVEYS, LA. | 80,000 | 80,000 |
| (N)             | RED RIVER WATERWAY, MISSISSIPPI RIVER TO SHREVEPORT, LA. | 8,337,000 | 9,837,000 |
| (N)             | REMOVAL OF AQUATIC GROWTH, LA. | 1,960,000 | 1,960,000 |
| (FC)            | TENCHIUFAC waterway and bogue falaya RIVER, LA. | 250,000 | 250,000 |
| (N)             | WALLACE LAKE, LA. | 184,000 | 184,000 |
| (N)             | WATERWAY FROM EMPIRE TO THE GULF, LA. | 8,000 | 8,000 |
| (N)             | WATERWAY FROM INTRAVERSAL WATERWAY TO B DULAC, LA. | 165,000 | 165,000 |</p>
<table>
<thead>
<tr>
<th>MICHIGAN</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>(N) CHANNELS IN LAKE ST CLAIR, MI.</td>
<td>110,000</td>
<td>110,000</td>
</tr>
<tr>
<td>(N) CHARLEVOIX HARBOR, MI.</td>
<td>194,000</td>
<td>194,000</td>
</tr>
<tr>
<td>(N) DETROIT RIVER, MI.</td>
<td>2,392,000</td>
<td>2,392,000</td>
</tr>
<tr>
<td>(N) FRANKFORT HARBOR, MI.</td>
<td>49,000</td>
<td>49,000</td>
</tr>
<tr>
<td>(N) GRAND HAVEN HARBOR, MI.</td>
<td>704,000</td>
<td>704,000</td>
</tr>
<tr>
<td>(N) HOLLAND HARBOR, MI.</td>
<td>497,000</td>
<td>497,000</td>
</tr>
<tr>
<td>(FC) INSPECTION OF COMPLETED WORKS, MI.</td>
<td>205,000</td>
<td>205,000</td>
</tr>
<tr>
<td>(N) KIE nod N WATERWAY, MI.</td>
<td>286,000</td>
<td>286,000</td>
</tr>
<tr>
<td>(N) LELAND HARBOR, MI.</td>
<td>154,000</td>
<td>154,000</td>
</tr>
<tr>
<td>(N) LEXINGTON HARBOR, MI.</td>
<td>259,000</td>
<td>259,000</td>
</tr>
<tr>
<td>(N) LUDINGTON HARBOR, MI.</td>
<td>1,641,000</td>
<td>1,641,000</td>
</tr>
<tr>
<td>(N) MANISTEE HARBOR, MI.</td>
<td>421,000</td>
<td>421,000</td>
</tr>
<tr>
<td>(N) MARQUETTE HARBOR, MI.</td>
<td>247,000</td>
<td>247,000</td>
</tr>
<tr>
<td>(N) MENOMINIE HARBOR, MI &amp; WI.</td>
<td>4,000</td>
<td>4,000</td>
</tr>
<tr>
<td>(N) MONROE HARBOR, MI.</td>
<td>622,000</td>
<td>622,000</td>
</tr>
<tr>
<td>(N) MUSKEGON HARBOR, MI.</td>
<td>881,000</td>
<td>881,000</td>
</tr>
<tr>
<td>(N) ONTONAGH HARBOR, MI.</td>
<td>724,000</td>
<td>724,000</td>
</tr>
<tr>
<td>(N) PENTWATER HARBOR, MI.</td>
<td>1,900,000</td>
<td>1,900,000</td>
</tr>
<tr>
<td>(N) PROJECT CONDITION SURVEYS, MI.</td>
<td>367,000</td>
<td>367,000</td>
</tr>
<tr>
<td>(N) ROUGE RIVER, MI.</td>
<td>416,000</td>
<td>416,000</td>
</tr>
<tr>
<td>(N) SAGINAW RIVER, MI.</td>
<td>1,275,000</td>
<td>1,275,000</td>
</tr>
<tr>
<td>(N) SAUGATUCK HARBOR, MI.</td>
<td>2,003,000</td>
<td>2,003,000</td>
</tr>
<tr>
<td>(FC) SEBWAING RIVER (ICE JAM REMOVAL), MI.</td>
<td>10,000</td>
<td>10,000</td>
</tr>
<tr>
<td>(N) ST CLAIR RIVER, MI.</td>
<td>571,000</td>
<td>571,000</td>
</tr>
<tr>
<td>(N) ST JOSEPH HARBOR, MI.</td>
<td>1,422,000</td>
<td>1,422,000</td>
</tr>
<tr>
<td>(MP) ST MARYS RIVER, MI.</td>
<td>20,720,000</td>
<td>20,720,000</td>
</tr>
<tr>
<td>(N) SURVEILLANCE OF NORTHERN BOUNDARY WATERS, MI.</td>
<td>3,192,000</td>
<td>3,192,000</td>
</tr>
<tr>
<td>(N) WHITE LAKE HARBOR, MI.</td>
<td>1,874,000</td>
<td>1,874,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>MINNESOTA</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>(FC) ALTERNATIVE TECHNOLOGY PROJECT, DULUTH, MN.</td>
<td>---</td>
<td>500,000</td>
</tr>
<tr>
<td>(N) BIGSTONE LAKE WHETSTONE RIVER, MN &amp; SD.</td>
<td>566,000</td>
<td>566,000</td>
</tr>
<tr>
<td>(N) DULUTH - SUPERIOR HARBOR, MN &amp; WI.</td>
<td>4,085,000</td>
<td>4,085,000</td>
</tr>
<tr>
<td>(FC) INSPECTION OF COMPLETED WORKS, MN.</td>
<td>97,000</td>
<td>97,000</td>
</tr>
<tr>
<td>(FC) LAC QUI PARLE LAKES, MINNESOTA RIVER, MN.</td>
<td>490,000</td>
<td>490,000</td>
</tr>
<tr>
<td>(N) MINNESOTA RIVER, MN.</td>
<td>155,000</td>
<td>155,000</td>
</tr>
<tr>
<td>(FC) ORWELL LAKE, MN.</td>
<td>79,000</td>
<td>79,000</td>
</tr>
<tr>
<td>(N) PROJECT CONDITION SURVEYS, MN.</td>
<td>17,000</td>
<td>17,000</td>
</tr>
<tr>
<td>(FC) RED LAKE RESERVOIR, MN.</td>
<td>444,000</td>
<td>444,000</td>
</tr>
<tr>
<td>(N) RESERVOIRS AT HEADWATERS OF MISSISSIPPI RIVER, MN.</td>
<td>3,659,000</td>
<td>3,659,000</td>
</tr>
<tr>
<td>(N) SURVEILLANCE OF NORTHERN BOUNDARY WATERS, MN.</td>
<td>31,000</td>
<td>31,000</td>
</tr>
<tr>
<td>TYPE OF PROJECT</td>
<td>PROJECT TITLE</td>
<td>MISSISSIPPI</td>
</tr>
<tr>
<td>-----------------</td>
<td>---------------</td>
<td>-------------</td>
</tr>
<tr>
<td>(N)</td>
<td>BILOXI HARBOR, MS.</td>
<td>10,000</td>
</tr>
<tr>
<td>(N)</td>
<td>CLAIBORNE COUNTY PORT, MS.</td>
<td>8,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>EAST FORK, TOMBIGBEE RIVER, MS.</td>
<td>120,000</td>
</tr>
<tr>
<td>(N)</td>
<td>GULFPORT HARBOR, MS.</td>
<td>2,200,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>INSPECTION OF COMPLETED WORKS, MS.</td>
<td>114,000</td>
</tr>
<tr>
<td>(N)</td>
<td>MOUTH OF YAZOO RIVER, MS.</td>
<td>101,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>OKATIBBEE LAKE, MS.</td>
<td>1,700,000</td>
</tr>
<tr>
<td>(N)</td>
<td>PASCAGOULA HARBOR, MS.</td>
<td>2,900,000</td>
</tr>
<tr>
<td>(N)</td>
<td>PEARL RIVER, MS &amp; LA.</td>
<td>263,000</td>
</tr>
<tr>
<td>(N)</td>
<td>PROJECT CONDITION SURVEYS, MS.</td>
<td>4,000</td>
</tr>
<tr>
<td>(N)</td>
<td>ROSEDALE HARBOR, MS.</td>
<td>415,000</td>
</tr>
<tr>
<td>(N)</td>
<td>YAZOO RIVER, MS.</td>
<td>15,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>TYPE OF PROJECT</th>
<th>MISSOURI</th>
</tr>
</thead>
<tbody>
<tr>
<td>(N)</td>
<td>CARUTHERSVILLE HARBOR, MO.</td>
</tr>
<tr>
<td>(MP)</td>
<td>CLARENCE CANNON DAM AND MARK TWAIN LAKE, MO.</td>
</tr>
<tr>
<td>(FC)</td>
<td>CLEARWATER LAKE, MO.</td>
</tr>
<tr>
<td>(MP)</td>
<td>HARRY S TRUMAN DAM AND RESERVOIR, MO.</td>
</tr>
<tr>
<td>(FC)</td>
<td>INSPECTION OF COMPLETED WORKS, MO.</td>
</tr>
<tr>
<td>(FC)</td>
<td>LITTLE BLUE RIVER LAKES, MO.</td>
</tr>
<tr>
<td>(FC)</td>
<td>LONG BRANCH LAKE, MO.</td>
</tr>
<tr>
<td>(N)</td>
<td>MISS RIVER BTW THE OHIO AND MO RIVERS (REG WORKS), MO.</td>
</tr>
<tr>
<td>(N)</td>
<td>NEW MADRID HARBOR, MO.</td>
</tr>
<tr>
<td>(FC)</td>
<td>POMME DE TERRE LAKE, MO.</td>
</tr>
<tr>
<td>(N)</td>
<td>PROJECT CONDITION SURVEYS, MO.</td>
</tr>
<tr>
<td>(FC)</td>
<td>SCHEDULING RESERVOIR OPERATIONS, MO.</td>
</tr>
<tr>
<td>(FC)</td>
<td>SMITHVILLE LAKE, MO.</td>
</tr>
<tr>
<td>(N)</td>
<td>SOUTHEAST MISSOURI PORT, MISSISSIPPI RIVER, MO.</td>
</tr>
<tr>
<td>(MP)</td>
<td>STOCKTON LAKE, MO.</td>
</tr>
<tr>
<td>(MP)</td>
<td>TABLE ROCK LAKE, MO.</td>
</tr>
<tr>
<td>(FC)</td>
<td>WAPPAPELLA LAKE, MO.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>TYPE OF PROJECT</th>
<th>MONTANA</th>
</tr>
</thead>
<tbody>
<tr>
<td>(MP)</td>
<td>FT PECK DAM AND LAKE, MT.</td>
</tr>
<tr>
<td>(FC)</td>
<td>INSPECTION OF COMPLETED WORKS, MT.</td>
</tr>
<tr>
<td>(MP)</td>
<td>LIBBY DAM, LAKE KOOCANUSA, MT.</td>
</tr>
<tr>
<td>(N)</td>
<td>SURVEILLANCE OF NORTHERN BOUNDARY WATERS, MT.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>TYPE OF PROJECT</th>
<th>NEBRASKA</th>
</tr>
</thead>
<tbody>
<tr>
<td>(MP)</td>
<td>GAVINS POINT DAM, LEWIS AND CLARK LAKE, NE &amp; SD</td>
</tr>
<tr>
<td>(FC)</td>
<td>HARLAN COUNTY LAKE, NE.</td>
</tr>
<tr>
<td>(FC)</td>
<td>INSPECTION OF COMPLETED WORKS, NE.</td>
</tr>
<tr>
<td>(FC)</td>
<td>MISSOURI NATIONAL RECREATIONAL RIVER, NE.</td>
</tr>
<tr>
<td>(MP)</td>
<td>MISSOURI R MASTER WTR CONTROL MANUAL, NE, IA, KS, MO.</td>
</tr>
<tr>
<td>(MP)</td>
<td>MISSOURI RIVER BASIN COLLABORATIVE WATER PLANNING, NE.</td>
</tr>
<tr>
<td>TYPE OF PROJECT</td>
<td>PROJECT TITLE</td>
</tr>
<tr>
<td>-----------------</td>
<td>---------------------------------------------------</td>
</tr>
<tr>
<td>FC</td>
<td>ARKPORT DAM, NY</td>
</tr>
<tr>
<td>N</td>
<td>BAY RIDGE AND RED HOOK CHANNELS, NY</td>
</tr>
<tr>
<td>N</td>
<td>BLACK ROCK CHANNEL AND TONAWANDA HARBOR, NY</td>
</tr>
<tr>
<td>N</td>
<td>BRONX RIVER, NY</td>
</tr>
<tr>
<td>N</td>
<td>BUFFALO HARBOR, NY</td>
</tr>
<tr>
<td>N</td>
<td>BUTTERMILK CHANNEL, NY</td>
</tr>
<tr>
<td>N</td>
<td>DUNKIRK HARBOR, NY</td>
</tr>
<tr>
<td>N</td>
<td>EAST ROCKAWAY INLET, NY</td>
</tr>
<tr>
<td>FC</td>
<td>EAST SIDEY LAKE, NY</td>
</tr>
<tr>
<td>N</td>
<td>EASTCHESTER CREEK, NY</td>
</tr>
<tr>
<td>N</td>
<td>FIRE ISLAND INLET TO JONES INLET, NY</td>
</tr>
<tr>
<td>N</td>
<td>FLUSHING BAY AND CREEK, NY</td>
</tr>
<tr>
<td>N</td>
<td>HUDSON RIVER, NY</td>
</tr>
<tr>
<td>FC</td>
<td>INSPECTION OF COMPLETED WORKS, NY</td>
</tr>
<tr>
<td>N</td>
<td>JAMAICA BAY, NY</td>
</tr>
<tr>
<td>FC</td>
<td>MAMARONECK HARBOR, NY</td>
</tr>
<tr>
<td>N</td>
<td>MT MORRIS LAKE, NY</td>
</tr>
<tr>
<td>N</td>
<td>NEW YORK AND NEW JERSEY CHANNELS, NY</td>
</tr>
<tr>
<td>N</td>
<td>NEW YORK HARBOR (DRIFT REMOVAL), NY &amp; NJ</td>
</tr>
<tr>
<td>N</td>
<td>NEW YORK HARBOR (PREVENTION OF OBSTRUCTIVE DEPOSITS)</td>
</tr>
<tr>
<td>N</td>
<td>NEW YORK HARBOR, NY</td>
</tr>
<tr>
<td>N</td>
<td>OSWEGO HARBOR, NY</td>
</tr>
<tr>
<td>N</td>
<td>PROJECT CONDITION SURVEYS, NY</td>
</tr>
<tr>
<td>N</td>
<td>ROCHESTER HARBOR, NY</td>
</tr>
<tr>
<td>FC</td>
<td>SOUTHERN NEW YORK FLOOD CONTROL PROJECTS, NY</td>
</tr>
<tr>
<td>N</td>
<td>STURGEON POINT HARBOR, NY</td>
</tr>
<tr>
<td>N</td>
<td>SURVEILLANCE OF NORTHERN BOUNDARY WATERS, NY</td>
</tr>
<tr>
<td>N</td>
<td>WESTCHESTER CREEK, NY</td>
</tr>
<tr>
<td>FC</td>
<td>WHITNEY POINT LAKE, NY</td>
</tr>
</tbody>
</table>

**NORTH CAROLINA**

<table>
<thead>
<tr>
<th>TYPE OF PROJECT</th>
<th>PROJECT TITLE</th>
<th>BUDGET ESTIMATE</th>
<th>CONFERENCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>N</td>
<td>AVON HARBOR, NC</td>
<td>---</td>
<td>1,000,000</td>
</tr>
<tr>
<td>N</td>
<td>ATLANTIC INTRACOASTAL WATERWAY, NC</td>
<td>5,454,000</td>
<td>5,454,000</td>
</tr>
<tr>
<td>FC</td>
<td>B EVERETT JORDAN DAM AND LAKE, NC</td>
<td>1,119,000</td>
<td>1,119,000</td>
</tr>
<tr>
<td>N</td>
<td>BEAUFORT HARBOR, NC</td>
<td>350,000</td>
<td>350,000</td>
</tr>
<tr>
<td>N</td>
<td>BOGUE INLET AND CHANNEL, NC</td>
<td>490,000</td>
<td>490,000</td>
</tr>
<tr>
<td>N</td>
<td>CAPE FEAR RIVER ABOVE WILMINGTON, NC</td>
<td>667,000</td>
<td>667,000</td>
</tr>
<tr>
<td>N</td>
<td>CAROLINA BEACH INLET, NC</td>
<td>700,000</td>
<td>700,000</td>
</tr>
<tr>
<td>FC</td>
<td>FALLS LAKE, NC</td>
<td>842,000</td>
<td>842,000</td>
</tr>
<tr>
<td>FC</td>
<td>INSPECTION OF COMPLETED WORKS, NC</td>
<td>22,000</td>
<td>22,000</td>
</tr>
<tr>
<td>N</td>
<td>LOCKWOODS FOLLY RIVER, NC</td>
<td>503,000</td>
<td>503,000</td>
</tr>
<tr>
<td>N</td>
<td>MANTEDO (SHALLOWBAG) BAY, NC</td>
<td>4,865,000</td>
<td>4,865,000</td>
</tr>
<tr>
<td>N</td>
<td>MOREHEAD CITY HARBOR, NC</td>
<td>3,885,000</td>
<td>3,885,000</td>
</tr>
<tr>
<td>N</td>
<td>NEW RIVER INLET, NC</td>
<td>800,000</td>
<td>800,000</td>
</tr>
<tr>
<td>N</td>
<td>NEW TOPSAIL INLET AND CONNECTING CHANNELS, NC</td>
<td>575,000</td>
<td>575,000</td>
</tr>
<tr>
<td>N</td>
<td>PAMLICO AND TAR RIVERS, NC</td>
<td>75,000</td>
<td>75,000</td>
</tr>
<tr>
<td>N</td>
<td>PROJECT CONDITION SURVEYS, NC</td>
<td>59,000</td>
<td>59,000</td>
</tr>
<tr>
<td>N</td>
<td>ROANOKE RIVER, NC</td>
<td>75,000</td>
<td>75,000</td>
</tr>
<tr>
<td>FC</td>
<td>W KERR SCOTT DAM AND RESERVOIR, NC</td>
<td>1,472,000</td>
<td>1,472,000</td>
</tr>
<tr>
<td>TYPE OF PROJECT</td>
<td>PROJECT TITLE</td>
<td>BUDGET ESTIMATE</td>
<td>CONFERENCE</td>
</tr>
<tr>
<td>-----------------</td>
<td>---------------</td>
<td>-----------------</td>
<td>------------</td>
</tr>
<tr>
<td>(N)</td>
<td>WILMINGTON HARBOR, NC</td>
<td>5,700,000</td>
<td>5,700,000</td>
</tr>
<tr>
<td>(NC)</td>
<td>BOWMAN - HALEY LAKE, ND</td>
<td>179,000</td>
<td>179,000</td>
</tr>
<tr>
<td>(MP)</td>
<td>GARRISON DAM, LAKE SAKAKAWEA, ND</td>
<td>9,545,000</td>
<td>9,545,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>HOMME LAKE, ND</td>
<td>172,000</td>
<td>172,000</td>
</tr>
<tr>
<td>(PC)</td>
<td>INSPECTION OF COMPLETED WORKS, ND</td>
<td>106,000</td>
<td>106,000</td>
</tr>
<tr>
<td>(F)</td>
<td>LAKE ASHTABULA AND BANDHILL DAM, ND</td>
<td>1,298,000</td>
<td>1,298,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>PIPESTEW LAKE, ND</td>
<td>406,000</td>
<td>406,000</td>
</tr>
<tr>
<td>(F)</td>
<td>SOURIS RIVER, ND</td>
<td>276,000</td>
<td>276,000</td>
</tr>
<tr>
<td>(N)</td>
<td>SURVEILLANCE OF NORTHERN BOUNDARY WATERS, ND</td>
<td>31,000</td>
<td>31,000</td>
</tr>
<tr>
<td>(NC)</td>
<td>ALUM CREEK LAKE, OH</td>
<td>628,000</td>
<td>628,000</td>
</tr>
<tr>
<td>(NC)</td>
<td>ASHTABULA HARBOR, OH</td>
<td>1,420,000</td>
<td>1,420,000</td>
</tr>
<tr>
<td>(F)</td>
<td>BURLIN CREEK LAKE, OH</td>
<td>3,180,000</td>
<td>3,180,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>CEDAR CREEK LAKE, OH</td>
<td>1,060,000</td>
<td>1,060,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>CLARENCE HARBOR, OH</td>
<td>724,000</td>
<td>724,000</td>
</tr>
<tr>
<td>(MB)</td>
<td>CLEVELAND HARBOR, OH</td>
<td>6,456,000</td>
<td>6,456,000</td>
</tr>
<tr>
<td>(N)</td>
<td>DEER CREEK LAKE, OH</td>
<td>326,000</td>
<td>326,000</td>
</tr>
<tr>
<td>(F)</td>
<td>DEER CREEK LAKE, OH</td>
<td>720,000</td>
<td>720,000</td>
</tr>
<tr>
<td>(F)</td>
<td>DELMERE LAKE, OH</td>
<td>680,000</td>
<td>680,000</td>
</tr>
<tr>
<td>(F)</td>
<td>DILLON LAKE, OH</td>
<td>788,000</td>
<td>788,000</td>
</tr>
<tr>
<td>(N)</td>
<td>FAIRPORT HARBOR, OH</td>
<td>385,000</td>
<td>385,000</td>
</tr>
<tr>
<td>(N)</td>
<td>HURON HARBOR, OH</td>
<td>1,000,000</td>
<td>1,000,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>INSPECTION OF COMPLETED WORKS, OH</td>
<td>217,000</td>
<td>217,000</td>
</tr>
<tr>
<td>(N)</td>
<td>LORAIN HARBOR, OH</td>
<td>530,000</td>
<td>530,000</td>
</tr>
<tr>
<td>(N)</td>
<td>MAHLING RIVER, OH AND PA</td>
<td>280,000</td>
<td>280,000</td>
</tr>
<tr>
<td>(F)</td>
<td>MAHILLON LOCAL PROTECTION PROJECT, OH</td>
<td>25,000</td>
<td>25,000</td>
</tr>
<tr>
<td>(F)</td>
<td>MICHAEL J KERMAN DAM AND RESERVOIR, OH</td>
<td>1,032,000</td>
<td>1,032,000</td>
</tr>
<tr>
<td>(F)</td>
<td>MOSQUITO CREEK LAKE, OH</td>
<td>1,234,000</td>
<td>1,234,000</td>
</tr>
<tr>
<td>(F)</td>
<td>NORTHERN RIVER, OH</td>
<td>6,180,000</td>
<td>6,180,000</td>
</tr>
<tr>
<td>(F)</td>
<td>NORTH BRANCH KOOSING RIVER LAKE, OH</td>
<td>319,000</td>
<td>319,000</td>
</tr>
<tr>
<td>(F)</td>
<td>PAINT CREEK LAKE, OH</td>
<td>585,000</td>
<td>585,000</td>
</tr>
<tr>
<td>(N)</td>
<td>PROJECT CONDITION SURVEYS, OH</td>
<td>75,000</td>
<td>75,000</td>
</tr>
<tr>
<td>(F)</td>
<td>ROCKY RIVER, OH</td>
<td>---</td>
<td>720,000</td>
</tr>
<tr>
<td>(F)</td>
<td>ROSEVILLE LOCAL PROTECTION PROJECT, OH</td>
<td>30,000</td>
<td>30,000</td>
</tr>
<tr>
<td>(M)</td>
<td>SANDEYS RIVER, OH</td>
<td>935,000</td>
<td>935,000</td>
</tr>
<tr>
<td>(N)</td>
<td>SURVEILLANCE OF NORTHERN BOUNDARY WATERS, OH</td>
<td>166,000</td>
<td>166,000</td>
</tr>
<tr>
<td>(N)</td>
<td>TOLEDO HARBOR, OH</td>
<td>3,388,000</td>
<td>3,388,000</td>
</tr>
<tr>
<td>(F)</td>
<td>TON JENKINS DAM, OH</td>
<td>251,000</td>
<td>251,000</td>
</tr>
<tr>
<td>(F)</td>
<td>WEST FORK OF MILL CREEK LAKE, OH</td>
<td>548,000</td>
<td>548,000</td>
</tr>
<tr>
<td>(F)</td>
<td>WILLIAM H HARSHA LAKE, OH</td>
<td>818,000</td>
<td>818,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>ARCADIA LAKE, OK</td>
<td>347,000</td>
<td>347,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>BIRCH LAKE, OK</td>
<td>635,000</td>
<td>635,000</td>
</tr>
<tr>
<td>TYPE OF PROJECT</td>
<td>PROJECT TITLE</td>
<td>BUDGET ESTIMATE</td>
<td>CONFERENCE</td>
</tr>
<tr>
<td>-----------------</td>
<td>---------------</td>
<td>-----------------</td>
<td>------------</td>
</tr>
<tr>
<td>MP</td>
<td>JOHN DAY LOCK AND DAM, OR &amp; WA</td>
<td>3,936,000</td>
<td>3,936,000</td>
</tr>
<tr>
<td>MP</td>
<td>LOCKOUT POINT LAKE, OR</td>
<td>1,941,000</td>
<td>1,941,000</td>
</tr>
<tr>
<td>MP</td>
<td>LOST CREEK LAKE, OR</td>
<td>2,889,000</td>
<td>2,889,000</td>
</tr>
<tr>
<td>MP</td>
<td>MONT AY LOCK AND DAM, OR &amp; WA</td>
<td>5,304,000</td>
<td>5,304,000</td>
</tr>
<tr>
<td>N</td>
<td>PORT ORFORD, OR</td>
<td>502,000</td>
<td>502,000</td>
</tr>
<tr>
<td>N</td>
<td>PROJECT CONDITION SURVEYS, OR</td>
<td>135,000</td>
<td>135,000</td>
</tr>
<tr>
<td>N</td>
<td>ROGUE RIVER, OR</td>
<td>1,069,000</td>
<td>1,069,000</td>
</tr>
<tr>
<td>FC</td>
<td>SCHEDULING RESERVOIR OPERATIONS, OR</td>
<td>130,000</td>
<td>130,000</td>
</tr>
<tr>
<td>N</td>
<td>SUSLAN RIVER, OR</td>
<td>878,000</td>
<td>878,000</td>
</tr>
<tr>
<td>N</td>
<td>SKIPANON CHANNEL, OR</td>
<td>175,000</td>
<td>175,000</td>
</tr>
<tr>
<td>N</td>
<td>SURVEILLANCE OF NORTHERN BOUNDARY WATERS, OR</td>
<td>7,000</td>
<td>7,000</td>
</tr>
<tr>
<td>N</td>
<td>TILLAMOOK BAY AND BAR, OR</td>
<td>1,294,000</td>
<td>1,294,000</td>
</tr>
<tr>
<td>N</td>
<td>UMPQUA RIVER, OR</td>
<td>1,294,000</td>
<td>1,294,000</td>
</tr>
<tr>
<td>N</td>
<td>WILLAMETTE RIVER AT WILLAMETTE FALLS, OR</td>
<td>467,000</td>
<td>467,000</td>
</tr>
<tr>
<td>FC</td>
<td>WILLAMETTE RIVER BANK PROTECTION, OR</td>
<td>469,000</td>
<td>469,000</td>
</tr>
<tr>
<td>FC</td>
<td>WILLOW CREEK LAKE, OR</td>
<td>593,000</td>
<td>593,000</td>
</tr>
<tr>
<td>N</td>
<td>YAKUNA BAY AND HARBOR, OR</td>
<td>2,891,000</td>
<td>2,891,000</td>
</tr>
</tbody>
</table>

PENNSYLVANIA

<p>| N | ALLEGHENY RIVER, PA | 6,791,000 | 8,281,000 |
| FC | ALVIN R BUSH DAM, PA | 659,000 | 659,000 |
| FC | AYMESTY CREEK LAKE, PA | 223,000 | 223,000 |
| FC | BELLEFONTE LAKE, PA | 916,000 | 916,000 |
| FC | BLUE MAMMOTH LAKE, PA | 2,293,000 | 2,293,000 |
| FC | CONWEBE RIVER LAKE, PA | 1,151,000 | 1,151,000 |
| FC | COOKSVILLE LAKE, PA | 1,220,000 | 1,220,000 |
| FC | CURRYSVILLE LAKE, PA | 673,000 | 804,000 |
| FC | EAST BRANCH CLARION RIVER DAM, PA | 916,000 | 916,000 |
| N | ERIE HARBOR, PA | 15,000 | 15,000 |
| FC | FOEY JOHNSON DAM, PA | 723,000 | 723,000 |
| FC | FRANKIE E WALTER DAM, PA | 668,000 | 668,000 |
| FC | GENERAL EDDIE JACOBSON DAM AND RESERVOIR, PA | 271,000 | 271,000 |
| FC | INSPECTION OF COMPLETED WORKS, PA | 215,000 | 215,000 |
| FC | JOHNSTOWN, PA | 286,000 | 1,365,000 |
| FC | KINZUA DAM AND ALLEGHENY RESERVOIR, PA | 1,423,000 | 1,423,000 |
| FC | LOCALMANN LAKE, PA | 1,121,000 | 1,121,000 |
| FC | LOYALDAN LAKE, PA | 1,293,000 | 1,293,000 |
| FC | MACHEN LAKE, PA | 1,293,000 | 1,293,000 |
| FC | McKINNEY DAM AND RESERVOIR, PA | 1,443,000 | 1,443,000 |
| N | MCKINNEY DAM AND RESERVOIR, PA | 1,443,000 | 1,443,000 |
| N | PROJECT CONDITION SURVEYS, PA | 16,000 | 16,000 |
| FC | POKER LAKE, PA | 409,000 | 409,000 |
| FC | PUNXSUTAWNEY, PA | 14,000 | 14,000 |
| FC | RAVISTOWN LAKE, PA | 3,006,000 | 4,690,000 |
| FC | SCHEDULING RESERVOIR OPERATIONS, PA | 56,000 | 56,000 |
| N | SCHUYLKILL RIVER, PA | 50,000 | 50,000 |
| FC | SHENANGO RIVER DAM, PA | 2,167,000 | 2,167,000 |
| FC | STILLWATER LAKE, PA | 333,000 | 333,000 |
| N | SURVEILLANCE OF NORTHERN BOUNDARY WATERS, PA | 56,000 | 56,000 |
| FC | TITUS-LAMBERT LAKE, PA | 1,917,000 | 1,917,000 |</p>
<table>
<thead>
<tr>
<th>Type of Project</th>
<th>Project Title</th>
<th>Budget Estimate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>(FC)</td>
<td>TIONESTA LAKE, PA</td>
<td>1,437,000</td>
<td>1,437,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>UNION CITY LAKE, PA</td>
<td>284,000</td>
<td>284,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>MOOEDOCK CREEK LAKE, PA</td>
<td>788,000</td>
<td>788,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>YORK INDIAN ROCK DAM, PA</td>
<td>556,000</td>
<td>556,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>YOUGHIOHENY RIVER LAKE, PA &amp; NO.</td>
<td>1,788,000</td>
<td>1,788,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>RHODE ISLAND - INSPECTION OF COMPLETED WORKS, RI</td>
<td>5,000</td>
<td>5,000</td>
</tr>
<tr>
<td>(N)</td>
<td>PROJECT CONDITION SURVEYS, RI</td>
<td>527,000</td>
<td>527,000</td>
</tr>
<tr>
<td>(N)</td>
<td>PROVIDENCE RIVER AND HARBOR, RI</td>
<td>1,143,000</td>
<td>1,143,000</td>
</tr>
<tr>
<td>(N)</td>
<td>SOUTH CAROLINA - ATLANTIC INTRACOASTAL WATERWAY, SC</td>
<td>3,325,000</td>
<td>3,425,000</td>
</tr>
<tr>
<td>(N)</td>
<td>CHARLESTON HARBOR, SC             [LOCATION]</td>
<td>4,716,000</td>
<td>5,616,000</td>
</tr>
<tr>
<td>(N)</td>
<td>COOPER RIVER, CHARLESTON HARBOR, SC</td>
<td>3,211,000</td>
<td>3,211,000</td>
</tr>
<tr>
<td>(N)</td>
<td>FOLLY RIVER, SC</td>
<td>230,000</td>
<td>430,000</td>
</tr>
<tr>
<td>(N)</td>
<td>GEORGETOWN HARBOR, SC             [LOCATION]</td>
<td>2,414,000</td>
<td>2,414,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>INSPECTION OF COMPLETED WORKS, SC</td>
<td>24,000</td>
<td>24,000</td>
</tr>
<tr>
<td>(N)</td>
<td>LITTLE RIVER INLET, SC &amp; NO.</td>
<td>100,000</td>
<td>100,000</td>
</tr>
<tr>
<td>(N)</td>
<td>MURRELLS INLET, SC</td>
<td>42,000</td>
<td>42,000</td>
</tr>
<tr>
<td>(N)</td>
<td>PORT ROYAL, SC</td>
<td>40,000</td>
<td>40,000</td>
</tr>
<tr>
<td>(N)</td>
<td>PROJECT CONDITION SURVEYS, SC</td>
<td>40,000</td>
<td>40,000</td>
</tr>
<tr>
<td>(N)</td>
<td>SHIPYARD RIVER, SC</td>
<td>270,000</td>
<td>270,000</td>
</tr>
<tr>
<td>(N)</td>
<td>TOWN CREEK, SC</td>
<td>340,000</td>
<td>340,000</td>
</tr>
<tr>
<td>(MP)</td>
<td>SOUTH DAKOTA - BIG BEND DAM, LAKE SHARPE, SD</td>
<td>6,479,000</td>
<td>6,579,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>COLD BROOK LAKE, SD</td>
<td>294,000</td>
<td>294,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>COTTONWOOD SPRINGS LAKE, SD</td>
<td>184,000</td>
<td>184,000</td>
</tr>
<tr>
<td>(MP)</td>
<td>FORT RANDALL DAM, LAKE FRANCIS CAGE, SD</td>
<td>7,417,000</td>
<td>7,517,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>INSPECTION OF COMPLETED WORKS, SD</td>
<td>70,000</td>
<td>70,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>LAKE TRAVERSE, SD &amp; NO.</td>
<td>1,440,000</td>
<td>1,440,000</td>
</tr>
<tr>
<td>(MP)</td>
<td>MISSOURI R BETWEEN FORT PECK DAM AND GAVIN PT, SD</td>
<td>3,000,000</td>
<td>3,000,000</td>
</tr>
<tr>
<td>(MP)</td>
<td>DAVE DAM, LAKE DAVE, SD &amp; NO.</td>
<td>8,472,000</td>
<td>9,272,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>SCHEDULING RESERVOIR OPERATIONS, SD</td>
<td>70,000</td>
<td>70,000</td>
</tr>
<tr>
<td>(MP)</td>
<td>TENNESSEE - CENTER HILL LAKE, TN</td>
<td>5,635,000</td>
<td>5,635,000</td>
</tr>
<tr>
<td>(MP)</td>
<td>CHEATHAM LOCK AND DAM, TN</td>
<td>4,826,000</td>
<td>4,826,000</td>
</tr>
<tr>
<td>(MP)</td>
<td>CORDELL HILL DAM AND RESERVOIR, TN</td>
<td>4,904,000</td>
<td>4,904,000</td>
</tr>
<tr>
<td>(MP)</td>
<td>DALE HOLLOW LAKE, TN</td>
<td>3,810,000</td>
<td>3,810,000</td>
</tr>
<tr>
<td>(FC)</td>
<td>INSPECTION OF COMPLETED WORKS, TN</td>
<td>3,571,000</td>
<td>3,571,000</td>
</tr>
<tr>
<td>(MP)</td>
<td>J PERCY PRIEST DAM AND RESERVOIR, TN</td>
<td>5,925,000</td>
<td>5,925,000</td>
</tr>
<tr>
<td>(MP)</td>
<td>OLD HICKORY LOCK AND DAM, TN</td>
<td>5,000</td>
<td>5,000</td>
</tr>
<tr>
<td>(N)</td>
<td>PROJECT CONDITION SURVEYS, TN</td>
<td>5,000</td>
<td>5,000</td>
</tr>
<tr>
<td>(N)</td>
<td>TENNESSEE RIVER, TN</td>
<td>12,886,000</td>
<td>12,886,000</td>
</tr>
<tr>
<td>Type of Project</td>
<td>Project Title</td>
<td>Budget Estimate</td>
<td></td>
</tr>
<tr>
<td>-----------------</td>
<td>---------------------------------------------------</td>
<td>-----------------</td>
<td></td>
</tr>
<tr>
<td>(N)</td>
<td>WOLF RIVER HARBOR, TN</td>
<td>285,000</td>
<td></td>
</tr>
</tbody>
</table>

**Texas**

- (FC) AQUILLA LAKE, TX: 585,000
- (FC) ARKANSAS - RED RIVER BASINS CHLORIDE CONTROL - AREA VI: 1,080,000
- (N) BARBOUR TERMINAL CHANNEL, TX: 925,000
- (N) BARBOUR TERMINAL CHANNEL, TX: 490,000
- (N) BAYPORT SHIP CHANNEL, TX: 2,095,000
- (FC) BELOW COVE, TX: 2,095,000
- (FC) BAYOU LAKE, TX: 2,095,000
- (N) BAYOU LAKE, TX: 2,135,000
- (N) BAYOU LAKE, TX: 2,135,000
- (N) BRAZOS ISLAND HARBOR, TX: 2,175,000
- (FC) BUFFALO BAYOU AND TRIBUTARIES, TX: 2,175,000
- (FC) CANYON LAKE, TX: 2,175,000
- (N) CHANNEL TO LIBERTY, TX: 500,000
- (N) CHANCE TO PORT MANSFIELD, TX: 500,000
- (N) CORPUS CHRISTI SHIP CHANNEL, TX: 500,000
- (N) CORPUS CHRISTI SHIP CHANNEL, TX: 500,000
- (N) DERINS ON LAKE TEXOMA, TX: 500,000
- (MP) DENTON DAM, LAKE TEXOMA, TX: 5,895,000
- (FC) ESTELLINE SPRING, EXPERIMENTAL PROJECT, TX: 5,895,000
- (FC) FELLETS BRIDGE DAM, LAKE OF THE PINES, TX: 5,895,000
- (N) GALLETON HARBOR AND CHANNEL, TX: 5,895,000
- (FC) GOLF HARBOR, HARBOR AND CHANNEL, TX: 5,895,000
- (N) GOLDFIELD, CHOCOLATE BAYOU, TX: 5,895,000
- (FC) GRANITE DAM AND LAKE, TX: 5,895,000
- (FC) GRANITE DAM AND LAKE, TX: 5,895,000
- (FC) GULF INTRACOASTAL WATERWAY, TX: 5,895,000
- (FC) GULF INTRACOASTAL WATERWAY, TX: 5,895,000
- (FC) HARRIS CREEK, LAKE, TX: 5,895,000
- (N) HARRIS CREEK, LAKE, TX: 5,895,000
- (FC) HARRIS CREEK, LAKE, TX: 5,895,000
- (FC) HOUSTON SHIP CHANNEL, TX: 5,895,000
- (FC) HOUSTON SHIP CHANNEL, TX: 5,895,000
- (FC) INSPECTION OF COMPLETED WORKS, TX: 5,895,000
- (FC) JIM CHAMPAIGN, LAKE, TX: 5,895,000
- (FC) JIM CHAMPAIGN, LAKE, TX: 5,895,000
- (FC) JOE POOL LAKE, TX: 5,895,000
- (FC) LAKE KEMP, TX: 5,895,000
- (FC) LAKE KEMP, TX: 5,895,000
- (FC) LEWISVILLE DAM, TX: 5,895,000
- (N) MACKINVA SHIP CHANNEL, TX: 5,895,000
- (N) MOUTH OF THE COLORADO RIVER, TX: 5,895,000
- (FC) NAVARRE BATH, TX: 5,895,000
- (FC) NORTH TANAKA DAM AND LAKE GEORGETOWN, TX: 5,895,000
- (FC) O.C. FISHER DAM AND LAKE, TX: 5,895,000
- (FC) PAT MAYES DAM, TX: 5,895,000
- (FC) PHOCTON LAKE, TX: 5,895,000
- (N) PROJECT CONDITION SURVEYS, TX: 5,895,000
- (FC) RAY ROBERTS LAKE, TX: 5,895,000
- (N) SABINE - NECHES WATERWAY, TX: 5,895,000
- (N) SABINE - NECHES WATERWAY, TX: 5,895,000
- (MP) SANCY REVISED RESERVOIR, TX: 5,895,000
- (FC) SCHEDULING RESERVOIR OPERATIONS, TX: 5,895,000
- (FC) S SOWDER LKE, TX: 5,895,000
- (FC) SOWDER LKE, TX: 5,895,000
## TYPE OF PROJECT

<table>
<thead>
<tr>
<th>Project Title</th>
<th>Budget Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>STILLHOUSE HOLLOW DAM, TX</td>
<td>1,988,000</td>
</tr>
<tr>
<td>TOMI BLUFF DAM, B, A STEINHAGEN LAKE, TX</td>
<td>1,612,000</td>
</tr>
<tr>
<td>WACO LAKE, TX</td>
<td>2,299,000</td>
</tr>
<tr>
<td>WALLISVILLE LAKE, TX</td>
<td>780,000</td>
</tr>
<tr>
<td>WHITNEY LAKE, TX</td>
<td>3,915,000</td>
</tr>
<tr>
<td>WRIGHT PATMAN DAM AND LAKE, TX</td>
<td>2,605,000</td>
</tr>
<tr>
<td>BALL MOUNTAIN LAKE, VT</td>
<td>55,000</td>
</tr>
<tr>
<td>SCHEDULING RESERVOIR OPERATIONS, UT</td>
<td>496,000</td>
</tr>
<tr>
<td>HARRISON'S LAKE WATERSHED, VT</td>
<td>731,000</td>
</tr>
<tr>
<td>BURLINGTON HARBOUR BREACHWORKS, VT</td>
<td>28,000</td>
</tr>
<tr>
<td>HARRIERS LAKE WATERSHED, VT</td>
<td>546,000</td>
</tr>
<tr>
<td>NORTH HARTLAND LAKE, VT</td>
<td>586,000</td>
</tr>
<tr>
<td>TOWNSHEND LAKE, VT</td>
<td>847,000</td>
</tr>
<tr>
<td>UNION VILLAGE DAM, VT</td>
<td>602,000</td>
</tr>
<tr>
<td>ATLANTIC INTRACOASTAL WATERWAY, VA</td>
<td>2,300,000</td>
</tr>
<tr>
<td>CHANNEL TO NEWPORT NEWS, VA</td>
<td>45,000</td>
</tr>
<tr>
<td>CHINCOTEAGLE INLET, VA</td>
<td>602,000</td>
</tr>
<tr>
<td>GATHTRIST DAM AND LAKE MOORES, VA</td>
<td>1,022,000</td>
</tr>
<tr>
<td>HAMPTON RDS, NORFOLK &amp; NEWPORT NEWS HBR, VA (DRAFT REM)</td>
<td>912,000</td>
</tr>
<tr>
<td>JAMES RIVER CHANNEL, VA</td>
<td>84,000</td>
</tr>
<tr>
<td>JOHN H KERR LAKE, VA &amp; NC</td>
<td>3,335,000</td>
</tr>
<tr>
<td>JOHN H FLANAGAN DAM AND RESERVOIRS, VA</td>
<td>7,950,000</td>
</tr>
<tr>
<td>NORFOLK HARBOR (PREVENTION OF OBSTRUCTIVE DEPOSITS), VA</td>
<td>1,246,000</td>
</tr>
<tr>
<td>NORFOLK HARBOR, VA</td>
<td>262,000</td>
</tr>
<tr>
<td>NORTH FORK OF POUND RIVER LAKE, VA</td>
<td>333,000</td>
</tr>
<tr>
<td>PHIPPS LAKES, VA</td>
<td>2,007,000</td>
</tr>
<tr>
<td>POTOMAC RIVER AT ALEXANDRIA, VA</td>
<td>1,500,000</td>
</tr>
<tr>
<td>PROJECT CONDITION SURVEYS, VA</td>
<td>793,000</td>
</tr>
<tr>
<td>RUGUE INLET, VA</td>
<td>794,000</td>
</tr>
<tr>
<td>THIMBLE ISLAND CHANNEL, VA</td>
<td>1,151,000</td>
</tr>
<tr>
<td>WATERWAY ON THE COAST OF VIRGINIA, VA</td>
<td>1,115,000</td>
</tr>
<tr>
<td>CHIEF JOSEPH DAM, WA</td>
<td>1,016,000</td>
</tr>
<tr>
<td>COLUMBIA RIVER AT BAKER BAY, WA &amp; OR</td>
<td>3,000</td>
</tr>
<tr>
<td>COLUMBIA RIVER BETWEEN CHINOOK AND SAND ISLAND, WA</td>
<td>5,000</td>
</tr>
<tr>
<td>EVERETT HARBOR AND SNOWHURST RIVER, WA</td>
<td>1,212,000</td>
</tr>
<tr>
<td>TYPE OF PROJECT</td>
<td>PROJECT TITLE</td>
</tr>
<tr>
<td>----------------</td>
<td>---------------------------------------------------</td>
</tr>
<tr>
<td>(N)</td>
<td>Grays Harbor and Chehalis River, WA</td>
</tr>
<tr>
<td>(FC)</td>
<td>Howard Hanson Dam, WA</td>
</tr>
<tr>
<td>(MP)</td>
<td>ICE Harbor Lock and Dam, WA</td>
</tr>
<tr>
<td>(FC)</td>
<td>Inspection of Completed Works, WA</td>
</tr>
<tr>
<td>(N)</td>
<td>Lake Washington Ship Canal, WA</td>
</tr>
<tr>
<td>(MP)</td>
<td>Little Goose Lock and Dam, WA</td>
</tr>
<tr>
<td>(MP)</td>
<td>Lower Granite Lock and Dam, WA</td>
</tr>
<tr>
<td>(MP)</td>
<td>Lower Monumental Lock and Dam, WA</td>
</tr>
<tr>
<td>(FC)</td>
<td>Mill Creek Lake, WA</td>
</tr>
<tr>
<td>(FC)</td>
<td>MT St. Helens, WA</td>
</tr>
<tr>
<td>(FC)</td>
<td>Mud Mountain Dam, WA</td>
</tr>
<tr>
<td>(N)</td>
<td>Project Condition Surveys, WA</td>
</tr>
<tr>
<td>(N)</td>
<td>PUBET Sound and Tributary Waters, WA</td>
</tr>
<tr>
<td>(N)</td>
<td>Quillayute River, WA</td>
</tr>
<tr>
<td>(N)</td>
<td>Scheduling Reservoir Operations, WA</td>
</tr>
<tr>
<td>(N)</td>
<td>Sequim Harbor, WA</td>
</tr>
<tr>
<td>(N)</td>
<td>Stillaguamish River, WA</td>
</tr>
<tr>
<td>(N)</td>
<td>Surveillance of Northern Boundary Waters, WA</td>
</tr>
<tr>
<td>(N)</td>
<td>Swinomish Channel, WA</td>
</tr>
<tr>
<td>(FC)</td>
<td>Tacoma, Puyallup River, WA</td>
</tr>
<tr>
<td>(MP)</td>
<td>The Dalles Lock and Dam, WA &amp; OR</td>
</tr>
<tr>
<td>(N)</td>
<td>Willapa River and Harbor, WA</td>
</tr>
<tr>
<td>(N)</td>
<td>Seattle Harbor, East Waterway Channel Deepening, WA</td>
</tr>
<tr>
<td></td>
<td>Tri-Cities Area, Washington</td>
</tr>
</tbody>
</table>

**WEST VIRGINIA**

| (FC)           | Beech Fork Lake, WV                             | 976,000         | 976,000    |
| (FC)           | Bluestone Lake, WV                              | 1,031,000       | 1,441,000  |
| (FC)           | Burnsville Lake, WV                             | 1,294,000       | 1,294,000  |
| (FC)           | East Lynn Lake, WV                              | 1,513,000       | 1,513,000  |
| (N)            | Elk River Harbor, WV                            | 385,000         | 385,000    |
| (FC)           | Elkins, WV                                      | 11,000          | 11,000     |
| (FC)           | Inspection of Completed Works, WV              | 100,000         | 100,000    |
| (N)            | Kanawha River Locks and Dams, WV                | 8,320,000       | 8,320,000  |
| (FC)           | K D Bailey Lake, WV                             | 1,484,000       | 1,484,000  |
| (FC)           | Stonebriar Jackson Lake, WV                     | 914,000         | 914,000    |
| (FC)           | Summersville Lake, WV                           | 1,298,000       | 1,298,000  |
| (FC)           | Sutton Lake, WV                                 | 1,470,000       | 1,470,000  |
| (N)            | Tugart Lake, WV                                 | 2,235,000       | 2,235,000  |

**WISCONSIN**

<p>| (N)            | Ashland Harbor, WI                              | 171,000         | 171,000    |
| (FC)           | Eau Galle River Lake, WI                        | 674,000         | 674,000    |
| (N)            | Fox River, WI                                   | 2,960,000       | 3,000,000  |
| (N)            | Green Bay Harbor, WI                            | 1,212,000       | 1,212,000  |
| (N)            | Green Bay Harbor, WI                            | 3,603,000       | 3,603,000  |
| (FC)           | Inspection of Completed Works, WI              | 42,000          | 42,000     |
| (N)            | Kenosha Harbor, WI                              | 320,000         | 320,000    |</p>
<table>
<thead>
<tr>
<th>TYPE OF PROJECT</th>
<th>PROJECT TITLE</th>
<th>BUDGET ESTIMATE</th>
<th>CONFERENCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>(FC)</td>
<td>LA FARGE LAKE, WI</td>
<td>51,000</td>
<td>51,000</td>
</tr>
<tr>
<td>(N)</td>
<td>MANITOWOC HARBOR, WI</td>
<td>274,000</td>
<td>274,000</td>
</tr>
<tr>
<td>(N)</td>
<td>MILWAUKEE HARBOR, WI</td>
<td>1,628,000</td>
<td>1,628,000</td>
</tr>
<tr>
<td>(N)</td>
<td>PORT WASHINGTON HARBOR, WI</td>
<td>201,000</td>
<td>201,000</td>
</tr>
<tr>
<td>(N)</td>
<td>PROJECT CONDITION SURVEYS, WI</td>
<td>8,000</td>
<td>8,000</td>
</tr>
<tr>
<td>(N)</td>
<td>SHEBOYGAN HARBOR, WI</td>
<td>619,000</td>
<td>619,000</td>
</tr>
<tr>
<td>(N)</td>
<td>STURGEON BAY, WI</td>
<td>475,000</td>
<td>475,000</td>
</tr>
<tr>
<td>(N)</td>
<td>SURVEILLANCE OF NORTHERN BOUNDARY WATERS, WI</td>
<td>27,000</td>
<td>27,000</td>
</tr>
</tbody>
</table>

**WYOMING**

| (FC)            | JACKSON HOLE LEVEES, WY                      | 1,506,000       | 1,506,000  |
| (FC)            | SCHEDULING RESERVOIR OPERATIONS, WY          | 340,000         | 340,000    |

**MISCELLANEOUS**

<table>
<thead>
<tr>
<th>PROJECT TITLE</th>
<th>BUDGET ESTIMATE</th>
<th>CONFERENCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>COASTAL INLET RESEARCH PROGRAM</td>
<td>4,000,000</td>
<td>2,500,000</td>
</tr>
<tr>
<td>CULTURAL RESOURCES (NAGPRA/CURATION)</td>
<td>2,000,000</td>
<td>1,500,000</td>
</tr>
<tr>
<td>DREDGING DATA AND LOCK PERFORMANCE MONITORING SYSTEM</td>
<td>1,075,000</td>
<td>500,000</td>
</tr>
<tr>
<td>DREDGING OPERATIONS AND ENVIRONMENTAL RESEARCH (DOER)</td>
<td>8,000,000</td>
<td>5,000,000</td>
</tr>
<tr>
<td>DREDGING OPERATIONS TECHNICAL SUPPORT (DOTS) PROGRAM</td>
<td>2,000,000</td>
<td>1,500,000</td>
</tr>
<tr>
<td>EARTHQUAKE HAZARDS PROGRAM FOR BUILDINGS AND LIFELINES</td>
<td>2,000,000</td>
<td>1,900,000</td>
</tr>
<tr>
<td>GREAT LAKES SEDIMENT TRANSPORT MODELS</td>
<td>---</td>
<td>500,000</td>
</tr>
<tr>
<td>HARBOR MAINTENANCE FEE DATA COLLECTION</td>
<td>575,000</td>
<td>500,000</td>
</tr>
<tr>
<td>MANAGEMENT TOOLS FOR O&amp;M</td>
<td>600,000</td>
<td>---</td>
</tr>
<tr>
<td>MISSISSIPPI RIVER BASIN MAIN STEM MODEL DEVELOPMENT</td>
<td>2,000,000</td>
<td>1,000,000</td>
</tr>
<tr>
<td>MONITORING OF COASTAL NAVIGATION PROJECTS</td>
<td>2,000,000</td>
<td>1,500,000</td>
</tr>
<tr>
<td>NATIONAL DAW SAFETY PROGRAM</td>
<td>40,000</td>
<td>20,000</td>
</tr>
<tr>
<td>NATIONAL EMERGENCY PREPAREDNESS PROGRAMS (NEPP)</td>
<td>6,000,000</td>
<td>5,000,000</td>
</tr>
<tr>
<td>NATIONAL RECREATION MANAGEMENT SUPPORT (NRMS) PROGRAM</td>
<td>1,850,000</td>
<td>1,000,000</td>
</tr>
<tr>
<td>PERFORMANCE BASED BUDGETING SUPPORT PROGRAM</td>
<td>516,000</td>
<td>416,000</td>
</tr>
<tr>
<td>PROTECT. CLEAR AND STRAIGHTEN CHANNELS (SECTION 3)</td>
<td>50,000</td>
<td>50,000</td>
</tr>
<tr>
<td>RELIABILITY MODELS PROGRAM FOR MAJOR REHABILITATION</td>
<td>675,000</td>
<td>500,000</td>
</tr>
<tr>
<td>REMOVAL OF SUNKEN VESSELS</td>
<td>500,000</td>
<td>500,000</td>
</tr>
<tr>
<td>WATER OPERATIONS TECHNICAL SUPPORT (WOTS) PROGRAM</td>
<td>350,000</td>
<td>750,000</td>
</tr>
<tr>
<td>WATERBORNE COMMERCE STATISTICS</td>
<td>4,400,000</td>
<td>4,000,000</td>
</tr>
<tr>
<td>REDUCTION FOR ANTICIPATED SAVINGS AND SLIPPAGE</td>
<td>-22,918,000</td>
<td>-44,253,000</td>
</tr>
</tbody>
</table>

**TOTAL, OPERATION AND MAINTENANCE**                                         **1,603,000,000** | **1,653,252,000**
The conference agreement includes $6,000,000 for the Reclamation Recreation Management (Title XXVIII) program. Of this amount, $2,500,000 is for projects in Colorado, including the Glenwood Canyon Project; $2,000,000 is for recreation facility improvements in New Mexico, as described in the Senate report; and $1,500,000 is for the Yuma West Wetlands Project.

The conference has not provided funding for the proposed Unscheduled Maintenance program. The conferees note, however, that sufficient funding has been provided for facilities operations, maintenance and rehabilitation for Bureau projects throughout the West. The conferees expect the Bureau to efficiently evaluate and order priorities and utilize its existing reprogramming authority to address unanticipated needs as they arise.

The conferees are aware that, contrary to the Department of the Interior’s budget justification, the Department has failed to finalize an implementation plan for the Anadromous Fish Restoration Plan (AFRP) in fiscal year 1999. The conferees believe that the activities carried out under the AFRP should be based on sound science and carried out in a manner that is consistent with and complementary to the鱼 undertaken by the CALFED program. Further, without such an implementation plan, the conferees are unable to determine whether or not the activities carried out under the AFRP are ecologically justified as well as reasonable and prudent. The conferees direct the Department to provide the relevant information to the House and Senate, as soon as possible, regarding the Department’s AFRP implementation plan and an explanation of how each activity expected to be undertaken was evaluated in fiscal year 1999 is consistent with such implementation plan.

The Department is directed to conform to the amount available at the beginning of the fiscal year for such project, without prior Congressional approval, that such reprogramming is necessary to discharge legal obligations of the Bureau of Reclamation.

As to each project within the Resources Management and Rehabilitation category for which $2,000,000 or more is available at the beginning of the fiscal year, the Bureau is permitted to transfer such project in that fiscal year no more than fifteen percent of the resources management and rehabilitation funds, as appropriate, to another project without prior Congressional approval.

The Bureau is permitted to transfer funds within the Facility Operation, Maintenance and Rehabilitation category, prior to Congressional approval and without regard to percentage limitation, not more than $1,000,000 in any one case to provide adequate funds for settled contractor claims, increased contractor earnings due to accelerated rates of operations, and real estate deficiency judgments, provided that such reprogramming is necessary to discharge legal obligations of the Bureau of Reclamation.

The conference agreement appropriates $8,421,000 for the Bureau of Reclamation Loan Program Account for the Tooele Wastewater Reclamation and Reuse, Idaho, project.

The conference agreement appropriates $2,700,000 for the San Juan River Basin.

The conference agreement appropriates $47,000,000 for Policy and Administration instead of $46,000,000 as proposed by the House and $48,000,000 as proposed by the Senate.
<table>
<thead>
<tr>
<th>PROJECT TITLE</th>
<th>BUDGET ESTIMATES</th>
<th>CONFERENCE ALLOWANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>RESOURCES MGMT &amp; DEVELOPMENT</td>
<td>UM&amp;R</td>
</tr>
<tr>
<td>WATER AND RELATED RESOURCES</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ARIZONA</td>
<td></td>
<td></td>
</tr>
<tr>
<td>AK CHIN WATER RIGHTS SETTLEMENT ACT PROJECT</td>
<td>7,080,000</td>
<td>7,080,000</td>
</tr>
<tr>
<td>CENTRAL ARIZONA PROJECT (LORDO)</td>
<td>46,590,000</td>
<td>46,590,000</td>
</tr>
<tr>
<td>COLORADO RIVER BASIN SALINITY CONTROL, TITLE I</td>
<td>2,467,000</td>
<td>2,467,000</td>
</tr>
<tr>
<td>COLORADO RIVER FRONT WOLD AND LEVEE SYSTEM</td>
<td>2,950,000</td>
<td>2,950,000</td>
</tr>
<tr>
<td>NORTHERN AZ WATER MANAGEMENT AND TREATMENT PROGRAM</td>
<td>650,000</td>
<td>650,000</td>
</tr>
<tr>
<td>SALT RIVER PROJECT, HORSE MESA DAM</td>
<td>1,500,000</td>
<td>1,500,000</td>
</tr>
<tr>
<td>SOUTH CENTRAL AZ WATER MANAGEMENT &amp; TECH ASSIST PROGRAM</td>
<td>526,000</td>
<td>526,000</td>
</tr>
<tr>
<td>SOUTHERN ARIZONA WATER RIGHTS SETTLEMENT ACT</td>
<td>3,000,000</td>
<td>3,000,000</td>
</tr>
<tr>
<td>TUCSON AREA WATER RECLAMATION STUDY</td>
<td>1,200,000</td>
<td>1,200,000</td>
</tr>
<tr>
<td>TRES RIOS WETLANDS DEMONSTRATION</td>
<td>22,213,000</td>
<td>22,213,000</td>
</tr>
<tr>
<td>YUMA AREA PROJECTS</td>
<td>22,213,000</td>
<td>22,213,000</td>
</tr>
<tr>
<td>CALIFORNIA</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CADMUMA PROJECT</td>
<td>531,000</td>
<td>531,000</td>
</tr>
<tr>
<td>CALIFORNIA WATER MANAGEMENT AND TECHNICAL ASSIST PROGRAM</td>
<td>1,863,000</td>
<td>1,863,000</td>
</tr>
<tr>
<td>CALIFORNIA MUNICIPAL WATER DISTRICT RECYCLING PROJECT</td>
<td>1,300,000</td>
<td>1,300,000</td>
</tr>
<tr>
<td>CENTRAL VALLEY PROJECT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>AMERICAN RIVER DIVISION</td>
<td>9,558,000</td>
<td>9,558,000</td>
</tr>
<tr>
<td>CENTRAL VALLEY PROJECT IMPROVEMENT ACT</td>
<td>1,222,000</td>
<td>1,222,000</td>
</tr>
<tr>
<td>DELTA DIVISION</td>
<td>4,791,000</td>
<td>4,791,000</td>
</tr>
<tr>
<td>EAST SIDE DIVISION</td>
<td>4,791,000</td>
<td>4,791,000</td>
</tr>
<tr>
<td>FRANCT DIVISION</td>
<td>3,190,000</td>
<td>3,190,000</td>
</tr>
<tr>
<td>MISCELLANEOUS PROJECT PROGRAMS</td>
<td>2,754,000</td>
<td>2,754,000</td>
</tr>
<tr>
<td>SACRAMENTO RIVER DIVISION</td>
<td>13,176,000</td>
<td>13,176,000</td>
</tr>
<tr>
<td>SAN FELIPE DIVISION</td>
<td>692,000</td>
<td>692,000</td>
</tr>
<tr>
<td>SAN JOAQUIN DIVISION</td>
<td>7,920,000</td>
<td>7,920,000</td>
</tr>
<tr>
<td>SHASTA DIVISION</td>
<td>8,995,000</td>
<td>8,995,000</td>
</tr>
<tr>
<td>TRINITY RIVER DIVISION</td>
<td>5,353,000</td>
<td>5,353,000</td>
</tr>
<tr>
<td>WATER AND POWER OPERATIONS</td>
<td>5,063,000</td>
<td>5,063,000</td>
</tr>
<tr>
<td>WEST SAN JOAQUIN DIVISION, SAN LOSE UNIT</td>
<td>5,321,000</td>
<td>5,321,000</td>
</tr>
<tr>
<td>YIELD FEASIBILITY INVESTIGATION</td>
<td>20,000,000</td>
<td>20,000,000</td>
</tr>
<tr>
<td>LONG BEACH CITY WATER RECLAMATION PROJECT</td>
<td>1,300,000</td>
<td>1,300,000</td>
</tr>
<tr>
<td>LOS ANGELES AREA WATER RECLAMATION AND REUSE</td>
<td>10,000,000</td>
<td>10,000,000</td>
</tr>
<tr>
<td>LOWER COLORADO WATER MANAGEMENT AND TECHNICAL ASSIST PROGRAM</td>
<td>1,300,000</td>
<td>1,300,000</td>
</tr>
<tr>
<td>NORTH SAN DIEGO COUNTY AREA WATER RECLAMATION PROJECT</td>
<td>1,300,000</td>
<td>1,300,000</td>
</tr>
<tr>
<td>ORLAND PROJECT</td>
<td>685,000</td>
<td>685,000</td>
</tr>
<tr>
<td>SALTON SEA RESEARCH PROGRAM</td>
<td>400,000</td>
<td>400,000</td>
</tr>
<tr>
<td>SAN DIEGO AREA WATER RECLAMATION PROGRAM</td>
<td>13,000,000</td>
<td>13,000,000</td>
</tr>
<tr>
<td>SAN GABRIEL BASIN PROJECT</td>
<td>2,500,000</td>
<td>2,500,000</td>
</tr>
<tr>
<td>SAN JOSIE AREA WATER RECLAMATION AND REUSE</td>
<td>3,000,000</td>
<td>3,000,000</td>
</tr>
<tr>
<td>SOLANO PROJECT</td>
<td>975,000</td>
<td>975,000</td>
</tr>
<tr>
<td>SO. CA. CALIF. COMPREHENSIVE WATER RECLAMATION STUDY</td>
<td>200,000</td>
<td>200,000</td>
</tr>
<tr>
<td>SOUTHERN CALIFORNIA WATER MGMT AND TECHNICAL ASSIST PROGRAM</td>
<td>320,000</td>
<td>320,000</td>
</tr>
<tr>
<td>TYPE OF PROJECT</td>
<td>PROJECT TITLE</td>
<td>BUDGET ESTIMATES</td>
</tr>
<tr>
<td>----------------</td>
<td>--------------------------------------------------------------------------------</td>
<td>------------------</td>
</tr>
<tr>
<td></td>
<td></td>
<td>RESOURCES MGMT &amp; DEVELOPMENT</td>
</tr>
<tr>
<td>COLORADO</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>ANIMAS-LAPLATA PROJECT, SECTIONS 5 &amp; 8</td>
<td>3,000,000</td>
</tr>
<tr>
<td></td>
<td>COLLBRAN PROJECT</td>
<td>1,206,000</td>
</tr>
<tr>
<td></td>
<td>COLORADO-BIG THOMPSON PROJECT</td>
<td>104,000</td>
</tr>
<tr>
<td></td>
<td>COLORADO WATER MANAGEMENT AND TECH ASST PROGRAM</td>
<td>733,000</td>
</tr>
<tr>
<td></td>
<td>FRUITGROWERS DAM PROJECT</td>
<td>50,000</td>
</tr>
<tr>
<td></td>
<td>FRINGINGPAN-ARKANSAS PROJECT</td>
<td>100,000</td>
</tr>
<tr>
<td></td>
<td>GRAND VALLEY UNIT, CRBSCP</td>
<td>234,000</td>
</tr>
<tr>
<td></td>
<td>LOWER GUNNISON BASIN UNIT, CRBSCP</td>
<td>79,000</td>
</tr>
<tr>
<td></td>
<td>MANCOS PROJECT</td>
<td>18,000</td>
</tr>
<tr>
<td></td>
<td>PARADOX UNIT, CRBSCP</td>
<td>2,474,000</td>
</tr>
<tr>
<td></td>
<td>SAN LUIS VALLEY PROJECT, CLOSED BASIN/CONEJOS</td>
<td>2,474,000</td>
</tr>
<tr>
<td></td>
<td>UNCOMPAGNE PROJECT</td>
<td>2,474,000</td>
</tr>
<tr>
<td></td>
<td>UPPER COLORADO RIVER BASIN SELENIUM STUDY</td>
<td>2,474,000</td>
</tr>
<tr>
<td>IDAHO</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>BOISE AREA PROJECTS</td>
<td>2,837,000</td>
</tr>
<tr>
<td></td>
<td>COLUMBIA-SNAKE RIVER SALMON RECOVERY PROJECT</td>
<td>13,116,000</td>
</tr>
<tr>
<td></td>
<td>DRAIN WATER MANAGEMENT STUDY, BOISE PROJECT</td>
<td>50,000</td>
</tr>
<tr>
<td></td>
<td>IDAHO WATER MANAGEMENT AND TECH ASST PROGRAM</td>
<td>715,000</td>
</tr>
<tr>
<td></td>
<td>MINIDOKA AREA PROJECT</td>
<td>3,839,000</td>
</tr>
<tr>
<td></td>
<td>MCCALL AREA WASTEWATER RECLAMATION AND REUSE</td>
<td>3,839,000</td>
</tr>
<tr>
<td>KANSAS</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>EQUIUS BEDS GROUNDWATER RECHARGE DEMONSTRATION PROJECT.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>KANSAS WATER MANAGEMENT AND TECH ASST PROGRAM</td>
<td>613,000</td>
</tr>
<tr>
<td></td>
<td>WICHITA PROJECT</td>
<td>186,000</td>
</tr>
<tr>
<td>MONTANA</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>FORT PECK RURAL WATER SYSTEM</td>
<td>1,500,000</td>
</tr>
<tr>
<td></td>
<td>FORT PECK RESERVATION, MR61 WATER SYSTEM</td>
<td>360,000</td>
</tr>
<tr>
<td></td>
<td>HUNGRY HORSE PROJECT</td>
<td>770,000</td>
</tr>
<tr>
<td></td>
<td>MILK RIVER PROJECT</td>
<td>479,000</td>
</tr>
<tr>
<td></td>
<td>MONTANA WATER MANAGEMENT AND TECH ASST PROGRAM</td>
<td>315,000</td>
</tr>
<tr>
<td></td>
<td>ROCKY BOYS INDIAN WTR RIGHTS SETTLEMENT STUDY</td>
<td>1,000,000</td>
</tr>
<tr>
<td>TYPE OF PROJECT</td>
<td>PROJECT TITLE</td>
<td>BUDGET ESTIMATES</td>
</tr>
<tr>
<td>----------------</td>
<td>--------------------------------------------------------------</td>
<td>------------------</td>
</tr>
<tr>
<td></td>
<td></td>
<td>RESOURCES &amp; MGMT</td>
</tr>
<tr>
<td></td>
<td></td>
<td>OMRR</td>
</tr>
<tr>
<td>NEBRASKA</td>
<td>MIRAGE FLATS PROJECT</td>
<td>44,000</td>
</tr>
<tr>
<td></td>
<td>NEBRASKA WATER MANAGEMENT AND TECH ASST PROGRAM</td>
<td>337,000</td>
</tr>
<tr>
<td>NEVADA</td>
<td>CARSON RIVER BASIN GROUNDWATER STUDY, NV.</td>
<td>---</td>
</tr>
<tr>
<td></td>
<td>LAKE TAHOE REGIONAL WETLANDS DEVELOPMENT, NV.</td>
<td>---</td>
</tr>
<tr>
<td></td>
<td>LAS VEGAS SHALLOW AQUIFER DESALINATION, NV.</td>
<td>---</td>
</tr>
<tr>
<td></td>
<td>NEWLANDS PROJECT</td>
<td>5,360,000</td>
</tr>
<tr>
<td></td>
<td>SOUTHERN NEVADA/UTAH WATER MGMT AND TECH ASST PROGRAM</td>
<td>125,000</td>
</tr>
<tr>
<td></td>
<td>SPARKS WATER RECLAMATION AND REDEVELOPMENT</td>
<td>---</td>
</tr>
<tr>
<td></td>
<td>WALKER RIVER BASIN</td>
<td>1,021,000</td>
</tr>
<tr>
<td></td>
<td>WASHOE PROJECT</td>
<td>1,021,000</td>
</tr>
<tr>
<td>NEW MEXICO</td>
<td>CARLSBAD PROJECT</td>
<td>645,000</td>
</tr>
<tr>
<td></td>
<td>MIDDLE RIO GRANDE PROJECT</td>
<td>2,016,000</td>
</tr>
<tr>
<td></td>
<td>PEDRO RIVER BASIN WATER SALVAGE PROJECT</td>
<td>178,000</td>
</tr>
<tr>
<td></td>
<td>RIO GRANDE PROJECT</td>
<td>695,000</td>
</tr>
<tr>
<td></td>
<td>SAN JUAN RIVER BASIN WATER MGMT AND TECH ASST PROGRAM</td>
<td>171,000</td>
</tr>
<tr>
<td></td>
<td>SAN JUAN RIVER GALLUP-NAVAJO WATER SUPPLY</td>
<td>---</td>
</tr>
<tr>
<td></td>
<td>SAN JUAN RIVER GALLUP, MT. TAYLOR WINE.</td>
<td>---</td>
</tr>
<tr>
<td></td>
<td>SOUTHERN NV/WEST TX WATER MGMT AND TECH ASST PROGRAM</td>
<td>358,000</td>
</tr>
<tr>
<td></td>
<td>UPPER RIO GRANDE SGN WATER MGMT AND TECH ASST PROGRAM</td>
<td>358,000</td>
</tr>
<tr>
<td></td>
<td>UTE RESERVOIR PIPELINE</td>
<td>3,985,000</td>
</tr>
<tr>
<td>NORTH DAKOTA</td>
<td>VELMERE COMMUNITY DITCH PROJECT</td>
<td>---</td>
</tr>
<tr>
<td>DAKOTA TRIBES WATER MANAGEMENT AND TECH ASST PROGRAM</td>
<td>165,000</td>
<td>---</td>
</tr>
<tr>
<td>DAKOTA RIVER MANAGEMENT AND TECH ASST PROGRAM</td>
<td>363,000</td>
<td>---</td>
</tr>
<tr>
<td>GARRISON DIVERSION UNIT, P-SDMP.</td>
<td>20,402,000</td>
<td>3,712,000</td>
</tr>
<tr>
<td>OKLAHOMA</td>
<td>ARBUCKLE PROJECT</td>
<td>---</td>
</tr>
<tr>
<td>MOGUE CREEK PROJECT</td>
<td>490,000</td>
<td>490,000</td>
</tr>
<tr>
<td>MOUNTAIN PARK PROJECT</td>
<td>193,000</td>
<td>193,000</td>
</tr>
<tr>
<td>NORMAL PARK PROJECT</td>
<td>126,000</td>
<td>126,000</td>
</tr>
<tr>
<td>OKLAHOMA WATER MANAGEMENT AND TECH ASST PROGRAM</td>
<td>367,000</td>
<td>255,000</td>
</tr>
<tr>
<td>WASHITA BASIN PROJECT</td>
<td>599,000</td>
<td>599,000</td>
</tr>
<tr>
<td>W.C. AUSTIN PROJECT</td>
<td>223,000</td>
<td>223,000</td>
</tr>
<tr>
<td>OREGON</td>
<td>CENTRAL OREGON IRRIG. SYS. CONSERVATION FEASIBILITY</td>
<td>125,000</td>
</tr>
<tr>
<td>CROOKED RIVER PROJECT</td>
<td>116,000</td>
<td>318,000</td>
</tr>
<tr>
<td>Type of Project</td>
<td>Project Title</td>
<td>BUDGET ESTIMATES</td>
</tr>
<tr>
<td>----------------</td>
<td>---------------</td>
<td>------------------</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Resources Work</td>
</tr>
<tr>
<td></td>
<td></td>
<td>&amp; Development</td>
</tr>
<tr>
<td></td>
<td></td>
<td>1,000,000</td>
</tr>
<tr>
<td>DESCHUTES ECO SYSTEM RESTORATION PROJECT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>DESCHUTES PROJECT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>GRANITE RIVER WATER OPTIMIZATION STUDY</td>
<td></td>
<td></td>
</tr>
<tr>
<td>KLAMATH PROJECT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>OREGON WATER MANAGEMENT AND TECHNICAL ASSISTANCE PROGRAM</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ROGUE RIVER BASIN PROJECT, TALENT DIVISION</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TUALATIN PROJECT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>UMATILLA BASIN PROJECT, PHASE III STUDY</td>
<td></td>
<td></td>
</tr>
<tr>
<td>UMATILLA PROJECT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SOUTH DAKOTA</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MID-DAKOTA RURAL WATER PROJECT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MINI RICHI PROJECT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>RAPID CITY WASTEWATER REUSE STUDY</td>
<td></td>
<td></td>
</tr>
<tr>
<td>RAPID VALLEY PROJECT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TEXAS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CANADIAN RIVER PROJECT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>NUECES RIVER PROJECT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>EL PASO-LAS CRUCES REGIONAL SUSTAINABLE WATER PROJECT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>EL PASO WATER RECLAMATION &amp; REUSE</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PALMETTO BEND PROJECT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SAN ANGELO PROJECT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TEXAS WATER MANAGEMENT AND TECHNICAL ASSISTANCE PROGRAM</td>
<td></td>
<td></td>
</tr>
<tr>
<td>UTAH</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CENTRAL UTAH PROJECT, BONNEVILLE</td>
<td></td>
<td></td>
</tr>
<tr>
<td>HYRAM PROJECT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MOUNT JADE PROJECT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>NAVAJO SANDSTONE AQUIFER RECHARGE STUDY</td>
<td></td>
<td></td>
</tr>
<tr>
<td>NAVOTON PROJECT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>NORTHERN UTAH WATER MANAGEMENT AND TECHNICAL ASSISTANCE PROGRAM</td>
<td></td>
<td></td>
</tr>
<tr>
<td>OGDEN RIVER PROJECT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>POTOMA RIVER PROJECT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SCOTTSDALE PROJECT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SOUTHERN UTAH WATER MANAGEMENT AND TECHNICAL ASSISTANCE PROGRAM</td>
<td></td>
<td></td>
</tr>
<tr>
<td>STANLEY VALLEY PROJECT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOOLE WASTEWATER TREATMENT &amp; REUSE PROJECT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>WEBER BASIN PROJECT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>WEBER RIVER PROJECT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>WASHINGTON</td>
<td></td>
<td></td>
</tr>
<tr>
<td>COLUMBIA BASIN PROJECT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>WASHINGTON WATER MANAGEMENT AND TECHNICAL ASSISTANCE PROGRAM</td>
<td></td>
<td></td>
</tr>
<tr>
<td>YAKIMA PROJECT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>YAKIMA RIVER BASIN WTR Enhancement PROJECT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TYPE OF PROJECT</td>
<td>PROJECT TITLE</td>
<td>BUDGET ESTIMATES</td>
</tr>
<tr>
<td>----------------</td>
<td>---------------</td>
<td>------------------</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Resources Mgmt.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>FY98</td>
</tr>
<tr>
<td></td>
<td></td>
<td>CMR</td>
</tr>
<tr>
<td>Wyoming</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>KENDRICK PROJECT</td>
<td>4,000,000</td>
</tr>
<tr>
<td></td>
<td>NORTH PLATTE PROJECT</td>
<td>64,000,000</td>
</tr>
<tr>
<td></td>
<td>SHOSHONE PROJECT</td>
<td>34,000,000</td>
</tr>
<tr>
<td></td>
<td>WYOMING WATER MANAGEMENT AND TECH ASST PROGRAM</td>
<td>300,000,000</td>
</tr>
<tr>
<td></td>
<td>VARIOUS</td>
<td></td>
</tr>
<tr>
<td></td>
<td>COLORADO RIVER BASIN SALINITY CONTROL, T. 11 BASIN IRRIGATION DISTRICT</td>
<td>12,300,000,000</td>
</tr>
<tr>
<td></td>
<td>COLORADO RIVER STORAGE PROJECT, SEC. 5</td>
<td>1,931,000,000</td>
</tr>
<tr>
<td></td>
<td>COLORADO RIVER STORAGE, SEC. 6, REG. FISH &amp; WILDLIFE</td>
<td>3,882,000,000</td>
</tr>
<tr>
<td></td>
<td>COLORADO RIVER WATER QUALITY IMPROVEMENT</td>
<td>5,000,000,000</td>
</tr>
<tr>
<td></td>
<td>DEPARTMENT IRRIGATION DRAINAGE PROGRAM</td>
<td>3,505,000,000</td>
</tr>
<tr>
<td></td>
<td>EFFICIENCY INCENTIVES PROGRAM</td>
<td>5,250,000,000</td>
</tr>
<tr>
<td></td>
<td>ENDANGERED SPECIES RECOVERY IMPLEMENTATION</td>
<td>15,027,000,000</td>
</tr>
<tr>
<td></td>
<td>ENVIRONMENTAL PROGRAM ADMINISTRATION</td>
<td>1,993,000,000</td>
</tr>
<tr>
<td></td>
<td>EXAMINATION OF EXISTING STRUCTURES</td>
<td>3,698,000,000</td>
</tr>
<tr>
<td></td>
<td>FEDERAL BUILDING SEISMIC SAFETY PROGRAM</td>
<td>261,000,000</td>
</tr>
<tr>
<td></td>
<td>GENERAL PLANNING ACTIVITIES</td>
<td>2,247,000,000</td>
</tr>
<tr>
<td></td>
<td>LAND RESOURCES MANAGEMENT</td>
<td>6,129,000,000</td>
</tr>
<tr>
<td></td>
<td>LOWER COLORADO RIVER OPERATIONS PROGRAM</td>
<td>6,823,000,000</td>
</tr>
<tr>
<td></td>
<td>MISCELLANEOUS FLOOD CONTROL OPERATIONS</td>
<td>4,045,000,000</td>
</tr>
<tr>
<td></td>
<td>NATIONAL FISH &amp; WILDLIFE FOUNDATION</td>
<td>1,550,000,000</td>
</tr>
<tr>
<td></td>
<td>NATIVE AMERICAN AFFAIRS</td>
<td>8,954,000,000</td>
</tr>
<tr>
<td></td>
<td>NEONOTINATION &amp; ADMINISTRATION OF WATER MARKETING</td>
<td>894,000,000</td>
</tr>
<tr>
<td></td>
<td>OPERATION &amp; MAINTENANCE PROGRAM MANAGEMENT</td>
<td>56,000,000,000</td>
</tr>
<tr>
<td></td>
<td>PICKS-UP MISSOURI BASIN - OTHER PROJECTS</td>
<td>22,000,000,000</td>
</tr>
<tr>
<td></td>
<td>RIVER PROGRAM SUPPORT</td>
<td>1,023,000,000</td>
</tr>
<tr>
<td></td>
<td>PUBLIC ACCESS AND SAFETY PROGRAM</td>
<td>371,000,000</td>
</tr>
<tr>
<td></td>
<td>RECLAMATION LAKE MANAGEMENT</td>
<td>1,891,000,000</td>
</tr>
<tr>
<td></td>
<td>RECLAMATION RECREATION MANAGEMENT - TITLE 28</td>
<td>4,440,000,000</td>
</tr>
<tr>
<td></td>
<td>RECLAMATION &amp; FISH &amp; WILDLIFE PROG. ADMINISTRATION</td>
<td>1,891,000,000</td>
</tr>
<tr>
<td></td>
<td>SAFETY OF DAMS</td>
<td>1,500,000,000</td>
</tr>
<tr>
<td></td>
<td>SAFETY OF DAMS EVALUATION &amp; MODIFICATION</td>
<td>56,000,000,000</td>
</tr>
<tr>
<td>Science and Technology</td>
<td>APPLIED SCIENCE AND TECHNOLOGY DEVELOPMENT</td>
<td>1,140,000,000</td>
</tr>
<tr>
<td></td>
<td>RESEARCH DEVELOPMENT PROGRAM</td>
<td>1,400,000,000</td>
</tr>
<tr>
<td></td>
<td>GROUNDWATER RECHARGE</td>
<td>750,000,000</td>
</tr>
<tr>
<td></td>
<td>HYDROELECTRIC INFRASTRUCTURE PROTECTION &amp; ENHANCEMENT</td>
<td>300,000,000</td>
</tr>
<tr>
<td></td>
<td>TECHNOLOGY ADVANCEMENT</td>
<td>1,605,000,000</td>
</tr>
<tr>
<td></td>
<td>WATERSHED/RIVER SYSTEMS MANAGEMENT</td>
<td>1,440,000,000</td>
</tr>
<tr>
<td></td>
<td>SITE SECURITY</td>
<td>1,144,000,000</td>
</tr>
<tr>
<td></td>
<td>SOIL &amp; WILDERNESS CONSERVATION</td>
<td>2,100,000,000</td>
</tr>
<tr>
<td></td>
<td>UNITED STATES/MEXICO BORDER ISSUES</td>
<td>1,500,000,000</td>
</tr>
<tr>
<td></td>
<td>UNSCHEDULED MAINTENANCE</td>
<td>1,000,000,000</td>
</tr>
<tr>
<td></td>
<td>WATER MANAGEMENT CONSERVATION PROGRAM</td>
<td>7,500,000,000</td>
</tr>
<tr>
<td>TYPE OF PROJECT</td>
<td>PROJECT TITLE</td>
<td>BUDGET ESTIMATES</td>
</tr>
<tr>
<td>----------------</td>
<td>---------------------------------------</td>
<td>------------------</td>
</tr>
<tr>
<td></td>
<td></td>
<td>RESOURCES MONIT &amp; DEVELOPMENT</td>
</tr>
<tr>
<td></td>
<td></td>
<td>RESOURCES MONIT &amp; DEVELOPMENT</td>
</tr>
<tr>
<td>WETLANDS DEVELOPMENT</td>
<td>7,296,000</td>
<td>-30,093,000</td>
</tr>
<tr>
<td>WORKING CAPITAL FUND TRANSFER</td>
<td>-25,800,000</td>
<td>-25,800,000</td>
</tr>
<tr>
<td>TOTAL, WATER AND RELATED RESOURCES</td>
<td>396,863,000</td>
<td>243,261,000</td>
</tr>
<tr>
<td>LOAN PROGRAM</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CALIFORNIA</td>
<td>CASTROVILLE IRRIGATION WATER</td>
<td>2,600,000</td>
</tr>
<tr>
<td></td>
<td>CHINO BASIN DESALINATION</td>
<td>2,114,000</td>
</tr>
<tr>
<td></td>
<td>SALINAS VALLEY</td>
<td>1,700,000</td>
</tr>
<tr>
<td></td>
<td>SAN SEVAIN PROJECT</td>
<td>781,000</td>
</tr>
<tr>
<td></td>
<td>TEMESCAL VALLEY PROJECT</td>
<td>801,000</td>
</tr>
<tr>
<td>OREGON</td>
<td>MILLTOWN HILL, DOUGLAS COUNTY</td>
<td>4,004,000</td>
</tr>
<tr>
<td>VARIOUS</td>
<td>LOAN ADMINISTRATION</td>
<td>425,000</td>
</tr>
<tr>
<td>TOTAL, LOAN PROGRAM</td>
<td>12,425,000</td>
<td>8,421,000</td>
</tr>
</tbody>
</table>
The summary tables at the end of this title set forth the conference agreement with respect to the individual appropriations programs of the Department of Energy. Additional items of conference agreements are discussed below.

**DEPARTMENT OF ENERGY CONSTRUCTION STANDARDS**

The Department is directed to ensure that all nuclear facilities for which construction begins in the years 2000 and beyond, with the exception of those defense nuclear facilities and naval reactor facilities deemed by the Secretary to be under the jurisdiction of Nuclear Regulatory Commission licensing standards, are constructed in accordance with nuclear regulatory commission (NRC) licensing standards. The Department should advise the House and Senate Committees on Appropriations in advance of any request to depart from NRC licensing standards.

**DEPARTMENT OF ENERGY REPORTING REQUIREMENTS**

The conferees agree with the House report language which directs the Department to take in each year funding for the House and Senate Committees on Appropriations reports on the computer security and year 2000 computer problem, the Department of Energy organizational structure, the functional support cost system, and augmenting Federal staff.

**CONTRACTOR TRAINING**

The conferees agree with the House report language on excessive contractor training costs. The conferees are also aware of a recent Inspector General report indicating that the Department was not acquiring hazardous national security hazardous materials in the most cost-effective manner. The conferees direct the Department to use the most cost-effective alternatives available to meet all training needs at Department installations.

**INAPPROPRIATE USE OF APPROPRIATED FUNDS**

Both the House and Senate included language citing the inappropriate use of funds by the Department. In response to congresional concerns, the Department conducted an internal review entitled: A Review of the Department of Energy’s Discretionary Financial Assistance Programs which was prepared by the Deputy Assistant Secretary for Procurement Operations and the Chicago or Idaho Operations Offices. The Department is expected to make substantial progress in fiscal year 1999 in the implementation of broad and specific administrative and management changes. The conferees direct the Department to use merit review procedures and to establish not-for-profit rules for financial assistance, including rules governing the payment of overhead expenses.

Financial assistance activities for information dissemination and outreach activities conducted by industry associations shall be competed, and these awards shall be processed by the Department for Procurement Operations or the Chicago or Idaho Operations Offices. In the event that specific program guidance is required, the Department is directed to make substantial progress in the implementation of broad and specific administrative and management changes. The conferees direct the Department to use merit review procedures and to establish not-for-profit rules for financial assistance, including rules governing the payment of overhead expenses.

The Department shall use the most cost-effective alternatives available to meet all training needs at Department installations.

**SOLAR AND RENEWABLE RESOURCES TECHNOLOGIES**

The conference agreement appropriates $365,905,000 instead of $351,405,000 as proposed by the House of $786,854,000 as proposed by the Senate. The conference report includes $3,000 for official reception and representation expenses for transparency activities as proposed by the House instead of $25,000 as proposed by the Senate. The conference report has provided funding on an annual basis as recommended by the House instead of two-year funding as proposed by the Senate. The conference report does not include bill language stipulating certain amounts for various solar and renewable programs as proposed in the Senate bill. The conference report does not include the $1,500,000 provided in the Senate bill for expenses related to the U.S. membership in the Nuclear Energy Agency.

The conferees agree with the House report language which directs the Department to use the most cost-effective alternatives available to meet all training needs at Department installations.

The conferees agree with the House report language on excessive contractor training costs. The conferees are also aware of a recent Inspector General report indicating that the Department was not acquiring hazardous national security hazardous materials in the most cost-effective manner. The conferees direct the Department to use the most cost-effective alternatives available to meet all training needs at Department installations.

The conferees agree with the House report language on excessive contractor training costs. The conferees are also aware of a recent Inspector General report indicating that the Department was not acquiring hazardous national security hazardous materials in the most cost-effective manner. The conferees direct the Department to use the most cost-effective alternatives available to meet all training needs at Department installations.

The conferees agree with the House report language on excessive contractor training costs. The conferees are also aware of a recent Inspector General report indicating that the Department was not acquiring hazardous national security hazardous materials in the most cost-effective manner. The conferees direct the Department to use the most cost-effective alternatives available to meet all training needs at Department installations.

The conferees agree with the House report language on excessive contractor training costs. The conferees are also aware of a recent Inspector General report indicating that the Department was not acquiring hazardous national security hazardous materials in the most cost-effective manner. The conferees direct the Department to use the most cost-effective alternatives available to meet all training needs at Department installations.

The conferees agree with the House report language on excessive contractor training costs. The conferees are also aware of a recent Inspector General report indicating that the Department was not acquiring hazardous national security hazardous materials in the most cost-effective manner. The conferees direct the Department to use the most cost-effective alternatives available to meet all training needs at Department installations.

The conferees agree with the House report language on excessive contractor training costs. The conferees are also aware of a recent Inspector General report indicating that the Department was not acquiring hazardous national security hazardous materials in the most cost-effective manner. The conferees direct the Department to use the most cost-effective alternatives available to meet all training needs at Department installations.

The conferees agree with the House report language on excessive contractor training costs. The conferees are also aware of a recent Inspector General report indicating that the Department was not acquiring hazardous national security hazardous materials in the most cost-effective manner. The conferees direct the Department to use the most cost-effective alternatives available to meet all training needs at Department installations.

The conferees agree with the House report language on excessive contractor training costs. The conferees are also aware of a recent Inspector General report indicating that the Department was not acquiring hazardous national security hazardous materials in the most cost-effective manner. The conferees direct the Department to use the most cost-effective alternatives available to meet all training needs at Department installations.

The conferees agree with the House report language on excessive contractor training costs. The conferees are also aware of a recent Inspector General report indicating that the Department was not acquiring hazardous national security hazardous materials in the most cost-effective manner. The conferees direct the Department to use the most cost-effective alternatives available to meet all training needs at Department installations.

The conferees agree with the House report language on excessive contractor training costs. The conferees are also aware of a recent Inspector General report indicating that the Department was not acquiring hazardous national security hazardous materials in the most cost-effective manner. The conferees direct the Department to use the most cost-effective alternatives available to meet all training needs at Department installations.

The conferees agree with the House report language on excessive contractor training costs. The conferees are also aware of a recent Inspector General report indicating that the Department was not acquiring hazardous national security hazardous materials in the most cost-effective manner. The conferees direct the Department to use the most cost-effective alternatives available to meet all training needs at Department installations.

The conferees agree with the House report language on excessive contractor training costs. The conferees are also aware of a recent Inspector General report indicating that the Department was not acquiring hazardous national security hazardous materials in the most cost-effective manner. The conferees direct the Department to use the most cost-effective alternatives available to meet all training needs at Department installations.

The conferees agree with the House report language on excessive contractor training costs. The conferees are also aware of a recent Inspector General report indicating that the Department was not acquiring hazardous national security hazardous materials in the most cost-effective manner. The conferees direct the Department to use the most cost-effective alternatives available to meet all training needs at Department installations.
regional experiment stations. The conferees agree with the observations made in the House report, but have not included a prohibition regarding the Department’s participation in Solar Roofs pilot projects. The conferees have included $1,500,000 for work on financing mechanisms, measurement and evaluation, technical standards and infrastructure such as net metering capability in support of the partnership.

Solar thermal energy systems.—The conference agreement includes $29,000,000 instead of $17,100,000 as proposed by the House or $21,618,000 as proposed by the Senate. The conferees have provided $5,500,000 for thermal systems development, $2,300,000 for power tower development, $1,000,000 for the SOL MAT initiative and $1,000,000 for systems and markets/industries. The conferees urge that the Department submit its plan to complete its participation in the Solar Two project with submission of the fiscal year 2000 budget request.

Biomass/biofuels research and developments.—The conference agreement includes $59,940,000, instead of $100,799,000 as proposed by the House or $63,533,000 as proposed by the Senate. The conferees have provided $27,199,000 for research to be managed by the Office of Science, the same as the amount in the budget request. The conference agreement includes $2,500,000 for co-firing biomass with coal, $750,000 for the Pluunans county ethanol project, and $1,000,000 is provided for demonstration of black liquor gasification. The recommendation includes $11,750,000 for transportation of which $4,000,000 is included for the Sacramento Valley ethanol project. The conference agreement also includes $1,750,000 for the Gridley project which, combined with amounts provided in previous fiscal years, results in a total of $5,000,000 available for the Gridley project. The conferees urge the Department to complete the J ennings, Louisiana, plant and Vermont gisfer projects as agreed upon with its partners.

The conference agreement includes $300,000 for the Vermont methane energy production proposal and $100,000 to evaluate the amount, distribution, and method of extraction and utilization of methane gas from the Sunrise Mountain landfill in Nevada.

The conference agreement includes $2,500,000 for the Consortium for Plant Bioenergy Research, $6,400,000 for feedstock development and $2,500,000 for regional biomass each of which is to be equally derived from the power systems and transportation programs. The conferees have also provided $3,000,000 for accelerated demonstration of Federally sponsored research for renewable energy production and environmental reclamation projects at the Michigan Bioenergy Institute. The Institute will work in conjunction to identify, fund and manage projects related to the mission of the Office of Energy Efficiency and Renewable Energy. Proposals will be subject to merit review and competition.

Wind energy research and development.—The conference agreement includes $33,483,000, as proposed by the House, instead of $38,548,000 as proposed by the Senate, as the amount in the budget request. Within the $33,483,000, $283,662,000 is for application research, $16,400,000 is for turbine research, $3,000,000 is for industry analysis and $2,500,000 is for operations at the National Wind Technology Center; and a minimum of $1,700,000, the amount requested, is for certification and standards activities. The conferees have been assured that the certification program will be in place in fiscal year 1999. The conferees have further noted that the buildup and the administration of the goals of the wind energy program. In the event that funding requirements for certification exceed the amount requested, the Department will be required to determine whether the non-energy Research wind activities to supplement the $1,700,000 provided for certification. Renewable energy production incentives.—The conference agreement includes $4,000,000, as proposed by the Senate instead of $5,000,000 as proposed by the House.

Solar power production.—The conference agreement does not include funding for this new spending program proposed by the Administration. This is consistent with the proposal of the House. The Senate proposed $7,000,000 for this program. The conferees have provided $1,500,000 for electricity restructuring activities as part of the amount provided below for program direction.

International solar energy.—The conference agreement includes $3,750,000 instead of $500,000 as proposed by the House or $5,088,000 as proposed by the Senate. Within this amount, $2,500,000 is exclusively for the U.S. Initiative on Joint Implementation. Of this amount, $1,250,000 is to be provided expeditiously to the residents of small-scale high efficiency, high reliability Partnerships, Inc. (IUEP). IUEP shall competitively award projects continuing its leadership role in reducing carbon dioxide emissions from small high-efficiency, high-reliability systems. The Department shall consolidate any international projects funded from other solar programs under the $1,250,000 provided for joint implementation activities to be managed by the Department. No funds provided in this or any prior Act are to be used for programs to supply equipment to the America’s 21st Century or CORECT programs. The conferees have also provided $1,250,000 for the Federal Energy Technology Center for design and siting analysis for an electron scrubbing demonstration project.

Solar technology transfer.—The conference agreement does not include funding for this new spending program proposed by the Administration. This is consistent with the proposal of the House. The Senate proposed $680,000 for this program.

National Renewable Energy Laboratory (NREL).—The conference agreement includes $2,000,000 as proposed by the House instead of $5,000,000 as proposed by the Senate. The conferees have provided $5,000,000 for infrastructure and general purpose equipment. The remaining $1,000,000 is to be made available following submission of a program plan by the winner of the competition for the management and operating contract at NREL.

Geothermal technology development.—The conference agreement includes $28,500,000 in addition to the Department’s $27,500,000 for the Hayden or $31,250,000 as proposed by the Senate. The conferees have provided $11,000,000 for exploration, $3,000,000 for production technology, $5,000,000 for drilling technology and $6,000,000 for energy conversion technology.

The conferees have provided $6,500,000 for the geothermal pump deployment program as proposed by the House, a $5,500,000 increase over the amount proposed by the Senate. The conferees note that fiscal year 1999 is the last year of funding for this program.

Hydrogen research and development.—The conference agreement includes $24,000,000 in addition to the Department’s $23,000,000 for research to be managed by the Office of Science, the same as the amount in the budget request. The conferees have provided $3,008,000 for research to be managed by the Office of Science, the same as the amount in the budget request. The conferees have provided $2,225,000 for the Hydrogen Fuel Cell Power and Refueling Station in Nevada and $350,000 for the Montana Trade Port Authority in Billings, Montana, to complete a resource assessment and feasibility study on construction of a coal gasification and manufacturing facility. The conference agreement does not include the Senate proposal to provide $250,000 for gasification of switchgrass for use in coal-fired Hydropower. The conference agreement includes $2,000,000 as proposed by the House instead of $4,000,000 as proposed by the Senate or no funds as proposed by the House. The conferees have provided $1,000,000 for the Pyramid Creek hydroelectric project, $1,000,000 for a diesel backup system at Sitka, Alaska; $1,000,000 for the Power Creek hydroelectric project and $500,000 for hydroelectric and transmission projects partially funded in fiscal year 1998.

Biomass/biofuels research and developments.—The conference agreement includes $21,618,000 instead of $38,000,000 as proposed by the House or $42,500,000 as proposed by the Senate. The conferees have provided $55,000,000 for the High Temperature Superconducting Electric Transmission and Power Delivery System which includes $4,000,000 for research and development projects, $1,500,000 for the Department's efforts to continue its work with electric utilities to facilitate voluntary, cost-effective means to reduce emissions using market-based mechanisms. The conferees note that fiscal year 1999 is the last year of funding for this program. The Department is directed to prepare and submit a program plan to the Committees on Appropriations describing this new program. The conferees note that the Department has been successful in identifying and funding proposals that met the criteria established last year by the Congress. The conferees direct that the funding for these programs be equally divided. Projects funded under the remote power and Federal buildings programs are required to meet a twenty-five year payback period.

Program direction.—The conference agreement includes $17,100,000 instead of $15,600,000 as proposed by the House or $16,326,000 as proposed by the Senate. The conference agreement includes $17,100,000 instead of $15,600,000 as proposed by the Senate or no funds as proposed by the House. The conferees have provided $1,500,000 for the Montana Trade Port Authority in Billings, Montana, to complete a resource assessment and feasibility study on construction of a coal gasification and manufacturing facility. The conference agreement does not include the Senate proposal to provide $250,000 for gasification of switchgrass for use in coal-fired Hydropower. The conference agreement includes $2,000,000 as proposed by the House instead of $4,000,000 as proposed by the Senate or no funds as proposed by the House. The conferees have provided $1,000,000 for the Pyramid Creek hydroelectric project, $1,000,000 for a diesel backup system at Sitka, Alaska; $1,000,000 for the Power Creek hydroelectric project and $500,000 for hydroelectric and transmission projects partially funded in fiscal year 1998.

Federal buildings/renewable power initiative.—The conference agreement includes $4,000,000 instead of $5,000,000 as proposed by the House or $3,000,000 as proposed by the Senate. The conferees recognize that the Department has been successful in identifying and funding proposals that met the criteria established last year by the Congress. The conferees direct that the funding for these programs be equally divided.
the Senate. The conference has provided $19,000,000 for the nuclear energy research initiative instead of $24,000,000 as recommended by the Senate or $5,000,000 as recommended by the House. The conference has not included funding for the nuclear energy plant optimization program for which the Senate provided $10,000,000 and the House provided $6,000,000.

Advanced radioisotope power systems.—The conference agreement includes $37,000,000 instead of $40,500,000 as provided by the Senate and $35,000,000 as provided by the House. The conference continues to be concerned about the lack of interest the Department has shown in storing, transferring, and reducing the infrastructure, and reducing the extensive level of support service contractors in this program. The Department is directed to prepare a plan to streamline and reduce costs for this program. The plan is to be included with the fiscal year 2000 budget request.

University reactor fuel assistance and support.—The conference agreement includes $1,000,000 instead of $10,000,000 as provided by the Senate and $12,000,000 as provided by the House. The conference has provided $4,500,000 for prior engineering education research grant program and $1,000,000 each for the university graduate fellowship and industry matching programs. The conference and the Department have recommended a 50% increase for Historically Black Colleges and Universities over the amount set aside in fiscal year 1997 and a new 50% increase for pre-college nuclear science and technology program. The conference includes funding for these two programs at the same levels provided in fiscal year 1997.

Termination costs.—The conference agreement provides $85,000,000 instead of $81,150,000 as recommended by the House or no funding under the Administration. The Senate provided funding for these activities in two other budget lines: Facilities and Nuclear technology research and development. The conference agreement provides funding for these activities consistent with how funds have been provided in fiscal year 1998. The conference has provided a total of $45,000,000 for electrometallurgical-related activities including $20,000,000 for nuclear technology research and development. Fast Flux Test Facility.—The conference agreement includes a new line item for this facility. The conference has provided $30,000,000 instead of $31,200,000 recommended by the Department. The conference agreement includes $28,100,000 recommended by the Senate in the Facilities program included in the Energy Supply account.

Uranium programs.—The conference agreement includes $49,000,000 instead of $53,518,000 as provided by the House or $55,362,000 as proposed by the Administration. The conference agreement reflects the elimination of increases requested in the budget request and acceptance of decreases proposed by the Administration.

The conference urges the Secretary to implement a program to begin the stabilization and disposal of depleted uranium hexafluoride stockpiles located at Paducah, Kentucky, and Portsmouth, Ohio gaseous diffusion plants, and at Oak Ridge, Tennessee. The conference urges the Secretary of Energy to develop a plan consistent with the intent of Public Law 105-204.

The conference are aware that the Department has signed a memorandum of agreement with the States Environmental Management Corporation (USEC) to transfer $50,000,000 from USEC in the exchange for accepting the disposal of depleted uranium hexafluoride stock that is in excess of national $165,000,000 to cover the costs of storing USEC-generated depleted uranium hexafluoride canisters. The conference directs the Secretary to provide the House and Senate Committees on Appropriations with an accounting of how the Department intends to use this additional funding within 90 days of enactment of this legislation.

The conference agreement does not include language proposed requiring submission of a report on the status of safeguards at the gaseous diffusion plants.

Isotope support.—The conference agreement includes $110,000,000 instead of $111,000,000 as proposed by the House or $22,450,000 as proposed by the Senate. The Department is directed to submit its plan for privatizing the isotope programs to the Committees on Appropriations no later than December 31, 1998.

Program direct.—The conference has provided $24,700,000 which includes all direct and indirect funding for Office of Nuclear Energy employees, including those transferred to the Office of Nonproliferation and National Security. The conference has included $3,700,000 for all support service contracts in accordance with Departmental budget rules. The conference have not stipulated the amount to be provided for employees transferred to the Office of Nonproliferation and National Security.

The conference note that the Department has requested $1,005,000 for travel which represents approximately $5,500 per employee of the Office of the Secretary. The conference believe this amount to be excessive. In particular, the conferees are concerned about the unprecedented level of travel undertaken by the current Director of International Nuclear Safety Programs (formerly, the Director of Nuclear Energy). The conference have not included any travel funds for the Director in fiscal year 1999. The conference believes the amount provided require submission and approval of a reprogramming request.

ENVIRONMENT, SAFETY AND HEALTH

The conference agreement includes $50,300,000 instead of $46,000,000 recommended by the House or $56,000,000 recommended by the Senate. The conference have reduced the funding for support service contractors by $5,000,000 instead of $10,000,000 recommended by the House or no reduction as recommended by the Senate.

The Department is currently conducting pilot projects to determine the impacts of external regulation on various facilities. However, several of the pilot projects have only been partially conducted by the Nuclear Regulatory Commission (NRC) and not the Occupational Safety and Health Administration (OSHA) or affected State and local authorities. Since there are many interfaces between NRC and OSHA and other State and local authorities as well as DOE, the usefulness of these pilots to determine the full impacts of external regulation is limited. The Department is directed to include all affected regulatory authorities in all future pilot projects. The conference have provided $5,700,000 for OSHA participation in these pilot projects.

ENERGY SUPPORT ACTIVITIES

Technical information management program.—The conference agreement includes $8,600,000 instead of $9,100,000 as proposed by the House or $8,100,000 as proposed by the Senate.

Transfer of funds to the Occupational Safety and Health Administration.—The conference agreement includes $1,000,000 to be transferred to the Occupational Safety and Health Administration. The conference agrees to fund pilot programs and other activities necessary to simulate the transition of regulatory authority over occupational safety and health at DOE facilities.

With the funding provided, OSHA is to participate in all DOE external regulation pilot projects. OSHA has declined to participate in several of the earlier pilot projects due to limited resources. This has severely limited the usefulness of the pilots.

The conference agreement provides $104,127,000 instead of $85,000,000 as proposed by the House or $95,000,000 as proposed by the Senate. The conference have proposed no reduction for cleaning up the Idaho field office in this account as proposed by the Senate.

Oak Ridge landlord.—The conference agreement provides $12,500,000 instead of $12,500,000 as proposed by the Senate. The reduction from the budget request reflects the availability of $1,500,000 as recommended by the Committee on Appropriations on March 16, 1998.

FUNDING ADJUSTMENTS

The conference report includes two funding adjustments. The $47,905,000 adjustment represents the funding provided for renewable energy research programs managed by the Energy Research and funded in the Science account. The conference has increased the funding provided for Energy Research and Development Program by $50,000,000 as proposed by the Senate instead of $31,355,000 as proposed by the House. The conference have not included the general re-budget of $10,705,000 as proposed by the Senate.

NON-DEFENSE ENVIRONMENTAL MANAGEMENT

The conference agreement appropriates $431,200,000 instead of $465,700,000 as proposed by the House and $418,254,000 as proposed by the Senate.

The conference has provided funding for the Fast Flux Test Facility (FFTF) at Richland, Washington, in the Energy Supply account.

The conference agreement provides an additional $5,700,000 to accelerate cleanup at the Brookhaven National Laboratory. The conferees are aware of several smaller sites and laboratories that could benefit from additional funding and urge the Department to seek additional funding in fiscal year 2000 to accelerate the cleanup of these sites.

URANIUM ENRICHMENT DECONTAMINATION AND DECOMMISSIONING FUND

The conference agreement appropriates $220,200,000 instead of $225,000,000 as proposed by the House and $196,827,000 as proposed by the Senate.

The conference agree that an increase in the authorization for the Federal rebursement for thorium mill tailings is necessary to raise the ceiling from $85,000,000 to $140,000,000. The conference supports this necessary increase in the Federal rebursement for thorium mill tailings.

SCIENCE

The conference agreement appropriates $2,682,800,000 for Science instead of $2,230,000,000 as proposed by the House and $2,634,207,000 as proposed by the Senate.

The conference understands that an increase in the authorization for the Federal rebursement for thorium mill tailings is necessary to raise the ceiling from $85,000,000 to $140,000,000. The conference supports this necessary increase in the Federal rebursement for thorium mill tailings.

High energy physics.—The conference agreement provides $696,550,000 for high energy physics. This is the amount provided by the Administration and represents a $3,000,000 increase over the budget request for facilities operations and a $2,500,000 increase for research and technology over the amount requested by the Administration. The conference agreed to provide for maximum use of university and laboratory-based user facilities.

Nuclear physics.—The conference agreement provides $335,100,000 for nuclear physics. This is the amount provided by the House and represents a $2,500,000 increase.
over the amount requested by the Administration. The increase is provided for maximum use of university and laboratory-based user facilities.

Biological and environmental research.—The conference agreement includes $443,600,000 instead of $405,900,000 as recommended by the House and $423,000,000 as recommended by the Senate. The conferences have included $3,000,000 in addition to the amount in the budget request for the low-dose effects program at the National Institute of Environmental Health Sciences. The amount of the budget request for the low-dose effects program is $2,000,000 less than the amount provided by the Senate. The conference agreement also includes up to $5,700,000 for additional costs associated with the Nevada test site. The conference agreement includes $1,500,000 only for the Institute of Molecular Biology and Microbial Genomics Research at the University of Nevada, Las Vegas, and $2,500,000 for the Positron Emission Tomography Center and the University of South Carolina.

The conference report includes $1,000,000 to be used at the University of Nevada Las Vegas for the Biomedical Imaging Network. The conference report also includes $500,000 for the National Center for Microbial Genomics Research at the University of Nevada, Las Vegas, and $2,500,000 for the Positron Emission Tomography Center at the University of South Carolina.

The conference report includes $5,000,000 more than the amount provided by the House for the National Center for Microbial Genomics Research. The conference report includes $2,500,000 for the University of Nevada Las Vegas to support the Nevada test site. The conference report includes $2,000,000 for the State University of New York at Buffalo to support the National Center for Microbial Genomics Research in conjunction with the University of California—Davis.

The conference report includes $1,000,000 for the Gallo Institute of the Cancer Institute of New Jersey for regional prostate cancer research. The conference report includes $1,000,000 for the University of Nevada Las Vegas for the Biomedical Imaging Network and $1,000,000 for the University of South Carolina for the National Center for Microbial Genomics Research.

The conference report includes $1,000,000 to be used at the University of Nevada Las Vegas for the Biomedical Imaging Network. The conference report includes $500,000 for the National Center for Microbial Genomics Research at the University of Nevada, Las Vegas, and $2,500,000 for the Positron Emission Tomography Center at the University of South Carolina.

The conference report includes $5,000,000 more than the amount provided by the House for the National Center for Microbial Genomics Research. The conference report includes $2,500,000 for the University of Nevada Las Vegas to support the Nevada test site. The conference report includes $2,000,000 for the State University of New York at Buffalo to support the National Center for Microbial Genomics Research in conjunction with the University of California—Davis.

The conference report includes $1,000,000 for the Gallo Institute of the Cancer Institute of New Jersey for regional prostate cancer research. The conference report includes $1,000,000 for the University of Nevada Las Vegas for the Biomedical Imaging Network and $1,000,000 for the University of South Carolina for the National Center for Microbial Genomics Research.

The conference report includes $1,000,000 to be used at the University of Nevada Las Vegas for the Biomedical Imaging Network. The conference report includes $500,000 for the National Center for Microbial Genomics Research at the University of Nevada, Las Vegas, and $2,500,000 for the Positron Emission Tomography Center at the University of South Carolina.

The conference report includes $5,000,000 more than the amount provided by the House for the National Center for Microbial Genomics Research. The conference report includes $2,500,000 for the University of Nevada Las Vegas to support the Nevada test site. The conference report includes $2,000,000 for the State University of New York at Buffalo to support the National Center for Microbial Genomics Research in conjunction with the University of California—Davis.

The conference report includes $1,000,000 for the Gallo Institute of the Cancer Institute of New Jersey for regional prostate cancer research. The conference report includes $1,000,000 for the University of Nevada Las Vegas for the Biomedical Imaging Network and $1,000,000 for the University of South Carolina for the National Center for Microbial Genomics Research.
The conference agreement appropriates $169,000,000 instead of $160,000,000 as proposed by the House and $390,000,000 as proposed by the Senate. Funding of $290,000,000 is to be transferred to the Department of Energy to conduct a study of accelerator transmutation of waste (ATW) technology. The conferees expect the Department to be prudent in the use of these funds and to submit a report to the House and Senate Committees on Appropriations providing a detailed description of each expenditure from this account in fiscal year 1999. The conference agreement provides $35,000 for official reception and representation expenses of the Department of Energy as proposed by the Senate instead of $30,000 provided by the House. The conferees expect the Department to manage data from scientific studies of Yucca Mountain. No funds have been earmarked to manage data from scientific studies of Yucca Mountain. No funds have been earmarked to manage data from scientific studies of Yucca Mountain.No funds have been earmarked to manage data from scientific studies of Yucca Mountain.

In addition, the report should include an assessment of institutional challenges of the timely completion of the Virginia Stockpile stewardship.

The conference agreement includes $5,540,000 for affected units of local government as proposed by the Senate instead of no funds as proposed by the House. Funding of $250,000 is available for continued development of high-level radioactive waste and spent fuel at a Federal facility. The conferees acknowledge the need for some new construction starts was $25,300,000. The conference agreement provides $29,500,000 as proposed by the House and $23,500,000 as proposed by the Senate.

The conference agreement includes $7,000,000 for the Los Alamos educational foundation. The conference agreement includes $8,000,000 for the Los Alamos educational foundation.

The conference agreement appropriates $29,000,000 for the Inspector General instead of $29,500,000 as proposed by the House and $27,500,000 as proposed by the Senate.

The conference agreement provides $5,000,000 has been provided for continued research and development on a new source of tritium.

The conference agreement provides $250,000,000, a reduction of $10,500,000 from the budget request. The conferees believe that further savings can be achieved through efficiencies from realignment efforts proposed in the Institute for Defense Analysis report on the Department’s management structure for weapons activities. The conference agreement includes $7,000,000 for the Los Alamos schools and $3,000,000 for the Los Alamos educational foundation.

The conference agreement includes $8,000,000 of prior year balances instead of $305,436,000 as proposed by the House and $50,000,000 as proposed by the Senate.

The conference agreement appropriates $4,310,227,000 for Defense Environmental Restoration and Waste Management instead of $4,293,403,000 as proposed by the House and $4,293,403,000 as proposed by the Senate. Additional funding of $1,038,240,000 is contained in the Defense Facilities Closure Projects account as $4,358,554,000 as proposed by the House and $4,310,227,000 for Defense Environmental Restoration and Waste Management.

The conference agreement includes $167,000,000, an increase of $6,000,000 over the budget request, is provided for continued research and development on a new source of tritium.

The conference agreement includes $167,000,000, an increase of $6,000,000 over the budget request, is provided for continued research and development on a new source of tritium.

The conference agreement includes $167,000,000, an increase of $6,000,000 over the budget request, is provided for continued research and development on a new source of tritium.

The conference agreement includes $167,000,000, an increase of $6,000,000 over the budget request, is provided for continued research and development on a new source of tritium.

The conference agreement includes $167,000,000, an increase of $6,000,000 over the budget request, is provided for continued research and development on a new source of tritium.

The conference agreement includes $167,000,000, an increase of $6,000,000 over the budget request, is provided for continued research and development on a new source of tritium.

The conference agreement includes $167,000,000, an increase of $6,000,000 over the budget request, is provided for continued research and development on a new source of tritium.

The conference agreement includes $167,000,000, an increase of $6,000,000 over the budget request, is provided for continued research and development on a new source of tritium.

The conference agreement includes $167,000,000, an increase of $6,000,000 over the budget request, is provided for continued research and development on a new source of tritium.

The conference agreement includes $167,000,000, an increase of $6,000,000 over the budget request, is provided for continued research and development on a new source of tritium.

The conference agreement includes $167,000,000, an increase of $6,000,000 over the budget request, is provided for continued research and development on a new source of tritium.
Los Alamos National Laboratory. The Department is directed to prepare a detailed project plan for the cleanup of TA-21 project which includes the cost and schedule for each portion of the project, to be conducted under the plan independently assessed, and submit the plan with the fiscal year 2000 budget request.

At the request of the Department, the conference agreement moves $4,512,000 from project 96-D-408, waste management upgrades, to project 93-D-187, high-level waste removed from waste tanks, at the Savannah River Site.

The conferees remain concerned about the high cost of storage and management of low-level wastes that are ready for permanent disposal and believe that available technologies demonstrated and certified by the Environmental Management program as cost-effective alternatives should, to the extent appropriate, receive priority funding to dispose of these wastes. The conferees are aware of the Department's efforts to replace costly programs like the Interim Waste Management Facilities for low-level mixed waste at Oak Ridge, Tennessee, and encourage the Department to implement prompt replacement programs and alternatives.

Post 2006 Completion.—The conference agreement appropriates an additional $7,000,000 for research and treatment of high level waste at Idaho; $3,000,000 to support operational needs at the Waste Isolation Pilot Plant (WIPP) to reimburse the State of New Mexico; $25,000,000 to support modifications to the Defense Waste Processing Facility in-tank precipitation process; and $15,000,000 for increased tank decommissions and reactor decommissioning at the Hanford site. The conference agreement also includes $5,500,000 for the hazardous materials management and emergency response training facility at Hanford.

The conference agreement does not include the proposal by the House for submission to the Department of a report on transpor-tation of hazardous materials.

The conferees recognize that universes in South Carolina, Georgia, and Louisiana have provided valuable technological and research assistance to the Department's envi-ronmental cleanup program, and recommend that the Department continue using these institutions where possible.

The conference reports accompanying the fiscal year 1997 and 1998 Energy and Water Develop-ments Acts directed the Department's Offices of Waste Management and Technology Development to undertake jointly research and development focused on higher risk, high pay-off modular in-vitrofication technology as an alternative or backup to achieve satisfactory cleanup results at a significantly lower cost. The conference agreement directs the Department to report on the status of the Office of Management and Budget request for a plan and a budget for the activities.

The conference agreement includes an additional $350,000 to cover the cost of an on-line tritium monitor for the City of Savannah, Georgia.

Health effect studies.—The conferees have provided $12,000,000 for worker and public health effects studies, instead of $15,000,000 as proposed by the House and $10,000,000 as proposed by the Senate. These funds are to be managed by the Office of Environment, Safety, and Health. Demands for funding by various groups to conduct worker and public health studies at the Savannah River Site are increasing. The conference agrees that all funding for Health and Human Services (HHS) managed studies, either through the Center for Disease Control and Prevention or the Agency for Toxic Substances and Disease Registry shall be incorporated into a single public health agenda for each DOE site. All DOE studies and proj-ects shall be independently peer-reviewed, and consistent with the public health agenda for each site.

The conferees have deferred without prejudice funding to initiate the proposed Hanford Medical Monitoring program, but within the health effects studies funding have allocated $2,000,000 for the Department to initiate a public information and education program.

Science and Technology Development.—The conference agreement provides $247,000,000 for the technology development program in-cluding $8,500,000 to support the Depart-ment's efforts to deploy cost-effective new technologies. Deployment of new tech-nologies is a strategic activity affecting virtually all environmental management pro-grams and sites, and should be strongly supported as a complex-wide program, not an other initiative maintained in isolation in the technology development organization.

The conferees urge the Department to continue research on hazardous materials in aquatic environments that supports the technology focus areas in mixed waste char-acterization, treatment, and disposal of sub-surface contaminants.

The conference agreement includes $2,000,000 for the national pilot program for electronics recovery and recycling, up to $2,000,000 to use a technology that will safely and effectively destroy the asbestos removed from Federal facilities during the decon-tamination and remediation of facilities and $4,500,000 for the Diagnostic Instrumentation and Analysis Laboratory (DIAL).

Environmental science program.—The conference agreement provides $47,000,000 for the environmental basic research science program, an increase of $15,000,000 over the budget request which had included no fund- ing for new proposals in fiscal year 1999. This increase includes $5,000,000 for proposals to determine the biological effects of exposure to low doses of ionizing radiation. These pro- posals are to be coordinated with the pro-gram being conducted by the Office of En-ergy Research.

Risk Policy.—The conference agreement in-cludes $9,000,000 for Risk Evaluation and Stakeholder Participation (CRESSP) and $2,000,000 for the Consortium for Environmental Risk Evaluation (CERE).

Program direction.—The conferees have pro-vided $337,073,000 for the program direction account. The recommendation does not in-clude the transfer of the Federal employees at Idaho National Laboratory. The reduc-tion of $9,126,000 from the budget request should be applied to support service con-tracts, travel, and other lower priority ac-tivities at Hanford and other DOE sites.

Economic development.—The conference agreement maintains the current policy that non cleanup funds are to be used for economic development activities. The conferees have provided $29,900,000 in the worker and com-munity transition program which was estab-lished and authorized to fund such activities, and expect all economic development activi-ties to be funded from that program.

DEFENSE FACILITIES CLOSURE PROJECTS

The conference agreement appropriates $1,088,240,000 for the Defense Facilities Clo-sure Projects, an increase of $128,240,000 proposed by the House instead of $1,048,240,000 as proposed by the Senate. The conferees expect the Depart-
The conference agreement provides $53,456,000 for worker and public health effects studies to be managed by the Office of Environment, Safety, and Health. This amount includes the budget request of $41,456,000 in this account and $12,000,000 in the Defense Environmental Management program. The conferees agree that funding for Health and Safety Services (HHS) managed studies, either through the Center for Disease Control and Prevention or the Agency for Toxic Substances and Disease Registry should be incorporated into a single memorandum of understanding with HHS, and that DOE and HHS will prepare a consolidated and coherent strategy. The conferees direct that a public health agenda be prepared for each DOE site. The agencies are directed to report to the Committees on Appropriations on the status of the implementation of this agenda by December 31, 1998. The final public health agenda for each site shall be provided to the Committee no later than September 30, 1999. The conference agreement reduces funding for peer-reviewed health effects studies, and directs that all DOE-funded health studies shall be independently peer-reviewed, and consistent with the public health agenda for each site.

**WORKER AND COMMUNITY TRANSITION**

The conference agreement provides $29,900,000 for the worker and community transition program. This includes $200,000 as proposed by the House and $40,000 as proposed by the Senate. Since there are no significant program funding decreases in the Department of Energy, in fiscal year 1999, the conferees have reduced the funding allocated for enhanced severance benefits and local assistance grants. The conferees direct that no other DOE-funded funds be used to provide enhanced severance payments and other benefits under the provisions of Section 361 of the National Defense Authorization Act of Fiscal Year 1999.

The conferees direct that none of the funds provided for this program be used for additional severance payments and benefits for Federal employees of the Department of Energy. Federal employees are covered by a multitude of laws which control employee benefits and protections during the downsizing of Federal agencies.

**FISSILE MATERIALS DISPOSITION**

The conference agreement provides the budget request of $168,960,000 for fissile materials disposition, but reallocates $5,000,000 from the cleanup and conversion facility project to operating expenses. The conferees have not included the bill language proposed by the Senate earmarking $5,000,000 for a joint U.S.-Russian development program of advanced reactor technology to dispose of Russian excess weapons-derived plutonium. However, the conference agreement provides $26,000,000 for the U.S.-Russian development of gas reactor technology to dispose of excess weapons-derived plutonium. Of this funding, $2,000,000 is available for work to be performed in the United States by the Department of Energy and other U.S. contractors, and $3,000,000 is to be engaged in the Russian Federation. The $3,000,000 shall be made available for work in Russia on the gas reactor technology on the condition and only to the extent that the Russian Ministry of Atomic Energy on implementation of the Highly Enriched Uranium Agreement, plutonium disposition, and weapons dismantlement is one of the Department's highest priorities, and that effort should receive the full administrative support of the Department.

**ENVIRONMENT, SAFETY AND HEALTH (DEFENSE)**

The conference agreement provides $91,500,000 for defense-related environment, safety and health activities instead of $94,000,000 as proposed by the House and $89,000,000 as proposed by the Senate. The reduction of $2,500,000 from the budget request should be applied to the use of support services contractors.

The conferees have provided $53,456,000 for worker and public health effects studies to be managed by the Office of Environment, Safety, and Health. This amount includes the budget request of $41,456,000 in this account and $12,000,000 in the Defense Environmental Management program. The conferees agree that funding for Health and Safety Services (HHS) managed studies, either through the Center for Disease Control and Prevention or the Agency for Toxic Substances and Disease Registry shall be incorporated into a single memorandum of understanding with HHS, and that DOE and HHS will prepare a consolidated and coherent strategy. The conferees direct that a public health agenda be prepared for each DOE site. The agencies are directed to report to the Committees on Appropriations on the status of the implementation of this agenda by December 31, 1998. The final public health agenda for each site shall be provided to the Committee no later than September 30, 1999. The conference agreement reduces funding for peer-reviewed health effects studies, and directs that all DOE-funded health studies shall be independently peer-reviewed, and consistent with the public health agenda for each site.

**NATIONAL SECURITY PROGRAMS**

**ADMINISTRATIVE SUPPORT**

The conference agreement provides $37,627,000 for national security programs administrative support instead of $75,000,000 as proposed by the Senate. The conferees encourage the Department to reprogram any further unobligated balances.

**DEFENSE NUCLEAR WASTE DISPOSAL**

The conference agreement provides $189,000,000 instead of $150,000,000 as proposed by the Senate. The conferees expect the Department to continue to work with the Idaho Power Company and the Idaho Power Corporation to make further progress in reaching an agreement with the State of Idaho to facilitate the host site selection decision. The conferees expect the Department to continue to work with the Idaho Power Company and the Idaho Power Corporation to make further progress in reaching an agreement with the State of Idaho to facilitate the host site selection decision.

**POWER MARKETING ADMINISTRATIONS**

The conference agreement does not include additional funding for the Alaska Power Administration as proposed by the House instead of $5,000,000 as proposed by the Senate. Unobligated balances of the Alaska Power Administration shall be available to pay any remaining obligations of the Administration.
FEDERAL ENERGY REGULATORY COMMISSION

The conference agreement includes $167,500,000 instead of $166,500,000 as recommended by the House or $168,896,000 as recommended by the Senate. The conferees have provided the Commission with an increase of $5,359,000 over the current fiscal year.

GENERAL PROVISIONS

DEPARTMENT OF ENERGY

SEC. 301. The conference agreement includes a provision proposed by the House and Senate that none of the funds may be used to award a management and operating contract unless such contract is awarded using competitive procedures, or the Secretary of Energy grants, on a case-by-case basis, a waiver to allow for such a deviation. At least 60 days before such action, the Secretary of Energy must submit to the House and Senate Committees on Appropriations a report notifying the Committees of the waiver and setting forth the reasons for the waiver. Section 301 does not preclude extension of a contract awarded using competitive procedures.

SEC. 302. The conference agreement includes a provision proposed by the House and Senate that none of the funds may be used to award, amend, or modify a contract in a manner that deviates from the Federal Acquisition Regulation, unless the Secretary of Energy grants, on a case-by-case basis, a waiver to allow for such a deviation. At least 60 days before such action, the Secretary of Energy must submit to the House and Senate Committees on Appropriations a report notifying the Committees of the waiver and setting forth the reasons for the waiver.

SEC. 303. The conference agreement includes a provision proposed by the House and Senate that none of the funds may be used to prepare or implement workforce restructuring plans or provide enhanced severance payments and other benefits and community assistance grants for Federal employees of the Department of Energy under section 3161 of the National Defense Authorization Act of Fiscal Year 1993, Public Law 102-484.

SEC. 304. The conference agreement includes a provision proposed by the House and Senate that none of the funds may be used to augment the $25,900,000 made available for obligation for severance payments and other benefits and community assistance grants authorized under the provisions of section 3161 of the National Defense Authorization Act of Fiscal Year 1993, Public Law 102-484.

SEC. 305. The conference agreement includes a provision proposed by the House and Senate that none of the funds may be used to prepare or initiate Requests for Proposals for a program if the program has not been funded by Congress in the current fiscal year. This provision precludes the Department from initiating activities for new programs which have been proposed in the budget request, but which have not yet been funded by Congress.

SEC. 306. The conference agreement includes a provision proposed by the House and Senate that permits the transfer and merger of unexpended balances of prior appropriations with appropriation accounts established in this bill.

SEC. 307. The conference agreement includes a provision allowing the Secretary of Energy to enter into multi-year contracts without obligating the estimated costs associated with any necessary cancellation or termination of the contract. This provides the Department of Energy with the same flexibility provided to the Department of Defense.

SEC. 308. The conference agreement modifies language proposed by the Senate that limited the types of waste that could be disposed in the Waste Isolation Pilot Plant in New Mexico. None of the funds may be used to dispose of transuranic waste in excess of 20 percent plutonium by weight for the aggregate of any material category. At the Rocky Flats site, this provision applies to the five material categories addressed in the “Final Environmental Impact Statement on Management of Certain Plutonium Residues on Scrub Alloy Stored at the Rocky Flats Environmental Technology Site”, Table S-2, Notice of Intent Categories.

SEC. 309. The conference agreement modifies language proposed by the Senate changing the name of the Office of Energy Research. The name of the office has been changed to “Science” instead of “Science Research” as proposed by the Senate.

SEC. 310. The conference agreement modifies language proposed by the Senate pertaining to maintenance of security at the DOE uranium enrichment plants. Costs of implementing this provision will be allocated between the Department of Energy and the United States Enrichment Corporation.

SEC. 311. The conference agreement modifies language proposed by the House in title V and requires the Department of Energy to include all appropriate regulatory entities when conducting pilot projects to simulate external regulation at Departmental facilities.

The Department is directed not to initiate any pilot projects to simulate external regulation of Departmental facilities which do not include the Nuclear Regulatory Commission (NRC), the Occupational Safety and Health Administration (OSHA), and the appropriate State and local entities. The Department has been conducting pilot projects to simulate the external regulation of its facilities. However, the pilot projects to date have included only the NRC, and not OSHA, or the appropriate State and local regulatory entities which could also have oversight of worker safety and health at Departmental facilities. The Department has touted its successful pilot project at the Lawrence Berkeley National Laboratory, but the pilot project was completely inadequate because it did not include the participation of OSHA or State and local entities. Thus, the pilot project failed to address many of the issues involving the interactions among all of these entities and the Department of Energy. Obvious questions were left unanswered in the pilot project.

The conferees direct the Department to address all of the issues involving OSHA and State and local regulation of worker safety and health at the Lawrence Berkeley National Laboratory in conjunction with NRC regulation. The Department should provide a report to the Committees on Appropriations by March 31, 1999, on the results of the comprehensive pilot project. Additionally, the Department is directed to initiate in fiscal year 1999 a pilot project for a multi-program non-defense laboratory such as Argonne National Laboratory or Brookhaven National Laboratory which includes a large accelerator project. The Department should not conduct simulations of external regulation at sites with weapons activities responsibilities.

SEC. 312. The conference agreement includes a provision delaying until September 30, 1999, the obligation of $57,000,000 in the Atomic Energy Defense Activities, Weapons Activities appropriation account.

Provisions not adopted by the conferees

The conference agreement deletes language proposed by the House limiting the ability of Department of Energy facilities and laboratories to compete with the private sector. This provision has been addressed in report language.

The conference agreement deletes language proposed by the House limiting economic assistance payments to the State of New Mexico until the Waste Isolation Pilot Plant commences disposal operations.

The conference agreement deletes language proposed by the Senate permitting the Bonneville Power Administration to sell at wholesale rates to joint operating entities.

The conference agreement deletes language proposed by the Senate providing off-setting funding reductions in various appropriation accounts.

CONFERENCE RECOMMENDATIONS

The conference agreement’s detailed funding recommendations for programs in title III are contained in the following table.
<table>
<thead>
<tr>
<th></th>
<th>Budget</th>
<th>Estimate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ENERGY SUPPLY</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>SOLAR AND RENEWABLE RESOURCES TECHNOLOGIES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Solar energy</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Solar building technology research</td>
<td>5,000</td>
<td>2,900</td>
<td></td>
</tr>
<tr>
<td>Photovoltaic energy systems</td>
<td>78,800</td>
<td>66,800</td>
<td></td>
</tr>
<tr>
<td>Photovoltaic energy research</td>
<td>2,883</td>
<td>2,883</td>
<td></td>
</tr>
<tr>
<td><strong>Subtotal, Photovoltaics</strong></td>
<td>81,683</td>
<td>69,683</td>
<td></td>
</tr>
<tr>
<td>Solar thermal energy systems</td>
<td>22,500</td>
<td>17,000</td>
<td></td>
</tr>
<tr>
<td>Biomass/biofuels energy systems</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Power systems</td>
<td>42,900</td>
<td>31,000</td>
<td></td>
</tr>
<tr>
<td>Transportation</td>
<td>46,891</td>
<td>41,750</td>
<td></td>
</tr>
<tr>
<td><strong>Subtotal, Biomass/biofuels energy systems</strong></td>
<td>89,791</td>
<td>72,750</td>
<td></td>
</tr>
<tr>
<td>Biomass/biofuels energy research</td>
<td>27,199</td>
<td>27,199</td>
<td></td>
</tr>
<tr>
<td><strong>Subtotal, Biomass</strong></td>
<td>116,990</td>
<td>99,949</td>
<td></td>
</tr>
<tr>
<td>Wind energy systems</td>
<td>43,500</td>
<td>33,200</td>
<td></td>
</tr>
<tr>
<td>Wind energy research</td>
<td>283</td>
<td>283</td>
<td></td>
</tr>
<tr>
<td><strong>Subtotal, Wind</strong></td>
<td>43,783</td>
<td>33,483</td>
<td></td>
</tr>
<tr>
<td>Renewable energy production incentive program</td>
<td>4,000</td>
<td>4,000</td>
<td></td>
</tr>
<tr>
<td>Solar program support</td>
<td>14,000</td>
<td>14,000</td>
<td></td>
</tr>
<tr>
<td>International solar energy program</td>
<td>8,800</td>
<td>3,750</td>
<td></td>
</tr>
<tr>
<td>Solar technology transfer</td>
<td>1,360</td>
<td>1,360</td>
<td></td>
</tr>
<tr>
<td>National renewable energy laboratory</td>
<td>5,000</td>
<td>2,000</td>
<td></td>
</tr>
<tr>
<td>Solar photoconversion (ER)</td>
<td>14,532</td>
<td>14,532</td>
<td></td>
</tr>
<tr>
<td><strong>Total, Solar Energy</strong></td>
<td><strong>317,648</strong></td>
<td><strong>247,297</strong></td>
<td></td>
</tr>
</tbody>
</table>
Department of Energy (in thousands)

<table>
<thead>
<tr>
<th>Budget Estimate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Geothermal</td>
<td></td>
</tr>
<tr>
<td>Geothermal technology development</td>
<td>33,000</td>
</tr>
<tr>
<td>Hydrogen research</td>
<td>24,000</td>
</tr>
<tr>
<td>Hydrogen energy research</td>
<td>3,008</td>
</tr>
<tr>
<td>Total, Hydrogen</td>
<td>27,008</td>
</tr>
<tr>
<td>Hydropower</td>
<td>4,000</td>
</tr>
<tr>
<td>Renewable Indian energy resources</td>
<td>3,500</td>
</tr>
<tr>
<td>Electric energy systems and storage</td>
<td></td>
</tr>
<tr>
<td>Transmission reliability</td>
<td>---</td>
</tr>
<tr>
<td>High temperature superconducting R&amp;D</td>
<td>32,000</td>
</tr>
<tr>
<td>Energy storage systems</td>
<td>6,000</td>
</tr>
<tr>
<td>Climate challenge</td>
<td>500</td>
</tr>
<tr>
<td>Total, Electric energy systems and storage</td>
<td>38,500</td>
</tr>
<tr>
<td>Federal building/Remote power initiative</td>
<td></td>
</tr>
<tr>
<td>Program direction</td>
<td>17,000</td>
</tr>
<tr>
<td>TOTAL, SOLAR AND RENEWABLE RESOURCES TECHNOLOGIES</td>
<td>437,156</td>
</tr>
</tbody>
</table>
### Department of Energy (in thousands)

<table>
<thead>
<tr>
<th>NUCLEAR ENERGY</th>
<th>Estimate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nuclear energy R&amp;D</td>
<td>40,500</td>
<td>37,000</td>
</tr>
<tr>
<td>Advanced radioisotope power system</td>
<td>25,000</td>
<td>---</td>
</tr>
<tr>
<td>Nuclear technology R&amp;D</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>Test reactor area landlord</td>
<td>4,634</td>
<td>4,000</td>
</tr>
<tr>
<td>Construction</td>
<td>341</td>
<td>341</td>
</tr>
<tr>
<td>69-E-200 Test reactor area electrical utility upgrade, Idaho National Engineering Laboratory, ID</td>
<td>2,425</td>
<td>2,425</td>
</tr>
<tr>
<td>96-E-201 Test reactor area fire and life safety improvements, Idaho National Engineering Laboratory, ID</td>
<td>2,766</td>
<td>2,766</td>
</tr>
<tr>
<td>Subtotal, Construction</td>
<td>7,400</td>
<td>6,766</td>
</tr>
<tr>
<td>University reactor fuel assistance and support</td>
<td>10,000</td>
<td>11,000</td>
</tr>
<tr>
<td>Nuclear energy research initiative</td>
<td>24,000</td>
<td>19,000</td>
</tr>
<tr>
<td>Total, Nuclear energy R&amp;D</td>
<td>106,900</td>
<td>73,766</td>
</tr>
<tr>
<td>Fast flux test facility (FFTF)</td>
<td>---</td>
<td>30,000</td>
</tr>
<tr>
<td>Facilities</td>
<td>96,150</td>
<td>85,000</td>
</tr>
<tr>
<td>Termination costs</td>
<td>66,700</td>
<td>48,000</td>
</tr>
<tr>
<td>Uranium programs</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>Isotope support</td>
<td>16,450</td>
<td>15,500</td>
</tr>
<tr>
<td>Construction</td>
<td>6,000</td>
<td>6,000</td>
</tr>
<tr>
<td>99-E-201 Isotope production facility (LANL)</td>
<td>21,800</td>
<td>21,800</td>
</tr>
<tr>
<td>Total, Isotope support</td>
<td>22,450</td>
<td>21,800</td>
</tr>
<tr>
<td>Nuclear energy plant optimization</td>
<td>10,000</td>
<td>---</td>
</tr>
<tr>
<td>Program direction</td>
<td>23,550</td>
<td>24,700</td>
</tr>
<tr>
<td>TOTAL, NUCLEAR ENERGY</td>
<td>325,750</td>
<td>283,866</td>
</tr>
<tr>
<td>Budget Estimate Conference</td>
<td></td>
<td></td>
</tr>
<tr>
<td>-----------------------------</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>ENVIRONMENT, SAFETY AND HEALTH</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Environment, safety and health</td>
<td>37,602</td>
<td>32,000</td>
</tr>
<tr>
<td>Program direction</td>
<td>38,398</td>
<td>18,398</td>
</tr>
<tr>
<td><strong>TOTAL, ENVIRONMENT, SAFETY AND HEALTH</strong></td>
<td>75,000</td>
<td>50,398</td>
</tr>
<tr>
<td><strong>ENERGY RESEARCH</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fusion energy sciences program</td>
<td>229,160</td>
<td>---</td>
</tr>
<tr>
<td><strong>ENERGY SUPPORT ACTIVITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Technical information management program</td>
<td>2,340</td>
<td>1,600</td>
</tr>
<tr>
<td>Program direction</td>
<td>7,500</td>
<td>7,000</td>
</tr>
<tr>
<td><strong>Total, Technical information management program</strong></td>
<td>9,840</td>
<td>8,600</td>
</tr>
<tr>
<td>Transfer to OSHA for external regulation pilot projects</td>
<td>---</td>
<td>1,000</td>
</tr>
<tr>
<td>Field office management</td>
<td>104,541</td>
<td>104,127</td>
</tr>
<tr>
<td>Oak Ridge landlord</td>
<td>12,500</td>
<td>11,500</td>
</tr>
<tr>
<td><strong>TOTAL, ENERGY SUPPORT ACTIVITIES</strong></td>
<td>126,881</td>
<td>124,727</td>
</tr>
<tr>
<td>Subtotal, Energy supply</td>
<td>1,193,947</td>
<td>924,956</td>
</tr>
<tr>
<td>Renewable energy research program</td>
<td>-47,905</td>
<td>-47,905</td>
</tr>
<tr>
<td>Use of prior year balances</td>
<td>-17,000</td>
<td>-50,000</td>
</tr>
<tr>
<td><strong>TOTAL, ENERGY SUPPLY</strong></td>
<td>1,129,042</td>
<td>727,051</td>
</tr>
<tr>
<td>Budget</td>
<td>Estimate</td>
<td>Conference</td>
</tr>
<tr>
<td>--------</td>
<td>----------</td>
<td>------------</td>
</tr>
<tr>
<td><strong>NON-DEFENSE ENVIRONMENTAL MANAGEMENT</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Site closure</td>
<td>254,344</td>
<td>254,344</td>
</tr>
<tr>
<td>Site/project completion</td>
<td>97,248</td>
<td>102,948</td>
</tr>
<tr>
<td>Post 2005 completion</td>
<td>83,908</td>
<td>83,908</td>
</tr>
<tr>
<td>Science and technology</td>
<td>26,800</td>
<td></td>
</tr>
<tr>
<td>Use of prior year balances</td>
<td>-10,000</td>
<td>-10,000</td>
</tr>
<tr>
<td><strong>TOTAL, NON-DEFENSE ENVIRONMENTAL MANAGEMENT</strong></td>
<td>452,000</td>
<td>431,200</td>
</tr>
<tr>
<td><strong>URANIUM ENRICHMENT DECONTAMINATION AND DECOMMISSIONING FUND</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Decontamination and decommissioning</td>
<td>242,000</td>
<td>190,200</td>
</tr>
<tr>
<td>Uranium/thorium reimbursement</td>
<td>38,000</td>
<td>30,000</td>
</tr>
<tr>
<td>Use of prior year balances</td>
<td>-5,000</td>
<td>---</td>
</tr>
<tr>
<td><strong>TOTAL, URANIUM ENRICHMENT DECONTAMINATION AND DECOMMISSIONING</strong></td>
<td>272,000</td>
<td>220,200</td>
</tr>
<tr>
<td>Budget Estimate</td>
<td>Conference</td>
<td></td>
</tr>
<tr>
<td>-----------------</td>
<td>------------</td>
<td></td>
</tr>
<tr>
<td><strong>SCIENCE</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>High energy physics</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Research and technology</td>
<td>213,365</td>
<td>215,865</td>
</tr>
<tr>
<td>Facility operations</td>
<td>456,635</td>
<td>459,635</td>
</tr>
<tr>
<td>Construction</td>
<td>6,700</td>
<td>6,700</td>
</tr>
<tr>
<td>98-G-306 Wilson hall safety improvements, Fermilab</td>
<td></td>
<td></td>
</tr>
<tr>
<td>98-G-304 Neutrinos at the main injector, Fermilab</td>
<td>14,300</td>
<td>14,300</td>
</tr>
<tr>
<td>Subtotal, Construction</td>
<td></td>
<td>21,000</td>
</tr>
<tr>
<td>Subtotal, Facility operations</td>
<td>477,635</td>
<td>480,635</td>
</tr>
<tr>
<td>Total, High energy physics</td>
<td></td>
<td>891,000</td>
</tr>
<tr>
<td>Nuclear physics</td>
<td>315,980</td>
<td>318,480</td>
</tr>
<tr>
<td>Construction</td>
<td>16,620</td>
<td>16,620</td>
</tr>
<tr>
<td>91-G-300 Relativistic heavy ion collider (BNL)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total, Nuclear physics</td>
<td>332,600</td>
<td>335,100</td>
</tr>
<tr>
<td>Biological and environmental research</td>
<td>392,600</td>
<td>443,600</td>
</tr>
<tr>
<td>Basic energy sciences</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Materials sciences</td>
<td>417,216</td>
<td>417,216</td>
</tr>
<tr>
<td>Chemical sciences</td>
<td>208,582</td>
<td>208,582</td>
</tr>
<tr>
<td>Engineering and geosciences</td>
<td>44,413</td>
<td>44,413</td>
</tr>
<tr>
<td>Energy biosciences</td>
<td>32,489</td>
<td>32,489</td>
</tr>
<tr>
<td>Construction 98-E-334 Spallation neutron source (ORNL)</td>
<td>128,400</td>
<td>101,400</td>
</tr>
<tr>
<td>98-E-300 Combustion research facility, Phase II, SNL/L</td>
<td>4,000</td>
<td>4,000</td>
</tr>
<tr>
<td>Subtotal, Construction</td>
<td>132,400</td>
<td>105,400</td>
</tr>
<tr>
<td>Total, Basic energy sciences</td>
<td>636,100</td>
<td>805,100</td>
</tr>
<tr>
<td>Budget</td>
<td>Estimate</td>
<td>Conference</td>
</tr>
<tr>
<td>------------------------------</td>
<td>----------</td>
<td>------------</td>
</tr>
<tr>
<td>Other energy research</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Computational and technology research</td>
<td>160,640</td>
<td>143,000</td>
</tr>
<tr>
<td>Energy research analyses</td>
<td>1,000</td>
<td>1,000</td>
</tr>
<tr>
<td>Multiprogram energy labs - facility support</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Multiprogram general purpose facilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Infrastructure support</td>
<td>1,160</td>
<td>1,160</td>
</tr>
<tr>
<td>Construction</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MEL-001 Multiprogram energy laboratory</td>
<td>14,924</td>
<td>14,924</td>
</tr>
<tr>
<td>Infrastructure projects, various locations</td>
<td></td>
<td></td>
</tr>
<tr>
<td>94-E-363 Roofing improvements (ORNL)</td>
<td>4,908</td>
<td>4,908</td>
</tr>
<tr>
<td>Subtotal, Construction</td>
<td>19,832</td>
<td>19,832</td>
</tr>
<tr>
<td>Subtotal, Multiprogram gen. purpose facilities</td>
<td>20,992</td>
<td>20,992</td>
</tr>
<tr>
<td>Environment, safety and health</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Construction</td>
<td></td>
<td></td>
</tr>
<tr>
<td>HS-E-333 Multiprogram energy laboratories upgrades, various locations</td>
<td>268</td>
<td>268</td>
</tr>
<tr>
<td>Subtotal, Multiprogram energy labs - fac. suppor</td>
<td>21,260</td>
<td>21,260</td>
</tr>
<tr>
<td>Total, Other energy research</td>
<td>192,900</td>
<td>192,900</td>
</tr>
<tr>
<td>Fusion energy sciences program</td>
<td>---</td>
<td>223,300</td>
</tr>
<tr>
<td>University science education programs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Laboratory cooperative science centers</td>
<td>15,000</td>
<td>---</td>
</tr>
<tr>
<td>Program direction</td>
<td>39,860</td>
<td>49,800</td>
</tr>
<tr>
<td>Subtotal, Science</td>
<td>2,490,060</td>
<td>2,722,660</td>
</tr>
<tr>
<td>Use of prior year SSC balances</td>
<td>-7,600</td>
<td>-7,600</td>
</tr>
<tr>
<td>Use of other prior year balances</td>
<td>-12,000</td>
<td>-12,000</td>
</tr>
<tr>
<td>General reduction</td>
<td>-3,700</td>
<td>-3,700</td>
</tr>
<tr>
<td>General reduction for policy papers for CFTI</td>
<td></td>
<td>-13,500</td>
</tr>
<tr>
<td>TOTAL, SCIENCE</td>
<td>2,470,460</td>
<td>2,682,860</td>
</tr>
</tbody>
</table>
## DEPARTMENTAL ADMINISTRATION

### Administrative operations

<table>
<thead>
<tr>
<th>Category</th>
<th>Estimate</th>
<th>Budget</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office of the Secretary</td>
<td>4,261</td>
<td>4,176</td>
<td></td>
</tr>
<tr>
<td>Chief Financial Officer</td>
<td>22,380</td>
<td>22,380</td>
<td></td>
</tr>
<tr>
<td>Contract reform</td>
<td>3,200</td>
<td>3,200</td>
<td></td>
</tr>
<tr>
<td>Congressional and intergovernmental affairs</td>
<td>4,800</td>
<td>4,800</td>
<td></td>
</tr>
<tr>
<td>Economic impact and diversity</td>
<td>4,700</td>
<td>4,700</td>
<td></td>
</tr>
<tr>
<td>Field management</td>
<td>7,500</td>
<td>7,500</td>
<td></td>
</tr>
<tr>
<td>General counsel</td>
<td>19,250</td>
<td>19,250</td>
<td></td>
</tr>
<tr>
<td>Human resources and administration</td>
<td>97,000</td>
<td>97,000</td>
<td></td>
</tr>
<tr>
<td>Policy office</td>
<td>14,600</td>
<td>14,600</td>
<td></td>
</tr>
<tr>
<td>Public affairs</td>
<td>3,800</td>
<td>3,800</td>
<td></td>
</tr>
<tr>
<td><strong>Subtotal, Salaries and expenses</strong></td>
<td>181,260</td>
<td></td>
<td></td>
</tr>
<tr>
<td>General management - personal compensation and benefits</td>
<td>106,210</td>
<td></td>
<td></td>
</tr>
<tr>
<td>General management - other expenses</td>
<td>77,050</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Program support</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Minority economic impact</td>
<td>1,880</td>
<td>1,700</td>
<td></td>
</tr>
<tr>
<td>Policy analysis and system studies</td>
<td>550</td>
<td>550</td>
<td></td>
</tr>
<tr>
<td>Consumer affairs</td>
<td>19</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public affairs</td>
<td>39</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Environmental policy studies</td>
<td>2,500</td>
<td>2,000</td>
<td></td>
</tr>
<tr>
<td>Scientific and technical training</td>
<td>800</td>
<td>450</td>
<td></td>
</tr>
<tr>
<td>Information management</td>
<td>8,000</td>
<td>8,000</td>
<td></td>
</tr>
<tr>
<td><strong>Subtotal, Program support</strong></td>
<td>13,437</td>
<td>12,600</td>
<td></td>
</tr>
<tr>
<td><strong>Total, Administrative operations</strong></td>
<td>291,476</td>
<td>193,790</td>
<td></td>
</tr>
</tbody>
</table>

### Cost of work for others

<table>
<thead>
<tr>
<th>Category</th>
<th>Estimate</th>
<th>Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subtotal, Departmental Administration</td>
<td>44,312</td>
<td>44,312</td>
</tr>
</tbody>
</table>

### Transfer from other defense activities

<table>
<thead>
<tr>
<th>Category</th>
<th>Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transfer from other defense activities</td>
<td>-37,627</td>
</tr>
</tbody>
</table>

### Total, Departmental administration (gross)

<table>
<thead>
<tr>
<th>Category</th>
<th>Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subtotal, Departmental Administration</td>
<td>245,788</td>
</tr>
<tr>
<td>Transfer from other defense activities</td>
<td>-37,627</td>
</tr>
<tr>
<td><strong>Total, Departmental administration (gross)</strong></td>
<td>208,161</td>
</tr>
</tbody>
</table>

### Miscellaneous revenue

<table>
<thead>
<tr>
<th>Category</th>
<th>Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Miscellaneous revenue</td>
<td>-136,530</td>
</tr>
<tr>
<td><strong>TOTAL, DEPARTMENTAL ADMINISTRATION (net)</strong></td>
<td>109,258</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Estimate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>63,945</td>
<td></td>
</tr>
<tr>
<td>Department of Energy (in thousands)</td>
<td></td>
</tr>
<tr>
<td>-----------------------------------</td>
<td>--</td>
</tr>
<tr>
<td><strong>OFFICE OF INSPECTOR GENERAL</strong></td>
<td></td>
</tr>
<tr>
<td>Office of Inspector General</td>
<td>29,500</td>
</tr>
</tbody>
</table>
ATOMIC ENERGY DEFENSE ACTIVITIES

WEAPONS ACTIVITIES

<table>
<thead>
<tr>
<th>Description</th>
<th>Estimate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stockpile stewardship</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Core stockpile stewardship</td>
<td>1,505,832</td>
<td>1,482,632</td>
</tr>
<tr>
<td>Construction</td>
<td>115,543</td>
<td>103,443</td>
</tr>
<tr>
<td>99-D-092 Rehabilitation of maintenance facility (LLNL), Livermore, CA.</td>
<td>8,000</td>
<td>---</td>
</tr>
<tr>
<td>99-D-103 Isotope sciences facility (LLNL), Livermore, CA.</td>
<td>4,000</td>
<td>---</td>
</tr>
<tr>
<td>99-D-104 Protection of real property (roof reconstruction, Phase II) (LLNL), Livermore, CA.</td>
<td>7,300</td>
<td>---</td>
</tr>
<tr>
<td>99-D-105 Central health physics calibration facility (LLNL), Los Alamos, NM</td>
<td>3,800</td>
<td>---</td>
</tr>
<tr>
<td>99-D-106 Model validation and system certification test center (SNL), Albuquerque, NM</td>
<td>1,600</td>
<td>---</td>
</tr>
<tr>
<td>99-D-107 Joint computational engineering laboratory (JCEL, SNL), Albuquerque, NM</td>
<td>1,800</td>
<td>---</td>
</tr>
<tr>
<td>99-D-108 Renovate existing roadways, Nevada test site, NV.</td>
<td>2,000</td>
<td>---</td>
</tr>
<tr>
<td>FY 1999 new construction project funding</td>
<td>---</td>
<td>15,000</td>
</tr>
<tr>
<td>97-D-102 Dual-axis radiographic hydrotest facility (LLNL), Los Alamos, NM</td>
<td>36,000</td>
<td>36,000</td>
</tr>
<tr>
<td>96-D-102 Stockpile stewardship facilities revitalization (Phase VI), various locations</td>
<td>20,423</td>
<td>20,423</td>
</tr>
<tr>
<td>96-D-103 ATLAS, Los Alamos National Laboratory</td>
<td>6,400</td>
<td>6,400</td>
</tr>
<tr>
<td>96-D-104 Processing and environmental technology laboratory (SNL)</td>
<td>18,920</td>
<td>18,920</td>
</tr>
<tr>
<td>96-D-105 Contained firing facility addition (LLNL)</td>
<td>8,700</td>
<td>8,700</td>
</tr>
<tr>
<td>Subtotal, Construction</td>
<td>115,543</td>
<td>103,443</td>
</tr>
<tr>
<td>Subtotal, Core stockpile stewardship</td>
<td>1,621,375</td>
<td>1,588,976</td>
</tr>
<tr>
<td>Description</td>
<td>Budget Estimate</td>
<td>Conference</td>
</tr>
<tr>
<td>-----------------------------------------------------------------------------</td>
<td>-----------------</td>
<td>------------</td>
</tr>
<tr>
<td>Inertial fusion</td>
<td>213,800</td>
<td>223,800</td>
</tr>
<tr>
<td>Construction</td>
<td></td>
<td></td>
</tr>
<tr>
<td>96-D-111 National ignition facility - TBD</td>
<td>284,200</td>
<td>284,200</td>
</tr>
<tr>
<td>Subtotal, Inertial fusion</td>
<td>498,000</td>
<td>508,000</td>
</tr>
<tr>
<td>Technology transfer/education</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Technology transfer</td>
<td>60,000</td>
<td>45,000</td>
</tr>
<tr>
<td>Education</td>
<td>5,000</td>
<td>9,000</td>
</tr>
<tr>
<td>Subtotal, Technology transfer/education</td>
<td>69,000</td>
<td>54,000</td>
</tr>
<tr>
<td>Total, Stockpile stewardship</td>
<td>2,188,375</td>
<td>2,148,075</td>
</tr>
<tr>
<td>Stockpile management</td>
<td></td>
<td></td>
</tr>
<tr>
<td>99-D-122 Rapid reactivation, various locations</td>
<td>1,935,803</td>
<td>1,986,803</td>
</tr>
<tr>
<td>99-D-123 Replace mechanical utility systems, Y-12, Oak Ridge, TN.</td>
<td>11,200</td>
<td>11,200</td>
</tr>
<tr>
<td>99-D-125 Replace boilers and controls, Kansas City plant, Kansas City, MO.</td>
<td>1,900</td>
<td>1,900</td>
</tr>
<tr>
<td>99-D-127 Stockpile management restructuring initiative, Kansas City plant, Kansas City, MO</td>
<td>1,000</td>
<td>1,000</td>
</tr>
<tr>
<td>99-D-128 Stockpile management restructuring initiative, Pantex consolidation, Amarillo, TX</td>
<td>13,700</td>
<td>13,700</td>
</tr>
<tr>
<td>99-D-132 SNRE nuclear material safeguards and security upgrade project (LANL), Los Alamos, NM</td>
<td>1,108</td>
<td>1,108</td>
</tr>
<tr>
<td>98-D-123 Stockpile mgmt. restructuring initiative Tritium factory modernization and consolidation, Savannah River, SC</td>
<td>9,700</td>
<td>9,700</td>
</tr>
<tr>
<td>98-D-124 Stockpile mgmt. restructuring initiative Y-12 consolidation, Oak Ridge, TN</td>
<td>27,500</td>
<td>27,500</td>
</tr>
<tr>
<td>97-D-122 Nuclear materials storage facility renovation (LANL), Los Alamos, NM</td>
<td>10,700</td>
<td>10,700</td>
</tr>
<tr>
<td>97-D-122 Nuclear materials storage facility renovation (LANL), Los Alamos, NM</td>
<td>9,164</td>
<td>2,500</td>
</tr>
<tr>
<td>Description</td>
<td>Budget Estimate</td>
<td>Conference</td>
</tr>
<tr>
<td>-----------------------------------------------------------------------------</td>
<td>-----------------</td>
<td>------------</td>
</tr>
<tr>
<td>97-D-123 Structural upgrades, Kansas City plant, Kansas City, KS</td>
<td>6,400</td>
<td>6,400</td>
</tr>
<tr>
<td>96-D-122 Sewage treatment quality upgrade (STQU) Pantex plant</td>
<td>3,700</td>
<td>3,700</td>
</tr>
<tr>
<td>95-D-102 Chemistry and metallurgy research (CMR) upgrades project (LAWL)</td>
<td>16,000</td>
<td>5,000</td>
</tr>
<tr>
<td>93-D-122 Life safety upgrades, Y-12 plant</td>
<td>3,250</td>
<td>3,250</td>
</tr>
<tr>
<td>Subtotal, Construction</td>
<td>115,322</td>
<td>97,658</td>
</tr>
<tr>
<td>Total, Stockpile management</td>
<td>2,051,125</td>
<td>2,084,461</td>
</tr>
<tr>
<td>Program direction</td>
<td>260,500</td>
<td>250,000</td>
</tr>
<tr>
<td>Subtotal, Weapons activities</td>
<td>4,500,000</td>
<td>4,482,536</td>
</tr>
<tr>
<td>Use of prior year balances</td>
<td>-82,536</td>
<td></td>
</tr>
<tr>
<td>TOTAL, WEAPONS ACTIVITIES</td>
<td>4,500,000</td>
<td>4,400,000</td>
</tr>
<tr>
<td>Site/project completion</td>
<td>Budget Estimate (in thousands)</td>
<td>Conference Estimate (in thousands)</td>
</tr>
<tr>
<td>-----------------------------------------------</td>
<td>-------------------------------</td>
<td>-----------------------------------</td>
</tr>
<tr>
<td>Construction</td>
<td></td>
<td></td>
</tr>
<tr>
<td>99-D-402 Tank farm support services, F&amp;M area, Savannah River site, Aiken, SC</td>
<td>2,745</td>
<td>2,745</td>
</tr>
<tr>
<td>99-D-404 Health physics instrumentation laboratory (INEL), ID</td>
<td>950</td>
<td>950</td>
</tr>
<tr>
<td>99-D-401 H-tank farm storm water systems upgrade, Savannah River, SC</td>
<td>3,120</td>
<td>3,120</td>
</tr>
<tr>
<td>99-D-453 Plutonium stabilization and handling system for FP, Richland, WA</td>
<td>26,814</td>
<td>26,814</td>
</tr>
<tr>
<td>99-D-700 Road rehabilitation (INEL), ID</td>
<td>7,710</td>
<td>7,710</td>
</tr>
<tr>
<td>97-D-450 Savannah River nuclear material storage, Savannah River Site, Aiken, SC</td>
<td>79,184</td>
<td>79,184</td>
</tr>
<tr>
<td>97-D-470 Regulatory monitoring and bioassay laboratory, Savannah River site, Aiken, SC</td>
<td>7,000</td>
<td>7,000</td>
</tr>
<tr>
<td>96-D-406 Spent nuclear fuels canister storage and stabilization facility, Richland, WA</td>
<td>38,680</td>
<td>38,680</td>
</tr>
<tr>
<td>96-D-408 Waste management upgrades, Kansas City plant and Savannah River</td>
<td>4,512</td>
<td></td>
</tr>
<tr>
<td>96-D-464 Electrical &amp; utility systems upgrade, Idaho chemical processing plant (INEL), ID</td>
<td>11,544</td>
<td>11,544</td>
</tr>
<tr>
<td>96-D-471 OCF HVAC/chiller retrofit, Savannah River site, Aiken, SC</td>
<td>8,000</td>
<td>8,000</td>
</tr>
<tr>
<td>95-D-496 Security facilities consolidation, Idaho chemical processing plant (INEL), ID</td>
<td>485</td>
<td>485</td>
</tr>
<tr>
<td>Description</td>
<td>Budget Estimate</td>
<td>Conference</td>
</tr>
<tr>
<td>-----------------------------------------------------------------------------</td>
<td>-----------------</td>
<td>------------</td>
</tr>
<tr>
<td>92-D-140 F&amp;H canyon exhaust upgrades, Savannah River, SC.</td>
<td>3,667</td>
<td>3,667</td>
</tr>
<tr>
<td>85-D-103 Decontamination and waste treatment facility (LLNL), Livermore, CA.</td>
<td>4,752</td>
<td>4,752</td>
</tr>
<tr>
<td>Subtotal, Construction</td>
<td>198,163</td>
<td>194,651</td>
</tr>
<tr>
<td>Total, Site/project completion</td>
<td>1,047,263</td>
<td>1,052,741</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>Budget Estimate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Post 2006 completion</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operation and maintenance</td>
<td>2,194,107</td>
<td>2,261,107</td>
</tr>
<tr>
<td>Uranium enrichment R&amp;D fund contribution</td>
<td>398,088</td>
<td>398,088</td>
</tr>
<tr>
<td>Construction</td>
<td></td>
<td></td>
</tr>
<tr>
<td>89-D-403 Privatization Phase I infrastructure support, Richland, WA.</td>
<td>14,800</td>
<td>14,800</td>
</tr>
<tr>
<td>97-D-402 Tank farm restoration and safe operations, Richland, WA.</td>
<td>22,723</td>
<td>22,723</td>
</tr>
<tr>
<td>98-D-405 Waste management upgrades, Richland, WA.</td>
<td>171</td>
<td>171</td>
</tr>
<tr>
<td>94-D-407 Initial tank retrieval systems, Richland, WA.</td>
<td>32,860</td>
<td>32,860</td>
</tr>
<tr>
<td>93-D-187 High-level waste removal from filled waste tanks, Savannah River, SC.</td>
<td>10,702</td>
<td>15,214</td>
</tr>
<tr>
<td>Subtotal, Construction</td>
<td>81,256</td>
<td>85,768</td>
</tr>
<tr>
<td>Total, Post 2006 completion</td>
<td>2,672,451</td>
<td>2,744,963</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>Budget Estimate</th>
<th>Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Science and technology</td>
<td>193,000</td>
<td>247,000</td>
</tr>
<tr>
<td>Program direction</td>
<td>346,199</td>
<td>337,073</td>
</tr>
<tr>
<td>Subtotal, Defense environmental management</td>
<td>4,259,903</td>
<td>4,381,777</td>
</tr>
<tr>
<td>Use of prior year balances/general reduction</td>
<td>-71,650</td>
<td></td>
</tr>
<tr>
<td>TOTAL, DEFENSE ENVIRON. RESTORATION AND WASTE MGMT</td>
<td>4,258,253</td>
<td>4,310,127</td>
</tr>
<tr>
<td>Budget</td>
<td>Estimate</td>
<td>Conference</td>
</tr>
<tr>
<td>----------</td>
<td>----------</td>
<td>------------</td>
</tr>
<tr>
<td>Defense Facilities Closure Projects</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Closure projects</td>
<td>1,005,240</td>
<td>1,038,240</td>
</tr>
<tr>
<td>Defense Environmental Management Privatization</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Privatization initiatives, various locations</td>
<td>516,857</td>
<td>229,357</td>
</tr>
<tr>
<td>TOTAL, DEFENSE ENVIRONMENTAL MANAGEMENT</td>
<td>5,783,000</td>
<td>5,576,824</td>
</tr>
<tr>
<td>Other national security programs</td>
<td>Budget</td>
<td>Estimate</td>
</tr>
<tr>
<td>----------------------------------</td>
<td>--------</td>
<td>----------</td>
</tr>
<tr>
<td>Verification and control technology</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nonproliferation and verification, R&amp;D</td>
<td>210,000</td>
<td>210,000</td>
</tr>
<tr>
<td>Arms control</td>
<td>256,900</td>
<td>256,900</td>
</tr>
<tr>
<td>Intelligence</td>
<td>33,600</td>
<td>41,600</td>
</tr>
<tr>
<td><strong>Subtotal, Verification and control technology</strong></td>
<td><strong>500,500</strong></td>
<td><strong>508,600</strong></td>
</tr>
<tr>
<td>Emergency management</td>
<td>23,700</td>
<td>21,000</td>
</tr>
<tr>
<td>Nuclear safeguards and security</td>
<td>53,200</td>
<td>56,200</td>
</tr>
<tr>
<td>Security investigations</td>
<td>30,000</td>
<td>30,000</td>
</tr>
<tr>
<td>Program direction - NH</td>
<td>88,300</td>
<td>88,900</td>
</tr>
<tr>
<td><strong>Subtotal, Nonproliferation and national security</strong></td>
<td><strong>696,300</strong></td>
<td><strong>701,600</strong></td>
</tr>
<tr>
<td>Environment, safety and health (Defense)</td>
<td>89,231</td>
<td>66,731</td>
</tr>
<tr>
<td>Program direction - EH</td>
<td>4,769</td>
<td>24,769</td>
</tr>
<tr>
<td><strong>Subtotal, Environment, safety &amp; health (Defense)</strong></td>
<td><strong>94,000</strong></td>
<td><strong>91,500</strong></td>
</tr>
<tr>
<td>Worker and community transition</td>
<td>41,000</td>
<td>26,000</td>
</tr>
<tr>
<td>Program direction - WT</td>
<td>4,000</td>
<td>3,900</td>
</tr>
<tr>
<td><strong>Subtotal, Worker and community transition</strong></td>
<td><strong>45,000</strong></td>
<td><strong>29,900</strong></td>
</tr>
<tr>
<td>Fissile materials disposition</td>
<td>111,372</td>
<td>116,372</td>
</tr>
<tr>
<td>Program direction - MD</td>
<td>4,588</td>
<td>4,588</td>
</tr>
<tr>
<td>Construction</td>
<td></td>
<td></td>
</tr>
<tr>
<td>95-D-141 Pit disassembly and conversion</td>
<td>25,000</td>
<td>20,000</td>
</tr>
<tr>
<td>Facility, Various locations</td>
<td></td>
<td></td>
</tr>
<tr>
<td>95-D-145 Mixed oxide fuel fabrication facility, Various locations</td>
<td>28,000</td>
<td>28,000</td>
</tr>
<tr>
<td><strong>Subtotal, Construction</strong></td>
<td><strong>53,000</strong></td>
<td><strong>48,000</strong></td>
</tr>
<tr>
<td><strong>Subtotal, Fissile materials disposition</strong></td>
<td><strong>168,960</strong></td>
<td><strong>168,960</strong></td>
</tr>
<tr>
<td>Department of Energy (in thousands)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>------------------------------------</td>
<td>--</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Nuclear energy (Defense)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>International nuclear safety:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Soviet designed reactors...</td>
<td>35,000</td>
<td>30,000</td>
</tr>
<tr>
<td>National Security programs administrative support...</td>
<td>2,400</td>
<td>2,400</td>
</tr>
<tr>
<td>Office of hearings and appeals</td>
<td>1,021,660</td>
<td>1,061,987</td>
</tr>
<tr>
<td><strong>Total, Other national security programs</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Naval reactors</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Naval reactors development...</td>
<td>623,600</td>
<td>620,289</td>
</tr>
<tr>
<td>Construction</td>
<td>9,000</td>
<td>9,000</td>
</tr>
<tr>
<td>GPN-101 General plant projects, various locations...</td>
<td>7,000</td>
<td>7,000</td>
</tr>
<tr>
<td>98-D-200 Site laboratory facility upgrade, various locations...</td>
<td>5,800</td>
<td>5,800</td>
</tr>
<tr>
<td>99-N-102 Expanded core facility dry cell project, Naval Reactors Facility, ID...</td>
<td>21,800</td>
<td>21,800</td>
</tr>
<tr>
<td><strong>Subtotal, Construction</strong></td>
<td>645,400</td>
<td>650,089</td>
</tr>
<tr>
<td><strong>Subtotal, Naval reactors development</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Program direction</td>
<td>20,100</td>
<td>20,100</td>
</tr>
<tr>
<td><strong>Total, Naval reactors</strong></td>
<td>665,500</td>
<td>670,189</td>
</tr>
<tr>
<td><strong>Subtotal, Other defense activities</strong></td>
<td>1,687,160</td>
<td>1,732,175</td>
</tr>
<tr>
<td>Category</td>
<td>Budget Estimate</td>
<td>Conference</td>
</tr>
<tr>
<td>------------------------------------------------------------------------</td>
<td>-----------------</td>
<td>-------------</td>
</tr>
<tr>
<td>Use of prior year balances</td>
<td>-</td>
<td>-15,500</td>
</tr>
<tr>
<td>Offset to user organizations</td>
<td>-20,000</td>
<td>-20,000</td>
</tr>
<tr>
<td><strong>TOTAL, OTHER DEFENSE ACTIVITIES</strong></td>
<td>1,667,160</td>
<td>1,696,676</td>
</tr>
<tr>
<td>DEFENSE NUCLEAR WASTE DISPOSAL</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Defense nuclear waste disposal</td>
<td>190,000</td>
<td>189,000</td>
</tr>
<tr>
<td><strong>TOTAL, ATOMIC ENERGY DEFENSE ACTIVITIES</strong></td>
<td>12,140,160</td>
<td>11,862,600</td>
</tr>
<tr>
<td>POWER MARKETING ADMINISTRATIONS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SOUTHEASTERN POWER ADMINISTRATION</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operation and maintenance</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operation and maintenance/program direction</td>
<td>4,370</td>
<td>4,370</td>
</tr>
<tr>
<td>Purchase power and wheeling</td>
<td>6,130</td>
<td>6,130</td>
</tr>
<tr>
<td><strong>Subtotal, Operation and maintenance</strong></td>
<td>10,500</td>
<td>10,500</td>
</tr>
<tr>
<td>Use of prior year balances</td>
<td>-2,000</td>
<td>-3,000</td>
</tr>
<tr>
<td><strong>TOTAL, SOUTHEASTERN POWER ADMINISTRATION</strong></td>
<td>8,500</td>
<td>7,500</td>
</tr>
<tr>
<td>SOUTHWESTERN POWER ADMINISTRATION</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operation and maintenance</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating expenses</td>
<td>2,722</td>
<td>2,722</td>
</tr>
<tr>
<td>Purchase power and wheeling</td>
<td>59</td>
<td>59</td>
</tr>
<tr>
<td>Program direction</td>
<td>16,402</td>
<td>16,402</td>
</tr>
<tr>
<td>Construction</td>
<td>6,817</td>
<td>6,817</td>
</tr>
<tr>
<td><strong>TOTAL, SOUTHWESTERN POWER ADMINISTRATION</strong></td>
<td>26,000</td>
<td>26,000</td>
</tr>
<tr>
<td>Budget</td>
<td>Estimate</td>
<td>Conference</td>
</tr>
<tr>
<td>---------</td>
<td>-----------</td>
<td>------------</td>
</tr>
<tr>
<td>WESTERN AREA POWER ADMINISTRATION</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operation and maintenance</td>
<td>20,802</td>
<td>20,802</td>
</tr>
<tr>
<td>Construction and rehabilitation</td>
<td>36,469</td>
<td>36,469</td>
</tr>
<tr>
<td>System operation and maintenance</td>
<td>53,886</td>
<td>53,886</td>
</tr>
<tr>
<td>Purchase power and wheeling</td>
<td>107,383</td>
<td>107,383</td>
</tr>
<tr>
<td>Program direction</td>
<td>6,036</td>
<td>6,036</td>
</tr>
<tr>
<td>Utah mitigation and conservation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Subtotal, Operation and maintenance</td>
<td>223,576</td>
<td>223,576</td>
</tr>
<tr>
<td>Use of prior year balances</td>
<td>-8,141</td>
<td>-20,578</td>
</tr>
<tr>
<td>TOTAL, WESTERN AREA POWER ADMINISTRATION</td>
<td>215,435</td>
<td>203,000</td>
</tr>
<tr>
<td>FALCON AND AMISTAD OPERATING AND MAINTENANCE FUND</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operation and maintenance</td>
<td>1,010</td>
<td>1,010</td>
</tr>
<tr>
<td>TOTAL, POWER MARKETING ADMINISTRATIONS</td>
<td>280,945</td>
<td>237,510</td>
</tr>
<tr>
<td>FEDERAL ENERGY REGULATORY COMMISSION</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Federal energy regulatory commission</td>
<td>168,898</td>
<td>167,500</td>
</tr>
<tr>
<td>FERC revenues</td>
<td>-168,898</td>
<td>-167,500</td>
</tr>
<tr>
<td>TOTAL, FEDERAL ENERGY REGULATORY COMMISSION</td>
<td></td>
<td></td>
</tr>
<tr>
<td>NUCLEAR WASTE DISPOSAL</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Repository program</td>
<td>129,511</td>
<td>112,000</td>
</tr>
<tr>
<td>Program direction</td>
<td>60,489</td>
<td>53,000</td>
</tr>
<tr>
<td>Subtotal from Nuclear Waste Disposal Fund</td>
<td>180,000</td>
<td>165,000</td>
</tr>
<tr>
<td>Civilian research and development</td>
<td>4,000</td>
<td></td>
</tr>
<tr>
<td>TOTAL, NUCLEAR WASTE DISPOSAL</td>
<td>184,000</td>
<td>169,000</td>
</tr>
<tr>
<td>GRAND TOTAL, DEPARTMENT OF ENERGY</td>
<td>17,043,365</td>
<td>16,423,306</td>
</tr>
</tbody>
</table>
The conference agreement includes $465,000,000 instead of $462,700,000 as recommended by the Senate Appropriations Committee. The conference agreement recommends $20,000,000 for the Denali Commission, an increase of $15,400,000 above the President's request.

The conference agreement includes $70,000,000 for the Tennessee Valley Authority, including $16,500,000 for the Appalachian Regional Commission. The conference agreement also includes $11,000,000 for the Denali Commission and $13,500,000 for the Tennessee Valley Authority.

The conference agreement includes $2,600,000 as proposed by the House and Senate for the Appalachian Regional Commission, and $66,400,000 for the Appalachian Regional Commission. The conference agreement also includes $17,500,000 as proposed by the Senate for the Denali Commission, and $70,000,000 for the Tennessee Valley Authority.

The conference agreement includes $17,000,000, to be derived from the Nuclear Waste Fund, for the Commission's ongoing work to characterize Yucca Mountain as a potential site for a permanent nuclear waste repository. The conference agreement also includes $3,200,000 for regulatory reviews and other assistance provided to the Department of Energy.

The conference agreement also includes $16,500,000 for the Appalachian Regional Commission and $66,400,000 for the Appalachian Regional Commission. The conference agreement includes $20,000,000 for the Denali Commission, an increase of $4,600,000 above the President's request.

The conference agreement includes $465,000,000 instead of $462,700,000 as recommended by the Senate Appropriations Committee. The conference agreement recommends $20,000,000 for the Denali Commission, an increase of $15,400,000 above the President's request.

The conference agreement includes $70,000,000 for the Tennessee Valley Authority, including $16,500,000 for the Appalachian Regional Commission. The conference agreement also includes $11,000,000 for the Denali Commission and $13,500,000 for the Tennessee Valley Authority.

The conference agreement includes $2,600,000 as proposed by the House and Senate for the Appalachian Regional Commission, and $66,400,000 for the Appalachian Regional Commission. The conference agreement also includes $17,500,000 as proposed by the Senate for the Denali Commission, and $70,000,000 for the Tennessee Valley Authority.
By unanimous consent, permission to revise and extend remarks was granted to:

Mr. BOB SCHEAFFER of Colorado, and to include therein extraneous material, notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $7,858.

(The following Members (at the request of Mrs. MEEK of Florida) and to include extraneous material:)

Mr. KIND
Mr. DAVIS of Illinois
Mr. RODRIGUEZ
Mr. MILLER of California
Ms. SANCHEZ
Mr. VISCLOSKY
Ms. JACKSON-LEE of Texas
Mr. VENTO
Mr. LIPINSKI
Mr. CLAY
Mr. THOMPSON
Mr. KUCINICH
Ms. PELOSI
Mrs. MALONEY of New York
Mr. HAMILTON
Mr. LANTOS
Ms. DELAURNO
Mr. PAYNE
Mr. FARR of California
Mr. BORSKI
Mr. NADERL

(The following Members (at the request of Mr. WELLER) and to include extraneous material:)

Mr. GILMAN
Mr. CALVERT
Mr. FRELINGHUYSEN
Mr. PORTMAN
Mr. SMITH of New Jersey
Mr. PAPPAS
Mr. SMITH of Michigan
Mr. SCARBOROUGH

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend his remarks was granted to:

Mr. BOB SCHEAFFER of Colorado, and to include therein extraneous material:

Mr. STEARNS, September 28 and 29, for 5 minutes each.
Mr. HUNTER, for 5 minutes, today.

The following Member (at his own request) to revise and extend his remarks and include extraneous material:

Mr. FOX of Pennsylvania, for 5 minutes, today.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 2071. An act to extend a quarterly financial report program administered by the Secretary of Commerce; to the Committee on Government Reform and Oversight.

ADJOURNMENT

Mr. FOX of Pennsylvania. Mr. SPEAKER, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 22 minutes p.m.), under its previous order, the House adjourned until tomorrow, Saturday, September 26, 1998, at 9 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

11257. A letter from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting the Department's "Major" final rule—Solid Wood Packing Material From China [APHIS Docket No. 98-1807-1] (RIN: 0779-AB87) received September 18, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.


11259. A letter from the Director, Regulations Policy and Management Staff, Office of Policy, Food and Drug Administration, transmitting the Administration's final rule—Removal of Regulations Regarding Certification of Drugs Composed Wholly or Partly of Insulin; Confirmation of Effective Date [Docket No. 89N-0213] received September 23, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

11260. A letter from the Director, Regulations Policy and Management Staff, Office of Policy, Food and Drug Administration, transmitting the Administration's final rule—Removal of Regulations Regarding Certification of Antibiotic Drugs; Confirmation of Effective Date [Docket No. 98N-0211] received September 11, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

11261. A letter from the Director, Regulations Policy and Management Staff, Office of Policy, Food and Drug Administration, transmitting the Administration's final rule—Obstetric and Gynecologic Devices; Reclassification and Classification of Medical Devices Used for In Vitro Fertilization and Related Assisted Reproduction Procedures [Docket No. 97N-0335] received September 23, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

11262. A letter from the Executive Director, Committee For Purchase From People Who Are Blind Or Severely Disabled, transmitting the Committee's final rule—Procurement List Additions—September 23, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform and Oversight.

11263. A letter from the Secretary of the Interior, transmitting a report to Congress on a gift of Land in La Paz County, Arizona, pursuant to Public Law 101-628, to the Committee on Resources.

11267. A letter from the Director, Office of Regulations Management, Department of Veterans Affairs, transmitting the Department's final rule—Claims Based On Exposure To Ionizing Radiation (Prostate Cancer and Any Other Cancer) (RIN: 2900-A100) received September 21, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans' Affairs.

received August 26, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

1126. A letter from the Acting Assistant Secretary of Defense, Department of Defense, transmitting a report to ensure that, on and after September 30, 2007, all military technician positions are held only by dual status military technicians; to the Committee on National Security.

1128. A letter from the Secretary of Transportation, transmitting a report to Congress about an event-based decision for the F-22 aircraft program; to the Committee on Transportation and Infrastructure.

1128. A letter from the President and Chairman, John F. Kennedy Center for the Performing Arts, transmitting the 1997 Annual Report of operations for the John F. Kennedy Center for the Performing Arts and the National Symphony Orchestra, pursuant to 20 U.S.C. 76(c); to the Committee on Education and the Workforce.

1125. A letter from the Acting Secretary of Energy, transmitting the fourteenth Annual Report on the activities and expenditures of the Office of Civilian Radioactive Waste Management, pursuant to 42 U.S.C. 10224(c); to the Committee on Commerce.

1124. A letter from the Acting Director, Defense Security Assistance Agency, transmitting the third report of a report to Congress required by section 226a of the Arms Export Control Act of 1976, pursuant to 22 U.S.C. 2767(1); to the Committee on International Relations.

1127. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed Manufacturing license agreement with the United Kingdom [Transmittal No. DTC 107-98], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

1126. A letter from the Secretary of Defense, Department of Defense, transmitting certification of a proposed Manufacturing license agreement with Japan [Transmittal No. DTC 110-98], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

1127. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed Manufacturing license agreement with Spain [Transmittal No. DTC 105-98], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

1128. A letter from the Secretary of Commerce, transmitting a report to Congress about the extent of thefts from military arsenals of weapons and materiel that are potentially useful to terrorists; to the Committee on National Security and the Judiciary.

1129. A letter from the Acting Assistant Secretary for Legislative Affairs, Department of State, transmitting notification that the President proposes to exercise his authority under section 2364(a) of the Foreign Assistance Act of 1961, as amended (the “Act”), to authorize that $3,000,000 of funds made available for section 23 of the Arms Export Control Act of 1976 are available for the establishment and functioning of the court proposed to be set up in The Netherlands for the trial of suspects in the Pan Am 103 bombing case, pursuant to 22 U.S.C. 2364(a)(1); jointly to the Committees on International Relations and Appropriations.

1129. A letter from the Secretary of Transportation, transmitting a report to Congress on laws in Atlantic Ocean.
from further consideration. H.R. 4393 referred to the Committee of the Whole House on the State of the Union.

REPORTED BILL СEQUENTIALLY REFERRED

Under clause 5 of rule X, the following action was taken by the Speaker:

H.R. 3029. Referred to the Committee on Transportation and Infrastructure for a period ending not later than October 9, 1998.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of Rule X and clause 4 of Rule XXII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. ALLEN (for himself, Mr. TURNER, Mr. TIERNEY, Mr. WAXMAN, Mr. BERRY, Mr. BARRETT of Wisconsin, Mr. BROWN of Ohio, Mr. STUPAK, Mr. WEYGAND, Mr. STARK, Mr. KILPATRICK, Mr. KUCINICH, Mr. SANDERS, Mr. CUMMINGS, Mr. SERRANO, Mr. THOMPSON, Mr. POMEROY, Mr. JOHNSEN of Wisconsin, Mr. FRANK of Massachusetts, Mr. SANDLIN, Ms. STABENOW, Mr. YATES, Mr. BORSKI, Mr. FROST, Mr. Davis of Illinois, Mrs. THURMAN, Mr. Kind of Wisconsin, and Mr. ABERCROMBIE):

H.R. 4627. A bill to provide for substantial reductions in the price of prescription drugs for Medicare beneficiaries; to the Committee on Commerce, and in addition to the Committee on Government Reform and Oversight, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. MALONEY of New York (for herself, Mr. SHAYS, Ms. DEGETTE, Mr. FROST, Mr. GUTIERREZ, Mrs. J. O’HANNON of Kentucky, Ms. KILPATRICK, Ms. LAW, Ms. LANTOS, Ms. JACKSON-LEE of Texas, Ms. McCARTHY of Missouri, Mr. MCDERMOTT, Mr. MEEHAN, Mrs. MORELLA, Mr. NADLER, and Ms. NORTON):

H.R. 4628. A bill to ensure a woman’s right to breastfeed her child on any portion of Federal property where the woman and her child are otherwise authorized to be; to the Committee on Government Reform and Oversight.

By Mr. BECERRA (for himself, Mr. Berman, Mr. Martinez, Ms. MILLERENDER-McDonald, Mr. ROGAN, Mr. SHERRMAN, Mr. WAXMAN, Mr. TIERNEY, Ms. ROYBAL-ALLARD, Mr. STOKES, Mr. Matsui, Mr. DIXON, Mr. KUCINICH, Ms. WATERS, and Ms. HARMAN):

H.R. 4629. A bill to make effective beginning in 1999 the empowerment zones designated after August 5, 1997, and before February 8, 1998, to the Committee on Ways and Means.

By Mr. DEFAZIO (for himself and Mr. SMITH of Oregon):

H.R. 4630. A bill to provide for the conveyance of certain Bureau of Land Management lands in Douglas County, Oregon, containing a county park and certain adjacent lands to the county government; to the Committee on Resources.

By Mr. FARR of California (for himself and Mr. DONISEN):

H.R. 4631. A bill to create employment opportunities and to promote economic growth in the United States by establishing a public-private partnership between the United States travel and tourism industry and every level of government to work to make the United States the premiere travel and tourism destination for other purposes; to the Committee on Commerce.

By Mr. FRANKS of New Jersey:

H.R. 4632. A federal regulation of online privacy protections to apply to all Federal agencies; to the Committee on Commerce, and in addition to the Committee in the Jurisdiction of the Committee on Government Reform and Oversight, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. FREELINGHUYSEN:

H.R. 4633. A bill to extend the deadline under the Federal Research Project No. 9401, the Mt. Hope Waterpower Project; to the Committee on Commerce.

By Mr. GILCHREST (for himself, Mr. BOEHLENTZ, Mrs. TAUSCHER, Mr. FORBES, Mrs. KELLY, Mr. SHAYS, Mrs. LOWEY, Mr. GOS, Mr. BILBRAV, Mr. CARDIN, Mr. BENTSEN, Mr. LAPPSON, and Mr. GREENWOOD):

H.R. 4634. A bill to catalyze restoration of estuary habitat through more efficient financial structuring of public-private partnerships; to the Committee on Transportation and Infrastructure, in addition to the Committee on Resources, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. MINGE:

H.R. 4635. A bill to authorize States and political subdivisions of States to control the management of municipal solid waste generated within their jurisdictions, and to exempt States from civil liability with respect to the good faith passage, implementation, and enforcement of ordinances; to the Committee on Commerce.

By Mr. SMITH of Michigan:

H.R. 4636. A bill to amend the Internal Revenue Code of 1986 to expand the types of crop insurance payments are included in gross income; to the Committee on Ways and Means.

H.R. 4637. A bill to amend the Internal Revenue Code of 1986 to allow a 100 percent deduction for contingent interest on a shared appreciation mortgage; to the Committee on Ways and Means.

By Mr. FRANK of New York (for himself, Mr. SHERMAN, Mr. WAXMAN, Mr. GUTIERREZ, and Mr. ROYBAL-ALLARD):

H.R. 4638. A bill to amend the Internal Revenue Code of 1986 to allow a deduction for the fair market value of purchases of employees and prepared into meals by employers for the convenience of employees; to the Committee on Ways and Means.

By Mr. SMITH of Michigan:

H.R. 4639. A bill to amend the Internal Revenue Code of 1986 to treat income from certain leases as income from rental real estate activities to which the property actively participates; to the Committee on Ways and Means.

By Mr. SMITH of Michigan:

H.R. 4640. A bill to amend the Internal Revenue Code of 1986 to provide that disposition of property produced by a qualified family-owned business does not trigger additional estate tax; to the Committee on Ways and Means.

By Mr. SMITH of Michigan:

H.R. 4641. A bill to amend the Internal Revenue Code of 1986 to defer certain prepaid farm expenses incurred by reason of a change in the supervision of the agricultural industry and for other purposes; to the Committee on Ways and Means.

By Mr. SMITH of Michigan:

H.R. 4642. A bill to amend the Internal Revenue Code of 1986 to allow a 100 percent deduction for health insurance costs of self-employed individuals; to the Committee on Ways and Means.

By Mr. SMITH of Michigan (for himself and Mr. BOB SCHAFER):

H.R. 4643. A bill to amend the Internal Revenue Code of 1986 to treat lands which are contiguous to a principal residence and which were farmed for 5 years before the sale of the principal residence as part of such residence; to the Committee on Ways and Means.

By Mr. SMITH of Michigan:

H.R. 4644. A bill to permit farmers the option of declaring the taxable year in which production flexibility contract payments and crop insurance payments are included in gross income; to the Committee on Ways and Means.

By Mr. SMITH of Michigan:

H.R. 4645. A bill to extend permanently chapter 12 of title 11, United States Code, and to amend the Internal Revenue Code of 1986 to facilitate the bankruptcy and debt restructuring process relating to farmers; to the Committee on the Judiciary, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. LINDER:

H.J. Res. 130. A joint resolution designating Monday, January 3, 2000, as the day for the observance of the New Year’s Day holiday in that year; to the Committee on Government Reform and Oversight.

By Mr. FREELINGHUYSEN:

H. Con. Res. 330. Concurrent resolution expressing the sense of the Congress that official mail sent by Government agencies at taxpayer expense should be subject to certain uniform standards; to the Committee on Government Reform and Oversight.

By Mrs. LOWEY (for herself and Mr. ENGEL):

H. Res. 555. A resolution recognizing the suffering and hardship endured by American civilian prisoners of war during World War II; to the Committee on Government Reform and Oversight.

By Mrs. MCKINNEY:

H. Res. 556. A resolution expressing the sense of the House of Representatives that the people of the Republic of Mozambique and the President of Mozambique, Samora Machel, and his associates are to be congratulated for their commitments to democracy, peace, and economic reform in their country and throughout southern Africa and that it is in the interest of the United States and the Republic of Mozambique to maintain and enhance continued close relations; to the Committee on International Relations.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

396. The SPEAKER presented a memorial of the House of Representatives of the State
of Illinois, relative to House Resolution No. 547 urging the passage and enactment of H.R. 1951 and S. 1391 to lift the United States’ embargo for humanitarian reasons and that the delivery of food and medicine to the Cuban people be allowed; and that such an adjustment in our foreign policy reflects America’s humanitarianism that transcends political ideology; to the Committee on International Relations.

397. Also, a memorial of the Senate of the Commonwealth of Massachusetts, relative to Senate Resolution 236 memorializing the United States Congress to provide funding to build a veterans’ rehabilitation hospital in Worcester County; to the Committee on Veterans’ Affairs.

398. Also, a memorial of the Legislature of the State of Texas, relative to House Concurrent Resolution No. 211 requesting the Congress of the United States to pass legislation that would increase the volume caps; to the Committee on Ways and Means.

399. Also, a memorial of the House of Representatives of the State of Oklahoma, relative to House Resolution 1002 memorializing the Congress of the United States and the President of the United States to take all action necessary to ensure that our foreign markets for trade, specifically agriculture trade, stay stable and open for the United States goods; jointly to the Committee on International Relations and Ways and Means.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 135: Mr. Bachus.
H.R. 253: Mr. Mascara.
H.R. 309: Mr. Barton of Texas.
H.R. 457: Mr. Hastings of Washington.
H.R. 465: Mr. Mollohan.
H.R. 598: Mr. Gejdenson.
H.R. 857: Mr. Régula and Mr. Brady of Texas.
H.R. 1283: Mrs. Mink of Hawaii and Mr. Mica.
H.R. 1329: Mr. Brown of Ohio and Mr. King of New York.
H.R. 1542: Mr. Gekas.
H.R. 1628: Mr. Filner.
H.R. 1858: Mr. Brady of Pennsylvania.
H.R. 2000: Mr. Foley, Mr. Franks of New Jersey, Mr. Deutsch, Mr. English of Pennsylvania, Mr. Brady of Pennsylvania, Mr. Markey, Mr. Gutiérrez, and Mr. Davis of Illinois.
H.R. 2199: Mr. Gutiérrez.
H.R. 2327: Mr. Mica.
H.R. 2397: Ms. Linda Smith of Washington, Mr. Johnson of Wisconsin, Mr. Hyde, Mr. Beuter, Mr. McIntyre, Mr. Fox of Pennsylvania, Mr. Chambliss, Mr. Meehan, and Mr. Young of Florida.
H.R. 2549: Mr. Allen.
H.R. 2560: Mr. Redmond, Mr. Pickering, Mr. Moran of Kansas, Mr. Hulshof, Mr. Watkins, Mr. Camp, Mrs. Fowler, Mr. Hostetler, Mr. Upton, Mr. Duncan, Mr. Gilchrest, and Mr. Portman.
H.R. 2754: Mr. Meeks of New York, Mr. Mollohan, Ms. Norton, Ms. Kaptur, and Mr. Underwood.
H.R. 2792: Ms. Lofgren, Mr. Hilliard, Mr. Kleeckza, Mr. Wexler, and Mr. Schumer.
H.R. 2819: Ms. Sanchez.
H.R. 2821: Mr. Lewis of Georgia.
H.R. 2829: Mr. Boucher.
H.R. 2914: Mrs. Capps and Mr. Turner.
H.R. 2938: Mr. Thompson.
H.R. 2968: Mr. Redmond.
H.R. 2990: Mr. Fossella, Mr. Dickey, and Mr. Brady of Pennsylvania.
H.R. 3038: Mr. Bonior.
H.R. 3066: Mr. Davis of Illinois.
H.R. 3270: Mrs. Capps.
H.R. 3281: Ms. Lofgren.
H.R. 3342: Mr. Doyle.
H.R. 3514: Mr. Berman and Mr. Jefferson.
H.R. 3553: Mr. Lampson, Mr. Pallone, and Mrs. McCarthy of New York.
H.R. 3572: Mrs. McCarthy of New York, Mr. Farr of California, Mr.ickett, Mr. Stenholm, Mr. Blagojevich, and Mr. Green.
H.R. 3634: Mr. Capps.
H.R. 3659: Mr. Radanovich, Mr. McCrery, Mr. Snowberger, Mr. Hunter, Mr. Hinojosa, Mr. Packard, and Mrs. Capps.
H.R. 3667: Mr. Ramstad, Ms. Dunn of Washington, Mr. Wicker, Mr. Pickering, Mr. Cunningham, Mr. Hutchinson, Mr. Dickey, and Mr. Price of North Carolina.
H.R. 3788: Mr. Sam Johnson of Texas and Mr. Watkins.
H.R. 3802: Mr. Stark.
H.R. 3833: Mr. Castle, Mr. Horn, and Mr. Hooyer.
H.R. 3834: Mr. Saxton.
H.R. 3870: Mr. Minge and Mr. McIntyre.
H.R. 3879: Ms. Granger.
H.R. 3919: Mr. Adenholt.
H.R. 3949: Mr. Parker.
H.R. 4029: Mr. Kind of Wisconsin and Mr. Redmond.
H.R. 4121: Ms. Kaptur, Ms. DeLauro, and Mr. Mascara.
H.R. 4153: Mr. Snyder, Ms. Stabenow, Mr. Kildee, and Mrs. Capps.
H.R. 4154: Mr. Christensen, Mrs. Emerson, Mr. Ryan, Mr. Bartlett of Maryland, Mr. Sam Johnson of Texas, Mr. Doolittle, Mr. Sununu, Mr. Burton of Indiana, and Mr. McIntyre.
H.R. 4189: Mr. Stark and Ms. Eshoo.
H.R. 4203: Ms. Kaptur, Mr. Menendez, and Mr. Hilliard.
H.R. 4204: Mr. English of Pennsylvania and Mr. Anderholt.
H.R. 4206: Mr. Pickett.
H.R. 4214: Mr. Barrett of Wisconsin, Mr. Berman, and Mrs. Thurman.
H.R. 4242: Mr. Goodlatte.
H.R. 4258: Mr. Snowberger.
H.R. 4332: Mr. Nethercutt, Mr. Thompson, and Mr. English of Pennsylvania.
H.R. 4339: Mr. Redmond.
H.R. 4340: Mr. Castle, Mr. Weldon of Pennsylvania, Mr. Gilchrest, Mr. Quinn, Mrs. Kelly, Mr. Cooksey, Mr. Franks of New Jersey, and Mr. Kasich.
H.R. 4392: Mr. Luther.
H.R. 4396: Mr. Paul and Mrs. Linda Smith of Washington.
H.R. 4408: Mr. Boucher.
H.R. 4404: Mr. Hinojosa and Mr. Pickett.
H.R. 4415: Mr. Borski.
H.R. 4432: Mr. Lantos.
H.R. 4476: Ms. Kilpatrick, Mr. Hilliard, and Ms. Furse.
H.R. 4536: Mr. Brown of Ohio, Mr. Yates, Mr. Pastor, Mr. Pascrell, Mr. Luther, and Mr. Pickett.
H.R. 4552: Mr. Frost, Ms. DeLauro, Mr. Martinez, Mr. Weygand, Mr. Waxman, Mr. Stark and Mr. Kennedy of Rhode Island.
H.R. 4573: Mrs. Johnson of Connecticut and Mr. Watts of Oklahoma.
H.R. 4574: Mr. Underwood.
H.R. 4677: Ms. Carson.
H.R. 4681: Mr. DeFazio.
H.R. 4590: Mr. Lazio of New York, Mr. Upton, Mr. Hilliard, and Ms. Furse.
H.R. 4593: Mrs. Thurman.
H.R. 4594: Mr. Paxton.
H.R. 4597: Mr. Davis of Florida, Mr. Pallone, Ms. Woolsey, Ms. Eshoo, and Mr. Pascrell.
H.R. 4611: Mr. Becerra.
H.R. 4621: Ms. Carson and Mr. Upton.
H.R. Con. Res. 112: Mr. Pallone.
H.R. Con. Res. 154: Mr. Hinchey.
H.R. Con. Res. 160: Mr. Luther.
H.R. Con. Res. 229: Mr. Manton.
H.R. Con. Res. 258: Mr. Cummings, Ms. Kilpatrick, Mr. Stark, Mr. Weygand, and Mr. Burton of Indiana.
H.R. Con. Res. 283: Mr. Watts of Oklahoma.
H. Res. 479: Ms. Eshoo and Mrs. Maloney of New York.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 1393: Mr. Metcalf.
H.R. 4006: Mr. Nadler.
H.R. 4567: Mr. Norwood and Mr. Stenholm.
The Senate met at 9:30 a.m. and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

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

All-powerful Lord, You have the secret of victorious living. In Your dwelling, impelling power within us, You make the difference between a great and a grim day. We all are alarmed by the number of days spent in self-propelled effort, simply because we didn't begin the day by opening the door of our hearts to You.

We come to You in this new day. We have learned that yesterday's experience of fellowship with You or guidance from You will not be sufficient for today's challenges. You seek entrance into every facet of our lives and our work. The latch is always on the inside. Daily, we have a choice to open the door or leave it shut in Your face.

You have work to do here in the Senate, and You plan to do it through the Senators. Come in, Lord; You are welcome! Reign supreme in this Chamber and in our hearts. In the Name of our Lord and Savior. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The able acting majority leader, the distinguished Senator from Alaska, is recognized.

SCHEDULE

Mr. STEVENS. Mr. President, this morning the Senate will immediately resume consideration of the FAA reauthorization bill. It is my understanding that the time for making remarks will follow the vote on the bill. So there will occur a vote on this bill immediately. Following that vote, the Senate will hear remarks concerning the distinguished Senator from Kentucky and, following that, any legislative or executive items cleared for action, including the Internet tax bill if an agreement can be reached today.

As a reminder to all Members, a cloture motion was filed yesterday on the so-called vacancies bill. Therefore, Members have until 1 p.m. today to file first-degree amendments. The cloture vote has been scheduled to occur at 5:30 p.m. on Monday, September 28.

I thank the Senate and call for the regular order.

WENDELL H. FORD NATIONAL AIR TRANSPORTATION SYSTEM IMPROVEMENT ACT OF 1998

Mr. ALLARD. Under the previous order, the Senate will now resume consideration of H.R. 4057, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 4057) to amend title 49, United States Code, to reauthorize programs of the Federal Aviation Administration, and for other purposes.

The Senate resumed consideration of the bill.

The PRESIDING OFFICER. Under the previous order, there will now be 20 minutes for debate, equally divided between the majority and minority leaders, prior to the vote on passage.

Mr. INHOFE. Mr. President, I would like to point out to the Chairman that Section 606 contains a provision that appears to grant priority status to a single carrier at Chicago O'Hare for the return of slots previously withdrawn for international service. If it is the intention of this provision to give one carrier at O'Hare preference in slot allocation, the Senate conferees must act in conference to remove this provision.

This provision appears to hand over roughly 35 slots that the dominant carrier at Chicago previously sought to obtain from the Federal Aviation Administration (FAA) but was twice denied.

This provision would advantage a single carrier, which knew of the priority of slot withdrawal and should have planned its hub operations to take into account the effects. It strengthens a single carrier's position at O'Hare, a situation which the Congress should not legislate.

As this legislation goes to conference, the Senate is relying on the conferees to ensure Congress is even-handed in these matters.

Mr. McCAIN. I understand the Senator's concerns, which others have raised as well. I appreciate the Senator from Oklahoma expressing these views.

DEATH ON THE HIGH SEAS ACT

Mr. WYDEN. I would like to engage in a colloquy with the gentleman from Arizona, the distinguished Chairman of the Commerce Committee, concerning provisions included in the FAA reauthorization bill to reform the Death on the High Seas Act.

Mr. MCCAIN. I would be happy to engage the gentleman from Oregon in a colloquy.

Mr. WYDEN. I thank the Chairman. As the Chairman knows, of my constituents, John Sleavin, lost his brother and nephew under tragic circumstances when their pleasure boat was run down on the high seas by a Korean freighter. The accident was especially tragic because after the collision there was no attempt by the Korean freighter to rescue the family or even to notify the authorities about the collision. Mr. Chairman, you were very gracious to me in allowing my constituent to testify before the Commerce Committee on the need to reform the Death on the High Seas Act.

Mr. MCCAIN. I am very happy to engage the gentleman from Oregon in a colloquy.

Mr. WYDEN. I thank the Chairman. As the Chairman knows, of my constituents, John Sleavin, lost his brother and nephew under tragic circumstances when their pleasure boat was run down on the high seas by a Korean freighter. The accident was especially tragic because after the collision there was no attempt by the Korean freighter to rescue the family or even to notify the authorities about the collision. Mr. Chairman, you were very gracious to me in allowing my constituent to testify before the Commerce Committee on the need to reform the Death on the High Seas Act (DOHSA) to provide just compensation for victims like my constituent. I believe he provided compelling testimony on the need for reforming DOHSA for
maritime accidents. The FAA reauthorization bill reforms DOHSA but only for aviation accidents. I would like to ask the Chairman whether he will commit to work with me to reform DOHSA comprehensively so the reform of both aviation and maritime accidents.

Mr. McCAIN. Yes, I am committed to work with the Senator from Oregon and other Members who have an interest in this issue to explore this issue further and to work to reform DOHSA to appropriately provide victims of maritime accidents the same rights to recover for loss of their loved ones as are provided to victims of aviation accidents.

(At the request of Mr. McCAIN, the following statement was ordered to be printed in the RECORD.)

PERIMETER RULE EXEMPTIONS

Mrs. BOXER. Mr. President, the distinguished senior Senator from California, Senator FEINSTEIN, and I would like to ask the Chairman of the Committee on Commerce, Science and Transportation a question concerning the perimeter rule exemptions that are contained in S. 2279, the Wendell H. Ford National Air Transportation System Improvement Act.

Mr. McCAIN. I will be delighted to respond to questions from the Senators from California.

Mrs. BOXER. We thank you. We first want to thank the members of the Commerce Committee for working so diligently to produce a comprehensive FAA reauthorization bill, and for giving us the opportunity to address a provision in this bill which affects the people of our state and many of the other western states.

Mrs. FEINSTEIN. The FAA reauthorization bill will provide important and necessary funding to our nation’s aviation system. It is crucial that we work to pass this legislation before the end of the year. But, there is one provision in this bill which the people of our state and many of the other western states would like to ask the Chairman whether he will commit to work with me to reform DOHSA comprehensively so the reform of both aviation and maritime accidents.

Mr. McCAIN. Yes, I am committed to work with the Senator from Oregon and other Members who have an interest in this issue to explore this issue further and to work to reform DOHSA to appropriately provide victims of maritime accidents the same rights to recover for loss of their loved ones as are provided to victims of aviation accidents.

(At the request of Mr. McCAIN, the following statement was ordered to be printed in the RECORD.)

PERIMETER RULE EXEMPTIONS

Mrs. BOXER. Mr. President, the distinguished senior Senator from California, Senator FEINSTEIN, and I would like to ask the Chairman of the Committee on Commerce, Science and Transportation a question concerning the perimeter rule exemptions that are contained in S. 2279, the Wendell H. Ford National Air Transportation System Improvement Act.

Mr. McCAIN. I will be delighted to respond to questions from the Senators from California.

Mrs. BOXER. We thank you. We first want to thank the members of the Commerce Committee for working so diligently to produce a comprehensive FAA reauthorization bill, and for giving us the opportunity to address a provision in this bill which affects the people of our state and many of the other western states.

Mrs. FEINSTEIN. The FAA reauthorization bill will provide important and necessary funding to our nation’s aviation system. It is crucial that we work to pass this legislation before the end of the year. But, there is one provision in this bill which we must resolve before we can go forward. The exemptions to the Ronald Reagan Washington National Airport Perimeter Rule will require the Secretary of Transportation decision concerning the distribution of slots.

Section 606 will negatively alter the perimeter rule at Ronald Reagan Washington National Airport. However, by decreasing the spacing between flights at National airport will require air traffic controllers to choose between staying on schedule or sacrificing safety. I also would want to note the Dorogan-Snowe amendment that was adopted to thank the Chairman and Ranking member for their helping in working through the language. The Dorogan-Snowe amendment would facilitate air service to under-served communities and encourage airline competition through discriminatory interconnection requirements by permitting the Secretary of Transportation to require major carriers to enter into agreements with new entrant air carriers which serve rural or underserved markets.

This amendment will give the Secretary of Transportation the authority to require an air carrier that serves an essential airport facility, such as a major hub, and has an exclusive—almost monopolistic—agreement with another airline which uses an under-served market to enter into a joint fare or interline agreement with a new air carrier, trying to enter the underserved market so that the people living in the rural or underserved area will have a competitive alternative and not be beholden to one airline.

This would allow a new airline to fly from a rural or underserved market to a hub airport which is dominated by a

Mrs. BOXER. Mr. President, I ask the distinguished chairman to yield to a further question.

Mr. McCAIN. I will be happy to yield. Mrs. BOXER. Specifically, would carriers be permitted to offer routes from National Airport to Los Angeles or San Jose or other California airports under this bill?

Mr. McCAIN. No. As long as carriers can demonstrate that their routes provide public benefits and increase competition in multiple markets, they may compete for these non-stop routes, including select routes to California airports.

Mrs. SNOWE. Mr. President, I rise to express my support for the Wendell H. Ford National Air Transportation Improvement Act of 1998. As a member of the Commerce Aviation Subcommittee, it has been my privilege to work with Senator Ford on this and other bills to improve the quality and safety of air transportation in this country, and I believe it is a fitting tribute that we name this bill in his honor.

I appreciate the assistance I received from the Senator from Kentucky and from my good friend, the Chairman, Senator McCAIN, in adding three amendments to this bill which I believe will help improve safety, quality and access.

I will vote for this bill because on the whole, it will benefit our airports and air travelers. But I do want to make it clear that I do not support sections 606 and 607. These sections will be detrimental to commercial air service to Maine and the other markets within the perimeter rule. While I will not be offering an amendment to strike these two sections, I would encourage the conference to seriously consider the detrimental effects these sections will have on air service.

Section 606 will negatively alter the perimeter rule at Ronald Reagan Washington National Airport. However, by decreasing the spacing between flights at National airport will require air traffic controllers to choose between staying on schedule or sacrificing safety.

If more flights are added through the creation of these new slots in Section 606, the controller will have to place these flights more closely together in order to prevent delays in arrivals and departures. By decreasing the spacing of the flights in and out of Reagan National, it will create an unsafe situation by subjecting the flights to the jet wash, or turbulence, of flights in front of them as the jet wash, especially at take-off creates a terrible safety situation. One which will jeopardize lives of the traveling public.

I also concerned about the way that section 607 distributes the new slots. Specifically, the section gives priority consideration to air carriers who have already had slots withdrawn from them. This will result in the majority of new slots to go to one dominate carrier and further increase already overpriced business fares. Further, this language will overturn a March 1998, Department of Transportation decision concerning the distribution of slots.

I would also like to note my opposition to section 607, which modifies the perimeter rule. It is well established that the perimeter rule maintains a delicate balance between National Airport and Dulles International Airport. Under the perimeter rule, Dulles has flourished as an international gateway, and National has provided regional service to states such as Maine.

I believe that in the long run, violating the perimeter rule will hurt travelers from Maine. Eroding the perimeter rule will bring long-haul flights to National—short haul flights, in turn, will be rerouted to Dulles or eliminated altogether. Ironically, violating the perimeter rule would also hurt those underserved communities that the Chairman is so interested to assist. Modifying the perimeter rule could encourage airlines at National to substitute long-haul flights for existing service to smaller communities within the perimeter.

I believe that the amendment offered by the Senator from Virginia, Mr. Robs, which I have cosponsored, will mitigate some of the potential impact of modifying the perimeter rule by making it incumbent on the Secretary of Transportation to ensure that these changes will not reduce travel options for communities served by small and medium sized airports within the perimeter and not result in meaningful increases in travel delays.

I would also want to note the Dorogan-Snowe amendment that was adopted to thank the Chairman and Ranking member for their helping in working through the language. The Dorogan-Snowe amendment would facilitate air service to under-served communities and encourage airline competition through discriminatory interconnection requirements by permitting the Secretary of Transportation to require major carriers to enter into agreements with new entrant air carriers which serve rural or underserved markets.

This amendment will give the Secretary of Transportation the authority to require an air carrier that serves an essential airport facility, such as a major hub, and has an exclusive—almost monopolistic—agreement with another airline which uses an under-served market to enter into a joint fare or interline agreement with a new air carrier, trying to enter the underserved market so that the people living in the rural or underserved area will have a competitive alternative and not be beholden to one airline.

This would allow a new airline to fly from a rural or underserved market to a hub airport which is dominated by a
The fundamental element to promoting competition in that legislation was the requirement that the incumbent carriers would be required, by law, to allow their competitors to interconnect into their network.

In a situation analogous to the telecommunications market, in order to develop competition in the local market, we must impose, by law, the requirement that the dominant megacarriers, allow its competitors to interconnect into their networks. By adopting this amendment, new entrant carriers will be allowed to interconnect into the flight network of a major carrier which dominates a hub airport. In light of what has been required of other industries under the goal of promoting competition, this amendment makes sense if one wants to see a competitive airline industry.

The only way to allow for competition in this environment is to impose conditions on the major carriers to cooperate with their competitors. Interline agreements are one way to ensure that the dominant carriers will not kill potential competitors.

Through the adoption of this amendment, much like the principle underlying the local competition in the telecommunications industry, we will be able to provide more choices, lower costs, and better service to the majority of markets across the country.

PERMANENT BAN ON ROCKY MOUNTAIN NATIONAL PARK COMMERCIAL TOUR OVERFLIGHTS

Mr. CAMPBELL. Mr. President, as I cast my vote in favor of final passage of the Federal Aviation Administration’s Reauthorization bill, S.2279, I am pleased to bring attention to one special amendment to this bill.

The amendment which my colleague Senator ALLARD and I offered will make the FAA’s temporary ban on commercial tour overflights permanent. I have been working toward permanent commercial tour overflights over Rocky Mountain National Park for many years now, and I am pleased to see this provision pass the Senate.

As I cast my vote today, Coloradans will be one big step closer to being assured that they will be able to enjoy the scenic beauty of Rocky Mountain National Park without the noisy disturbances of commercial tour overflights.

At this time I want to thank Senator MCCAIN, who as the Chairman of the Commerce Committee, played a critical role in getting this amendment successfully included in the FAA bill.

Mr. INHOFE. Mr. President, section 606 subparagraph (6) of S.2279 will have the unintended consequences of limiting competition at Chicago’s O’Hare airport. I have spoken at length with Senators LOTT, MCCAIN, and FORD regarding my concerns with this provision and understand that it may be possible to correct this problem in conference. I hope that is the case.

This provision will allow those carriers who have lost landing/takeoff slots to foreign air carriers at Chicago’s O’Hare to get them back. On the surface this seems very fair; however, it will in fact unfairly favor the largest slot holder at O’Hare at the expense of other competitors and new entrants. The result will be less competition rather than more at O’Hare.

Mr. President, by way of further explanation on this issue, I would like to submit for the RECORD a letter Senator NICKLES and I sent to Senators LOTT, DASCHLE, MCCAIN, HOLINGS, SHELBY, and LAUTENBERG describing our concerns and asking for their assistance in correcting the problem.

Knowing that the managers of the bill have worked very hard to increase competition, I am certain they share my concerns regarding market domination at O’Hare. In my discussions with Senator LOTT, he has assurred me that he has no position on section 606 and would not object to this section being removed in conference.

I ask unanimous consent that the letter be printed in the RECORD.
would be best served by continuing to meet our aviation bilateral agreement commitments to international air transportation using the slots withdrawn from United and American Airlines at O’Hare, while using the slot exemptions to increase competition at that key airport. The priority by which slots were to be withdrawn was well known. United’s priority was the least important, based on a priority numbering system that was established by random lottery in 1986. Slots having the lowest numbers are most vulnerable to withdrawal, regardless of the slot holder. As articulated in our previous denial to United concerning this issue, United made its selection or acquisition of slots vulnerable to withdrawal prior to the FAA having access to the national and international air transportation system.

Mother Nature has blessed the State of West Virginia with a beautiful but most unfortunate terrain. Steeply undulating mountains and deep gorges are punctuated by sweetly serene valleys and hollows, and West Virginia is kind to those who need to travel through the State by automobile. Yet, despite the rigorous terrain of the State, most people have to drive great distances even to catch an airplane for what is usually the first of several stops on routes to their final destination. In the eastern part of West Virginia, residents travel to either Dulles or Reagan National Airports in Virginia; in the northern reaches, residents drive to Pennsylvania or Ohio; and in the southern portion of the State, they travel 100 miles to drive to North Carolina to get to a major hub. Not only is the limited availability of flights and destinations a problem for air travel originating within West Virginia, but so is the exorbitant cost of air transportation to and from the State. For example, a round trip air ticket from Reagan National Airport to Yeager Airport in Charleston can cost almost $700. That is almost $700 to travel under 400 miles—and when you are done, you are as far away as Washington, D.C. Leaving from Washington, $700 can take you to Europe and back! This does not make sense to most hardworking West Virginians, and it discourages other travelers from visiting to experience West Virginia’s many wonders for themselves.

With the advent of the 21st Century just around the corner, the West Virginia air travelers and businesses that rely on air freight will welcome this legislation. West Virginia’s expected economic expansion in the 21st century will depend on its ability to compete not only in the national economy, but also in the ever-growing global economy. To successfully compete, quality, affordable, and efficient air transportation is needed to successfully round out West Virginia’s increasingly modern infrastructure of highways, railroads, and waterways.

Mr. President, this bill, H.R. 4057, contains terminology that help West Virginia progress into the new millennium. Major provisions of this bill are not only the AIP program, but also the Small Communities Air Service Development Program, and slot exemptions for nonstop regional jet service.

The Small Communities Air Service Development Program will be a four-year, $30 million, small communities grant program. Executed through the Department of Transportation, this program will encourage commercial air service to small communities all over the United States, including those in West Virginia. By providing matching funds of up to 25 percent, a consortia of local communities in West Virginia is expected to compete for the grants of $500,000 per year available per community.

It was Thomas Edison who said, “Relentless and discontent are the necessities of progress.” Mr. President, this is the way that I feel about additional slot exemptions for nonstop regional jet service at Ronald Reagan National Airport. I share the concern expressed by the distinguished Senators from the State of Maryland and the Commonwealth of Virginia regarding increased noise pollution in the localities surrounding Reagan National Airport. On the other hand, twelve additional slots to increase traffic between Washington and smaller, non-hub airports increases the likelihood of additional airline traffic to underserved areas like West Virginia. Improved air travel to and from States like West Virginia will be critical to any State’s remaining competitive in the future and accessible in the present.

Mr. STEVENS. Mr. President, I yield back the time.

Mr. REID. Time is yielded back by this side.

The PRESIDING OFFICER. All time is yielded back.

Mr. STEVENS. Have the yeas and nays been ordered?

The PRESIDING OFFICER. The yeas and nays have not been ordered.

Mr. STEVENS. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. All time having been yielded back, the question is, Shall the bill, H.R. 4057, as amended, pass? The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Missouri (Mr. ASHCROFT) and the Senator from Idaho (Mr. KEMP-Thorpe) are necessarily absent.

Mr. FORD. I announce that the Senator from California (Mrs. BOXER), the Senator from Ohio (Mr. GLENN), the Senator from South Carolina (Mr. HOLINGS), the Senator from Illinois (Ms. MOSELEY-BRAUN), and the Senator from Minnesota (Mr. WELLSTONE) are necessarily absent.

I further announce that, if present and voting, the Senator from Minnesota (Mr. WELLSTONE) would vote “aye.”

The result was announced—yeas 92, nays 1, as follows:

YEAS—92

Abraham D Amato Hutchinson
Akaka Daschle Hutchison
Allard DeWine Inhofe
Baucus Domenici Inouye
Chafee Donnelly Jeffords
Campbell Dingell Johnson
Campbell Dorgan Kennedy
Carolyn D’Amato Kerrey
Bennett Feinberg Kyl
Bumpers Ford Landrieu
Byrd Gorton Leahy
Campbell Grassظم Levin
Cleland Graham Lienemann
Cochran Greg Lott
Collins Hagel Logan
Corker Hatch McCaskill
Craig Helms Mornihan

(Rollcall Vote No. 288 Leg.)
The bill (H.R. 4057), as amended, was passed, as follows:

Resolved, That the bill from the House of Representatives (H.R. 4057) entitled ‘‘An Act to amend title 49, United States Code, to reauthorize programs of the Federal Aviation Administration, and for other purposes.’’, do pass with the following amendment:

Strikethrough all after the enacting clause and insert:

SECTION 1. SHORT TITLE; TABLE OF SECTIONS.

(a) SHORT TITLE.—This Act may be cited as the Wendell H. Ford National Air Transportation Development and Safety Act of 1998.

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

Sec. 101. Authorization of appropriations.
Sec. 201. Removal of the cap on discretionary fund.
Sec. 202. Innovative use of airport grant funds.
Sec. 203. Matching share.
Sec. 204. Increase in apportionment for noise compatibility planning and programs.
Sec. 205. Technical amendments.
Sec. 206. Repeal of period of applicability.
Sec. 207. Report on efforts to implement capacity enhancements.
Sec. 208. Prioritization of discretionary projects.
Sec. 209. Public notice before grant assurance requirement waived.
Sec. 211. Terminal development costs.
Sec. 212. Airfield pavement conditions.
Sec. 213. Discretionary grants.

TITLE III—AMENDMENTS TO AVIATION LAW

Sec. 301. Severable services contracts for periods crossing fiscal years.
Sec. 302. Foreign carriers eligible for waiver under Airport Noise and Capacity Act.
Sec. 303. Government and industry consortia.
Sec. 304. Implementation of Article 83 Bis of the Chicago Convention.
Sec. 305. Foreign aviation services authority.
Sec. 306. Flexibility to perform criminal history record checks; technical amendments to Pilot Records Improvement Act.
Sec. 307. Aviation insurance program amendments.
Sec. 308. Technical corrections to civil penalty provisions.

Sec. 309. Criminal penalty for pilots operating in air transportation without an airman’s certificate.
Sec. 310. Nondiscriminatory interline interconnection requirements.

TITLE IV—TITLE 49 TECHNICAL CORRECTIONS


TITLE V—MISCELLANEOUS

Sec. 502. Cargo collision avoidance systems deadline.
Sec. 503. Runway safety areas; precision approach path indicators.
Sec. 504. Airplane emergency locator transmitters.
Sec. 505. Cargo aircraft demonstration project.
Sec. 506. FAA may fine unruly passengers.
Sec. 507. Higher standards for handicapped access.
Sec. 508. Concessions of United States Government land.
Sec. 509. Flight operations quality assurance rule.
Sec. 510. Wide area augmentation system.
Sec. 511. Regulation of Alaska air guides.
Sec. 512. Application of FAA regulations.
Sec. 513. Human factors program.
Sec. 514. Independent validation of FAA costs and allocations.
Sec. 515. Whistleblower protection for FAA employees.
Sec. 516. Report on modernization of oceanic ATC system.
Sec. 517. Report on air transportation oversight system.
Sec. 518. Recycling of EIS.
Sec. 519. Protection of employees providing air safety information.
Sec. 520. Improvements to air navigation facilities.
Sec. 521. Denial of airport access to certain airline carriers.
Sec. 522. Tourism.
Sec. 523. Equivalency of FAA and EU safety standards.
Sec. 524. Sense of the Senate on property taxes on public-use airports.
Sec. 525. Federal Aviation Administration Personnel Management System.
Sec. 526. Aircraft and aviation component repair and maintenance advisory panel.
Sec. 527. Report on enhanced domestic airborne airline competition.
Sec. 528. Aircraft situational display data.
Sec. 529. To express the sense of the Senate concerning a bilateral agreement between the United States and the United Kingdom regarding Charlottetown agreement.
Sec. 530. To express the sense of the Senate concerning a bilateral agreement between the United States and the United Kingdom regarding Cleveland-London route.
Sec. 531. Allocation of Trust Fund funding.
Sec. 532. Taos Pueblo and Blue Lakes Welfare Authority.
Sec. 533. Airline marketing disclosure.
Sec. 534. Certain air traffic control towers.

TITLE VI—AVIATION COMPETITION PROMOTION

Sec. 601. Purpose.
Sec. 602. Establishment of small community aviation development program.
Sec. 603. Community-carrier air service program.
Sec. 604. Authorization of appropriations.
Sec. 605. Marketing practices.
Sec. 606. Slot exemptions for nonstop regional jet service.

Sec. 608. Additional slot exemptions at Chicago O’Hare International Airport.
Sec. 609. Consumer notification of e-ticket expiration dates.
Sec. 610. Joint venture agreements.
Sec. 611. Regional air service incentive options.
Sec. 612. GAO study of air transportation needs.

TITLE VII—NATIONAL PARK OVERFLIGHTS

Sec. 701. Findings.
Sec. 702. Air tour management plans for national parks.
Sec. 703. Advisory group.
Sec. 704. Overflight fee report.
Sec. 705. Prohibition of commercial air tours over the Rocky Mountain National Park.

TITLE VIII—CENTENNIAL OF FLIGHT COMMEMORATION

Sec. 801. Short title.
Sec. 802. Fiscal year 1999.
Sec. 803. Establishment.
Sec. 804. Membership.
Sec. 805. Duties.
Sec. 806. Powers.
Sec. 807. Staff and support services.
Sec. 808. Contributions.
Sec. 809. Exclusive right to name, logos, emblems, seals, and marks.
Sec. 810. Reports.
Sec. 811. Audit of financial transactions.
Sec. 812. Advisory board.
Sec. 813. Definitions.
Sec. 814. Termination.
Sec. 815. Authorization of appropriations.

TITLE IX—EXTENSION OF AIRPORT AND AIRWAY FUND EXPENDITURE AUTHORITY

Sec. 901. Extension of expenditure authority.

2. AMENDMENTS TO TITLE 49, UNITED STATES CODE.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or a repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 49, United States Code.

TITLE I—AUTHORIZATIONS

Sec. 101. FEDERAL AVIATION ADMINISTRATION OPERATIONS.

(a) IN GENERAL.—Section 106(k) is amended to read as follows:

‘‘(k) AUTHORIZATION OF APPROPRIATIONS FOR OPERATIONS.—

(1) IN GENERAL.—There are authorized to be appropriated to the Secretary of Transportation for operations of the Administration $5,631,000,000 for fiscal year 1999 and $5,784,000,000 for fiscal year 2000 of the amounts authorized to be appropriated for fiscal year 1999, not more than $9,100,000 shall be used to support air safety efforts through payment of United States membership obligations, to be paid as soon as practicable.

(2) AUTHORIZED EXPENDITURES.—Of the amounts appropriated under paragraph (1) $450,000 may be used for wildlife hazard mitigation measures and management of the wildlife strike database of the Federal Aviation Administration.

(3) UNIVERSITY CONSORTIUM.—There are authorized to be appropriated not more than $9,100,000 for the 3 fiscal year period beginning with fiscal year 1999 to support a university consortium established to provide an air safety and security management certificate program, working cooperatively with the Federal Aviation Administration and United States air carriers. Funds authorized under this paragraph—

‘‘(A) may not be used for the construction of a building or other facility; and

‘‘(B) shall be awarded on the basis of open competition.’’.

(b) COORDINATION.—The authority granted the Secretary under section 41717 of title 49, United States Code, does not affect the Secretary’s authority under any other provision of law.
SEC. 102. AIR NAVIGATION FACILITIES AND EQUIPMENT.

(a) IN GENERAL.—Section 49101(a) is amended by striking paragraphs (1) and (2) and inserting the following:

“(1) for fiscal years 1999—

(A) $222,800,000 for engineering, development, test, and evaluation: en route programs;

(B) $74,700,000 for engineering, development, test, and evaluation: terminal programs;

(C) $108,000,000 for engineering, development, test, and evaluation: landing and navigational aids;

(D) $17,790,000 for engineering, development, test, and evaluation: research, test, and evaluation: en route programs;

(E) $291,358,300 for air traffic control facilities and equipment: en route programs;

(F) $492,315,500 for air traffic control facilities and equipment: terminal programs;

(G) $38,764,400 for air traffic control facilities and equipment: flight services programs;

(H) $50,000,000 for air traffic control facilities and equipment: other ATC facilities programs;

“(2) $12,600,000 for non-ATC facilities and equipment programs;

“(3) $14,500,000 for training and equipment facilities programs;

“(4) $280,800,000 for mission support programs;

“(5) $235,210,000 for personnel and related expenses; and

“(6) $2,189,000,000 for fiscal year 2000.”

(b) CONFORMING AMENDMENT.—The chapter analysis for chapter 471 is amended by inserting after the item relating to section 47134 the following:

“47136. Airport security program.”

SEC. 103. AIRPORT PLANNING AND DEVELOPMENT AND NOISE COMPATIBILITY PLANNING AND PROGRAMS.

(a) EXTENSION AND AUTHORIZATION.—Section 48103 is amended by—

(1) striking “September 30, 1996,” and inserting “September 30, 1998,”; and

(2) striking “$2,280,000,000 for fiscal years ending before October 1, 1997, and $4,627,000,000 for fiscal years ending before October 1, 1998,” and inserting “$2,410,000,000 for fiscal years ending before October 1, 1999 and $4,885,000,000 for fiscal years ending before October 1, 2000,”;

(b) AUTOMATED SURFACE OBSERVATION SYSTEM.—Section 47109(c) is amended by striking “2002,” and inserting “2003.”

SEC. 104. REPROGRAMMING NOTIFICATION REQUIREMENT.

Before reprogramming any amounts appropriated under section 106(k), 49101(a), or 49103 of title 49, United States Code, for which notification by the Committees on Appropriations of the Senate and the House of Representatives is required, the Secretary of Transportation shall submit a written explanation of the proposed reprogramming to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives.

SEC. 105. AIRPORT SECURITY PROGRAM.

(a) IN GENERAL.—The Secretary of Transportation shall carry out not less than one project to test and evaluate innovative air traffic control and aircraft physical security systems and technology for the purpose of improving airport and aircraft physical security and access control; and

(b) PURPOSE.—The purpose of the demonstration program shall be to provide information on the use of innovative financing techniques for airport modernization projects and under the terms provided by the agreement, subject to the availability of funds.

SEC. 106. CONTRACT TOWER PROGRAM.

There are authorized to be appropriated to the Secretary of Transportation such sums as may be necessary to carry out the Federal Contract Tower Program under title 49, United States Code.

SEC. 107. AUTOMATED SURFACE OBSERVATION SYSTEM.

The Administrator of the Federal Aviation Administration shall establish life-cycle cost estimates for any air traffic control modernization project the total life-cycle costs of which equal or exceed $50,000,000.

SEC. 108. INNOVATIVE FINANCING TECHNIQUE DEFINED.—In this section, the term ‘innovative financing technique’ includes methods of financing projects that the Secretary determines may be beneficial to airport development, including—

(1) payment of interest;

(2) commercial bond insurance and other credit enhancement associated with airport bonds for eligible airport development; and

(3) flexible non-Federal matching requirements.

SEC. 109. PRIVILEGED PROPOSAL DISCUSSION.—The chapter analysis for chapter 471 is amended by inserting after the item relating to section 47134 the following:

“47135. Innovative financing techniques.”

SEC. 203. MATCHING SHARE.

Section 47109(a)(2) is amended by inserting “not more than” before “90 percent”.

SEC. 204. INCREASE IN APPORTIONMENT FOR NOISE COMPATIBILITY PLANNING AND PROGRAMS.

Section 47117(c)(1)(A) is amended by striking “31” each time it appears and substituting “33”. 

SEC. 205. TECHNICAL AMENDMENT.

(a) USE OF APPORTIONMENTS FOR ALASKA, PUERTO RICO, AND HAWAII.—Section 47114(d)(3) is amended to read as follows:

“(3) An amount apportioned under paragraph (2) of this subsection for airports in Alaska, Hawaii, or Puerto Rico may be made available by the Secretary for any public airport in those respective jurisdictions.”

(b) SUPPLEMENTAL APPORTIONMENT FOR ALASKA.—Section 47114(e) is amended—

(1) by striking “ALTERNATIVE” in the subsection caption and inserting “SUPPLEMENTAL”;

(2) in paragraph (1)—

(A) striking “Instead of apportioning amounts for airports in Alaska under” and inserting “Notwithstanding”; and

(B) striking “those airports” and inserting “airports in Alaska”; and

(3) striking paragraph (3) and inserting the following:

“(3) An amount apportioned under this subsection may be used for any public airport in Alaska.”

(c) REPEAL OF APPORTIONMENT LIMITATION ON COMMERCIAL SERVICE AIRPORTS IN ALASKA.—Section 47117 is amended by striking subsection (f) and redesignating subsections (g) and (h) as subsections (f) and (g), respectively.

(d) DISCRETIONARY FUND DEFINITION.—

(1) Section 47115 is amended—

(A) by striking “25” in subsection (a) and inserting “12.5”; and

(B) by striking the second sentence in subsection (b).

(2) Section 47116 is amended—

(A) by striking “75” in subsection (a) and inserting “87.5”;

(B) by redesignating paragraphs (1) and (2) in subsection (b) as subparagraphs (A) and (B), respectively, and inserting before subparagraph (A), as so redesignated, the following:

“(e) INNOVATIVE USE OF AIRPORT GRANT FUNDS.

(1) CODIFICATION AND IMPROVEMENT OF 1996 PROGRAM.—Subchapter I of chapter 471 is amended by adding at the end thereof the following:

“§47136. Airport security program.

(a) IN GENERAL.—The Secretary of Transportation is authorized to carry out a demonstration program testing which the Secretary may appropriate for a fiscal year for not more than 30 projects for which grants received under the subchapter for calendar year 2000 or later may be used to implement innovative air traffic control and aircraft physical security systems and technology for airport modernization projects and under the terms provided by the agreement, subject to the availability of funds.”

(b) PURPOSE.—The purpose of the demonstration program shall be to provide information on the use of innovative financing techniques for airport development, including—

(1) payment of interest;
(f) GRANT ELIGIBILITY FOR PRIVATE RELIEVER AIRPORTS.—Section 47102(17)(B) is amended—

(1) striking “or” at the end of clause (i) and redesignating clause (ii) as clause (i); and

(2) inserting after clause (i) the following:

“(ii) a privately-owned airport that, as a reliever airport, received federal aid for airport development before September 9, 1996, but only if the Administrator issues revised administrative guidance after July 1, 1998, for the designation of reliever airports; or

(p) RELIEVER AIRPORTS NOT ELIGIBLE FOR LETTERS OF INTENT.—Section 47110(e)(1) is amended by striking “or reliever.”

(b) PASSENGER FACILITY FEE WAIVER FOR CERTAIN CLASS OF CARRIERS.—Section 40117(e)(2) is amended—

(1) by striking “and” after the semicolon in subparagraph (B);

(2) by striking “including “,” in subparagraph (C) and inserting “payment; and”; and

(3) by adding at the end thereof the following:

“(D) in Alaska aboard an aircraft having a seating capacity of less than 20 passengers.”.

(f) GRANT ELIGIBILITY FOR AIRPORTS IN SURPLUS PROPERTY DISTRIBUTION.—Section 40117(e)(2) is amended—

(1) by striking “or” at the end of subparagraph (i); and

(2) by adding at the end thereof the following:

“(ii) that has fewer than 2,500 passenger boardings each year and receives scheduled passenger service; or

(iii) in a community which has a population of less than 10,000 and is not connected by a land highway or vehicular way to the land-connected National Highway System within a State.”．

(i) USE OF THE WORD “GIFT” AND PRIORITY FOR AIRPORTS IN SURPLUS PROPERTY DISTRIBUTION.—

(1) Section 47151 is amended—

(A) by striking “gave” in subsection (a) and inserting “conveyed to”;

(B) by striking “gift” in subsection (a)(2) and inserting “conveyance”;

(C) by inserting “giving” in subsection (b) and inserting “conveying”;

(D) by striking “gift” in subsection (b) and inserting “conveyance”; and

(E) by adding at the end thereof the following:

“(d) PRIORITY FOR PUBLIC AIRPORTS.—Except for requests from another Federal agency, a department, agency, or instrumentality of the Executive Branch of the United States Government shall give priority to a request by a public agency (as defined in section 47102 of this title) for surplus property described in subsection (a) of this section for use at a public airport.”.

(2) Section 47153(a) is amended—

(A) by striking “gifts” in the section caption and inserting “conveyances”; and

(B) by striking “gift” in the first sentence and inserting “conveyance”;

(i) THE CHAPTER ANALYSIS FOR CHAPTER 471 IS AMENDED BY STRIKING THE ITEM RELATING TO SECTION 47152 AND INSERTING THE FOLLOWING:

“47152. Terms of conveyances."

(ii) Section 47153(a) is amended—

(A) by striking “gift” in paragraph (1) and inserting “conveyance”; and

(B) by striking “given” in paragraph (1)(A) and inserting “conveyed”; and

(C) by striking “gift” in paragraph (1)(B) and inserting “conveyance”;

(ii) APPROPRIATIONS FOR CARGO ONLY AIRPORTS—Section 47114(c)(2)(A) is amended by striking “2.5 percent” and inserting “3 percent”.

(i) FLEXIBILITY IN PAVEMENT DESIGN STANDARDS.—Section 47114(d) is amended by adding at the end thereof the following:

“(4) The Secretary may permit the use of State highway specifications for airfield pavement construction using funds made available under this subsection at nonprimary airports with runways of 5,000 feet or longer having aircraft that do not exceed 60,000 pounds gross weight, if the Secretary determines that—

(A) safety will not be negatively affected; and

(B) the life of the pavement will not be shorter than it would be if constructed using Administration standards.”

SEC. 206. REPEAL OF PERIOD OF APPLICABILITY.

Section 125 of the Federal Aviation Reauthorization Act of 1996 (49 U.S.C. 47114 note) is repealed.

SEC. 207. REPORT ON EFFORTS TO IMPLEMENT CAPACITY ENHANCEMENTS.

Within 9 months after the date of enactment of this Act, the Administrator of Transportation shall report to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives on efforts by the Federal Aviation Administration to implement capacity enhancements and improvements, such as precision runway monitoring systems, and the implementation of such enhancements and improvements.

SEC. 208. PRIORITIZATION OF DISCRETIONARY PROJECTS.

Section 47120 is amended by—

(1) inserting “(a) In general.—” before “(b)”; and

(2) adding at the end thereof the following:

“(b) DISCRETIONARY FUNDING TO BE USED FOR HIGHER PRIORITY PROJECTS.—The Administrator of the Federal Aviation Administration shall give priority to discretionary projects submitted by airport sponsors and airports from using entitlement funds for lower priority projects by giving lower priority to discretionary projects submitted by airport sponsors and airports that have used entitlement funds for projects that have a lower priority than the projects for which discretionary funds are being requested.”.

SEC. 209. PUBLIC NOTICE BEFORE GRANT ASSURANCE REQUIREMENT WAIVED.

(a) In general.—Notwithstanding any other provision of law to the contrary, the Secretary of Transportation may not waive any assurance required under section 47107 of title 49, United States Code, that requires property to be used for aeronautical purposes unless the Secretary provides notice to the public not later than 30 days before issuing any such waiver. Nothing in this section shall be construed to authorize the Secretary to issue a waiver of any assurance required under the House of Representatives on petitions for projects that have a lower priority than the projects for which discretionary funds are being requested.”.

(b) EFFECTIVE DATE.—This section applies to any request filed on or after the date of enactment of this Act.

SEC. 210. DEFINITION OF PUBLIC AIRCRAFT.

Section 40102(a)(3)(7)(B)(ii) is amended—

(1) by striking “or” at the end of subclause (I); and

(2) by striking “States,” in subclause (II) and inserting “States;” or; and

(3) by adding at the end thereof the following:

“(II) the aircraft is operated for the purpose of prisoner transport.”.

SEC. 211. TERMINAL DEVELOPMENT COSTS.

Section 40117 is amended by adding at the end thereof the following:

“(g) SHELL OF TERMINAL BUILDING.—In order to enable additional air service by an air carrier with less than 50 percent of the scheduled passenger traffic at an airport, the Secretary may construct a shell of a terminal building (including heating, ventilation, and air conditioning) and aircraft fueling facilities adjacent to an airport terminal building to be an eligible airport-related project under subsection (a)(4).”

SEC. 212. AIRFIELD PAVEMENT CONDITIONS.

(a) EVALUATION OF OPTIONS.—The Administrator of the Federal Aviation Administration shall evaluate options for the release of information available to the Administrator on airfield pavement conditions for airports that are part of the national air transportation system, including—

(1) improving the existing runway condition information contained in the Airport Safety Data Program by reviewing and revising rating criteria and providing increased training for inspectors;

(2) requiring such airports to submit pavement condition index information as part of their airport master plan or as support in applications for airport improvement grants; and

(3) requiring all such airports to submit pavement condition index information on a regular basis and using this information to create a pavement condition database that could be used in evaluating the cost-effectiveness of project applications and forecasting anticipated pavement needs.

(b) REPORT TO CONGRESS.—The Administrator shall transmit a report containing an evaluation of such options, to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives on Transportation and Infrastructure not later than 12 months after the date of enactment of this Act.

SEC. 213. DISCRETIONARY GRANTS.

Notwithstanding any limitation on the amount of funds that may be expended for grants for noise abatement, if any funds made available under section 48103 of title 49, United States Code, remain available at the end of the fiscal year for which those funds were made available, and are not allocated under section 47115 of that title, or under any other provision relating to the awarding of discretionary grants from unobligated funds made available under section 48103 of that title, the Secretary of Transportation may use those funds to make discretionary grants for noise abatement activities.

TITLE III—AMENDMENTS TO AVIATION LAW

SEC. 301. SEVERABLE SERVICES CONTRACTS FOR PERIODS CROSSING FISCAL YEARS.

(a) In general.—The Administrator of the Federal Aviation Administration may enter into a contract for procurement of severable services for a period that begins in one fiscal year and ends in the next fiscal year or any option to extend the period of the contract the contract period does not exceed one year.

(b) OBLIGATIONS OF FUND.—Funds made available for a fiscal year may be obligated for the total amount of a contract entered into under the authority of subsection (a) of this section.

SEC. 302. SEVERABLE SERVICES CONTRACTS FOR PERIODS CROSSING FISCAL YEARS.

(a) In general.—The Administrator of the Federal Aviation Administration may enter into a contract for procurement of severable services for a period that begins in one fiscal year and ends in the next fiscal year or any option to extend the period of the contract the contract period does not exceed one year.

(b) OBLIGATIONS OF FUND.—Funds made available for a fiscal year may be obligated for the total amount of a contract entered into under the authority of subsection (a) of this section.

The first sentence of section 47528(b)(1) is amended by inserting “or foreign air carrier”
after ‘‘air carrier’’ the first place it appears and after ‘‘carrier’’ the first place it appears.

SEC. 302. GOVERNMENT AND INDUSTRY CONSORTIA.

Section 45701 is amended by adding at the end thereof the following:

‘‘(f) GOVERNMENT AND INDUSTRY CONSORTIA.—The Administrator may establish at airports of government administration industry representatives as the Administrator may designate to provide advice on matters related to aviation security and safety. Such an airport shall not be considered a Federal advisory committee for purposes of the Federal Advisory Committee Act (5 U.S.C. App.).’’.

SEC. 304. IMPLEMENTATION OF ARTICLE 83 BIS WITHOUT UNCONSTITUTIONAL CONVICTION.

Section 47011 is amended—
(1) by redesignating subsection (e) as subsection (f); and
(2) by inserting after subsection (d) the following:

‘‘(e) BILATERAL EXCHANGES OF SAFETY OVERSIGHT RESPONSIBILITIES.—

(1) Notwithstanding the provisions of this chapter, and pursuant to Article 83 bis of the Convention on International Civil Aviation, the Administrator may, by a bilateral agreement with the aeronautical authorities of another country, except with that country all or part of their respective functions and duties with respect to aircraft described in subparagraphs (A) and (B), under the following articles of the Convention:

(A) Article 12 (Rules of the Air).

(B) Article 31 (Licences of Personnel).

(C) Article 32a (Licensability of Worthless).’’.

(2) The agreement under paragraph (1) may apply to—

(A) an aircraft registered in the United States operated pursuant to an agreement for the lease, charter, or interchange of the aircraft or any similar arrangement by an operator that has its principal place of business, or, if it has no such place of business, its permanent residence, in another country; or

(B) aircraft registered in a foreign country operated under an agreement for the lease, charter, or interchange of the aircraft or any similar arrangement by an operator that has its principal place of business, or, if it has no such place of business, its permanent residence, in the United States.

(3) The Administrator relinquishes responsibility with respect to the functions and duties transferred by the Administrator as specified in the bilateral agreement under paragraph (1) of this subsection for United States-registered aircraft transferred abroad as described in subparagraph (A) of that paragraph, with respect to the functions and duties under those Articles for aircraft registered abroad that are transferred to the United States as described in subparagraph (B) of that paragraph.

(4) The Administrator may, in the agreement under paragraph (1), predicate the transfer of these functions and duties on any conditions the Administrator deems necessary and prudent.’’.

SEC. 305. FOREIGN AVIATION SERVICES AUTHORITY.

Section 45301 is amended by striking ‘‘government’’ in subsection (a)(2) and inserting ‘‘government or to any entity obtaining services outside the United States.’’.

SEC. 306. FLEXIBILITY TO PERFORM CRIMINAL HISTORY RECORD CHECKS, TECHNICAL AMENDMENTS TO PILOT RECORDS IMPROVEMENT ACT.

Section 44701 is amended—

(1) by striking ‘‘subparagraph (C)’’ in subsection (a)(1)(D) and inserting ‘‘subparagraph (C), or in the case of passenger, baggage, or property transportation, an airport, the Administrator decides it is necessary to ensure air transportation security’’;

(2) by striking ‘‘individual’’ in subsection (f)(1)(B)(ii) and inserting ‘‘individual’s performance as a pilot’’; and

(3) by inserting ‘‘or from a foreign government or entity that operates aircraft for the individual,’’ in subsection (f)(1)(B) after ‘‘exists’’.

SEC. 307. AVIATION INSURANCE PROGRAM AMENDMENTS.

(a) REIMBURSEMENT OF INSURED PARTY’S SUBROGEE.—Subsection (a) of section 43009 is amended—

(1) by striking the subsection caption and the first sentence, and inserting the following:

‘‘(a) LOSSES.—

‘‘(1) A person may bring a civil action in a district court of the United States in which one carrier has operated under a controlled insurance issued under this chapter (other than insurance issued under subsection 43005(b) of this title), and

(2) by resetting the remainder of the subsection as a new paragraph and inserting ‘‘(2)’’ before ‘‘A civil action’’.

(b) EXTENSION OF AVIATION INSURANCE PROGRAM.—Section 44701 is amended by striking ‘‘1998,’’ and inserting ‘‘2003.’’.

SEC. 308. TECHNICAL CORRECTIONS TO CIVIL PENALTY PROVISIONS.

Section 46303 is amended—

(1) by striking ‘‘46302, 46303, or’’ in subsection (a)(1); and

(2) by striking ‘‘individual’’ the first time it appears in subsection (d)(7)(A) and inserting ‘‘person’’;

and

(3) by inserting ‘‘or the Administrator’’ in subsection (g) of that section.

SEC. 309. CRIMINAL PENALTY FOR PILOTS OPERATING IN AIR TRANSPORTATION WITHOUT AN AIRMAN’S CERTIFICATE.

(a) In GENERAL.—Chapter 463 of title 49, United States Code, is amended by adding at the end thereof the following:

‘‘§ 46317. Criminal penalty for pilots operating in air transportation without an airman’s certificate

‘‘(a) APPLICATION.—This section applies only to aircraft used to provide air transportation.

(b) GENERAL CRIMINAL PENALTY.—An individual shall be fined under title 18, imprisoned for not more than 3 years, or both, if that individual—

(1) knowingly and willfully serves or attempts to serve in any capacity as an airman without an airman’s certificate authorizing the individual to serve in that capacity; or

(2) knowingly and willfully employs for service or uses in any capacity as an airman an individual who does not have an airman’s certificate authorizing the individual to serve in that capacity.

(c) CONTROLLED SUBSTANCE CRIMINAL PENALTY.—(1) In this subsection, the term ‘‘controlled substance’’ has the same meaning given that term in section 102 of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 802).

(2) An individual violating subsection (b) shall be fined under title 18, imprisoned for not more than 5 years, or both, if the violation is related to transporting a controlled substance by air transportation and, in the case of a violation occurring on an air carrier, authorizing a controlled substance violation and that transporting, aiding, or facilitating—

(A) is punishable by death or imprisonment of more than 1 year under a Federal or State law; or

(B) is related to an act punishable by death or imprisonment of more than 1 year under a Federal or State law related to a controlled substance (except a law related to simple possession (as that term is used in section 46306(c) of a controlled substance).

(3) A term of imprisonment imposed under paragraph (2) shall be served in addition to, and not concurrently with, any other term of imprisonment imposed on the individual subject to the imprisonment.’’.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 463 of title 49, United States Code, is amended by adding at the end thereof the following:

‘‘46317. Criminal penalty for pilots operating in air transportation without an airman’s certificate.’’.

SEC. 310. GOVERNMENT AND INDUSTRY INTERLINE INTERCONNECTION REQUIREMENTS.

(a) In GENERAL.—Subchapter I of chapter 417 of title 49, United States Code, is amended by adding at the end thereof the following:

‘‘§ 41716. Interline agreements for domestic transportation

(a) NONDISCRIMINATORY REQUIREMENTS.—If a major air carrier that provides air service to an essential airport facility has any agreement in place for ticketing, baggage handling, and terminal and gate access with another carrier, it shall provide the same services to any requesting air carrier that offers service C to a community selected for participation in the program under section 41743 under similar terms and conditions and on a nondiscriminatory basis within 30 days after receiving the request, as long as the requesting air carrier meets such safety, service, financial, and maintenance requirements, if any, as the Secretary may by regulation establish consistent with public convenience and necessity. The Secretary must review any proposed agreement to determine if the requesting carrier meets operational requirements consistent with the rules, procedures, and policies of the major carrier. This agreement may be terminated by either party in the event of failure to meet the standards and conditions outlined in the agreement.

(b) DEFINITIONS.—In this section the term ‘‘essential airport facility’’ means a large hub airport (as defined in section 41743(a)(3)) in the contiguous 48 States in which one carrier has operated under a contract for such airport’s total annual enplanements.’’.

SEC. 311. TITLE IV—TITLES 49 TECHNICAL CORRECTIONS.

SEC. 401. RESTATEMENT OF 49 U.S.C. 106(g).

(a) In GENERAL.—Section 106(g) is amended by striking ‘‘40113(a), (c), and (d), 40114(a), 40119, 45001(a) and (c), 45002(1), (b) and (c), 45004, 45006, 45006, 45008, 45101–45113, 45701–47116, 47216(c), 47216(e), 47217(a), 47217(b), 47217(d), 47217(e), 47218(a), 47218(b), 47218(c), 47218(d), 47219(a), 47219(b), 47403(d), 47403(e), 49004, 49005, 49006, 49007, 49008, 49009(a) and (c), and (e), 49006, 49112, 49305–49307, and 49309(a) and (b), chapter 451, sections 45302–45304, and inserting ‘‘40113(a), (c), and (d), 40114(a), 40119, and chapter 465 (except sections 45401(b), 45402(2)–4), 45405, 45506, 45009, 45510, 45514, and 45515), chapter 447 (except sections 44717, 44718(a) and (b), 47219, 47220, 47221, and chapter 480 (except sections 45403(d), 45404, 49005, 49007–49011, 49103, 49301–49314, chapter 451, chapter 453, sections’’; and

(b) TECHNICAL CORRECTION.—The amendment made by this section was intended as making a substantive change in the language replaced.
(1) In GENERAL.—Chapter 447 is amended by adding at the end thereof the following:

§44725. Denial and revocation of certificate for counterfeited parts violations

(a) DENIAL OF CERTIFICATE.—

(1) IN GENERAL.—The Administrator may issue a certificate under this chapter to a person described in paragraph (1) of this subsection if the certificate will facilitate law enforcement efforts.

(2) NOTICE REQUIREMENT.—Before the Administrator revokes a certificate under subsection (b), the Administrator shall—

(A) advise the holder of the certificate of the reason for the revocation; and

(B) provide the holder of the certificate an opportunity to be heard on why the certificate should not be revoked.

(3) PROHIBITION ON EMPLOYMENT OF CONVICTED COUNTERFEIT PART DEALERS.—No person subject to this chapter may employ anyone to perform a function related to the procurement, sale, production, or repair of a part or material, or the installation of a part into a civil aircraft, who has been convicted of a violation of any Federal or State law relating to the installation, production, repair, or sale of a counterfeit or falsely-represented aviation part or material.

(b) REVOCATION OF CERTIFICATE.—

(1) IN GENERAL.—Except as provided in subsection (c), the Administrator may not revoke a certificate under this chapter if the Administrator finds that the holder of the certificate, or an individual who has a controlling or ownership interest in the holder—

(A) was convicted of a violation of a law of the United States or of a State relating to counterfeited parts or falsely-represented aviation part or material; or

(B) knowingly carried out or facilitated an activity punishable under such a law.

(2) EXCEPTION.—Notwithstanding paragraph (1), the Administrator may issue a certificate under this chapter to a person described in paragraph (1) of this subsection if issuance of the certificate will facilitate law enforcement efforts.

(c) EFFECTIVE DATE; REGULATIONS.—

(1) IN GENERAL.—Chapter 447 is amended by adding at the end thereof the following:

§46316. Interference with cabin or flight crew

(2) CONFORMING CHANGE.—The chapter analysis for chapter 463 is amended by adding the following:

"46316. Interference with cabin or flight crew"

(a) IN GENERAL.—An individual who interferes with the duties or responsibilities of the flight crew or cabin crew of a civil aircraft, or who poses an imminent threat to the safety of the aircraft or other individuals on the aircraft, is liable for the penalty.

(b) CONFORMING CHANGE.—The chapter analysis for chapter 463 is amended by striking the item relating to section 46316 and inserting after the item relating to section 46315 the following: "46316. Interference with cabin or flight crew; 

(c) EFFECTIVE DATE; REGULATIONS.—Chapter 463 is amended by adding at the end thereof the following:

§46317. General criminal penalty when specific penalty not provided.
“(B) not less than $2,500 and not more than $5,000 for any subsequent violation, then that air carrier shall be subject to the United States Government for a civil penalty, determined by the Secretary of Transportation, of not more than 100 percent of the amount of the credit or voucher so determined.

For purposes of this paragraph, each act of discrimination prohibited by section 14716 of title 49, United States Code, constitutes a separate violation of paragraph (1).

SEC. 508. CONVEYANCES OF UNITED STATES GOVERNMENT LAND.

(a) In General.—Section 47125(a) is amended to read as follows:

“(a) CONVEYANCES TO PUBLIC AGENCIES.—

(1) REQUEST FOR CONVEYANCE.—Except as provided in subsection (b) of this section, the Secretary of Transportation—

(A) shall request the head of the department, agency, or instrumentality of the United States Government owning or controlling land or airspace to convey a property interest in the land or airspace to the public agency sponsoring the project or owning or controlling the airport when necessary to carry out a project under this subchapter at a public airport, to operate a public airport, or for the future development of an airport under the national plan of integrated airport systems; and

(B) may request the head of such a department, agency, or instrumentality to convey a property interest in the land or airspace to such a public agency for a use that will complement, facilitate, or augment airport development, including the development of additional revenue from both aviation and nonaviation sources.

(2) RESPONSE TO REQUEST FOR CERTAIN CONVEYANCES.—Within 4 months after receiving a request from the Secretary under paragraph (1), the head of the department, agency, or instrumentality shall—

(A) decide whether the requested conveyance is consistent with the needs of the department, agency, or instrumentality;

(B) notify the Secretary of the decision; and

(C) provide conveyance if—

(i) the requested conveyance is consistent with the needs of the department, agency, or instrumentality;

(ii) the Attorney General approves the conveyance; and

(iii) the conveyance can be made without cost to the United States Government.

(3) REVERSION.—Except as provided in subsection (b), a conveyance under this subsection may be subject to certain conditions or limitations relating to the property interest conveyed that will, at the time the conveyance is conveyed, constitute a separate violation of this section.

(b) RELEASE OF CERTAIN CONDITIONS.—Section 47125 is amended—

(1) by redesignating subsection (b) as subsection (c);

(2) by inserting the following after subsection (a):

“(b) RELEASE OF CERTAIN CONDITIONS.—Section 47125 is amended—

(1) by redesignating subsection (b) as subsection (c);

(2) by inserting the following after subsection (a):

“(b) RELEASE OF CERTAIN CONDITIONS.—The Secretary may grant a release from any term, condition, reservation, or restriction contained in any conveyance executed under this section, section 3111 of the Airport and Airway Development Act of 1970, or section 516 of the Airport and Airway Improvement Act of 1982, to facilitate the development of additional revenue from aeromedical and nonaeronautical sources if the Secretary—

(1) determines that the property is no longer needed for aeronautical purposes;

(2) determines that the property will be used solely to generate revenue for the public airport;

(3) provides preliminary notice to the head of the department, agency, or instrumentality that conveyed the property interest at least 30 days before executing the release;

(4) provides notice to the public of the requested release;

(5) includes in the release a written justification for the release of the property; and

(6) if the release of the property will advance civil aviation in the United States.”.

(c) EFFECTIVE DATE.—Section 47125(b) of title 49, United States Code, as added by subsection (b) of this section, applies to property interests conveyed before, on, or after the date of enactment of this Act.

(d) IDitarod Area School District.—Notwithstanding any other provision of law (including section 47125 of title 49, United States Code), the Administrator of the Federal Aviation Administration, or the Administrator of the General Services Administration, may convey to the Iditarod Area School District the right, title, and interest in 12 acres of property at Lake Minchumina, Alaska, identified by the Administrator of the Federal Aviation Administration, including the structure consisting of 100 high units 105 and as utility building 301.

SEC. 509. FLIGHT OPERATIONS QUALITY ASSURANCE RULES.

Not later than 90 days after the date of enactment of this Act, the Administrator shall issue a notice of proposed rulemaking to develop procedures to protect air carriers and their employees from civil enforcement action under the program known as Flight Operations Quality Assurance. Not later than 1 year after the last day of the period for public comment provided for in the notice of proposed rulemaking, the Administrator shall issue a final rule establishing those procedures.

SEC. 510. WIDE AREA AUGMENTATION SYSTEM.

(a) In General.—The Administrator shall identify or develop a plan to implement WAAS to provide navigation and landing approach capabilities for civilian use and make a determination as to whether a backup system is necessary. Until the Administrator determines that WAAS is the sole means of navigation, the Administration shall continue to develop and maintain a backup system.

(b) Report.—Within 6 months after the date of enactment of this Act, the Administrator shall—

(1) report to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure, on the plan developed under subsection (a);

(2) submit a timetable for implementing WAAS; and

(3) make a determination as to whether WAAS will ultimately become a primary or sole means of navigation and landing approach capabilities.

(c) WAAS Defined.—For purposes of this section, the term “WAAS” means wide area augmentation system.

(d) Funding Authorization.—There are authorized to be appropriated to the Secretary of Transportation such sums as may be necessary to carry out this section.

SEC. 511. REGULATION OF ALASKA AIR GUIDES.

The Administrator shall reissue the notice to operators originally published in the Federal Register on January 2, 1998, which advised Alaska guide pilots of the applicability of part 135 of title 14, Code of Federal Regulations, to guide pilots conducting WAAS operations. If, notwithstanding the public comments, the Administrator determines that it will be necessary to proceed with the action, the Administrator shall publish in the Federal Register a notice justifying the Administrator’s decision and providing at least 90 days for compliance.

SEC. 512. APPLICATION OF FAA REGULATIONS.

Section 40113 is amended by adding at the end thereof the following:

“(f) APPLICATION OF CERTAIN REGULATIONS TO ALASKA.—In amending title 14, Code of Federal Regulations, in a manner affecting intrastate aviation in Alaska, the Administrator of the Federal Aviation Administration shall consider the extent to which Alaska is not served by transportation modes other than aviation, and shall establish such regulatory distinctions as the Administrator considers appropriate.”.

SEC. 513. HUMAN FACTORS PROGRAM.

(a) In General.—Chapter 445 is amended by adding at the end thereof the following:

“§ 44516. Human factors program

(a) OVERSIGHT COMMITTEE.—The Administrator of the Federal Aviation Administration shall establish an advanced qualification program oversight committee to advise the Administrator on the development and execution of advanced qualification programs for air carriers under this section, and to encourage their adoption and implementation.

(b) AIR TRAFFIC CONTROLLERS.—The Administrator shall—

(1) address the problems and concerns raised by the National Research Council in its report ‘The Future of Air Traffic Control’ on air traffic control automation; and

(2) respond to the recommendations made by the National Research Council.

(c) PILOTS AND FLIGHT CREWS.—The Administrator shall work with the aviation industry to develop specific training curricula, within 12 months after the date of enactment of the Wendell H. Ford National Air Transportation System Improvement Act of 1998, to address critical safety problems, including—

(A) in recovering from loss of control of the aircraft, including handing unusual attitudes and mechanical malfunctions;

(B) in devising for standard operating procedures, including inappropriate responses to emergencies and hazardous weather;

(C) in awareness of altitude and location relative to terrain to prevent controlled flight into terrain; and

(D) in landing and approaches, including nonprecision approaches and go-around procedures.

(d) ACCIDENT INVESTIGATIONS.—The Administrator, working with the National Transportation Safety Board and representatives of the aviation industry, shall establish a process to assess human factors training as part of accident and incident investigations.

(e) TEST PROGRAM.—The Administrator shall establish a test program in cooperation with United States air carriers to use model Jeppesen approach plates or other similar tools to improve navigation landing approach capabilities.

(f) ADVANCED QUALIFICATION PROGRAM DEFINED.—For purposes of this section, the term ‘advanced qualification program’ means an alternative method for qualification certifying, and ensuring the competency of flight crews and other commercial aviation operations personnel subject to the training and evaluation requirements of Parts 121 and 135 of title 14, Code of Federal Regulations.”.

(b) AUTOMATION AND ASSOCIATED TRAINING.—The Administrator shall complete the Administration’s updating of training practices for automation and associated training requirements within 12 months after the date of enactment of this Act.

(c) CONFORMING AMENDMENT.—The chapter analysis for chapter 445 is amended by adding at the end thereof the following:

“§ 44516. Human factors program.”.

SEC. 514. INDEPENDENT VALIDATION OF FAA COSTS AND ALLOCATIONS.

(a) INDEPENDENT ASSESSMENT.—

(1) INITIATION.—Not later than 90 days after the date of enactment of this Act, the Inspector General of the Department of Transportation shall initiate the analyses described in paragraph (2). In conducting the analyses, the Inspector General shall evaluate whether the analyses are carried out by 1 or more entities that are independent of the Federal Aviation Administration. The Inspector General may use the staff of the National Transportation Safety Board and representatives of the aviation industry, and resources of the Inspector General or may conduct the analyses.

(2) APPLICATION OF CERTAIN REGULATIONS TO ALASKA.—In amending title 14, Code of Federal Regulations, in a manner affecting intrastate aviation in Alaska, the Administrator of the Federal Aviation Administration shall consider the extent to which Alaska is not served by transportation modes other than aviation, and

shall establish such regulatory distinctions as the Administrator considers appropriate.”. 
(2) ASSESSMENT OF ADEQUACY AND RELIABILITY OF FAA COST DATA AND ATTRIBUTIONS.—To ensure that the method for capturing and distributing the overall costs of the Federal Aviation Administration's operations is appropriate and reasonable, the Inspector General shall conduct an assessment that includes the following: 

(A)(i) Validation of Federal Aviation Administration's cost attribution methodology (including assessments on the reliability of Federal Aviation Administration source documents and the integrity and reliability of the Federal Aviation Administration's automated cost attribution system).

(ii) An assessment of the reliability of the Federal Aviation Administration’s system for tracking assets.

(iii) An assessment of the reasonableness of the Federal Aviation Administration’s bases for establishing asset values and depreciation rates.

(iv) An assessment of the Federal Aviation Administration's system of internal controls for ensuring the consistency and reliability of reported data to begin immediately after full operational capability of the cost accounting system.

(B) A review and validation of the Federal Aviation Administration’s definition of the services to which the Federal Aviation Administration ultimately attributes its costs, and the methods used to identify direct costs associated with the services.

(C) An assessment and validation of the general cost pools used by the Federal Aviation Administration, including the rationale for and reliability of the bases on which the Federal Aviation Administration proposes to allocate costs of services to users and the integrity of the cost pools as well as any other factors considered important by the Inspector General. Appropriate statistical tests shall be performed to assess relationships between costs in the various cost pools and activities and services to which the costs are attributed by the Federal Aviation Administration.

(2) DEADLINE.—The independent analyses described in this section shall be completed no later than 270 days after the contracts are awarded to the outside independent contractors. The Inspector General shall submit a final report combining the analyses done by its staff with those of the outside independent contractors to the Secretary of Transportation, the Administrator, the Committee on Commerce, Science, and Transportation of the Senate, and the Committee on Transportation and Infrastructure of the House of Representatives. The final report submitted by the Inspector General shall not be completed by the Inspector General not later than 300 days after the award of contracts.

(c) FUNDING.—There are authorized to be appropriated such sums as may be necessary for the cost of the contracted audit services authorized by this section.

SEC. 515. WHISTLEBLOWER PROTECTION FOR FAA EMPLOYEES.

Section 347(b)(1) of Public Law 104-50 (49 U.S.C. 106, note) is amended by striking “protection” and inserting “protection, including the procedures for investigations and enforcement as provided in chapter 12 of title 5, United States Code”.

SEC. 516. REPORT ON MODERNIZATION OF OCCUPATIONAL SAFETY AND HEALTH SYSTEM.

The Administrator of the Federal Aviation Administration shall report to the Congress on plans to modernize the oceanic air traffic control system, including a budget for the program, a determination of whether the requirements for modernization, and, if necessary, a proposal to fund the program.

SEC. 517. REPORT ON AIR TRANSPORTATION SAFETY AND HOSPITALITY SYSTEM.

Beginning in 1999, the Administrator of the Federal Aviation Administration shall report biennially to the Congress on the air transportation safety and hospitality program announced by the Administrator on May 13, 1998, in detail on the training of inspectors, the number of inspectors using the system, air carriers subject to the system, and the budget for the system.

SEC. 518. RECYCLING OF EIS.

(a) GENERAL RULE.—Chapter 421 of title 49, United States Code, is amended by adding at the end the following new subchapter:

“SUBCHAPTER III—WHISTLEBLOWER PROTECTION PROGRAM

§ 42121. Protection of employees providing air safety information

(1) General rule.—No air carrier or contractor or subcontractor of an air carrier may discharge an employee of the air carrier or the contractor or the subcontractor of an air carrier if the employee—

(A) provided, caused to be provided, or is about to provide or cause to be provided to the Federal Aviation Administration of the—

(i) substance of evidence supporting the claim alleged in the complaint; or

(ii) allegations contained in the complaint; or

(iii) substance of evidence supporting the complaint; or

(iv) opportunities that are afforded to the air carrier, contractor, or subcontractor under paragraph (a) of subsection (3) of title 49, United States Code; or

(2) investigation.—In general.—

(A) IN GENERAL.—Not later than 60 days after receipt of a complaint filed under paragraph (1) and after affording the person named in the complaint an opportunity to submit a written response to the complaint and an opportunity to meet with a representative of the Secretary to present statements from witnesses, the Secretary of Labor shall conduct an investigation to determine whether there is reasonable cause to believe that the complaint has merit and notify in writing the complainant and the person alleged to have committed a violation of subsection (a) of the Secretary’s findings.

(B) ORDER.—Except as provided in subparagraph (B), if the Secretary of Labor concludes that a violation of subsection (a) has occurred, the Secretary shall proceed with the investigation referred to in clause (i) with a preliminary order providing the relief prescribed under paragraph (3)(B).

(C) OBJECTIONS.—Not later than 30 days after the date of notification of findings under this paragraph, the person alleged to have committed the violation or the complainant may file objections to the findings or preliminary order and request a hearing on the record.

(3) EFFECT OF FINDINGS.—If the Secretary makes a prima facie showing that any behavior described in paragraphs (1) through (4) of subsection (a) was a contributing factor in the unfavorable personnel action alleged in the complaint.

(B) REQUIREMENTS.—

(1) REQUIRED SHOWING BY COMPLAINANT.—

The Secretary of Labor shall dismiss a complaint filed under this subsection and shall not conduct an investigation otherwise required by paragraph (1) if the complainant makes a prima facie showing that any behavior described in paragraphs (1) through (4) of subsection (a) was a contributing factor in the unfavorable personnel action alleged in the complaint.

(2) SHOWING BY EMPLOYER.—Notwithstanding a finding by the Secretary that the complainant has made the showing required under clause (i), no investigation otherwise required under subparagraph (A) shall be conducted if the employer, in a clear and convincing evidence, that the employer would have taken the same unfavorable personnel action in the absence of that behavior.

(C) REQUIREMENTS FOR CONSENT AGREEMENT.—

The Secretary may determine that a violation of subsection (a) has occurred only if the complainant demonstrates that any behavior described in paragraphs (1) through (4) of subsection (a) was a contributing factor in the unfavorable personnel action alleged in the complaint.

(D) PROHIBITION.—Relief may not be ordered under subparagraph (A) if the employer demonstrates by clear and convincing evidence that the employer would have taken the same unfavorable personnel action in the absence of that behavior.

(4) FINAL ORDER.—

(A) DEADLINE FOR ISSUANCE; SETTLEMENT AGREEMENTS.—

(i) IN GENERAL.—Not later than 120 days after conclusion of a hearing under paragraph (2), the Secretary of Labor shall issue a final order that—

(I) provides relief in accordance with this paragraph; or

(II) denies the complaint.

(ii) SETTLEMENT AGREEMENT.—At any time before issuance of a final order under this paragraph, a proceeding under this subsection may be terminated if the parties enter into a settlement agreement entered into by the Secretary of Labor, the complainant, and the air carrier, contractor, or
subcontractor alleged to have committed the violation.

(2) REMEDY.—If, in response to a complaint filed under paragraph (1), the Secretary of Labor finds a violation of subsection (a) has occurred, the Secretary of Labor shall order the air carrier, contractor, or subcontractor that the Secretary of Labor determines to have committed the violation to—

(i) take action to abate the violation;

(ii) reinstate the complainant to the former position of the complainant and ensure the payment of all compensation (including back pay) and the restoration of terms, conditions, and privileges associated with the employment; and

(iii) provide compensatory damages to the complainant.

(C) COSTS OF COMPLAINT.—If the Secretary of Labor issues a final order that provides for relief with respect to an employee of an air carrier, or contractor or subcontractor named in the order an amount equal to the aggregate amount of all costs and expenses (including attorney and expert witness fees) reasonably incurred by the complainant (as determined by the Secretary of Labor) because the bringing of the complaint that resulted in the issuance of the order.

(4) REVIEW.—

(A) APPEAL TO COURT OF APPEALS.—(i) IN GENERAL.—Not later than 60 days after a final order is issued under paragraph (3), a person adversely affected or aggrieved by that order may file a review of the order in the United States court of appeals for the circuit in which the violation allegedly occurred or in the circuit in which the complainant resided on the date of that violation.

(ii) REQUIREMENTS FOR JUDICIAL REVIEW.—A review conducted under this paragraph shall be conducted in accordance with chapter 7 of title 28.

B. LIMITATION ON COLLATERAL ATTACK.—An order referred to in subparagraph (A) shall not be subject to judicial review in any criminal or other civil proceeding.

(5) ENFORCEMENT OF ORDER BY SECRETARY OF LABOR.—

(A) IN GENERAL.—If an air carrier, contractor, or subcontractor named in an order issued under paragraph (3) fails to comply with the order, the Secretary of Labor may file a civil action against the air carrier, contractor, or subcontractor to—

(1) enjoin the violation of the order; and

(2) obtain other such legal or equitable relief as may be required.

(B) APPEAL TO COURT OF APPEALS.—(1) EFFECT OF DENIAL.—If an owner or operator of an airport described in paragraph (2) denies access to an air carrier described in paragraph (3), that denial shall not be considered to be unreasonable or unjust discrimination or a violation of this section.

(2) AIRPORTS TO WHICH SUBSECTION APPLIES.—An airport is described in this paragraph if it—

(A) is designated as a reliever airport by the Federal Aviation Administrator;

(B) does not have an operating certificate under part 139 of title 14, Code of Federal Regulations (or any subsequent similar regulations); and

(C) is located with a 35-mile radius of an airport that—

(i) at least 25 percent of the total annual boardings in the United States; and

(ii) current gate capacity to handle the demands of a public charter operation.

(3) AIR CARRIERS DESCRIBED.—An air carrier is described in this paragraph if it conducts operations as a public charter under part 129 of title 14, Code of Federal Regulations (or any subsequent similar regulations) with aircraft that is designed to carry more than 9 passengers per flight.

(4) DEFINITIONS.—In this subsection:

(A) AIRCARRIER; AIR TRANSPORTATION; AIRCRAFT; AIRPORT.—The terms ‘air carrier’, ‘air transportation’, ‘aircraft’, and ‘airport’ have the meanings given those terms in section 40102 of this title.

(B) PUBLIC CHARTER.—The term ‘public charter’ means charter air transportation for which the general public is provided in advance a schedule containing the departure location, departure time, and arrival location of the flights.

SEC. 520. IMPROVEMENTS TO AIR NAVIGATION FACILITIES.

Section 46211 is amended by adding at the end thereof the following:

(5) The Administrator may improve real property leased for air navigation facilities without regard to the costs of the improvements in relation to the cost of the lease if—

(A) the improvements primarily benefit the government;

(B) are essential for mission accomplishment; and

(C) the government’s interest in the improvements is protected.

SEC. 521. DENIAL OF AIRPORT ACCESS TO CERTAIN AIR CARRIERS.

Section 47107 is amended by adding at the end thereof the following:

(6) for a waiver pilot program, Congress can facilitate the increased flow of international visitors to the United States;

(7) by making permanent the successful visa waiver programs, Congress can support a well-funded, well-coordinated international marketing effort—combined with additional public and private sector efforts—to help stimulate and improve business, as well as tourism and local governments, share in the anticipated benefits to the United States from increased visitor spending as they continue to increase over the next decade.

(F) The industry has ranked as the nation’s third-largest retail sales industry, generating a total of $489,000,000,000 in tax revenues for Federal, State, and local governments;

(G) the industry generated $71,700,000,000 in tax revenues for Federal, State, and local governments;

(H) with more than $88,000,000,000 spent by foreign visitors in the United States in 1997 generated a trade surplus of more than $26,000,000,000.

(4) Improving international signage at airports, seaports, land border crossings, highways, and bus, train, and other public transit stations in the United States;

(B) increasing the availability of multilingual tourism information; and

(C) creating a toll-free, private-sector operated, telephone number staffed by multilingual operators, to provide assistance to international tourists coping with the often confusing and linguistically diverse world they have entered.

9. by establishing a satellite system of accounting for travel and tourism, the Secretary of Commerce could provide Congress and the President with objective, thorough data that would help policymakers make a more accurate gauge the size and scope of the domestic travel and tourism industry and its significant impact on the health of the Nation’s economy; and

10. having established the United States National Tourism Organization under the United States National Tourism Act of 1996 (22 U.S.C. 2141 et seq.) to increase the United States share of the international tourism market by developing a national travel and tourism strategy. Congress can support a long-term marketing effort and other important regulatory reform initiatives to promote increased travel to the United States for the benefit of every sector of the economy.

(b) PURPOSES.—The purposes of this section are to provide international visitor initiatives and an international marketing program to enhance the United States tourism industry and every level of government to benefit from a successful effort to make the United States the premiere travel destination in the world.
SEC. 526. AIRCRAFT AND AVIATION COMPONENT REPAIR STATIONS.

(a) APPLICABILITY OF MERIT SYSTEMS PROTECTION BOARD PROVISIONS.—Section 347(b) of the Department of Transportation and Related Agencies Appropriations Act, 1996 (109 Stat. 460) is amended—

(1) by striking "90 days" and inserting "180 days"; and

(2) in subsection (c) (as amended by the previous proviso)—

(A) in paragraph (1)，by striking "The Merit Systems Protection Board" and inserting "The Department of Transportation, as authorized by section 355 of the Civil Service Reform Act of 1978 (5 U.S.C. 1107) or the Civil Service Commission", and

(B) in paragraph (2)，by striking "appeals of actions taken by the Merit Systems Protection Board" and inserting "appeals of actions taken by the Merit Systems Protection Board under the provisions of sections 7701 et seq., of title 5, United States Code, or upon which the Federal Aviation Administration has made its final decision".

(b) FAA TO REQUEST INFORMATION ABOUT DOMESTIC AIRCRAFT REPAIR STATIONS.—If the Administrator determines that information on the volume of the use of domestic aircraft and aviation component repair stations is needed in order to better utilize Federal Aviation Administration resources, the Administrator may—

(1) require United States air carriers to submit the information described in subsection (a) with respect to their usage of domestic aircraft and aviation component repair facilities located in the United States; and

(2) obtain information from such stations about work performed for foreign air carriers.

(c) TERMINATION.—The panel established under subsection (a) shall terminate—

(1) the date that is 2 years after the date of enactment of this Act; or


SEC. 527. ADVICE TO GOVERNMENT COMPONENT REPAIR AND MAINTENANCE ADVISORY PANEL.

(a) ESTABLISHMENT OF PANEL.—The Administrator may—

(1) establish an Aircraft Repair and Maintenance Advisory Panel to review issues related to the use and oversight of aircraft and aviation component repair facilities located within, or outside of, the United States; and

(2) may seek the advice of the panel on any issue related to methods to improve the safety of domestic or foreign contract aircraft and aviation component repair facilities.

(b) MEMBERSHIP.—The panel shall consist of—

(1) 8 members, appointed by the Administrator as follows:

(A) 2 representatives of labor organizations representing aviation mechanics;

(B) 1 representative of cargo air carriers;

(C) 1 representative of passenger air carriers;

(D) 2 representatives of aircraft and aviation component repair stations;

(E) 1 representative of aircraft manufacturers; and

(F) 1 representative of the aviation industry not described in the preceding subparagraphs;

(2) 1 representative from the Department of Transportation, designated by the Secretary of Transportation;

(3) 1 representative from the Department of State, designated by the Secretary of State; and

(4) 1 representative from the Federal Aviation Administration, designated by the Administrator.

(c) RESPONSIBILITIES.—The panel shall—

(1) determine how much aircraft and aviation component repair work and what type of aircraft and aviation component repair work is being performed by domestic and foreign aircraft and aviation component repair stations located within, and outside of, the United States to better understand and analyze methods to improve the safety and oversight of such facilities; and

(2) provide advice and counsel to the Administrator with respect to aircraft and aviation component repair work performed by those stations, staffing needs, and any safety issues associated with that work.

(d) FAA TO REQUEST INFORMATION FROM FOREIGN AIRCRAFT REPAIR STATIONS.—(1) COLLECTION OF INFORMATION.—The Administrator shall by regulation request aircraft and aviation component repair stations located outside the United States to provide the Federal Aviation Administration as information the Administrator may require in order to assess safety issues and enforcement actions with respect to the work performed at those stations on aircraft used by United States air carriers.

(2) DRUG AND ALCOHOL TESTING INFORMATION.—Included in the information the Administrator requests under paragraph (1) shall be information on the existence and administration of employee drug and alcohol testing programs in place at such stations, if applicable.

(e) ADDITIONAL INFORMATION.—In addition to the information the Administrator requests under paragraph (1) shall be included in the information the Administrator requests under paragraph (1) shall be information on the amount and type of aircraft and aviation component repair work performed at those stations located on aircraft registered in the United States, and

(f) FAA TO MAKE INFORMATION AVAILABLE TO PUBLIC.—The Administrator shall make any information received under subsection (d) or (e) available to the public.

SEC. 528. ANNUAL REPORT TO CONGRESS.—The Administrator shall report annually to the Congress on the number and location of air agency...
certificates that were revoked, suspended, or not renewed during the preceding year.
(1) **DEFINITIONS.**—Any term used in this section that is defined in subtitle VII of title 49, United States Code, has the meaning given that term in that subtitle.

**SEC. 527. REPORT ON ENHANCED DOMESTIC AIR-LINE COMPETITION.**

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

(1) There has been a reduction in the level of competition in the domestic airline business brought about by mergers, consolidations, and proposed domestic alliances.

(2) Foreign citizens and foreign air carriers may be using the existing or start-up airlines if they are permitted to acquire a larger equity share of a United States airline.

(b) **STUDY.**—The Secretary of Transportation, after consulting the appropriate Federal agencies, shall study and report to the Congress not later than December 31, 1998, on the desirability and implications of—

(1) decreasing the foreign ownership provision in section 40102(a)(15) of title 49, United States Code, to 51 percent from 75 percent; and

(2) changing the definition of an air carrier in section 40102(a)(2) of such title by substituting “a company whose principal place of business is in the United States” for a citizen of the United States”.

**SEC. 528. AIRCRAFT SITUATIONAL DISPLAY DATA.**

(a) **IN GENERAL.**—A memorandum of agreement between the Administrator of the Federal Aviation Administration and any person directly or indirectly related to any aircraft—

(1) aircraft-situation-display-to-industry derived data related to any identified aircraft registration number; and

(2) the person agree to block selectively the aircraft registration numbers of any aircraft operated or operated by the Administrator’s request.

(b) **EXISTING MEMORANDA TO BE CONFORMED.**—The Administrator shall conform any memorandum of agreement, in effect on the date of enactment of this Act, between the Administrator and a person under which such person obtains such data to incorporate the requirements of subsection (a) within 30 days after that date.

**SEC. 529. TO EXPRESS THE SENSE OF THE SENATE CONCERNING A BILATERAL AGREEMENT BETWEEN THE UNITED STATES AND THE UNITED KINGDOM REGARDING CHARLOTTE-LONDON ROUTE.**

(a) **DEFINITIONS.**—In this section:

(1) **AIR CARRIER.**—The term “air carrier” has the meaning given that term in section 40102 of title 49, United States Code.

(2) **BERMUDA II AGREEMENT.**—The term “Bermuda II Agreement” means the Agreement between the United States of America and United Kingdom of Great Britain and Northern Ireland Concerning Air Services, signed at Bermuda on July 23, 1977 (TIAS 8641).


(4) **FOREIGN AIR CARRIER.**—The term “foreign air carrier” has the meaning given that term in section 40102 of title 49, United States Code.

(5) **SECRETARY.**—The term “Secretary” means the Secretary of Transportation.

(b) **EXISTING MEMORANDA TO BE CONFORMED.**—The Administrator shall conform any memorandum of agreement, in effect on the date of enactment of this Act, between the Administrator and a person under which such person obtains such data to incorporate the requirements of subsection (a) within 30 days after that date.

(c) **SENSE OF THE SENATE.**—It is the sense of the Senate that the Secretary should—

(1) act vigorously to ensure the enforcement of the rights of the United States under the Bermuda II Agreement;

(2) intensify efforts to obtain the necessary assurances from the Government of the United Kingdom to allow an air carrier of the United States to operate commercially viable, competitive service for the Cleveland-London (Gatwick) route; and

(3) ensure that the rights of the Government of the United States and citizens and air carriers of the United States are enforced under the Bermuda II Agreement before seeking to renegotiate a broader bilateral agreement to establish additional rights for air carriers of the United States and foreign air carriers of the United Kingdom, including the right to commercially viable competitive service at Heathrow Airport in London, England, for air carriers of the United States.

**SEC. 530. TO EXPRESS THE SENSE OF THE SENATE CONCERNING A BILATERAL AGREEMENT BETWEEN THE UNITED STATES AND THE UNITED KINGDOM REGARDING CLEVELAND-LONDON ROUTE.**

(a) **DEFINITIONS.**—In this section:

(1) **AIR CARRIER.**—The term “air carrier” has the meaning given that term in section 40102 of title 49, United States Code.

(2) **BERMUDA II AGREEMENT.**—The term “Bermuda II Agreement” means the Agreement between the United States of America and United Kingdom of Great Britain and Northern Ireland Concerning Air Services, signed at Bermuda on July 23, 1977 (TIAS 8641).

(3) **Cleveland-London (Gatwick) route.**—The term “Cleveland-London (Gatwick) route” means the route between Cleveland, Ohio, and the Gatwick Airport in London, England.

(4) **FOREIGN AIR CARRIER.**—The term “foreign air carrier” has the meaning given that term in section 40102 of title 49, United States Code.

(5) **SECRETARY.**—The term “Secretary” means the Secretary of Transportation.

(b) **EXISTING MEMORANDA TO BE CONFORMED.**—The Administrator shall conform any memorandum of agreement, in effect on the date of enactment of this Act, between the Administrator and a person under which such person obtains such data to incorporate the requirements of subsection (a) within 30 days after that date.

(c) **SENSE OF THE SENATE.**—It is the sense of the Senate that the Secretary should—

(1) act vigorously to ensure the enforcement of the rights of the United States under the Bermuda II Agreement;

(2) intensify efforts to obtain the necessary assurances from the Government of the United Kingdom to allow an air carrier of the United States to operate commercially viable, competitive service for the Cleveland-London (Gatwick) route; and

(3) ensure that the rights of the Government of the United States and citizens and air carriers of the United States are enforced under the Bermuda II Agreement before seeking to renegotiate a broader bilateral agreement to establish additional rights for air carriers of the United States and foreign air carriers of the United Kingdom, including the right to commercially viable competitive service at Heathrow Airport in London, England, for air carriers of the United States.

**SEC. 531. ALLOCATION OF TRUST FUND FUNDING.**

(a) **DEFINITIONS.**—In this section:

(1) **AIRPORT AND AIRWAY TRUST FUND.**—The term “Airport and Airway Trust Fund” means the trust fund established under section 9502 of the Internal Revenue Code of 1986.

(2) **SECRETARY.**—The term “Secretary” means the Secretary of Transportation.

(3) **STATE.**—The term “State” means each of the States, the District of Columbia, and the Commonwealth of Puerto Rico.

(4) **STATE DOLLAR CONTRIBUTION TO THE AIRPORT AND AIRWAY TRUST FUND.**—The term “State dollar contribution to the Airport and Airway Trust Fund”, with respect to a State and fiscal year, means the amount of funds equal to the amounts transferred to the Airport and Airway Trust Fund under section 9502 of the Internal Revenue Code of 1996 that are equivalent to the taxes described in section 9502(b) of the Internal Revenue Code of 1986 that are collected in that State.

(b) **REPORTING.**—

(1) **IN GENERAL.**—As soon as practicable after the date of enactment of this Act, and annually thereafter, the Secretary of the Treasury shall report to the Secretary the amount equal to the amount of taxes collected in each State during the preceding fiscal year that were transferred to the Airport and Airway Trust Fund.

(2) **REPORT BY SECRETARY.**—Not later than 90 days after the date of enactment of this Act, and annually thereafter, the Secretary shall submit to Congress a report that provides, for each State, for the preceding fiscal year—
SEC. 601. PURPOSE.

The purpose of this title is to facilitate, through a 4-year pilot program, incentives and projects that will promote the development of small communities and consortia of communities to improve their access to the essential airport facilities of the national air transportation system through public-private partnerships that establish proper ways to overcome the unique policy, economic, geographic, and marketplace factors that may inhibit the availability of quality, affordable air transportation services to small communities.  

Section 102 is amended by adding at the end thereof the following:  

(9) SMALL COMMUNITY AIR SERVICE DEVELOPMENT PROGRAM—

(1) Establishment.—The Secretary shall establish a 4-year pilot aviation development program to be administered by a program director designated by the Secretary.

(2) Functions.—The program director shall:

(A) function as a facilitator between small communities and air carriers;  

(B) carry out section 41743 of this title;  

(C) carry out the airline service restoration program under sections 41744, 41745, and 41746 of this title;  

(D) ensure that the Bureau of Transportation Statistics collects data on passenger information to assess the service needs of small communities;  

(E) work with and coordinate efforts with other Federal, State, and local agencies to increase the viability of service to small communities and the creation of aviation development zones; and  

(F) provide policy recommendations to the Secretary and the Congress that will ensure and preserve the availability of quality, affordable air transportation services.

(3) REPORTS.—The program director shall provide an annual report to the Secretary and the Congress beginning in 1999 that—  

(A) analyzes the availability of air transportation services in small communities, including, but not limited to, an assessment of the air fares charged for air transportation services in small communities compared to air fares charged for air transportation services in larger metropolitan areas, and the levels of service, measured by types of aircraft used, the availability of seats, and scheduling of flights, provided to small communities;  

(B) identifies economic, geographic and marketplace factors that inhibit the availability of quality, affordable air transportation services to small communities; and  

(C) provides policy recommendations to address the policy, economic, geographic, and marketplace factors inhibiting the availability of quality, affordable air transportation services to small communities.

(4) Amount.—The program director may not obligate funds appropriated under section 604 of the Wendell H. Ford National Air Transportation System Improvement Act of 1998 to carry out this section.

(5) CONGRESSIONAL REVIEW.—(A) The Secretary shall continue to work with both the carriers and the communities to develop a combination of community incentives and carrier service levels that—

(1) are acceptable to communities and carriers; and  

(2) do not conflict with other Federal or State programs to facilitate air transportation to the communities;  

(3) designate an airport in the program as an Air Service Development Zone and work with the community on means to attract business to the area surrounding the airport, to develop land use options for the area, and provide data, working with the Department of Commerce and other agencies;  

(4) may obligate funds appropriated under section 604 of the Wendell H. Ford National Air Transportation System Improvement Act of 1998 to carry out this section.

(2) Community support.—The program director may not provide financial assistance under subsection (c)(2) to any community unless the program director determines that—

(A) a public-private partnership exists at the community level to carry out the community’s proposals;  

(B) the proposed additional financial support that the community will make a substantial financial contribution that is appropriate for that community’s resources, but of not less than 25 percent of the cost of the project in any event;

(C) the community has established an open process for soliciting air service proposals; and  

(D) the community will accord similar benefits to air carriers that are similarly situated.

(2) AMOUNT.—The program director may not obligate more than $30,000,000 of the amounts appropriated under section 604 of the Wendell H. Ford National Air Transport System Improvement Act of 1998 over the 4 years of the program.

(3) NUMBER OF PARTICIPANTS.—The program established under subsection (a) shall not involve more than 40 communities or consortia of communities.

(4) Reporting.—The program director shall report through the Secretary to the Congress annually on the progress made under this section.
during the preceding year in expanding commercial aviation service to smaller communities.

§41744. Pilot program project authority

(a) IN GENERAL.—The program director designated by the Secretary of Transportation under section 412g(1) shall establish a 4-year pilot program—

(1) to assist communities and States with inadequate access to the national transportation system to improve their access to that system; and

(2) to facilitate better air service link-ups to support the improved access.

(b) PROJECT AUTHORITY.—Under the pilot program established pursuant to subsection (a), the program director may—

(1) out of amounts appropriated under section 41743 of the Wendell H. Ford National Air Transportation System Improvement Act of 1998, provide financial assistance by way of grants to small communities or consortia of small communities under section 41742 of up to $500,000 per year; and

(2) take such other action as may be appropriate.

(c) OTHER ACTION.—Under the pilot program established pursuant to subsection (a), the program director may facilitate service by—

(1) working with airports and air carriers to ensure that appropriate facilities are made available at essential airports;

(2) collecting data on air carrier service to small communities; and

(3) providing policy recommendations to the Secretary to stimulate air service and competition to small communities.

(d) ADDITIONAL ACTION.—Under the pilot program established pursuant to subsection (a), the Secretary shall work with air carriers providing service to participating communities and major air carriers serving large hub airports (as defined in section 41731(a)) to facilitate joint fare arrangements consistent with normal industry practice.

§41745. Assistance to communities for service

(a) IN GENERAL.—Financial assistance provided under section 41743 during any fiscal year as part of the pilot program established under section 41744(a) shall be implemented for not more than—

(1) 4 communities within any State at any given time; and

(2) 40 communities in the entire program at any time.

For purposes of this subsection, a consortium of communities shall be treated as a single community.

(b) ELIGIBILITY.—In order to participate in a pilot program under this subchapter, a State, community, or group of communities shall apply to the Secretary in such form and at such time, and shall supply such information, as the Secretary may require, and shall demonstrate to the satisfaction of the Secretary that—

(1) the applicant has an identifiable need for access, or improved access, to the national air transportation system that would benefit the public;

(2) the pilot project will provide material benefits to a broad section of the travelling public, businesses, educational institutions, and other enterprises whose access to the national air transportation system is limited;

(3) the pilot project will not impede competition; and

(4) the applicant has established, or will establish, public-private partnerships in connection with the pilot project to facilitate service to the public.

(c) COORDINATION WITH OTHER PROVISIONS OF SUBCHAPTER.—The Secretary shall carry out the 4-year pilot program authorized by this subchapter as part of the pilot program authorization taken under the other provisions of this subchapter. To the extent the Secretary determines to be appropriate, the Secretary may adopt criteria for implementation of the 4-year pilot program that are the same as, or similar to, the criteria developed under the preceding sections of this subchapter for determining which small airports are eligible under those sections. The Secretary shall also, to the extent possible, provide incentives where no direct, viable, and feasible alternative service exists, or taking into account geographical diversity and appropriate market definitions.

(d) MAXIMIZATION OF PARTICIPATION.—The Secretary shall, to the extent appropriate, establish a program pursuant to section 41744(a) in a way designed to—

(1) permit the participation of the maximum feasible number of communities and States, e.g., within a 4-year period by limiting the number of years of participation or otherwise; and

(2) obtain the greatest possible leverage from the financial resources available to the Secretary and the applicant by—

(A) progressively decreasing, on a project-by-project basis, Federal financial incentives provided under the chapter over the 4-year period; and

(B) terminating as early as feasible Federal financial incentives for any project determined by the Secretary after its implementation to be—

(i) viable without further support under this subchapter; or

(ii) failing to meet the purposes of this chapter or criteria established by the Secretary under the pilot program.

(e) SUCCESS BONUSES.—If Federal financial incentives to a community are terminated under subsection (d)(2)(B) because of the success of the program in that community, then that community may receive a one-time incentive grant to ensure the continued success of that program.

(f) PROGRAM TO TERMINATE IN 4 YEARS.—No new financial assistance may be provided under this subchapter for any fiscal year beginning more than four years after enactment of the Wendell H. Ford National Air Transportation System Improvement Act of 1998.

§41746. Additional authority

(a) IN GENERAL.—To further facilitate the use of, and improve the safety at, small airports, the Administrator of the Federal Aviation Administration shall establish a pilot program to contract for Level I air traffic control services at 20 facilities willing to fund a pro rata share of construction costs for an air traffic control tower so as to achieve, at a minimum, a 1:1 benefit-to-cost ratio, as required for eligibility under the Federal Contract Tower Program; and the Administrator may facilitate for participants so to do more than 3 facilities willing to fund a pro rata share of construction costs for an air traffic control tower so as to achieve, at a minimum, a 1:1 benefit-to-cost ratio, as required for eligibility under the Federal Contract Tower Program, and for each of such facilities the Federal share of construction costs does not exceed $1,000,000.

(b) PROJECT AUTHORITY.—Under the pilot program established under subsection (a) terminates, the Administrator shall report to the Congress on the effectiveness of the program, with particular emphasis on the safety and economic benefits provided to program participants and the national air transportation system.

(c) WAIVER OF LOCAL CONTRIBUTION.—Section 41744(b) is amended by inserting after the item relating to section 41742 the following:

"41743. Air service program for small communities.

41744. Pilot program project authority.

41745. Assistance to communities for service.

41746. Additional authority.

41747. Air traffic control services pilot program."

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of Transportation such sums as may be necessary to carry out section 41747 of title 49, United States Code.

SEC. 604. AUTHORIZATION OF APPROPRIATIONS.

To carry out sections 41743 through 41746 of title 49, United States Code, for the fiscal-year period beginning with fiscal year 1999—

(1) there are authorized to be appropriated to the Secretary of Transportation not more than $10,000,000; and

(2) not more than $20,000,000 shall be made available, if available, to the Secretary for obligation and expenditure out of the account established under section 4303(a) of title 49, United States Code.

SEC. 605. MARKETING PRACTICES.

Section 41712 is amended by—

(1) inserting "(a) IN GENERAL.—" before "On"; and

(2) adding at the end thereof the following:

"(c) MARKETING PRACTICES THAT ADVERSELY AFFECT SERVICE TO SMALL OR MEDIUM COMMUNITIES.—Within 180 days after the date of enactment of the Wendell H. Ford National Air Transportation System Improvement Act of 1998, the Secretary shall review the marketing practices of air carriers that may inhibit the availability of quality, affordable air transportation services to small and medium-sized communities, including—

(1) marketing arrangements between airlines and travel agents;

(2) code-sharing partnerships;

(4) gate arrangements at airports;

(5) any other marketing practice that may have the same effect."
“(c) REGULATIONS.—If the Secretary finds, after conducting the review required by subsection (b), that marketing practices inhibit the availability of such service to such communities, then, after public hearing and an opportunity for comment, the Secretary shall promulgate regulations that address the problem.”.

SEC. 606. SLOT EXEMPTIONS FOR NONSTOP REGIONS.

(a) IN GENERAL.—Subchapter I of chapter 417 is amended by—

(1) redesignating section 41715 as 41716; and

(2) after section 41714 the following:

“§41715. Slot exemptions for nonstop regional jet service.

“(a) IN GENERAL.—Within 90 days after receiving an application for an exemption to provide nonstop service between—

“(1) an airport with fewer than 2,000,000 annual enplanements; and

“(2) a high density airport subject to the exemption authority under section 41714(a), the Secretary of Transportation shall grant or deny the exemption in accordance with established principles of safety and the promotion of competition.

“(b) EXISTING SLOTS TAKEN INTO ACCOUNT.—In deciding to grant or deny an exemption under subsection (a), the Secretary may take into consideration any slots and slot exemptions already used by the applicant.

(c) CONDITIONS.—The Secretary may grant an exemption to an air carrier under subsection (a)—

“(1) for a period of not less than 12 months; (2) for a minimum of 2 daily roundtrip flights; and

“(3) for a maximum of 3 daily roundtrip flights.

(d) CHANGE OF NONHUB, SMALL HUB, OR METRO HUB AIRCRAFT.—In granting slot exemptions under section 41714, the Secretary may take into consideration the slots and slot exemptions already used by the air carrier operating under an exemption granted under subsection (a).

“(1) authorize an air carrier operating under such an exemption to change the nonhub airport or small hub airport for which the exemption was granted to provide the same service to a different airport that is smaller than a large hub airport (as defined in section 47134(d)(2)) if—

“(A) the air carrier has been operating under the exemption for a period of not less than 12 months and if—

“(B) the air carrier can demonstrate unmitigatable losses.

“(e) FORFEITURE FOR MISUSE.—Any exemption granted under subsection (a) shall be terminable immediately by the Secretary if the air carrier to which it was granted uses the slot for any purpose other than the purpose for which it was granted or any condition of the conditions under which it was granted.

“(f) RESTORATION OF AIR SERVICE.—To the extent that—

“(1) slots were withdrawn from an air carrier under section 41714(b);

“(2) the withdrawal of slots under that section resulted in a net loss of slots; and

“(3) the net loss of slots and slot exemptions resulting from the withdrawal had an adverse effect on service to nonhub airports and in other domestic markets,

the Secretary shall give priority consideration to the request of any air carrier from which slots were withdrawn under that section for an equivalent number of slots at the airport where the slots were withdrawn. No priority consideration shall be given under this subsection to an air carrier described in paragraph (1) when the net loss of slots and slot exemptions is eliminated.

“(g) PRIORITY TO NEW ENTRANTS AND LIMITED INCUMBENT CARRIERS.

“(1) IN GENERAL.—In granting slot exemptions under this section the Secretary shall give priority consideration to an application from an air carrier that, as of July 1, 1998, operated or held slots at the high density airport for which it filed an exemption application.

“(2) LIMITATION.—No priority may be given under paragraph (1) if the air carrier that, at the time of application, operates or holds 20 or more slots and slot exemptions at the airport for which the exemption application is filed.

“(3) AFFIRMATIVE ACTION.—The Secretary shall take affirmative action to ensure that—

“(A) all air carriers that are small or limited incumbent carriers shall be given consideration for an exemption under this section regardless of the form of the corporate relationship between the commuter air carrier and the other air carriers;

“(B) stage 3 aircraft are used for the determination of the commuter air carrier’s eligibility for an exemption under this subsection; and

“(C) the Secretary shall grant exemptions under subsections (a) and (b) that—

“(A) will result in 12 additional daily air carrier slot exemptions at such airport for long haul service beyond the perimeter of Ronald Reagan Washington National Airport; and

“(B) will result in 12 additional daily commuter slot exemptions at such airport; and

“(C) will not result in additional daily commuter slot exemptions for service from any within-the-perimeter airport that is not smaller than a large hub airport (as defined in section 47134(d)(2)).

“(4) ASSESSMENT OF SAFETY, NOISE AND ENVIRONMENTAL IMPACTS.—The Secretary shall—

“(A) determine the impact of granting exemptions, including the impacts of the additional slots and flights at Ronald Reagan Washington National Airport provided under subsections (a) and (b) on safety, noise levels and the environment under the terms of the enactment of this Act. The Secretary shall carry out such assessments in accordance with section 90503 of title 49, Code of Federal Regulations. Such environmental assessment shall include a public meeting.

“(B) LIMITATION ON ADDITIONAL EXEMPTIONS.—Nothing in this section affects Exemption No. 57026 (as in effect on May 26, 1999) from time-to-time amended and extended.

“(C) MWA Noise-Related Grant Assurance.—In general.

“(1) IN GENERAL.—In addition to any condition for approval of an airport development project that the subject of the application is an airport or which is submitted to the Secretary of Transportation under chapter 471 of title 49, United States Code, by the Metropolitan Washington Airports Authority is in full compliance with applicable Federal regulations and programs, the Authority shall provide the Secretary with a written assurance that, for each such grant made to the Authority for fiscal year 1999 or any subsequent fiscal year—

“(A) the Authority will make available for that fiscal year funds for noise compatibility planning and programs that are eligible to receive funding under chapter 471 of title 49, United States Code, in an amount not less than 10 percent of the aggregate annual amount of financial assistance provided to the Authority by the Secretary as grants under chapter 471 of title 49, United States Code; and

“(B) the Authority will not divert funds from a high priority safety project in order to make funds available for noise compatibility planning and programs.

“(2) WAIVER.—The Secretary of Transportation may waive the requirements of paragraph (1) for any fiscal year for which the Secretary determines that the Metropolitan Washington Airports Authority is in full compliance with applicable airport noise compatibility planning and programs under section 90503(c)(1) of title 49, Code of Federal Regulations.

“(3) SUNSET.—This subsection shall cease to be in effect 5 years after the date of enactment of this Act. If the Authority has not provided the Secretary with a written assurance that the Metropolitan Washington Airports Authority has achieved full
section 607, is amended by—

"(3) The Secretary shall give priority in mak-
ing grants under paragraph (1)(A) to applica-
tions from airports whose serving passenger air-
ports and programs at and around airports where op-
erations increase under title VI of the Wendell H.
Ford National Air Transportation System Im-
provement Act of 1998 and the amendments made by that title.".

(e) CONFORMING AMENDMENTS.—

(1) Section 49111 is amended by striking sub-
section (a).

(2) The chapter analysis for chapter 417, as amended by section 606(b) of this Act, is amended by striking the item relating to section 41716 and inserting the following:

"41716. Special Rules for Ronald Reagan Wash-
ington National Airport.

"41717. Air service termination notice.''.

(f) REPORT.—Within 1 year after the date of enactment of this Act, and biannually there-
after, the Secretary shall certify to the United States Senate Committee on Commerce, Science, and Trans-
portation, the United States House of Representa-
tives Committee on Transportation and Infrastructure, the Governments of Mary-
land, Virginia, and West Virginia and the met-
ropolitan organization for Washington D.C. that noise standards, air traffic congestion, airport-related vehicular congestion, safety standards, and adequate air service to commu-
nities served by commuter airports and medium hub airports within the perimeter described in section 49109 of title 49, United States Code, have been maintained at appropriate levels.

SEC. 608. ADDITIONAL JOINT EXEMPTIONS AT CHI-
CAGO O'HARE INTERNATIONAL AIR-
PORT.

(a) In GENERAL.—Chapter 417, as amended by section 607, is amended by—

(1) redesignating section 41717 as 41718; and

(2) inserting after section 41716 the following:

"41717. Special Rules for Chicago O'Hare Inter-
national Airport.

"(a) IN GENERAL.—Chapter 417, as amended by section 607, is amended by add-
ing at the end of such section the following:

"(b) Joint Venture Agreements.

"(1) JOINT VENTURE AGREEMENT.—The term 'joint venture agreement' means an agreement entered into by a major air carrier on or after January 1, 1998, with regard to code-sharing, blocked-space arrangements, long-term wet leases (as defined in section 201.f of title 14, Code of Federal Regulations) of a substantial number (as defined by the Secretary by regulation) of aircraft, or frequent flyer programs, or any other cooperative working arrangement entered into by a major air carrier as a result of, or in furtherance of, the sale of regional jets; (b) the competitive implications of such a pro-
gram; and (c) the competitive implications of such a pro-
gram for the market served by the joint venture agreement.

"(2) MAJOR AIR CARRIER.—The term 'major air carrier' means an air carrier that is certi-
fied under chapter 411 of title 49 and included in Carrier Group III under criteria contained in section 404 of part 241 of title 14, Code of Federal Regulations.

"(3) SUBMISSION OF JOINT VENTURE AGREE-
MENT.—The Secretary may, after a joint venture agreement may take effect, each of the major air

 carriers that entered into the agreement shall submit to the Secretary—

(1) a copy of the joint venture agreement and all related agreements; and

(2) other information and documentary ma-
terial that the Secretary may require by regula-
tion.

"(c) EXTENSION OF WAITING PERIOD.—

"(1) IN GENERAL.—The Secretary may extend the waiting period referred to in subsection (b) until

"(2) in the case of any joint venture agreement with regard to code-sharing, the 150th day fol-
loowing the last day of such period; and

"(3) in the case of any other joint venture agreement, the 60th day following the last day of such period.

"(d) PUBLICATION OF REASONS FOR EXTEN-
SION.—If the Secretary extends the 30-day pe-
riod referred to in subsection (b), the Secretary

shall publish in the Federal Register the reasons of the Secretary for making the extension.

"(e) TERMINATION OF WAITING PERIOD.—At

any time after the date of submission of a joint venture agreement under subsection (b), the Sec-

retary may terminate the waiting periods re-
tferred to in subsections (b) and (c) with respect to the agreement.

"(f) REGULATIONS.—The effectiveness of a joint venture agreement may not be delayed due to any failure of the Secretary to issue regula-
tions to carry out this section.

"(g) MEMORANDUM TO PREVENT DUPLICA-
TIVE REVIEWS.—Promptly after the date of enactment of this section, the Secretary shall consult with the Assistant Attorney General for Civil Division of the Department of Justice in order to establish, through a written memorandum of understanding, procedures to prevent unnecessary duplication of effort by the Secretary and the Assistant Attorney General under this section and the United States anti-
trust laws, respectively.

"(h) PRIOR AGREEMENTS.—With respect to a joint venture agreement entered into before the date of enactment of this section as to which the Secretary finds that—

"(1) the parties have submitted the agreement to the Secretary before such date of enactment; and

"(2) the parties have submitted any informa-
tion on the request by the Secretary, the

waiting period described in paragraphs (2) and (4) of this section shall begin on the date, as determined by the Secretary, on which all such information was submitted and end on the last day to which the period could be extended under this section.

"(i) LIMITATION ON STATUTORY CONSTRUC-
TION.—The authority granted to the Secretary under this subsection shall not in any way limit the authority of the Attorney General to enforce the antitrust laws as defined in the first section of the Clayton Act (15 U.S.C. 12).''

(b) CONFORMING AMENDMENT.—The analysis for subchapter I of chapter 417, as amended by section 607, is amended by adding at the end of that analysis the following:

"41719. Joint venture agreements.''.

SEC. 610. JOINT VENTURE AGREEMENTS.

(a) In GENERAL.—Subchapter I of chapter 417, as amended by section 606, is amended by add-
ing at the end of such subchapter the following:

"(a) PURPOSE.—The purpose of this section is to provide for the Congress with an analysis of means to improve service by jet aircraft to un-
dererved markets by authorizing a review of different programs of Federal financial assistance, including loan guarantees like those that would have been provided for by section 2 of S. 1318, as passed by the Senate, to commuter air carriers that would purchase regional jet aircraft for use in serving those markets.

(b) STUDY.—The Secretary of Transportation shall study the efficacy of the Federal loan guarantees for the purchase of regional jets by commuter air carriers. The Secretary shall include in the study a review of options for fund-
ing, including alternatives to Federal funding. In the study, the Secretary shall analyze—

(1) the need for such a program;

(2) the potential benefits to small communities;

(3) the trade implications of such a program;

(4) market implications of such a program for the market served by the joint venture agreement;

(5) the types of markets that would benefit the most from such a program;

(6) the competitive implications of such a program; and

(7) the cost of such a program.

(c) REPORT.—The Secretary shall submit a re-
port on the results of the study to—

the Senate Committee on Commerce, Science, and Transpor-
tation and the House of Representatives Com-
mittee on Transportation and Infrastructure not later than 34 months after the date of enactment of this Act.

SEC. 612. GAO STUDY OF AIR TRANSPORTATION
NEEDS.

The General Accounting Office shall conduct a study of the current state of the national air-
port network and its ability to meet the air
transportation needs of the United States over the next 15 years. The study shall include airports located in remote communities and reliever airports. In assessing the effectiveness of the system, the Controller General may consider airport runway length of 5,500 feet or the equivalent altitude-adjusted length, air traffic control facilities, and navigational aids.

**TITLE VII—NATIONAL PARKS OVERFLIGHTS**

**SEC. 701. FINDINGS.**

The Congress finds that—

(1) the Federal Aviation Administration has sole authority to control airspace over the United States;

(2) the Federal Aviation Administration has the authority to preserve, protect, and enhance the environment by minimizing, mitigating, or preventing the adverse effects of aircraft overflights on the public and tribal lands;

(3) the National Park Service has the responsibility of conserving the scenery and natural and historical objects and facilities in national parks and of providing for the enjoyment of the national parks in ways that leave the national parks unimpaired for future generations;

(4) the flight altitudes from aircraft overflights is consistent with protecting the public health and welfare and is essential to the maintenance of the natural and cultural resources of Indian lands;

(5) the National Parks Overflights Working Group, composed of general aviation, air tour, environmental, and Native American representatives, videocassette that the Congress enact legislation based on its consensus work product; and

(b) this title reflects the recommendations made by that Group.

**SEC. 702. AIR TOUR MANAGEMENT PLANS FOR NATIONAL PARKS.**

(a) In General.—Chapter 401, as amended by section 301 of this title, is amended by adding at the end the following:

```
§40126. Overflights of national parks

```

(b) GENERAL REQUIREMENTS.—A commercial air tour operator may conduct commercial air tour operations over a national park or tribal lands except—

(A) in accordance with this section;

(B) with conditions and limitations prescribed for that operator by the Administrator; and

(C) in accordance with any effective air tour management plan for that park or those tribal lands.

(c) Application required.—Before commencing commercial air tour operations over a national park or tribal lands, a commercial air tour operator shall apply to the Administrator for authority to conduct the operations over that park or those tribal lands.

(d) Competitive bidding for limited capacity parks.—Whenever a commercial air tour management plan for a national park or tribal lands is adopted by the National Park Service, the number of commercial air tour operations over those lands shall be determined by competitive bidding for the period covered by the plan.

(e) Competitive bidding for limited capacity parks.—When the number of commercial air tour operations over the national park or tribal lands for such a period is not allocated by the Administrator, the Administrator shall authorize commercial air tour operators to provide such service. The authorization shall specify such terms and conditions as the Administrator and the Director find necessary for management of such air tour operations over the national park.

(f) Competitive bidding for limited capacity parks.—When the number of commercial air tour operations over the national park or tribal lands for such a period is not allocated by the Administrator, the Administrator shall authorize commercial air tour operators to provide such service. The authorization shall specify such terms and conditions as the Administrator and the Director find necessary for management of such air tour operations over the national park.

(g) Competitive bidding for limited capacity parks.—When the number of commercial air tour operations over the national park or tribal lands for such a period is not allocated by the Administrator, the Administrator shall authorize commercial air tour operators to provide such service. The authorization shall specify such terms and conditions as the Administrator and the Director find necessary for management of such air tour operations over the national park.

(h) Competitive bidding for limited capacity parks.—When the number of commercial air tour operations over the national park or tribal lands for such a period is not allocated by the Administrator, the Administrator shall authorize commercial air tour operators to provide such service. The authorization shall specify such terms and conditions as the Administrator and the Director find necessary for management of such air tour operations over the national park.

(i) Competitive bidding for limited capacity parks.—When the number of commercial air tour operations over the national park or tribal lands for such a period is not allocated by the Administrator, the Administrator shall authorize commercial air tour operators to provide such service. The authorization shall specify such terms and conditions as the Administrator and the Director find necessary for management of such air tour operations over the national park.

(j) Competitive bidding for limited capacity parks.—When the number of commercial air tour operations over the national park or tribal lands for such a period is not allocated by the Administrator, the Administrator shall authorize commercial air tour operators to provide such service. The authorization shall specify such terms and conditions as the Administrator and the Director find necessary for management of such air tour operations over the national park.

(k) Competitive bidding for limited capacity parks.—When the number of commercial air tour operations over the national park or tribal lands for such a period is not allocated by the Administrator, the Administrator shall authorize commercial air tour operators to provide such service. The authorization shall specify such terms and conditions as the Administrator and the Director find necessary for management of such air tour operations over the national park.

(l) Competitive bidding for limited capacity parks.—When the number of commercial air tour operations over the national park or tribal lands for such a period is not allocated by the Administrator, the Administrator shall authorize commercial air tour operators to provide such service. The authorization shall specify such terms and conditions as the Administrator and the Director find necessary for management of such air tour operations over the national park.

(m) Competitive bidding for limited capacity parks.—When the number of commercial air tour operations over the national park or tribal lands for such a period is not allocated by the Administrator, the Administrator shall authorize commercial air tour operators to provide such service. The authorization shall specify such terms and conditions as the Administrator and the Director find necessary for management of such air tour operations over the national park.

(n) Competitive bidding for limited capacity parks.—When the number of commercial air tour operations over the national park or tribal lands for such a period is not allocated by the Administrator, the Administrator shall authorize commercial air tour operators to provide such service. The authorization shall specify such terms and conditions as the Administrator and the Director find necessary for management of such air tour operations over the national park.

(o) Competitive bidding for limited capacity parks.—When the number of commercial air tour operations over the national park or tribal lands for such a period is not allocated by the Administrator, the Administrator shall authorize commercial air tour operators to provide such service. The authorization shall specify such terms and conditions as the Administrator and the Director find necessary for management of such air tour operations over the national park.

(p) Competitive bidding for limited capacity parks.—When the number of commercial air tour operations over the national park or tribal lands for such a period is not allocated by the Administrator, the Administrator shall authorize commercial air tour operators to provide such service. The authorization shall specify such terms and conditions as the Administrator and the Director find necessary for management of such air tour operations over the national park.
“(B) may not provide for an increase in the number of operations conducted during any time period by the commercial air tour operator to which it is granted unless the increase is agreed to by the Administrator and the Director; and “(C) shall be published in the Federal Register to provide notice and opportunity for comment; and “(D) may be revoked by the Administrator for cause.”

(E) shall terminate 180 days after the date on which an air tour management plan is established for that park or those tribal lands; and “(F) shall—

(i) promote protection of national park resources, visitor experiences, and tribal lands; “(ii) promote safe operations of the commercial air tour; “(iii) promote the adoption of quiet technology, as appropriate; and “(iv) be for modifications of the operation based on experience if the modification improves protection of national park resources and values and of tribal lands.

(2) NEW ENTRANT AIR TOUR OPERATORS.—

“(A) IN GENERAL.—The Administrator, in cooperation with the Director, may grant interim operating authority under this paragraph to a new entrant commercial air tour operator for a national park for which that operator is a new entrant air tour operator if the Administrator determines the authority is necessary to ensure competition in the provision of commercial air tours over that national park or tribal lands.

(B) SAFETY LIMITATION.—The Administrator may not grant interim operating authority under subparagraph (A) if the Administrator determines that it would create a safety problem at that park or on tribal lands, or the Director determines that it would create a noise problem at that park or on tribal lands.

(C) ATMP LIMITATION.—The Administrator may grant interim operating authority under subparagraph (A) if the air tour management plan for the park or tribal lands to which the application relates has not been developed within 24 months after the date of enactment of the Wendell H. Ford National Air Transportation System Improvement Act of 1998.

(d) DEFINITIONS.—In this section, the following definitions apply:

“(1) COMMERCIAL AIR TOUR.—The term ‘commercial air tour’ means any flight conducted for compensation or hire in a powered aircraft where the flight is sightseeing, and the flight is sightseeing as part of any travel arrangement package; or “(2) commercial air tour operator.—The term ‘commercial air tour operator’ means any person who conducts a commercial air tour.

(3) NEW ENTRANT COMMERCIAL AIR TOUR OPERATOR.—The term ‘new entrant commercial air tour operator’ means a commercial air tour operator that—

“(A) applies for operating authority as a commercial air tour operator for a national park; and “(B) has not engaged in the business of providing commercial air tours over that national park or those tribal lands in the 12-month period preceding the date on which the application is filed.

(4) COMMERCIAL AIR TOUR OPERATOR.—The term ‘commercial air tour operator’ means commercial air tour flight operations conducted—

“(A) over a national park or within ½ mile outside the boundary of any national park; “(B) in or over public lands; “(C) more than 1 mile from the center line of any national park road; “(D) over and near national parks; “(E) from grandfathered airspace over national parks; “(F) if the Administrator determines the authority is necessary to ensure competition in the provision of commercial air tours over a national park for which that operator is a new entrant air tour operator; and “(G) if the Administrator determines the area to be modified is necessary to ensure competition in the provision of commercial air tours over that national park.

(5) TERMINATION.—The term ‘commercial air tour operations’ means commercial air tour flight operations conducted—

“(A) over a national park or within ½ mile outside the boundary of any national park; “(B) in or over public lands; “(C) more than 1 mile from the center line of any national park road; “(D) over and near national parks; “(E) from grandfathered airspace over national parks; “(F) if the Administrator determines the authority is necessary to ensure competition in the provision of commercial air tours over a national park for which that operator is a new entrant air tour operator; and “(G) if the Administrator determines the area to be modified is necessary to ensure competition in the provision of commercial air tours over that national park.

(6) NATIONAL PARK.—A ‘national park’ means any unit of the National Park System.

(7) TRIBAL LANDS.—The term ‘tribal lands’ means the areas or points of interest on the surface of the earth or water located in Alaska.

(8) NEW ENTRANT AIR TOUR OPERATORS.—

“(A) COMMERCIAL AIR TOUR OPERATOR.—The term ‘commercial air tour operator’ means a person who conducts a commercial air tour for compensation or hire in a powered aircraft above ground level (except solely for purposes of takeoff and landing, or necessary for safety of operation of an aircraft as determined under the rules and regulations of the Federal Aviation Administration requiring the pilot-in-command to take action to ensure the safe operation of the aircraft); and “(B) new entrant air tour operator for a national park that— “(i) was actively engaged in the business of providing commercial air tours over that national park for which the applicant seeks authority, or “(ii) less than 1 mile laterally from any geographic feature within the park (unless more than ½ mile outside the boundary).

(9) PERIODS.—A period of more than 1 year preceding the date of enactment of this Act or section 40126 of title 49, United States Code, as added by subsection (a), does not apply to any park or park area that—

(A) is named Grand Canyon; “(B) is named Black Canyon of the Colorado River; or “(C) was designated as a national park, or was included in an area designated as a national park, before the date of enactment of this Act or section 40126 of title 49, United States Code.

(10) COMPLIANCE WITH OTHER REGULATIONS.—

For purposes of section 40126 of title 49, United States Code, as added by subsection (a), do not apply to any land or waters located in Alaska.

(11) PERIODS.—For purposes of this section, the term ‘period’ means the period preceding the application.

(12) NEW ENTRANT COMMERCIAL AIR TOUR OPERATOR.—The term ‘new entrant commercial air tour operator’ means a commercial air tour operator that—

“(A) applies for operating authority as a commercial air tour operator for a national park; and “(B) has not engaged in the business of providing commercial air tours over that national park or those tribal lands in the 12-month period preceding the date on which the application is filed.

(13) COMMERCIAL AIR TOUR OPERATOR.—The term ‘commercial air tour operator’ means commercial air tour flight operations conducted—

“(A) over a national park or within ½ mile outside the boundary of any national park; “(B) in or over public lands; “(C) more than 1 mile from the center line of any national park road; “(D) over and near national parks; “(E) from grandfathered airspace over national parks; “(F) if the Administrator determines the authority is necessary to ensure competition in the provision of commercial air tours over a national park for which that operator is a new entrant air tour operator; and “(G) if the Administrator determines the area to be modified is necessary to ensure competition in the provision of commercial air tours over that national park.

(14) COMMERCIAL AIR TOUR OPERATOR.—The term ‘commercial air tour operator’ means commercial air tour flight operations conducted—

“(A) over a national park or within ½ mile outside the boundary of any national park; “(B) in or over public lands; “(C) more than 1 mile from the center line of any national park road; “(D) over and near national parks; “(E) from grandfathered airspace over national parks; “(F) if the Administrator determines the authority is necessary to ensure competition in the provision of commercial air tours over a national park for which that operator is a new entrant air tour operator; and “(G) if the Administrator determines the area to be modified is necessary to ensure competition in the provision of commercial air tours over that national park.

(15) COMPLIANCE WITH OTHER REGULATIONS.—

For purposes of section 40126 of title 49, United States Code, as added by subsection (a), do not apply to any land or waters located in Alaska.

 SEC. 801. SHORT TITLE.

This title may be cited as the “Centennial of Flight Commemoration Act”.

 SEC. 802. FINDINGS.

Congress finds that—

(1) December 17, 2003, is the 100th anniversary of the first successful manned, free, controlled,
and sustained flight by a power-driven, heavier-than-air machine;
(2) the first flight by Orville and Wilbur Wright represents the fulfillment of the age-old dream of flying;
(3) the airplane has dramatically changed the course of transportation, commerce, communication, and warfare throughout the world;
(4) the achievement by the Wright brothers stands as a triumph of American ingenuity, inventiveness, and diligence in developing new technologies, and remains an inspiration for all Americans;
(5) it is appropriate to remember and renew the legacy of the Wright brothers at a time when the values of creativity and daring represented by the Wright brothers are critical to the future of the Nation; and
(6) as the Nation approaches the 100th anniversary of powered flight, it is appropriate to celebrate and commemorate the centennial year through local, national, and international observances and activities.

SEC. 803. ESTABLISHMENT.
There is established a commission to be known as the Centennial of Flight Commission.

SEC. 804. MEMBERSHIP.
(a) NUMBER AND APPOINTMENT.—The Commission shall be composed of 6 members, as follows:
(1) the President of the National Aeronautics and Space Administration, or his designee.
(2) the Administrator of the National Aeronautics and Space Administration, or his designee.
(3) the chairman of the First Flight Centennial Foundation of North Carolina, or his designee.
(4) the chairman of the 2003 Committee of the First Flight Centennial Commission, the First Flight Centennial Foundation of North Carolina, or other organizations of national stature that highlight the activities of the Wright brothers in the States of North Carolina and Ohio and that reflect the 100th anniversary of powered flight.
(b) VACANCIES.—Any vacancy in the Commission shall be filled in the same manner in which the original designation was made.
(c) COMPENSATION.—
(1) PROHIBITION OF PAY.—Except as provided in paragraph (2), members of the Commission shall serve without pay or compensation.
(2) TRAVEL EXPENSES.—The Commission may adopt a policy, only by unanimous vote, for members of the Commission and related advisory panels to receive travel expenses, including per diem in lieu of subsistence. The policy may not exceed the levels established under sections 5702 and 5702a of title 5, United States Code. Members who are Federal employees shall not receive travel expenses if otherwise reimbursed by the Federal Government.
(d) QUORUM.—Three members of the Commission shall constitute a quorum.
(e) CHAIRPERSON.—The Commission shall select a Chairperson of the Commission from the members designated under subsection (a) (1), (2), or (3).
(f) ORGANIZATION.—The Chairperson shall not vote on matters before the Commission except in the case of a tie vote. The Chairperson may be removed by vote of a majority of the Commission’s members.
(g) FUNDING.—No later than 90 days after the date of enactment of this Act, the Commission may meet and select a Chairperson, Vice Chairperson, and Executive Director.

SEC. 805. DUTIES.
(a) IN GENERAL.—The Commission shall—
(1) represent the United States and take a leadership role with other nations in recognizing the importance of aviation history in general and the centennial of powered flight in particular, and promote participation by the United States in such observances;
(2) encourage and promote national and international participation and sponsorships in commemoration of the centennial of powered flight by persons and entities such as—
(A) aerospace manufacturing companies;
(B) aerospace-related military organizations;
(C) companies employing workers employed in aerospace-related industries;
(D) commercial aviation companies;
(E) general aviation pilots;
(F) aerospace researchers, instructors, and enthusiasts;
(G) elementary, secondary, and higher educational institutions;
(H) civil, patriotic, educational, sporting, arts, cultural, and historical organizations and technical societies;
(I) aerospace-related museums;
(J) State and local governments;
(3) plan and develop, in coordination with the First Flight Centennial Commission, the First Flight Centennial Foundation of North Carolina, and the 2003 Committee of Ohio, programs and activities that are appropriate to commemorate the 100th anniversary of powered flight;
(4) maintain, publish, and distribute a calendar or register of national and international programs and projects concerning, and provide a central clearinghouse for, information and coordination regarding, dates, events, and places of historical and commemorative significance regarding aviation history in general and the centennial of powered flight;
(5) provide national coordination for celebration dates to take place throughout the United States during the centennial year;
(6) assist in conducting educational, civic, and commemorative activities relating to the centennial of powered flight throughout the United States, especially activities that occur in the States of North Carolina and Ohio and that highlight the activities of the Wright brothers in such States; and
(7) encourage the publication of popular and scholarly works related to the history of aviation or the anniversary of the centennial of powered flight.
(b) NONDUPlication OF ACTIVITIES.—The Commission shall attempt to plan and conduct its activities in such a manner that activities conducted pursuant to this title enhance, but do not duplicate, traditional and established activities of Ohio’s 2003 Committee, North Carolina’s First Flight Centennial Commission, the First Flight Centennial Foundation, or any other organization on national or international stature or prominence.

SEC. 806. POWERS.
(a) ADVISORY COMMITTEES AND TASK FORCES.—
(1) IN GENERAL.—The Commission may appoint any such committee or task force from among the membership of the Advisory Board in section 812.
(2) FEDERAL COOPERATION.—To ensure the overall success of the Commission’s efforts, the Commission may call upon various Federal departments and agencies to assist in and give support to the programs of the Commission. The head of the Federal department or agency, where appropriate, shall furnish the information or assistance requested by the Commission, unless prohibited by law.
(b) PROGRAM SUPPORT.—The Commission may enter into cooperative agreements with the Commission on a reimbursable basis when, in the opinion of the Secretary, the value of such services is insignificant or not practical to determine.

SEC. 807. STAFF AND SUPPORT SERVICES.
(a) EXECUTIVE DIRECTOR.—There shall be an Executive Director appointed by the Commission and chosen from among candidates recommended by the 2003 Committee of the First Flight Centennial Commission.
(b) STAFF.—The Commission may enter into cooperative agreements with the Commission on a reimbursable basis when, in the opinion of the Secretary, the value of such services is insignificant or not practical to determine.
(c) ADMINISTRATIVE SUPPORT SERVICES.—The Commission may enter into cooperative agreements with other Federal agencies, State and local governments, and private interests and organizations that will contribute to public awareness of and interest in the centennial of powered flight and toward furthering the goals and purposes of this title.
(d) PROGRAM SUPPORT.—The Commission may receive program support from the nonprofit sector.
SEC. 809. CONTRIBUTIONS.

(a) DONATIONS.—The Commission may accept donations of personal services and historic materials relating to the implementation of its responsibilities and has the same legal authority with respect to such donations as the Secretary of the Treasury has with respect to donations of other property.

(b) VOLUNTEER SERVICES.—Notwithstanding section 1342 of title 31, United States Code, the Commission may accept and use voluntary and uncompensated services as the Commission determines necessary.

(c) REMAINING FUNDS.—Any funds (including funds from licensing royalties) remaining with the Commission on the date of the termination of the Commission may be used to ensure proper disposition, as specified in the final reports under section 810(b), of any historically significant property which was donated to or acquired by the Commission. Any funds remaining after such disposition shall be transferred to the Secretary of the Treasury for disposition after the Centennial of powered flight.

SEC. 808. CONTRIBUTIONS.

(a) DONATIONS.—The Commission may accept donations of personal services and historic materials relating to the implementation of its responsibilities and has the same legal authority with respect to such donations as the Secretary of the Treasury has with respect to donations of other property.

(b) VOLUNTEER SERVICES.—Notwithstanding section 1342 of title 31, United States Code, the Commission may accept and use voluntary and uncompensated services as the Commission determines necessary.

(c) REMAINING FUNDS.—Any funds (including funds from licensing royalties) remaining with the Commission on the date of the termination of the Commission may be used to ensure proper disposition, as specified in the final reports under section 810(b), of any historically significant property which was donated to or acquired by the Commission. Any funds remaining after such disposition shall be transferred to the Secretary of the Treasury for disposition after the Centennial of powered flight.

SEC. 810. REPORTS.

(a) ANNUAL REPORT.—In each fiscal year in which the Commission is in existence, the Commission shall prepare and submit to Congress a report describing the activities of the Commission during the fiscal year. Each annual report shall also include—

(1) recommendations regarding appropriate activities to commemorate the centennial of powered flight, including—

(A) the production, publication, and distribution of books, pamphlets, films, and other educational materials;

(B) bibliographical and documentary projects and publications;

(C) conferences, convocations, lectures, seminars, and other similar programs;

(D) the development of exhibits for libraries, museums, and other appropriate institutions;

(E) ceremonies and celebrations commemorating specific events that relate to the history of aviation;

(F) programs focusing on the history of aviation and its benefits to the United States and humankind; and

(G) competitions, commissions, and awards regarding historical, scholarly, artistic, literary, musical, dramatic, and similar works, programs, and projects related to the centennial of powered flight;

(2) recommendations to appropriate agencies or advisory bodies regarding the issuance of commemorative coins, medals, and stamps by the United States relating to aviation or the centennial of powered flight;

(3) recommendations for any legislation or administrative action that the Commission determines to be appropriate regarding the commemoration or use of Federal funding; and

(4) an accounting of funds received and expended by the Commission in the fiscal year that the report concerns, including a detailed description of the source and amount of any funds donated to the Commission in the fiscal year; and

(5) an accounting of any cooperative agreements and contract agreements entered into by the Commission.

(b) FINAL REPORT.—Not later than June 30, 2004, the Commission shall submit to the President and Congress a final report. The final report shall contain:

(1) a summary of the activities of the Commission;

(2) a final accounting of funds received and expended by the Commission;

(3) any findings and conclusions of the Commission; and

(4) specific recommendations concerning the final disposition of any historically significant items acquired by the Commission, including items donated to the Commission under section 808(a)(1).

SEC. 811. AUDIT OF FINANCIAL TRANSACTIONS.

(a) IN GENERAL.—The Comptroller General of the United States shall audit on an annual basis the financial transactions of the Commission, including financial transactions involving donated funds, in accordance with generally accepted auditing standards.

(b) ACCESS.—In conducting an audit under this section, the Comptroller General—

(A) shall have access to all records, accounts, financial records, reports, files, and other papers, items, or property in use by the Commission, as necessary to facilitate the audit; and

(B) shall be afforded full facilities for verifying the financial transactions of the Commission, including access to any financial records or securities held for the Commission by depositories, fiscal agents, or custodians.

(c) EFFECT ON OTHER RIGHTS.—No provision of this section may be construed to apply to the limitation under any provision of this chapter.

SEC. 812. ADVISORY BOARD.

(a) ESTABLISHMENT.—There is established a Board of Directors to be known as the Board of Directors of the Commission.

(b) NUMBER AND APPOINTMENT.—

(1) IN GENERAL.—The Board shall be composed of 19 members as follows:

(A) The Secretary of the Interior, or the designee of the Secretary.

(B) The Librarian of Congress, or the designee of the Librarian of Congress.

(C) The Secretary of the Air Force, or the designee of the Secretary.

(D) The Secretary of the Navy, or the designee of the Secretary.

(E) The Secretary of Transportation, or the designee of the Secretary.

(F) Six citizens of the United States, appointed by the President, who—

(i) are not officers or employees of any government (except membership on the Board shall not be construed to apply to the limitation under this clause); and

(ii) shall be selected based on their experience in the fields of aerospace, science, or education, or their ability to represent the entities enumerated under section 809(a)(2).

(G) Four citizens of the United States, appointed by the majority leader of the Senate in consultation with the minority leader of the Senate.

(H) Four citizens of the United States, appointed by the Speaker of the House of Representatives in consultation with the majority leader of the House of Representatives.

(i) one shall be selected from among individuals recommended by the representatives whose districts encompass any part of the Dayton Aviation Heritage National Historical Park; and

(ii) one shall be selected from among individuals recommended by the representatives whose districts encompass any part of the Dayton Aviation Heritage National Historical Park.

(c) REMAINING FUNDS.—Any funds (including funds from licensing royalties) remaining with the Commission on the date of the termination of the Commission may be used to ensure proper disposition, as specified in the final reports under section 810(b), of any historically significant property which was donated to or acquired by the Commission. Any funds remaining after such disposition shall be transferred to the Secretary of the Treasury for disposition after the Centennial of powered flight.

(d) Efficacy.—The Commission shall have the exclusive right to use, or to allow to be used, the term "Flight Commission" on any logo, emblem, seal, or other descriptive or designating mark that the Commission lawfully authorizes.

(e) LICENSING.—The Commission shall have the exclusive right to license the term "Centennial of Flight Commission" on any logo, emblem, seal, or other descriptive or designating mark that the Commission lawfully authorizes.

(f) LICENSING RIGHTS.—All exclusive licensing rights, unless otherwise specified, shall revert to the Air and Space Museum of the Smithsonian Institution upon termination of the Commission.

(g) EXCLUSIVE RIGHT TO NAME, LOGOS, EMBLEMS, SEALS, AND MARKS.—No provision of this section may be construed to apply to the limitation under any provision of this chapter.
“(f) LIMITATION ON TRANSFERS TO TRUST FUND.—

“(1) In general.—Except as provided in paragraph (2), no amount may be appropriated or credited to the Airport and Airway Trust Fund on and after the date of any expenditure from the Airport and Airway Trust Fund which is not permitted by this section. The determination of whether an expenditure is so permitted shall be made without regard to—

“(A) any provision of law which is not contained or referenced in this title or in a revenue Act; and

“(B) whether such provision of law is a subsequently enacted provision or directly or indirectly seeks to waive the application of this subsection.

“(2) EXCEPTION FOR PRIOR OBLIGATIONS.—

Paragraph (1) shall not apply to any expenditure to liquidate any contract entered into (or for any amount otherwise obligated) before October 1, 2000, in accordance with the provisions of this section.”.

Mr. MCCAIN. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

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

The PRESIDING OFFICER (Mr. HAGEL) appointed Mr. MCCAIN, Mr. STEVENS, Mr. GORTON, Mr. HOLLINGS, and Mr. FORD conferees on the part of the Senate.

Mr. MCCAIN. Mr. President, Senator ASHCROFT is necessarily absent. For the record, if he had been here today, he would have voted in favor of the Wendell Ford National Air Transportation System Improvement Act.

Mr. STEVENS. Mr. President, this is the Wendell Ford National Air Transportation System Improvement Act, as Chairman MCCAIN just pointed out.

I seem to have发展前景 from Kentucky is here. I think that this is an act that should be named after the Senator from Kentucky because of his long service on the Commerce Committee and particularly on the Aviation Subcommittee.

Our Nation has come through a very interesting period during the time that WENDELL FORD has been Senator from Kentucky—a total revolution in aviation and a concentration on safety and improvement of our airway system.

WENDELL FORD has been a leader in that effort. This bill signifies the totality of what he has done for the aviation community.

I come to the floor today, because, as I believe most Members of the Senate know, Alaska is completely dependent upon air transportation.

Over 70 percent of our communities can only be reached by air year-round. We believe in the safety of that system. I believe most Members of the Senate know, Alaska is completely dependent upon air transportation.

Mr. President, I move to reconsider the vote.

Mr. FORD. Mr. President, it is difficult for me to respond because it is somewhat melancholy, as this is my last effort at developing an aviation package, to have such kind remarks come from my friend who also has worked tirelessly in an attempt to make the aviation industry safer, more accessible, helping it expand, and giving it the opportunity to grow.

He comes from a unique State. He sits down with you and explains the problem. It isn’t “I am TED STEVENS, vote with me.” He sits down and explains the problem and what is needed to improve the problems of his fine State. It is very difficult for anyone to get his Senate to understand what Alaska has.

We have a great mix in this country. You go all the way from the cold in the north in the 49th State to the south where it is hot, and to Hawaii, the 50th State. We have a great mix. The people who represent those States are great.

Mr. SPEAKING. Mr. President, this is the Wendell Ford National Air Transportation System Improvement Act, as Chairman MCCAIN just pointed out.

I seem to have发展前景 from Kentucky is here. I think that this is an act that should be named after the Senator from Kentucky because of his long service on the Commerce Committee and particularly on the Aviation Subcommittee.

Our Nation has come through a very interesting period during the time that WENDELL FORD has been Senator from Kentucky—a total revolution in aviation and a concentration on safety and improvement of our airway system.

WENDELL FORD has been a leader in that effort. This bill signifies the totality of what he has done for the aviation community.

I come to the floor today, because, as I believe most Members of the Senate know, Alaska is completely dependent upon air transportation.

Over 70 percent of our communities can only be reached by air year-round. We believe in the safety of that system. I believe most Members of the Senate know, Alaska is completely dependent upon air transportation.

Mr. President, I move to reconsider the vote.

Mr. FORD. Mr. President, I thank my colleagues for all their hard work in putting this bill together. It was a tough task. But we have been able to work out just about every issue that was of concern to Members on both sides of the aisle.

The FAA in the future years must be able to have the funding that it needs to modernize. The new Administrator has a very difficult job. She has been working with the industry and with Congress to move forward on many tough issues.

Some have described the modernization of the air traffic control system like this: It is sort of like needing to rebuild your entire house, but you have to live there at the same time.

Modernization is a critical issue. We are involved in this bill for tourism, and because of its importance to each of us and without an aviation system that can grow, tourism will also be affected. In leaving, let me mention a few areas of concern.

In the next year the FAA and the aviation community, airports, airlines, manufacturers, and our international partners, must address the year 2000 computer problem. The FAA must also move forward on the STARS and WAAS systems established to improve safety and reliability and keep people’s lives at stake. We may fault the FAA at times for not moving as quickly as we want, but keep in mind how tough the task is.

In respect to the Wide Area Augmentation System, the industry is beginning to equip its fleet to be able to take advantage of a satellite-based tracking system. The FAA and the industry have got to move forward with this new program. We have committed hundreds of millions of dollars to this effort, and we cannot turn back now.

The Administrator knows all this, but this body has to give her the resources to do the job that we need to yank out all of the controller workstations across the country and put in new computers. All of us have new systems put in our offices, and we know it is a mess. The FAA has to do the same with the planes are still flying and people’s lives are at stake. We may fault the FAA at times for not moving large as quickly as we want, but keep in mind how tough the task is.

In respect to the Wide Area Augmentation System, the industry is beginning to equip its fleet to be able to take advantage of a satellite-based tracking system. The FAA and the industry have got to move forward with this new program. We have committed hundreds of millions of dollars to this effort, and we cannot turn back now.

The Administrator knows all this, but this body has to give her the resources to do the job that we need to yank out all of the controller workstations across the country and put in new computers. All of us have new systems put in our offices, and we know it is a mess. The FAA has to do the same with the planes are still flying and people’s lives are at stake. We may fault the FAA at times for not moving as quickly as we want, but keep in mind how tough the task is.

In respect to the Wide Area Augmentation System, the industry is beginning to equip its fleet to be able to take advantage of a satellite-based tracking system. The FAA and the industry have got to move forward with this new program. We have committed hundreds of millions of dollars to this effort, and we cannot turn back now.

The Administrator knows all this, but this body has to give her the resources to do the job that we need to yank out all of the controller workstations across the country and put in new computers. All of us have new systems put in our offices, and we know it is a mess. The FAA has to do the same with the planes are still flying and people’s lives are at stake. We may fault the FAA at times for not moving as quickly as we want, but keep in mind how tough the task is.
Mr. MCCAIN. Mr. President, I join Senator FORD in thanking the staff for their contributions: John Raidt, Ann Choiniere, Michael Reynolds, Lloyd Ator, Scott Verstandig, Brad Sabala, and Bill Winter on the Commerce Committee; Ivan Schlagel, Mitt Whitehorn, Jim Drewry, and Becky Kojim with Senator HOLLINGS' staff; Brett Hale and Jeannie Bumpus with Senator GORTON; and David Regan with Senator FORD, Charles Chambers and Tom Zoeller, who are no longer Senate staff but were so helpful in managing this legislation. Also, Mr. President, because of the scope associated with this bill, we have negotiated with literally every Senator and their staff members on various provisions of this bill, and I thank all of them also.

But obviously, Mr. President, I wish to express again my deep and profound appreciation to the Senator from Kentucky for his efforts on this legislation and many, many other aviation bills that have gone through the Senate during my time here. I think it is a very small token that the bill before us is named for him. He deserves that recognition and much, much more.

Mr. President, Senator FORD has been a Member of the Senate for 24 years. That is a long time, even in the history of the U.S. Senate. I have had the privilege of working with him for 12. When I first came to the Commerce Committee 12 years ago, I spent a lot of time with Senator FORD then and in the intervening years, especially on aviation issues, because he is regarded, perhaps, as the most knowledgeable Member of the U.S. Senate on those issues.

Senator FORD is also known—as I think, perhaps, I may be to some extent—as a person who fights fiercely for the principles that he believes in, for what he believes is right as God gave him the right to see it. And he also is a strong leader for his party. I noted, while looking at his biography this morning—I was scanning it—not only is he a former Governor, but for 6 years he was the chairman of the Democratic Senatorial Campaign Committee. I know that there are many times when he and his colleagues yearn for those golden days of yesteryear.

Mr. FORD. No, we lost then.

Mr. MCCAIN. Did you? But Senator FORD has obviously served his party well. And around this place you have the opportunity of working with your colleagues on a variety of issues, but I do not believe that I have observed anyone as effective, as single-minded, and as dedicated as the Senator from Kentucky. Yes, we have had fierce differences of opinion which have always been resolved at the end of the day with a smile and a handshake. I have learned from those encounters. I believe one of the great learning experiences of my life was in 1990 when Senator FORD fought for a massive restructuring of the aviation system in America. The impact of that will be felt well into the next century.

I watched him guide that legislation through all the rocks and shoals of the process around here, and it emerged as a landmark piece of legislation.

I am proud to have learned from him. I am proud to have worked with him and to be associated with him on a broad variety of areas. Most of all, I will be pleased many years from now to be able to call him my friend. So I thank him. I look forward to observing that same fierce determination and to be associated with him on the other side, to try to maintain this legislation intact as it has been reported out through the Senate.

As has often been observed, the Senator from Kentucky is not dying, he is just leaving the Senate.

Mr. FORD. Thanks.

Mr. MCCAIN. We will, for many, many years in the future, work with the Senator from Kentucky and maintain our close relationships with him. I know I speak for every Member on my side of the aisle when I say that.

Mr. President, I yield the floor.

Mr. FORD. Thank you, John. I appreciate it very much.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, let me add my words of admiration for the work done by Senator FORD. He has been an important part of the Senate for many years and has done some very important things for his country and the Senate will miss very much the service that he has offered. He is in the leadership, has been in many ways on the Democratic side of the aisle. But he is fiercely independent. He is smart. He is tough, and he has all the qualities that you look for in a good legislator.

He will, in my judgment, for many, many years be remembered as one of the really outstanding legislators in this body, and I feel very fortunate to have been able to serve with him. I just wanted to add those words to the words offered by the Senator from Arizona.

Mr. PRESIDENT. Mr. President, let us recognize the importance of today's passage of the Federal Aviation Administration Reauthorization bill. Today is a great day for rural America's air passengers. This legislation, now known as the Wendell H. Ford National Air Transportation System Improvement Act of 1998, will bring much needed air service to underserved communities throughout the Nation. It will grant billions of dollars in Federal funds to our Nation's smallest airports for upgrades, through the Airport Improvements Program (AIP).

Additionally, Senator MCCAIN, chairman of the Committee on Commerce, Science, and Transportation, is to be highly commended for his long-term leadership on this complex and contentious measure. Together with Senator FORD, their joint efforts moved this bill through the committee and to the Senate floor in such a manner that the amendment process was conducted in a spirit of cooperation. It is only fitting that this must-pass legislation be named after such a worthy Senator. WENDELL FORD has spent...
nearly 24 years as a Member of this body. For the last 10 years, I have enjoyed working with Senator FORD on a variety of issues within the jurisdiction of the Senate Commerce Committee. Through his leadership on this legislation, Senator FORD has proven himself as a champion of rural aviation issues. The Senate will certainly miss his guidance and insight. Likewise, the Senate will miss his wry, biting humor.

Rural Americans are the biggest winners with the passage of the Ford Act. Citizens of underserved communities will no longer have to travel hundreds of miles and several hours to board a plane. This legislation gives incentives to domestic air carriers and the airports to reach out to these people and serve them conveniently near their homes. Many Americans will be able to travel a reasonable distance to gain access to our Nation’s skies and, from there, enjoy a very useful experience.

Mr. President, I also applaud the hard work of Senator BILL FRIST of Tennessee. He added provisions to the Ford Act to expand small community air service. A dedicated effort is needed that underserved cities like Knoxville, Chattanooga, and Bristol/Johnson City are now in a position to receive additional or expanded air service.

The major policy changes in the Ford Act led to hard fought but honest disagreements. I have enormous respect for the efforts of Senators JOHN WARNER, JIM INHOFE, and KAY BAILEY HUTCHINSON as they diligently advocated for their States' economic growth and their respective States. This honest debate is what makes it exciting to serve in the United States Senate. I was very pleased by the efforts of Senators SLADE GORTON and ARLEN SPECTER to address a very essential issue, while resolving it in a true Senate fashion—a consensus which will prove to be beneficial to both sides of the debate.

Throughout the last 12 months, my home State of Mississippi has received Federal support from the AIP to make needed physical improvements. A portion of these funds went to the Bobby L. Chain Municipal Airport in Hattiesburg to rehabilitate their existing runway pavement and lights. Other funds were allocated to the Jackson International Airport to construct a new taxiway and apron. These enhancements are needed. And this bill will ensure that the AIP will continue uninterrupted authorization within the Ford Act will allow Mississippi to continue to receive funds for essential enhancements for the upcoming year. I look forward to working with the airport authorities in my home State that the right improvements are made at the right airports. This is about safety and about economic growth.

No legislative initiation is ever possible without the dedicated efforts of staff. And I want to take a moment to identify those who worked hard to prepare the Ford Act for consideration by the full Senate.

From the Senate Committee on Commerce, Science, and Transportation: Mark Buse; Ann Choiniere; Jim Drewry; Becky Kojim; John Raidt; Mike Reynolds; Ivan Schlager; Scott Verstandig; and Sam Whitehorn.

The staff who participated on behalf of their Senators: David Broome; Steve Browning; Jeanne Bumpus; Nat Grubbs; Brett Hale; Katrina Hardin; Dan Renberg; Pam Sellars; Ellen Stein; Ben Thompson; and Clay White.

Mr. President, these individuals worked very hard on the Wendell H. Ford National Air Transportation System Improvement Act of 1998 and the Senate owes them a debt of gratitude for their dedicated service to this legislation.

Mr. President, our Nation's small communities are a step closer to receiving long-sought air service. Also, America's smaller, yet important air strips and airports will be enhanced. This is good for all Americans.

MORNING BUSINESS

Mr. MCCAIN. Mr. President, for the information of Members, we are still working on a unanimous consent agreement on the Internet Tax Freedom Act between now and 10:30.

I now ask unanimous consent that there be a period of routine morning business until 10:30, with Senators permitted to speak for up to 10 minutes each.

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

UNANIMOUS CONSENT REQUEST— S. 442

Mr. MCCAIN. Mr. President, I ask unanimous consent it be in order for the majority leader, after notification of the Democratic leader, to turn to S. 442, the Internet tax bill and immediately after the reporting by the chairman of the Commerce Committee amendment be agreed to, and immediately following that action, the Finance Committee substitute be agreed to and considered original text for the purpose of further amendments.

I also ask unanimous consent that, during the Senate's consideration of S. 442 or the House companion bill, that only relevant amendments be in order. Finally, I ask that the Senate proceed to the bill at this time.

The PRESIDING OFFICER (Mr. GORTON). Is there objection?

Mr. GRAHAM. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard. The Senator from Arizona.

Mr. MCCAIN. I heard the objection from the Senator from Florida. I deeply regret that.

The floor is from Florida, as I understand it, is insisting on a specific result in this legislation. We never do that. The Senator from Florida knows that. We don't insist on a specific result.

We would be more than happy to listen to the amendment of the Senator from Florida. We would be glad to debate it. Perhaps I could even support it. But, frankly, what the Senator from Florida is doing right here—the other 99 Senators are in agreement—by objecting to us moving forward to the bill that is vital to the future of the economy of this Nation, I think the Senator from Florida takes on a very large responsibility.

I want to tell the Senator from Florida that I am going to file cloture right now and we are going to have a vote. And I also want to tell the Senator from Florida that because of that, we will delay, again, consideration of this very important bill. We will move forward. I do not understand why the Senator from Florida, after having a commitment of mine, that of the Senator from Oregon and everybody else, to give the kind of consideration that he deserves, and ample debate, unlimited debate on his amendment and a willingness to work with him—because the Senator from Florida knows that there is a Senator on this side who cannot agree to the language of the amendment that he is insisting on. That is what debate is all about. We just finished a bill, an omnibus aviation bill, where everybody sat down together. The Senator from Oregon was very unhappy with one of the results, as were a number of other Senators, including this one. But we worked the process.

So I again urge the Senator from Florida to withdraw his objection, especially when faced with the inevitability that this cloture motion is going to be agreed to, probably 99 to 1.

Mr. President, I ask, again, unanimous consent that the Senate proceed to the bill at this time.

Several Senators addressed the Chair.

The PRESIDING OFFICER. Is there objection?

Mr. GRAHAM. I object.

INTERNET TAX FREEDOM ACT— MOTION TO PROCEED

CLOTURE MOTION

Mr. MCCAIN. Mr. President, I still have the floor.

In light of the objection, I now move to proceed to the consideration of S. 442 and I send a cloture motion to the desk. I announce this cloture vote would occur on Tuesday of next week.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The legislative clerk read as follows:

CLOTURE MOTION
We the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the motion to proceed to Calendar No. 508, S. 442, the Internet legislation.

Trent Lott, John McCain, Dan Coats, Chuck Hagel, Larry Craig, Christopher
Senator from Arizona.

Mr. MCCAIN. Mr. President, let me just say that the President of the United States is in Silicon Valley today and the people in Silicon Valley were under the impression that we were going to move forward with this bill and resolve it next week. I hope that is duly noted.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. WYDEN. Mr. President, I am very hopeful that the Senate will not have to get into this cloture matter with respect to the Internet tax bill. The Senator from Florida is one of the Senate leaders that I have respect for in this body. I find myself agreeing with him on just about everything that comes before the Senate. As he knows, we have, over many, many months, tried to address the host of legitimate concerns that the States have. We have, as have others here—who know a tremendous amount about this, I have tried to make clear, as the principal sponsor of this legislation, all we are seeking is technological neutrality with respect to the Internet. The Internet would be treated like everything else—nothing favorable, nothing discriminatory.

Because many of the Nation’s Governors are concerned about other issues, particularly the question of out-of-State sales, this legislation, S. 422, has become a magnet for a variety of other issues.

The sponsors, Senator MCCAIN and I, especially have, in my view, done something now to make sure there was a fair evaluation of all the important issues with respect to out-of-State sales. Let me say, in doing that, there have been a number of other Senators—Senator GREGG and Senator Lieberman—who I think have been very fair in an effort to try to get to a compromise on this matter. As the Senator from Florida knows, just a few minutes ago Senator MCCAIN and I were willing to make additional changes in the managers’ amendment to ensure that there would be a fair study of both the Internet and commercial activities, which is the precise language that the Governors have sought.

I don’t think there is anything else that Senator MCCAIN, I, or others can offer at this point to ensure that a fair and objective set of studies and analyses go on by the commission.

I hope that if there continues to be opposition to this legislation, that those who oppose the legislation simply say that they are opposed and not, in effect, produce a situation which I think is going to turn what ought to be a bipartisan and thoughtful fight into what will be a very bloody battle.

I see my friend from North Dakota here. The Senator from North Dakota has had strong views on this, and over many, many months we have been negotiating on it. He did not come to the floor today to object as a result of that work, nor did Senator BUMPERS.

Mr. President, I am hopeful that the Senators on the Democratic side are not going to force what I think will be a very unfortunate and bloody fight with respect to a bill that has undergone more than 30 separate and important changes since it was originally introduced to accommodate the concerns of the States and localities. Those folks were very, very opposed when this discussion started. They raised legitimate issues. We have sought to deal with them. I would still be able to go to a motion to proceed early next week and not have a bitter fight as I think we have over cloture.

I would just point out the President of the United States is in Silicon Valley today and I believe he and the President of the United States has strong views on this. I am hopeful that the Senators who may have questions about how this legislation will affect the States, who may have questions, will let us go forward in an effort to try to resolve this and not just get to a solution with respect to one section and then say, “Well, I have another one that we have to deal with.” which, regrettably, has been the case. I have enormous respect for the Senator from Florida and I think one of the more unpleasant tasks is to have an argument with him. I hope this can be resolved.

Mr. President, I yield the floor.

Mr. GRAHAM addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida.

Mr. GRAHAM. Mr. President, I appreciate those kinds words from my good friend from Oregon. I share the hope that we can arrive at a reasoned resolution of this matter.

I will briefly state why I think this is such an important piece of legislation. First is fundamental fairness. We have a situation now in which remote commerce—that is, commerce that is not conducted through the traditional retail sales outlet—is effectively exempt from the same taxes as the one who buys a sweater that one would buy at the local department store, subject to local and State sales taxes, is exempt from those taxes, for practical purposes, if it is purchased by a remote sale, either the traditional postal sales or by the newer electronic commerce.

The U.S. Supreme Court has ruled that that degree of unfairness as to taxability of the form of sales is a decision which has been made by the Congress. It is, as Senator Burns has observed, up to the Senate to decide. Our decision not to authorize the States to impose a tax on the seller using a remote sales method has resulted in the inability of the States to impose that tax.

Therefore, as we are looking at the issue of Internet sales, those of us who are concerned about this unfairness in the marketplace where our local merchants are required to collect the sales tax there. As the Senator from Oregon has noted, the competitive disadvantage of their remote sales brethren who are not—that this commission should study that issue. That is one of the concerns that those of us who have been negotiating on this States want to achieve.

But there is really a larger issue at stake here, Mr. President. Many of our States, including my own, are very heavily dependent upon the sales tax as the means for financing their basic responsibilities, and the most basic responsibility of State government is education. In my State, some 35 to 40 percent of its tax collections, which are predominantly sales tax, are used to finance education.

What is happening is that as the new forms of commerce, particularly electronic commerce, become more attractive and more available and more familiar, they are gathering a larger and larger share of all retail sales in the United States. If we adopt the policy that they should not be subject to tax, as we have adopted the policy by inaction that postal long distance sales should not be subject to tax, we are going to substantially erode the ability of State government to carry out its most fundamental responsibility, which is to educate the next generation of Americans.

That is the fundamental issue which I think is at stake here. The idea of having a short pause so that we can arrive at a rational way to deal with all of these issues is appealing. I think the idea of this bill, as reported by the Finance Committee, to have a 2-year pause in any discriminatory taxation relative to Internet sales or charges to have access to the Internet, and during that period to have a commission that would look at all of this interrelated set of issues, is a proposition that I can support.

I just want to be personally satisfied that, in fact, that is going to be the result and that the result will not be a skewed study that will exclude some of the most important aspects of this and which by saying that we are going to treat Internet commerce the same way as we do other remote commerce, answers the question before it is asked, because we know how other forms of remote commerce are dealt with; i.e., they are exempt from State sales taxes. If we say the Internet shall be treated in an equivalent manner, we have preordained how it is going to be treated; i.e., exempt from State sales taxes, and we have further preordained that the States’ ability to carry out their important functions, particularly education, will be eroded.

Mr. President, that is why I have had this degree of disagreement with some
of my best friends and colleagues in this Chamber, the Senator from Oregon and the Senator from Arizona. I don’t believe that we are that far apart in terms of finding the set of words and phrases that will carry out our joint intention, and I hope that between now and the time we adjourn that goal will be achieved. We need to have a consideration and be able to have a consideration. I recognize that once this bill is up, there will be policy differences among the different parties. The National Governors’ Association feels very strongly about this legislation as it impacts the ability of the States to meet their responsibilities, and those views deserve to get a proper airing.

I also recognize that the House has already passed a companion bill to this but which is somewhat different from the bill that is before the Senate. So there will be a conference committee. There will be further reforms on this matter.

My concerns are fairness in the marketplace and the ability of the States to be able to carry out their responsibilities, especially the responsibility which I think the American people feel is the principal national challenge in which is to properly educate the next generation of Americans so that they will be able to compete in a world of electronic commerce.

Mr. President, I appreciate the opportunity to have made those clarifying remarks and yield the floor.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

THREE ITEMS OF CONCERN ON THE SENATE’S AGENDA

Mr. DORGAN. Mr. President, I want to make some comments on three items that are left on the Senate’s agenda that I am very concerned about before we begin going to continue, for apparently 2 additional weeks, and try to adjourn for the year and finish the 105th Congress on October 9th or October 10th. In the 2 short weeks that remain, I am told that we will consider H.R. 10, the financial modernization bill, fast-track trade authority for new trade treaties, and a substantial tax cut.

I want to describe how easy it is, with a small amount of time left, to make big mistakes. I am mindful there will be an attention about these three items. And I am also mindful back in my hometown one of the older fellas who was the wise sage said, “It’s hard to tell the difference between the open minded and the empty headed. They dress alike.”

Let me describe these three issues and tell you what I think is empty headed about the attempt to try to pass these three pieces of legislation in the final 2 weeks of a legislative session.

FINANCIAL MODERNIZATION

First, H.R. 10, the Financial Services Act of 1998. H.R. 10 is a huge piece of legislation that deals with the financial institutions of this country and the methods by which they are involved in various kinds of activities. We have had some experience in this country with the mixing of different kinds of enterprises—banks whose deposits are insured with up to $100,000, by the American taxpayer I might say; banks, those who are speculating in real estate, those who are involved in securities activities, those who are selling insurance; those kinds of financial activities.

We have had some experience in this country putting a number of those together in one institution and then seeing, through speculation, one part of the institution weakening and eroding the other part of the institution that caused massive bank failures in our country. The result was in the 1930s and this country said let’s not forget what happened here. Let’s not allow this to happen again, and let’s create certain circumstances that would prevent the financial enterprises whose very existence depends on the perception of safety and soundness—not unsafety and soundness, but on whether people perceive the institution to be safe and sound. Their very existence is at stake there.

Let’s not threaten again the banking institutions by fusing together financial conglomerates that merge banks with the more speculative enterprises of securities and insurance, or even commerce.

The American public has in this century paid a heavy price for the mistakes in those areas and put together walls in the form of legislation to prevent it from happening again. H.R. 10 is an attempt to bring the walls down. It says, “Let’s create a kind of financial fruit salad here. Let’s decide we can merge all of these again. We can put all of these together and we can build firewalls, and you’ll never feel the heat in between and other bare-branched institutions and the American taxpayer will not be put at risk.”

I guarantee you this, that if this Congress passes in the final hours, H.R. 10, financial modernization legislation, it will result almost immediately in exacerbating the orgy of mergers that now exists in this country with big banks, and an orgy of mergers that will not only include banks, but will continue to include, at a greater pace, banks with the other kinds of financial enterprises I just described.

And 20 years or 30 years from now they will look back at this Congress and say, and say, “How on Earth could they have thought that that made sense? How could they have possibly thought that was in the public interest? How could they have forgotten the lessons that they learned in the 1920s and 1930s that resulted in the legislation that had protected us?”

I know that there are many big interests and there are many who want this bill to pass. There is a great deal of lobbying on its behalf. But I feel so strongly that to do this in the final 2 weeks of a legislative session would have such enormous consequences and pose such substantial risks for our country that I am going to resist with all of my effort the motion to proceed and in every other way to try to slow this train down on behalf of the American people.

I know it sounds attractive. I know some say, “This is creating a new financial blueprint for our institutions for the future, allowing them to compete at home and abroad. It’s now a global economy.” What it is is forgettable. It is really just a replay, in some ways, of the Garn-St. Germain bill of the early 1980s in which they unhitched the S&Ls and said, it is OK. You go broker deposits. You load up with risky junk bonds. You can become Roman candles. Take a small S&L and turn it into a giant S&L with broker deposits, and you can do a whole range of other things, and it is fine—and the American taxpayer got stuck with a nearly $500 billion bailout for that fiasco.

If this bill passes, there will be massive, massive mergers once again. And they have already been going on at an unprecedented and unhealthy pace in the banking industry and other related financial industries. So that is one big mistake I hope this Congress will avoid in the remaining days of this session.

And to the extent I have the energy to be able to help them avoid it, I intend to try to do that.

FAST TRACK

Second is fast track. I know that also has a lot of support, fast-track trade authority. Just the very words “fast track” connote lack of preparation. Fast track, fast food—you just go down the line on what “fast” precedes, and it describes well “fast track.”

Fast track means you create a trade agreement negotiated in secret, behind locked doors someplace, probably in most cases overseas, and bring it to Congress and say to Congress, “You won’t have any kind of participation in this trade agreement, but you have no right to offer amendments to it.”

The last three trade agreements under fast track have been incompetent. I voted against all three. In each case we have, as a result of it, had higher and higher trade deficits—Canada, Mexico, GATT—record trade deficits. This country is choking on trade deficits. I think to bring fast track to the floor of the House and the Senate in the final 2 weeks is regrettable.

I will, again, to the extent I have any capability of slowing this down, there will be nothing fast about it. If I can create a legislative bog through which they cannot pull this fast track, I guarantee you I will object to every circumstance that allows anybody to create a legislative bog through which they cannot pull this fast track. I am against it, and I hope our colleagues who have no right to offer amendments to it will bring it to a vote and let us have a vote on what “fast track” means.

I know we are going to spend some time on the Senate floor talking about these three items. I am going to try to do that with the best of my ability and I hope that we can have a conference committee that can look at this and try to make the best of the legislation that is before us and the Committee on the Budget is working on it and I hope that we can have an agreement that is acceptable to some of us. But I am very doubtful of that.
I have a lot of things I want to get done, others have a lot of things they want to do, and in most cases we work closely together and have good relationships, but on large public policy issues like this it seems to me we ought to be very careful. I feel very strongly about all three of these areas. All three, in my judgment, would be a mistake.

I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The roll clerk proceeded to call the roll.

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

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

PATIENTS' BILL OF RIGHTS

Mr. KENNEDY. Mr. President, here we are, Friday at 11 o'clock. Most Americans are out working the fifth day of the week, and the Senate is in a quorum call while we have important business to attend to. None is more important than the consideration of the Patients' Bill of Rights. I took time yesterday on the floor of the Senate when we had a long quorum call, asking why we weren't debating the Patients' Bill of Rights, as I did the day before. We are mid-morning on a Friday—a workday for most Americans—just going through the motions before reassembling, with a cloture vote scheduled late Monday afternoon.

We could debate this issue all day today, could debate the issue all day on Monday, and we could have some resolution to the kinds of protections that we are talking about in the Patients' Bill of Rights. We have written these protections into legislation and we have described these protections on the floor. We have challenged our friends on the other side, the Republican leadership, to permit us an opportunity to debate and vote on the kind of protections that are outlined in the legislation introduced by Senator DASCHLE.

However, we have been denied the opportunity to bring up this legislation, and to debate these various protections. Instead, we have continued in the Senate to move forward on other pieces of legislation which, I think, are not as important as they are, don't measure up to what I think most families are concerned with—and that is ensuring the protection of the health of themselves, their children, and their parents. Endorsements of various groups and individuals are important in some instances, less so in other instances. But I daresay that in this particular instance virtually all of the leaders in the health debate—certainly the doctors, nurses, and patient coalitions—have endorsed our proposal. We have been asking the Republican leadership for the names of the organizations that endorse their program. And we are still waiting to hear from the other side which medical professional groups have endorsed or supported the Republicans in this debate. I do not think there are any leading groups that support their plan, while virtually all support our legislation. Still, we are denied the opportunity to debate.

Now, yesterday Senator GRAMM took the floor for an extended period of time to attack our plan. He said that the Republican solution was a new kind of insurance policy called medical savings accounts. The fact is that our bill takes medical decisionmaking out of the hands of the insurance company accountants and puts it back where it belongs, with the patients and the doctors. The Republican program is a sham and it gives the appearance of reform without the reality.

I was struck by the fact that my friend, Senator GRAMM, accuses the American people of wanting something for nothing, of wanting a "free lunch." I object to this characterization of the patients who want protections from the health insurance company abuses.

That is what we are basically talking about. What is at the heart of the legislation that we support is ensuring that medical professionals, doctors, nurses, and the trained medical professionals—make medical decisions. Those who are opposed want to maintain the status quo. They want to permit, in too many instances, insurance company accountants to make medical decisions.

Now, a number of HMOs work well. Managed care in its best form can be good for patients. There are even a number of HMOs that support our particular proposal. And portions of our legislation are drawn from standards adopted voluntarily by some plans. But the problem is the bad apples that reach their medical decisions not on the basis of what is necessary from a medical point of view, but what is necessary from a bottom line or the profit point of view of the HMO. That is the fundamental, basic issue. That is it.

The good HMOs are complying with the kinds of protections that we have here. But a great many of other HMOs are not. We want to make sure that the patients are going to get what they pay for and what they are entitled to, and that their medical decisions are made by medical personnel and not accountants for insurance companies.

That fact is misunderstood by the Senator from Texas. What he has basically done in his presentation yesterday is accuse the American people of wanting something for nothing—I use his words: "a free lunch." Those are the words the Senator used. Mr. President, I object to the characterization of patients who want protection from health insurance company abuse as patients who want a free lunch.

I don't think a cancer patient who needs access to a specialist or a cancer treatment center wants a free lunch. I don't think that a family with a child experiencing seizures is asking for a
free lunch when they want to rush their child to the nearest emergency room, and their HMO, in an emergency, requires instead that they go all the way across town to another emergency room. That type of response can risk the life and the health of that particular child. I don’t think the patients who are saying, ‘Why can’t I take my child to the nearest emergency room?’ are asking for a free lunch. I don’t think a woman whose doctors say she needs to stay in the hospital after a mastectomy, that her insurance company wants to send her home, with tubes still dangling from her body, is asking for a free lunch.

All of these examples I am using are examples we have presented to the U.S. Senate day in and day out over the period of the past many months. All of those particular situations are addressed in our Patients’ Bill of Rights. I would have hoped that the Senator from Texas at least would have urged the Republican leadership to permit us to debate this and let the Senate resolve these particular issues. That is where we would have the opportunity to make our respective presentations and call the roll on these matters, as to whether these requests amount to “free lunches.” Let him make his presentation, and those of us who are strong supporters of the Patients’ Bill of Rights can respond and make a presentation to the Senate. Then let the Senator from Texas decline to vote on those individuals are trying to have a free lunch.

I don’t think a doctor who is penalized for telling patients about the best available treatment is asking for a free lunch. In too many HMOs, where doctors make that kind of judgment and tell that patient they ought to have a treatment that is not on the plan’s list, is that they are effectively fired, or they are not rehired at the end of the year. Yet the insurance company’s representatives can say this isn’t a gag rule. But the fact that they are not hired back when they are dismissed is effectively a gag rule. That is what is happening in too many circumstances. I don’t think that the patient who is getting the best advice from that doctor—which at the risk of that doctor’s employment, is asking for a free lunch.

I don’t think an individual suffering from terrible mental illness, like schizoaffective or clinical depression, who wants effective pharmaceutical products to treat the illness rather than the older, ineffective, but cheaper medication that happened to be on the quality plan they promise but, too often, insurance companies refuse to give the best in terms of health care to the patient. All we are requiring is that they just give the patient what they paid for, what HMOs are required to give. But the Senator from Texas is just looking for a free lunch. These Americans don’t want something for nothing, and it is insulting of the Senator from Texas to suggest that they do. They have faithfully paid their premiums and they deserve quality care.

These companies don’t mind going out and representing that they have a whole range of different quality programs to get individuals into their HMOs. They have too often, insurance companies then deny the individuals the kind of health quality protections they need when they get ill. That is what is happening.

That is where there is bureaucracy; the bureaucracy is in that HMO that refuses to give the best in terms of health care to the patient. All we are requiring is that they just give the patient what they paid for, what HMOs are required to give in terms of quality health care. But the Senator from Texas isn’t doing it. They are not doing it in the ways listed on this chart, Mr. President.

These are not just made up categories of care; these have been recommended by the President’s non-partisan commission, and by Congress for the Medicare program. These are recommendations that have come from State insurance commissioners. These are recommendations that have been made by the health plans themselves. They are the ones who made these recommendations. We didn’t just pull this out of the blue.

These are protections that those who know the condition of what is happening in America have recommended to us. That is what this debate ought to be about.

Mr. President, the American consumer has faithfully paid for their premiums. They deserve quality care. The characterization of it by the Senator from Texas is typical of the attitude that the Republican leadership has taken toward this issue. They want to allow insurance companies to continue to put the profits first and patients last—all driven by the bottom line.

You can solve these issues and problems by having the decisions affecting the quality made by the doctors. There is not a great mystery about what the solution is.

But no. We do not hear that from the opponents. They want to allow the insurance companies to continue to put the profits first. That is why they have offered a sham bill. That is why they won’t allow the Senate to have a chance to debate and vote on this issue. That is why they are trying to change the subject to medical savings accounts. They don’t want to debate this issue. They refuse to debate this issue. They want to debate another issue and divert attention away from the real issues.

They do not want to talk about clinical trials and their importance for women with breast cancer. They do not want to talk about the ability to have the pediatric specialist for children with life-threatening diseases. They don’t want to debate those issues. They don’t want to debate the question about giving the family the right to be able to go to the nearest emergency room rather than across town. They don’t want to debate that issue. Which of these do they not want to debate? We challenge the Republican leadership to tell us.

But day after day we go on with the charade of trying to get cloture to prohibit any kind of amendments and any debate on this issue. That is wrong. It is absolutely categorically wrong.

We are committed to trying to have this kind of debate and discussion on, as Senator Daschle and Senator Breaux have many occasions, a reasonable way to proceed. But, quite frankly, we see day in and day out the Republican leadership attempting to do to the U.S. Senate what many of these HMOs are doing to their patient. It is gagging them; they can’t give them the right kind of health advice. The Republican leadership is gagging the Senate by saying: We will only permit you to bring this up if we have one vote—one vote—and do it now with no debate.

Why aren’t we debating this on Friday at 11 o’clock this morning, or this afternoon, or on Monday when millions of Americans are going back to work? Why aren’t we debating these issues? Won’t we, Mr. President? It is silence on the other side. It is silence on the other side. They are trying to gag us from debating these issues. They are trying to protect the profits of those HMOs that refuse to provide the right kind of treatment by refusing us the opportunity to address these issues. They are basically protecting those various special interests and denying to virtually every major consumer group, and every major medical professional group their voice here in the Senate. They refuse to let us even debate these issues. And the American people understand it.

The American people want Congress to pass strong and effective legislation to end the abuses of HMOs, managed care plans, and health insurance companies. They want us to pass the Patients’ Bill of Rights, which was introduced by Senator Daschle and Senate Democrats, to provide the needed and long overdue antidote to these fester ing and growing abuses. Our goal is to protect the patients and to see that insurance plans provide the quality plan they promise but, too
often, fail to deliver. Our bill has been on the Senate calendar since March. An earlier version of the legislation was introduced more than a year and a half ago, but the Senate has taken no action because the Republican leadership has been compounding the abuse by the rules of the Senate to block meaningful reform. This record of abuse should be unacceptable to the Senate. It is certainly unacceptable to the American people.

We wrote yesterday in which a letter was released from 36 groups representing patients, families, psychiatrists, psychologists, social workers, and others concerned about quality health care for people with mental illness. As I discussed in a floor statement yesterday, these groups begged the Senate to act to pass a patients’ bill of rights, because with every day that passes, patients and their families suffer needlessly because of abuses by managed care plans.

The stories they told were tragic—they involved suicide, spousal abuse, anxiety attacks inflicted on a Vietnam veteran, successful courses of treatment cruelly interrupted—all because insurance companies are putting the bottom line first and their obligations to patients last.

This forum was just the most recent one in which we have heard patients and doctors and nurses pleading with the Republican leadership to act on real managed care reform. In my statement yesterday, I reported on an earlier forum in which we heard from Dr. Charlotte Yeh, an emergency room doctor representing the American College of Emergency Physicians. Dr. Yeh described tragic cases in which patients had been denied the care they needed because of managed care penny-pinching.

On behalf of the college, she endorsed our legislation, and she denounced the Republican leadership's alternative as worse than inadequate. Only with a full and fair floor debate can we pass real protection for patients who need emergency care or who should be allowed to go to the nearest emergency room when the symptoms of serious illness strike.

On July 24, we heard from cancer patients and their doctors who explained how critical the provision of the Patients’ Bill of Rights was in assuring patients adequate access to clinical trials. These are often the only hope for patients with incurable cancer or other diseases where conventional treatments are ineffective. They are the best hope for learning to cure these dread diseases. Insurance used to routinely pay the doctor and hospital costs associated with clinical trials—but managed care plans are refusing to allow their patients to participate or to pay these costs.

We understand. When patients are in a clinical trial there isn’t a significant increase in terms of the costs to the HMO. It is just the routine doctor costs and hospital costs that they would pay anyway. The trial itself pays for the kinds of additional attention and prescription drugs that are given to these patients. But the insurance companies won’t even cover the minimal payments.

Our bill requires them to respond to this need—but the Republican bill does not, and the Senate leadership does not want a debate on this issue. Fourteen leading organizations of cancer trials representing the eight million Americans surviving with cancer and the 1.5 million Americans who will be newly diagnosed with cancer this year, have spoken out strongly on the need for this amendment. These are organizations that patients and physicians alike look to for guidance on cancer issues. They include the National Coalition for Cancer Survivorship, Cancer Care, Incorporated, the Candlelighters Childhood Cancer Foundation, the Susan G. Komen Breast Cancer Foundation, the Alliance of Breast Cancer Organizations, the North American Brain Tumor Coalition, US TOO International, the Y-ME National Breast Cancer Society, the American Society of Clinical Oncology, the Alliance for Lung Cancer, Support and Education, the Friends of Cancer Research, the Leukemia Society of America, and the Oncology Nursing Society—all groups that speak out for patients who have cancer. They have made their recommendations. They support our legislation. But we are being refused and denied the opportunity to even debate it.

Here is what the combined cancer groups say about this:

Clinical trials represent the standard of care for cancer patients. Patient care in clinical trials is no more important than standard therapy. Cancer will strike roughly one in three Americans during their lifetimes. Even those who escape the diagnosis will have friends and family touched by the disease. Any patient rights or quality care legislation must provide for people with cancer if it does not include provisions ensuring access to clinical trials.

That is what we are talking about—clinical trials for individuals who have cancer. Why can’t we debate that on the floor of the U.S. Senate on a Friday at noon? Why can’t we call the roll for those who believe, as the cancer organizations do, that clinical trials are a critical aspect of treatment, and that most Americans believe when they sign up for cancer trials that they are going to get the best in terms of American health care? And they do with a better HMO. But there are too many that are denying that care. Too many that are risking their lives because they are being denied the opportunity for hope and opportunity for survival for an individual member of a family. That is unbelievable. But that is happening—denial. Too often the insurance companies offer a shallow promise. But our program enforces these protections. The Republican plan does not.

Mr. President, we see that not one, not a single group that is concerned about the survival of cancer has supported the Republican program. But virtually every major cancer group supports our legislation and believes it is essential to protect American families.

Why can’t we debate that on the floor of the U.S. Senate? What is it about? Hard-working Americans—more than 160 million working Americans who are going to work today on Friday at noontime.

Why aren’t we debating that in the Senate? Why aren’t we debating it at 2 o’clock tomorrow Monday morning or afternoon? We are prepared to debate these issues. But, no, the Republican leadership refuses to debate them. We are effectively seeing the manipulation of the Senate rules in such a way as to deny the opportunity for full consideration of something that is of core concern and importance to every American family, and that is the quality of their health care.

So, Mr. President, I just want to again reiterate my strong support for our Democratic leader. Senator Daschle, who has indicated that we are going to still, even in the final days of this session, continue to pursue this. There are those who say, well, we haven’t got enough time. But our Republican friends must think we do have enough time because they are continuing to resist our efforts. They must assume we do have enough time. It is amazing how quickly this body can act when we want to act on important pieces of legislation, and we do have time. So, Mr. President, we will continue to press these issues forward.

I see other of my friends and colleagues in this Chamber. I will continue to address this issue at another time but it is important that we have seen one more week go by and a denial of the request of our Democratic leader to at least have a reasonable period of time to debate these issues and resolve them in a way that would respond to the central concerns of every major medical professional group and society in our country. I am not aware of a single medical society or patient group that supports the Republican plan—not one. We have been waiting to hear one. They can’t come up with one. In contrast, more than 180 groups support our particular proposal.

Now, we may not have it all right, and we are interested in discussing adjustments that we may have to make. But 187 groups in our country, representing the cancer societies, the medical professionals, the nurses, the patient groups, working families, and others effectively support our proposal.

Every major children’s health organization in our society has endorsed this proposal because they know how important this is for children. Every major breast cancer group in our society that cares about women and understands the enormous possibilities of breakthroughs in terms of the new...
modern miracle drugs supports our proposal. Every major group that represents persons with disabilities in our country—individuals who are challenged mentally and physically every single day—supports our proposal. And still, because the manipulation of the Senate rules, the denial of debate and discussion and ultimate resolution as to what this body would say to families of this country on such a matter. It is wrong, and we are going to continue to press our case.

I yield the floor.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. KENNEDY. I am glad to yield.

Mr. BYRD. Mr. President, the distinguished Senator from Massachusetts can always be counted upon to stand up for the things in which he believes. He is constantly supporting legislation that is calculated and dedicated to bring better health care to the American people. I support his Patients’ Bill of Rights. “Constancy, thou art the jewel.” He is always constant in this efforts.

I have been hearing some ads on the radio, and these ads are talking about the “Kennedy Bill of Rights.” I don’t recall their ever telling us what is wrong with it. They may have been doing it; I have missed that. But I continue to see these ads on the television: “Write your Congressman, write your Senator, write your representative, and urge them to defeat the Kennedy Bill of Rights, the health care bill of rights.”

Tell me, has the Senator seen those ads, and what are we talking about?

Mr. KENNEDY. Mr. President, it is very interesting. I have seen those ads, but I believe they are going to be pulled very soon because what has happened, according to the most recent study by Bob Blendon at Harvard and the Kaiser Family Foundation, is that support for our bill has gone up, quite in conflict with the intentions of those who who have appeared to have been critical of the Patients’ Bill of Rights. And so now the insurance companies and corporations that oppose the Patients’ Bill of Rights are reviewing their television strategy because their campaign has had the reverse effect. They are sort of going back to the drawing board.

But quite clearly, as the Senator implies, their ads certainly were not a fair representation of the legislation that we have introduced. As I mentioned, virtually every one of these proposals in our bill has either been suggested by the President’s commission—which was bipartisan and reported its recommendations unanimously for all patients, or included in Medicare at the present time and used in protecting our seniors, or have been embraced by the state insurance commissioners—which are the people who stand around this country, Republicans and Democrats—or adopted voluntarily by the HMOs themselves through their trade association.

This legislation reflects the best judgment of those groups that know this issue best. That is why we have a sense of confidence in this legislation. It has the strong support of those professionals who treat families and understand the kinds of protections that are necessary to do the best of health care to American families.

Mr. BYRD. Mr. President, I thank the Senator for enlightening this Senator in response to the question I asked. I again commend him for his unceasing efforts on behalf of this legislation, the Patients’ Bill of Rights.

Mr. KENNEDY. I thank the Senator.

MORNING BUSINESS

Mr. MURKOWSKI. Mr. President, on behalf of the leadership, I ask unanimous consent that the name of Senator Bunning be added to the cloture motion in place of the Senator from Wyoming. Mr. Enzi, whose name was inadvertantly added to the motion in error.

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

CLOTURE MOTION CORRECTION—S. 442

Mr. MURKOWSKI. Mr. President, on behalf of the leader, I ask unanimous consent that the name of Senator Bunning be added to the cloture motion in place of the Senator from Wyoming. Mr. Enzi, whose name was inadvertantly added to the motion in error.

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

NATIONAL CANCER AWARENESS

Mr. MURKOWSKI. Mr. President, I rise to address two matters that are of importance to me. The first is the issue of national cancer awareness.

Mr. President, for the next 3 days, hundreds of thousands of cancer survivors, families, cancer givers, and friends, whose lives have been affected by cancer will join together in this city for an event called “The March: Coming Together to Conquer Cancer.” Yesterday, other Members of this body and I had an opportunity to place a large star on our respective States to represent special persons in our lives who have been touched by cancer.

I had the pleasure and honor on behalf of my wife, Nancy, to place a star on my State of Alaska for the late Judge Lester Gore, my wife’s father. He was a remarkable pioneer in our State. In 1912, Judge Gore moved to Juneau after graduating from law school and established an impressive record as a young deputy district attorney. He was recognized in that effort in 1992 by President Hoover’s appointment to serve as a Federal judge for the Territory of Alaska, serving the first judicial district in Nome.

In securing a Federal judge in the far reaches of western Alaska in the aftermath of the gold rush, Judge Gore traveled from village to village hearing various cases and judging on the merits. He used every mode of transportation from dog team to the former cutter Bear, bringing justice to rural Alaska. He was instrumental in both creating legal precedent and shaping the legal history of our State. Later in life he served on the bench in Ketchikan, and died in 1965 of cancer. He had many accomplishments but none more important to me than fathering a daughter, Nancy, who later was good enough to accept my proposal on our marriage.

In addition, I was pleased in my own personal case to recognize my mother, who died of cancer, leukemia, in Alaska in 1956, having spent her entire career in the area of education. She was the longest standing sixth grade teacher in Ketchikan, Alaska.

To move on, for more than 20 years now, my wife, Nancy, has worked with Alaskan women to encourage the establishment of a breast cancer center starting in Fairbanks, Alaska. She and a group of women initiated the Breast Cancer Detection Center for the purpose of offering free mammograms to women in the remote areas of Alaska, regardless of their ability to pay. I am proud to say that the center now serves about 2,500 women a year and provided screenings to more than 25,000 Alaska women in 81 villages throughout the State.

To help fund these efforts, the Fairbanks center, each year my wife has sponsored a fishing tournament to raise money for the operation of the facility and to purchase units. Interestingly enough, over the last 5 years they have raised over $1 million in this effort. They now operate a permanent facility in Fairbanks, as well as a mobile mammogram unit that travels the highways of Alaska providing free breast cancer examinations for the women along the highway system. It looks like a big armored car. More reassuring in behalf of this legislation, the patients’ bill of rights, is constantly supporting legislation for the things in which he believes. He can always be counted upon to stand up for American families.

This legislation reflects the best judgment of those groups that know this issue best. That is why we have a sense of confidence in this legislation. It has the strong support of those professionals who treat families and understand the kinds of protections that are necessary to do the best of health care to American families.

Mr. BYRD. Mr. President, I thank the Senator for enlightening this Senator in response to the question I asked. I again commend him for his unceasing efforts on behalf of this legislation, the Patients’ Bill of Rights.

Mr. KENNEDY. I thank the Senator.

NORTH KOREA MISSILE TEST

Mr. MURKOWSKI. Mr. President, I would like to address one more issue, with the agreement of my colleagues. I see a number of them on the floor—
Senator BYRD—so I will try to be very brief. But I want to talk a little bit about our national security interests and what is occurring in North Korea. It does not just affect my State of Alaska, although this recent three-stage rocket of Alascan interest in my State because on August 31, 1998, the North Koreans fired a rocket which we now believe is a three-stage rocket carrying a satellite over the sovereign territory of Japan and it evidently came down very close to my home town of Anchorage.

Although initial reports indicated that this was a two-stage rocket with a range of approximately 1,200 miles, now there is acknowledgment in the U.S. intelligence community that it was likely a three-stage rocket carrying a satellite. The third stage malfunctioned, consequently the satellite was not launched. But the point is that it has been identified that, indeed, the North Koreans have the rocket capability of putting a type of armament to the shores of the United States.

The Asian press reported that the rocket traveled 3,700 miles, or 6,000 kilometers, and landed in the ocean near Alaska. On September 17, the U.S. Department of Defense spokesman Kenneth Bacon responded to this report by saying:

The only way to track this is by radar tapes and there’s considerable disagreement among experts on how to interpret this.

Let me add what I think really means. The only way we have to track this is by radar tapes; in other words, after the fact. But intelligence sources have been quoted as acknowledging that a three-stage rocket could have a range three times that of the two-stage Taepo Dong I rocket. Particularly concerned about this latest missile test, a number of us have recognized that there seems to be a breakdown on whether the administration was either caught off guard by the sophistication of this technology, or was reluctant to share this information with lawmakers.

I am reminded of President Clinton’s comments last year, when he said “[t]he possibility of a long-range missile attack on U.S. soil by a rogue state is more than a decade away.”

That does not appear to be the case—as a consequence of the occurrence in August, the last day of August, relative to the North Korean missile which did land within 600 kilometers of my State of Alaska.

This would ignore the testimony in 1994 by John Deutch, then-Deputy Secretary of Defense:

If North Koreans field the Taepo Dong 2 missile, Guam, Alaska and parts of Hawaii would potentially be at risk.

It appears the North Koreans have gone beyond even what Mr. Deutch envisioned by launching a three-stage rocket carrying a satellite. This brings to an immediate need for missile defense, Mr. President. MIT professor Daniel Fine has an interesting take on why we need immediate action on a National Missile Defense System which protects all of the United States, including Hawaii, Alaska and our territories. He conclusion is that:

If the $32 billion infrastructure associated with the Prudhoe Bay—which produces 1.6 million barrels of oil . . . is subjected to a credible missile threat . . ., then the cost to the American economy of a missile threat as economic blackmail would reach $4 billion—$6 billion in the first ten days.

Well Mr. President, I for one do not think it is far fetched to think of Prudhoe Bay . . . as a potential target. After all, it accounts for approximately 20 percent of the total domestic production of crude oil in the United States. While I have not reviewed how the professor reaches the $4 to 6 billion figure, I think it should serve as a wake-up call to those who continue to oppose a National Missile Defense System. It is not just Alaskans, Hawaiians and those in Guam who should be concerned about the launch. Monday’s test was the first of a multistage missile. According to experts, the ability to build rockets in stages opens the doors to intercontinental missiles that would have virtually unlimited range and which would carry payloads capable of nuclear, chemical or biological weapons. Such missiles, and the threat of them, certainly puts U.S. citizens at risk as a consequence of any attack coming from North Korea or any other area with a missile that carries weapons of mass destruction.

I think we have to reflect a little bit on the North Koreans. Some would dismiss the threat from North Korea because that country is on the verge of an economic collapse. But I remind my colleagues that North Korea has a history...

Mr. President, we have seen in the past, irrational actions by the North Koreans. You recall this is a country that in 1950 launched an invasion on South Korea which cost a million deaths of 3 million of her countrymen and 54,000 American troops. Recall the detonation of a bomb in Rangoon killing 16 South Korean officials; a country whose agents blew up a Korean Airlines flight killing 115 passengers and crew; and a country whose military hacked U.S. personnel to death in the DMZ.

I think we have to recognize there is still a great deal of uncertainty related to the objectives of North Korea. Furthermore, as we look at the crisis on the Korean peninsula, the United States has given over $250 million in combined food aid and support for KEDO. The North Koreans have received 1.3 million metric tons of heavy fuel oil.

While the United States has provided humanitarian assistance from time to time, as well as technical assistance, we have also promised large contributions to the $5 billion light water reactor program and also have given food and aid and contributed over $50 million to KEDO.

What have the North Koreans done in return for this assistance? They launched a missile in August. Intelligence photos show work on vast underground construction complexes.

In July of 1998, GAO reported that North Korea has taken actions to hinder work of international inspectors sent to monitor North Korea’s nuclear program.

It goes on and on.

As a consequence, I think it is fair to say the administration has treated each of these incidents as if North Korea is merely an innocent child throwing a harmless tantrum, not a terrorist nation home to the world’s fourth largest army, just miles away from the 37,000 American troops.

Incident after incident is dismissed by this administration as “not intentional” or not “serious” enough to derail U.S. assistance under the Agreed Framework.

The administration called latest missile launch “a matter of deep concern to the U.S. because of its destabilizing impact in Northeast Asia and beyond,” but reiterated its commitment to provide funds under the Agreed Framework.

The administration refuses to say that newly disclosed evidence of underground facility would violate the 1994 accord because “concrete has not been proved.”

When a sub full of North Korean commandos landed in South Korea, the administration asked both sides to “show restraint”—as if South Korea was in the wrong.

The administration responded to violations of the Military Armistice Agreement by asking that the issue not be “blown out of proportion.”

Issuing polite reprimands from the State Department, while the Administration continues to seek increased funds for activities that benefit North Korea, only encourages bad behavior.

Mr. President, enough is enough. Congress should block further funding for KEDO until the President can certify that North Korea’s program is, indeed, frozen and not simply an ongoing clandestine operation. The United States is a global power with vested interests both politically and commercially all over the world. We simply cannot allow policy to be determined by those who practice missile blackmail.

Mr. President, I yield the floor, and wish the President a good day and a good weekend.

Mr. GRAMM addressed the Chair. The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, I ask unanimous consent to proceed as in morning business for 5 minutes.

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

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

The PRESIDING OFFICER. A reservation of the right to object is heard. Mr. BYRD. Mr. President, I will not object. I have been waiting here and
am very happy to wait longer. I understood the Chair wanted to be recognized for 2 or 3 minutes, also.

The PRESIDING OFFICER. The Chair did, but it has gotten too late and he has abandoned that desire.

Mr. GRAMM. The Senator from West Virginia was about to speak? I will be glad to withhold and let him speak and then I will speak.

Mr. BYRD. Mr. President, the Senator is very kind and considerate. I was waiting to speak, but the Senator from Texas may have to go farther, a greater distance than I would have to go if I were going to West Virginia today. I ask unanimous consent that I may be recognized at the completion of the remarks by the distinguished Senator from Texas, Mr. GRAMM.

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

Mr. BYRD. I am delighted to listen to what the distinguished Senator from Texas has to say.

Mr. GRAMM. Mr. President, let me reiterate, in fact, when the Senator from Alaska finished his speech, Senator BYRD and I were having a conversation. I had thought as I left my office that he had spoken. I assumed that he had simply been here listening to the Senator from Alaska.

Again, I reiterate, if the Senator from West Virginia had come over to speak, he was on the floor before I was, and I believe he should be recognized.

Mr. BYRD. No, no. Mr. President, I hope he will not be under the burden of thinking that I have a feeling about this. I am perfectly agreeable to wait a little longer, just so I can get in line immediately after the Senator from Texas.

The PRESIDING OFFICER. The Senator from Texas has the floor.

Mr. GRAMM. Mr. President, this reminds me of the time when I was on the elevator for the first time with Senator Thurmond, and Senator Thurmond insisted that I get off the elevator before he did. I determined when I was on the elevator with Senator Thurmond again that I would not get off the elevator before Senator Thurmond did. But I was wrong. I stood there for almost 2 minutes insisting that Senator Thurmond get off the elevator before I did. In the end, Senator Thurmond had more patience. I got off the elevator first.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. GRAMM. I will be happy to.

Mr. BYRD. I like to try to live according to the Scriptures, which say that the first should be last and the last should be first. I thank the Senator.

The PRESIDING OFFICER (Mr. Sessions). The Senator from Texas.

HEALTH CARE

Mr. GRAMM. Mr. President, our dear colleague from Massachusetts came over today and responded to a speech I gave yesterday. As he always does—and I think it is one of the things we admire about him—he spoke with great passion because I think he clearly is one of our Members who cares deeply about these issues. Whether he is right or whether he is wrong, I think we all respect that in one of our fellow Members.

What I would like to try to do is to briefly respond and make the key points I made yesterday, given that so much reference has been made to the speech of yesterday, and try to make all through a way as not to deviate from my background as a former schoolteacher and be brief so that Senator BYRD can give his speech and we can both go home for the weekend.

Yesterday, I made the point, which I am continually struck by, that 5 years ago in the Senate, we were debating a proposal to have the Government take over and run the health care system. A substantial majority of the Members of the Senate have since re-done that debate, following the lead of Senator Kennedy and President Clinton, had decided that the problem we had in American health care was access; that 40 million Americans did not have health insurance and that a price we should be willing to pay to solve that access problem was to deny people the freedom to choose their health care provider and force every American into a health care purchasing cooperative or health care purchasing collective which would be one giant HMO run by the Government.

I have on this desk—and I want to be careful because one of these bills fell on my foot over there and I want to be sure all of them don’t fall—but I have here those bills from 5 years ago. Each one of these bills denied the American people freedom to choose their health care provider, forced them into a Government-run collective in order to deal with the problem of access.

Each one of these, this massive pile of bills—Kennedy I, Kennedy II; Moynihan I, Moynihan II; Mitchell I, Mitchell II, Mitchell III and Mitchell IV—each of these bills was about denying Americans the freedom to choose their doctor, choose their health care, choose their hospital, and we had a big debate about it 5 years ago. The argument from the sponsors of these bills was that the denial of this freedom was a small price to pay in order to guarantee access to health care. Each one of these represents this massive pile of bills—Kennedy I, Kennedy II; Moynihan I, Moynihan II; Mitchell I, Mitchell II, Mitchell III and Mitchell IV—each of these bills was about denying Americans the freedom to choose their doctor, choose their health care, choose their hospital, and we had a big debate about it 5 years ago. The argument from the sponsors of these bills was that the denial of this freedom was a small price to pay in order to guarantee access to health care.

I had an alternative then. It was a very modest bill. Here is a copy. I want to be careful because one of these bills fell on my foot over there and I want to be sure all of them don’t fall—but I have here those bills from 5 years ago. Each one of these bills denied the American people freedom to choose their health care provider, forced them into a Government-run collective in order to deal with the problem of access.

I have an alternative then. It was a very modest bill. Here is a copy. I want people to see what freedom looks like. It is simple.

It was a small bill, as these kind of bills go. Basically, what it did was deal with the access problem by helping people who didn’t have health insurance to get it without denying freedom to everybody else. It established risk pools at the State level where we would help people with preexisting conditions get health insurance.

But the point is, the same people who are saying today that we should be willing to drive up costs and deny access to people in the name of guaranteeing freedom are the same people who 5 years ago said, “Let’s deny freedom in the name of access.” Now, 5 years later, after we debated the original Kennedy-Clinton bill—and I was proud to have had a great role in seeing that effort defeated—5 years later, now we have the same people saying, “The problem is not access—don’t worry that by driving up costs millions of Americans might lose their health coverage—the problem now is HMOs.”

Five years ago, the same people were saying, “HMOs are so wonderful that we ought to have one HMO run by the Government, and it will be great for everybody.” Now they say HMOs are evil and what we have to do is, we have to regulate HMOs.

What I would like to do is simply explain why the new approach is not the approach that I believe we should follow. I don’t have all the problem with HMOs, then what I believe the solution is. And then I want to say a little bit about the bill, and I will be finished.

Fifteen years ago, almost every American had a low deductible health policy funded by either Medicaid, Medicare, or by themselves and their employer through private health insurance. These were health insurance policies where the person who bought health care using the average, paid relatively little of the cost.

Fifteen years ago, the average American who went to the hospital was responsible personally for paying only about 5 percent of the bill. And this was a wonderful system. It produced the greatest quality health care the world has ever known. It created wonderful new technology, but it had one terrible problem, and that is, we could not afford it. And it is easy to see why we could not afford it.

If you can imagine—imagine you had grocery insurance that, when you went to the grocery store, paid 95 percent of the cost of the food you put in your basket. If we had grocery insurance like we have health insurance, when we went to the grocery store, we would end up eating differently, and so would our dog. The grocery stores we know today would be totally different. You would have 20 or 30 times as many people working at the grocery store. You would have all pre-packaged foods. You would have all kinds of specialty items. And grocery costs would be exploding. We would all be cursing the cost of grocery insurance.

So it is not surprising that our old fee-for-service medical system, with low deductible insurance where the patient did not care about controlling costs, the physician did not care about controlling costs, and so nobody controlled costs—it is not surprising that the system did not work. The Government talked about it for 15 years, but we never did anything about it. There are a lot of things we
could have done. We could have let people have tax deductibility to buy their own health insurance, so that if I did not like the health insurance provided by my employer, I could take the employers' contribution and with some of my own money, on a tax-deductible basis, choose to buy my own health insurance. We did not do that, have not done it to this day. There are other things we could have done, but we did not do them either.

The private sector started to respond to the problem, and the net result is that we now have over 100 million people who are in HMOs.

HMOs have advantages and disadvantages like anything else in life, with any choice you make. If you buy a Cadillac, the advantage is, you have a good car; the disadvantage is, it costs a lot of money. If you buy a Chevrolet, the advantage is that it does not cost as much as a Cadillac, but generally it is not as good or as fancy. And we should not be surprised that in life, even with the Government, we face these kinds of tradeoffs.

We have over 100 million people in HMOs. The advantage of HMOs is that they are more efficient, they do control costs. Through the Consumer Price Index—twice the growth as goods in general—down to the same growth as goods in general.

Fifteen years ago, we would not have belief that it was possible, but it has happened. But there is a disadvantage. And the disadvantage is, when you enter into a contract with an HMO, you are bound by the terms of the contract. It describes what they will cover and what they will not do, and the HMO exercises some control over the amount of health care you consume and from whom you consume it. And everyone knows that when they enter into these contracts.

This creates a problem, which Senator Kennedy and others have put their finger on, and which is a real problem. The problem is that you have, in these HMOs, gatekeepers whose job it is to try to see that you get good enough health care to meet your needs, so that next year you renew with the HMO, but they also attempt to prevent the consumption of health care that you do not need because such usage drives up costs. The problem is, they are world-class providers.

So I have likened the problem to, you go to the doctor, you go into the examining room, and instead of being alone with your doctor, you have—not literally—but figuratively, you have a gatekeeper in the examining room with you. And you want him out. You want to be in the examining room with your doctor. You do not want somebody there, who is not a doctor, second-guessing your doctor. That is the problem.

On that point, Senator Kennedy and I are in agreement.

The question is, How do you fix it? How do you get a Cadillac at Chevrolet prices? Well, nobody has, throughout 5,000 years of recorded history, figured out how to do that. Maybe we will. But if we do, we will be the first. But the point I made yesterday was that in reality the solution that is being proposed in the Kennedy bill can be described as using a Greek invention, the stethoscope.

The problem basically is that here you are with your heart right on the other side of this stethoscope, and what you want, your doctor's ears at the other end trying to be sure that your heart is working right and fixing it if it is not. Senator Kennedy's complaint is that in a very real sense the HMO has this gatekeeper who is listening in on the stethoscope. You would like to get him out of the examining room.

But in an incredible paradox, the bill that Senator Kennedy presents not only does not get the HMO gatekeeper they want is a system where they buy it but it brings two other people in. It lets the Government hire a bureaucrat, who comes in and he gets his ears to the stethoscope so that he can regulate your HMO and your doctor, and then, under the Bill, you can also hire a lawyer who can come and listen so that he can join the bureaucrat in listening to your heart with your doctor and with the HMO so that he can sue the HMO and sue the doctor.

The point is, when you buy the Blue Cross/Blue Shield policy, standard deduction, and it costs about $4,000 a year. It has very low deductibles. If that policy had a $3,000 high deductible, I could buy it for about $1,000, or we can give you the brain scan right now.” Currently, I might ask, well, does my insurance cover the brain scan? If it does, it is interesting, you get to look at it, I may say let's do the brain scan right now. If it wouldn't get my money for my children, and I am a truck driver, my wife is a waitress, I will say, you know, Doc, I will take those two aspirin. If it doesn't go away I will come back.

One of the benefits of the medical savings account is that it provides incentives to be cost conscious. But that is not the most important thing. The most important element is it allows me freedom to choose.

I showed this chart yesterday and I will show it several times in this debate because it is so important to me and I think to the people I represent. I and my staff did a little experiment. We took one column of doctors on one page selected at random from the Yellow Pages. We called up every one of these doctors and we took the most popular, most-participated-in HMO in our region, which is Kaiser HMO. We took the largest participating PPO, which is Blue Cross/Blue Shield prefered provider. Then we called everybody on this list and said, “Do you take Kaiser HMO?” In other words, we called William D. Goldman, pediatric and adolescent medicine, and we said, “Do you take Kaiser HMO? Do you take Blue Cross, PPO?”

When we did this, 10 of the physicians listed on page 1017, in the left-hand column, took Kaiser payments. If I were a member of Kaiser, I could have gone to 10 of these physicians. If I were a member of Blue Cross/Blue Shield preferred provider, 17 of them would have taken me.
But if I had a medical savings account, and even though the current law doesn’t really permit a full-blown system to work, there are several options. One is Golden Rule Insurance in Indiana. They give you the option of a medical savings account. It keeps the record for you as to what you are spending the money on. And then American Health Value Medical Savings Account uses Visa.

Let’s just assume that you have a baby and your baby has a fever of 104 and you want to go see William D. Goldman who is in pediatrics and adolescent medicine. You call him. If you are with Kaiser—he may be one of the 10 people on this list that takes it, but he may not be; if you are with Blue Cross PPO you call up, he may be one of the 17, he may not be; but if you have a medical savings account, which I want people to be allowed to open, you call up and you don’t say do you participate in Kaiser HMO? You don’t say do you participate in Blue Cross PPO? You simply say, Do you take a check? Or. Do you take MasterCard? Or. Do you take Visa?

The point being, every single person who is a physician on page 1017 in column 1 of the Yellow Pages takes a check. Visa and MasterCard. If my baby is sick I don’t have to go to some gatekeeper to get to see a specialist. All I do is take my Visa and go. I make the decision. The medical savings account sets me free. It makes me the decision maker. It gives me the freedom to choose. I believe that is a better way.

Finally, we have had a lot of discussion about trying to get started on this debate in the next 10 days left in the session. We have a lot of things left to do in this session. We have passed to completion, I think, only one appropriations bill which has been signed into law. We know at some point we have to complete that process in that process is we get something that nobody wants and that doesn’t work. The proposal I have made is that we enter into unanimous consent that Senator Kennedy and others can present their proposal and we will vote on it, up or down, without amendment, however they write it. Then Senator Nickles, I, and others will present our proposal. If their proposal gets 51 votes, then it will be adopted by the Senate. If our proposal gets 51 votes, it will be adopted by the Senate.

Now, it is true that that is not the normal way we do business. But with 10 days left, if we really want to pass a health care bill, that is the option we have. I don’t have down to have written a good bill. I am proud of our bill. I know Senator Kennedy is proud of his bill, and I am sure he feels at least as passionately about his as I do about mine. But we are never going to get to choose his bill or choose the bill I and others have worked on, unless we work out some kind of accommodation, because we only have 10 days left in the session.

So we are trying to bring to make a decision. Do we want to take this into the election and campaign on it and then come back, which is perfectly legitimate? I am not criticizing anybody for wanting to do that. But if we do, then I think we would continue the standoff and then this would be an election year issue and we would decide next year. On the other hand, if we actually want to pass a bill this year—and the House has passed a bill—the Senate can do it. It is with an agreement where we simply present the bills and let the Senate vote up or down on the bills. I don’t have any desire to amend Senator Kennedy’s bill. I want him to have his best shot, and I will vote for ours.

I thank the Senator from West Virginia for withholding and allowing me to speak.

I yield the floor.

Mr. BYRD addressed the Chair.

THE PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, I thank the Senator from Texas for a very interesting statement concerning the health bills. I admire the Senator from Texas. I admire his ability. He is one of the most articulate Members that I have ever seen in my 40 years in the Senate. He has one of the best brains, I would say, of any of those that I have seen on both sides of the aisle in those 40 years. I think Darwin’s theory of natural selection would not explain how the kind of a brain developed. I take my hat off to people like Senator Gramm for the extremely high intelligence that is obviously there.
That was the year when Babe Ruth, the Sultan of Swat, hit his 60th home run. So this civics textbook was vintage 1927, and it was right on the mark. Here is what it said: “We call the United States a federal republic.” The textbook also defined a republic as “a government in which the sovereign power is in the hands of the people, but is exercised through officials whom they elect.” Now, there it is. The textbook also defined a democracy: “A democracy is a government in which the power is exercised directly by the people. It is next to impossible for this to be done except in small communities, but the spirit of democracy prevails in many republics and some monarchies.”

That 1927 civics textbook had it right. In my hometown of Sophia, WV, 1,186 souls—as of the last census—could very well operate as a pure democracy. All of the people could gather together, and they could pass laws; that would work at all—like the early city-states of Greece.

The 1927 civics textbook also defined a “monarchy” as well as an “oligarchy” and an “aristocracy.”

Curiously, in a modern text on civics I would have to say on this subject, I picked up a book, copyrighted 1990 by Prentice-Hall, Inc., and found no reference—none—to republics and monarchies. Instead, the book referred only to dictatorships and democracies. The 1990 civics textbook states that one way to describe government “is by saying whether it is a dictatorship or a democracy.” The book defined a democracy: “Democracies are quite different from dictatorships. In a democracy the final authority rests with the people. Those who govern do so by permission of the people. Government is run, in other words, with the people’s consent. The United States of America is an example of a democracy.”

That is really inaccurate. “The United States of America is an example of a democracy.” It is not.

Let me quote what I would consider to be the ultimate authority. This definition does not square with Madison’s definition. If Senators want an argument about this, don’t argue with me, argue with Madison. This definition does not square with Madison’s definition, yet this is what students who study from this 1990 civics textbook are being taught.

The same textbook goes on to state: “Democracy may be either direct or indirect. A direct democracy is one in which the people themselves, usually in a group meeting, make decisions about what the government will do. Direct democracies do not work very well in large communities. It is almost impossible to get all the people together in one place.”

That is what the book says. Then the book proceeds. It says: “An indirect democracy is one in which a few people are elected to represent everyone else in the community. For this reason, indirect democracies are also called representative democracies.”

It is kind of a convoluted way of getting around to saying the right thing, referring to a representative democracy.

Continuing to quote from the book: “These representatives are held responsible by the people for every step in the operation of the government. If the people are unhappy with the performance of their representatives, they may vote them out of office during the next election.”

What a profound statement. That is the civics textbook of 1990. Until I opened up that textbook, I had never heard, I have to say, of “direct” democracies and “indirect” democracies. So now, my Pledge of Allegiance would have to be stated as follows: “I pledge allegiance to the flag of the United States of America and to the indirect democracy for which it stands,” and so forth.

Are you confused?

James Madison, one of the principal framers of the Constitution, alluded to “the confounding of a republic with a democracy” in the Federalist #14, written on November 30, 1787. He proceeds to delineate a true distinction between these forms: “. . . in a democracy, the power is in the hands of the people themselves; in a republic, they are represented.” Madison proceeds to delineate a true distinction between democracy and republics. So Madison defines “a ‘pure’ democracy as being ‘a society, consisting of a small number of citizens, who assemble and administer the government in person.’ And Madison indicates that such a form of government ‘can admit of no cure for the miscarriages of faction.’”

My point here is that that is what Madison means when he says: “democracies have ever been spectacles of turbulence and contention.” Madison proceeds to add that they “have ever been found incompatible with personal security or the rights of property.” He adds: “Theoretic politicians, who have patronized this species of government, have erroneously supposed, that by reducing mankind to a perfect equality in their political rights, they would, at the same time, be perfectly equalized and assimilated in their possessions, their opinions, and their passions.”

It is quite different with a republic, however. Listen to Madison as he extols this form as a better approach to democracy. He says: “The two great points of difference between a democracy and a republic: first, the existence of an extraordinary power in the hands of the people. In republics and ‘indirect’ democracies, the people are not sovereign. The United States of America is a federal republic.”

In summation, Madison said, “Hence it clearly appears, that the same advantage, which a republic has over a democracy, in controlling the effects of faction”—George Washington, we will remember, warned us about faction in his farewell address. Madison said, “is by saying whether it is a dictatorship or a democracy.”

Madison defines a “pure” democracy as being “a society, consisting of a small number of citizens, who assemble and administer the government in person.” And Madison indicates that such a form of government “can admit of no cure for the miscarriages of faction.”

My point here is that that is what Madison means when he says: “democracies have ever been spectacles of turbulence and contention.” Madison proceeds to add that they “have ever been found incompatible with personal security or the rights of property.” He adds: “Theoretic politicians, who have patronized this species of government, have erroneously supposed, that by reducing mankind to a perfect equality in their political rights, they would, at the same time, be perfectly equalized and assimilated in their possessions, their opinions, and their passions.”

It is quite different with a republic, however. Listen to Madison as he extols this form as a better approach to democracy. He says: “The two great points of difference between a democracy and a republic: first, the existence of an extraordinary power in the hands of the people. In republics and ‘indirect’ democracies, the people are not sovereign. The United States of America is a federal republic.”

In summation, Madison said, “Hence it clearly appears, that the same advantage, which a republic has over a democracy, in controlling the effects of faction”—George Washington, we will remember, warned us about faction in his farewell address. Madison said, “is by saying whether it is a dictatorship or a democracy.”

Madison defines a “pure” democracy as being “a society, consisting of a small number of citizens, who assemble and administer the government in person.” And Madison indicates that such a form of government “can admit of no cure for the miscarriages of faction.”
over a small republic—is enjoyed by the Union over the States composing it.”

Hamilton, in Madison’s notes on the Constitutional Convention, referred to the “amazing violence and turbulence of the spirit.” Madison himself, in his notes, referred to the dangers of a “leveling spirit,” when he said: “No agrarian attempts have yet been made in this country, but symptoms, of a leveling spirit, as we have understood, have sufficiently appeared in a certain quarter to give notice of the future danger. How is this danger to be guarded against on republican principles?”

Madison was probably referring to the Shays’ Rebellion which had occurred just the year before the convention, in 1786, when he spoke of the symptoms of a “leveling spirit.”

Madison was espousing the establishment of a Senate as “a body in the government sufficiently respectable for its wisdom, to aid in such emergencies, the preponderence of justice by throwing its weight into that scale.”

Madison went on to observe “That as it was more than probable we were now digging too deep in its operations which would decide forever the fate of republican government—talking about the constitution—we ought not only to provide every guard to liberty that its preservation could require, but be equally careful to supply the defects which our own experience had particularly pointed out.”

What a wise, wise man, Madison. What wise men who gathered there in Philadelphia during those hot summer days between May 25, 1787 and September 17 of that year and hammered out the Constitution of the United States. What a document!

In the discussions concerning the mode of selection of members of the first branch of the national legislature, Mr. Sherman opposed election by the people.

We hear a lot about this “democracy” of ours. Many of the framers were concerned about democracy. Some of them didn’t want any part of it. They didn’t want a democracy.

Mr. Sherman opposed election by the people, insisting that it ought to be by the State legislatures. According to Madison’s notes, Mr. Sherman expressed himself accordingly: “The people, he said, immediately should have as little to do as may be about the Government. They want information and are constantly liable to be misled.”

Roger Sherman, a delegate from Connecticut, was joined in this feeling by Elbridge Gerry of Massachusetts who, as Madison explained, averred: “The evils we experience flow from the excess of democracy. . . . He . . . had been taught by experience the danger of the leveling spirit.”

George Mason of Virginia favored the election of the larger branch by the people. According to Madison, Mason “admitted that we had been too Demo-

critic but was afraid we should incan-

tiously run into the opposite extreme.” They didn’t want to go to the extreme on either edge. Governor Edmund Randolph of Virginia, who had offered the resolves, around the world, would stay throughout the Convention. These are Madison notes from which I am quoting Governor Edmund Randolph of Virginia who had presented the resolutions on the 29th day of May, 1787. It is so easy for me to remember that day because it was my wedding anniversary. It happens to be my wife’s wedding anniversary also, naturally, May 29. We have seen 61 anniversaries already in our lifetime. And so here is the quote of Governor Randolph.

He “observed that the general object was to provide a cure for the evils under which the United States labored; that in tracing these evils to their origin, every man had found it in the turbulence and follies of democracy.” He was of the opinion, therefore, that a check “was to be sought for against this tendency of our government,” and he believed that a Senate—a Senate would achieve this end.

In speaking of the Senate of Maryland, and the length of Senatorial terms in that State, Hamilton said: “They suppose seven years a sufficient period to give the Senate an adequate firmness, from not duly considering the amazing violence and turbulence of the democratic spirit. When a great object of government is pursued, which seizes the popular passions, they spread like wildfire, and become irresistible.” This was Hamilton speaking, referring to the Senate of Maryland.

It is evident from Madison’s notes on the Convention that a pure democracy, as a form of government, did not appeal to the delegates at the Convention, and that a fear of the “leveling spirit” was prevalent at the time and leading members of the Convention were aware of this concern.

Therefore, as Alexis de Tocqueville stated in “Democracy in America,” “the Americans have a democratic state of society”, we should be more careful than to allude to our form of government as a “democracy.” If we want to say it’s a representative democracy, that is one thing. But it is not a “democracy”. To do so is to use our language loosely. And we all use language loose time to time. Do. But I never refer to this government as a “democracy.” I refer to stick to the strict definition as explained by Madison and refer to ours as a republic, which I proudly do. The framers were wise men. As Butler of South Carolina said “We must follow the example of Solon, who gave the Athenians not the best government he could devise, but the best [government that] they would receive.”

Our Founding Fathers gave us a republic. As DALE BUMPERS reminded me a moment ago—a few minutes ago, when a lady approached Benjamin Franklin at the conclusion of the convention’s proceedings on September 17, 1987, she said, “Dr. Franklin, what form of government have you given us?”

Franklin didn’t answer saying, “A democracy, Madam.” His answer was, “a republic, Madam, if you can keep it.”

Our Founding Fathers gave us a republic, and we public officials, politicians and other molders of opinion should formulate our spoken and written language accordingly.

Mr. President, I thank the Chair and I thank Senators for their courtesy in listening. I yield the floor.

The PRESIDING OFFICER. The Senator from Utah.

Mr. BENNETT. Mr. President, I have enjoyed being here and listening to the senior Senator of West Virginia on a subject about which I have had some opinions and to which I have given careful thought, and I would like to engage with him at another time about these issues. But I would just share with him and with the Senate this personal experience.

When I lived in California, I discovered that many governmental reformers had put into place in California, initiative, referendum, and recall. This was the cry of political reformers, I think, in the 1920s, and it was supposed to be a demonstration of how forward-looking you were if you were in favor of initiative, referendum and recall. I voted against every single initiative that came in California, whether I agreed with it or not, for precisely the reason that the Senator from West Virginia has given us. Because, I said, the people should not be legislating directly in the ballot box. We have a republic to do that. The Constitution guarantees every State a republican form of government. And I felt that California was going down the road, away from that constitutional requirement.

I have discovered, since I left California, that wherever the politicians there have a problem now that they find too difficult for them to deal with in the State assembly, they simply say: Well, let’s put it on the ballot. And you have legislation going on the ballot that should be fought out in the legislative process of a republic.

Another problem that you have in California, I would say to the Senator from West Virginia, if it passes in an initiative, it becomes part of the State constitution and therefore cannot be amended. And we have seen examples of legislation that could not get through the State assembly being put on the ballot by factions—to use Madison’s term; today we would call them special interests—and therefore being embedded in the California State Constitution so that a future legislature cannot repair the mischief that is created by this attempt at pure democracy.

Now we have a laboratory here in our own Union of States that demonstrates the wisdom of Madison and his counterparts in creating the Constitution.
As I say, I am proud to say that when I lived in California, as a citizen, as a matter of constitutional conscience, I voted against every single initiative, even those with which I agreed, because I wanted to preserve the concept of a representative republic that is the founder of our liberties.

I thank the Senator from West Virginia for this most scholarly presentation. I am grateful that I had the opportunity to be here to hear it.

Mr. BYRD. Mr. President, I thank the distinguished Senator for his observations. I am grateful for his presence at this time and grateful for the perceptions that he has expressed to us based on his experiences in living in the great State of California.

I thank him. I think he is a scholar, a real scholar of our form of government and interested in keeping this republic as Benjamin Franklin so wisely admonished the lady. I thank him very much.

Mr. BENNETT. I thank the Senator for his kind words.

FEDERAL VACANCIES REFORM ACT OF 1998—PERMISSION TO FILE AMENDMENTS

Mr. BENNETT. Mr. President, I ask unanimous consent that Members have until 1 p.m. today to file first-degree amendments to the vacancies bill, notwithstanding the adjournment of the Senate.

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

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Thursday, September 24, 1998, the federal debt stood at $5,523,268,372,227.36 (Five trillion, five hundred twenty-eight billion, seven hundred eighty-three dollars and thirty-six cents). During the past 25 years.

Mr. KENNEDY. Mr. President, yesterday marked the 35th Anniversary of the Senate’s ratification of the Limited Test Ban Treaty in 1963. Unfortunately, we still have not achieved the larger goal of the Comprehensive Test Ban Treaty. In fact, the Treaty has languished in the Senate Foreign Relations Committee for a year with no debate, no action, and no results.

As President KENNEDY said about the Limited Test Ban Treaty in 1963, “The conclusion of such a treaty * * * would check the spiraling arms race in one of its most dangerous areas. It would place the nuclear powers in a position to deal more effectively with one of the greatest hazards which man faces in 1963, the further spread of nuclear arms.” Thirty-five years later, those words are truer than ever.

Nuclear proliferation is one of the most serious national security threats we face. Earlier this year, the nuclear tests in India and Pakistan reminded us that we must do all we can to ratify the Comprehensive Test Ban Treaty as soon as possible.

On Wednesday, at the United Nations, Prime Minister Nawaz Sharif of Pakistan announced his intent to sign the test ban treaty within the next year. The Prime Minister linked this decision to the lifting of sanctions imposed in the wake of last May’s nuclear tests. Yesterday, India’s Prime Minister Vajpayee followed suit and announced to the U.N. General Assembly that his nation would also sign the Treaty within the year.

If both Pakistan and India sign the Comprehensive Test Ban Treaty, only North Korea will remain outside the worldwide group of nations in continuing to develop their nuclear programs. The signing of the Treaty would not only demonstrate our support for Pakistan and India, but also encourage North Korea to join the world and reject nuclear testing.

The recent tests by India and Pakistan are ominous proof that the greatest threat to humanity is still the danger of nuclear war. The CTBT would give the United States access to a vast worldwide network of nuclear monitoring stations. These additional stations would blanket the globe with sensors that can detect radiation, feel the ground shake from a nuclear test, or hear the sounds emanating underwater from a nuclear explosion. This network is possible only through the cooperative efforts of the CTBT, and it will clearly strengthen our national security.

We face a unique opportunity in the Senate, an opportunity to help the world pull back from the nuclear brink and end nuclear testing once and for all. Other nations look to the United States for international leadership. President Clinton has done his part, in signing the Treaty and submitting it to the Senate for ratification, as the Constitution requires. Now the Senate should do its part, and ratify the Comprehensive Test Ban Treaty.

Treaty ratification is the single most important step we can take today to reduce the dangers of nuclear war.

MESSAGES FROM THE PRESIDENT

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

FILE AMENDMENTS

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 Committee on Labor and Human Resources.

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

MESSAGES FROM THE HOUSE

At 10:46 a.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House disagrees to the amendment of the Senate to the bill (H.R. 2281) to amend title 17, United States Code, to implement the World Intellectual Property Organization Copyright Treaty and Performances and Phonograms Treaty, and for other purposes, and agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon; and appoints the following Members as the managers of the conference on the part of the House:

From the Committee on the Judiciary, for consideration of the House bill and the Senate amendment, and modifications committed to conference: Mr. HYDE, Mr. COBLE, Mr. GOODLATTE, Mr. CONVERSE, and Mr. BIDEN.

From the Committee on Commerce, for consideration of the House bill and Senate amendment, and modifications committed to conference: Mr. BLILEY, Mr. TAUZIN, and Mr. DINGELL.

At 12:17 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 3736. An act to amend the Immigration and Nationality Act to make changes relating to H-1B nonimmigrants.

The message also announced that the House insists upon its amendment to the bill (S. 2206) To amend the Head Start Act, the Low-Income Home Energy Assistance Act of 1981, and the Community Services Block Grant Act to reauthorize and make improvements to those Acts, to establish demonstration projects that provide an opportunity for persons to accumulate assets, and for other purposes, disagreed to by the Senate, and agrees to the conference asked by
the Senate on the disagreeing votes of the two Houses thereon; and appoints the following Members as the managers of the conference on the part of the House: Mr. GOODLING, Mr. CASTLE, Mr. SOUDER, Mr. CLAY, and Mr. MARTINEZ.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–7159. A communication from the Assistant Secretary for Legislative Affairs, Department of State, transmitting, pursuant to law, the report of a rule entitled “Anticontreinterfering Consumer Protection Act: Disposition of Merchandising Counterfeit American Trademarks; Civil Penalties” (T.D. 98–75) received on September 22, 1998; to the Committee on Foreign Relations.

EC–7160. A communication from the Acting Chief of the Regulations Branch, U.S. Customs Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled “Federal Reserve System, transmitting, pursuant to law, the report of a rule entitled “Regulation E: Electronic Fund Transfers” (Docket R–1007) received on September 24, 1998; to the Committee on Banking, Housing, and Urban Affairs.

EC–7161. A communication from the Assistant Secretary for Export Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled “Encryption Items” (RIN90894–A880) received on September 24, 1998; to the Committee on Commerce, Science, and Transportation.

EC–7162. A communication from the Chairman of the Nuclear Regulatory Commission, transmitting, pursuant to law, the report of a rule entitled “Financial Assurance Requirements for Decommissioning Nuclear Power Reactors” (RINS199–AF41) received on September 24, 1998; to the Committee on Environment and Public Works.

EC–7163. A communication from the Assistant Secretary for Fish and Wildlife and Parks, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled “Migratory Bird Hunting; Final Frameworks for Late-Season Migratory Bird Hunting” (RIN1018–AE93) received on September 24, 1998; to the Committee on Environment and Public Works.

EC–7164. A communication from the Assistant Secretary for Fish and Wildlife and Parks, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled “Migratory Bird Hunting; Late-Season and Possession Limits for Certain Migratory Game Birds” (RIN1018–AE93) received on September 24, 1998; to the Committee on Environment and Public Works.

EC–7165. A communication from the Assistant Secretary for Fish and Wildlife and Parks, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled “Approval and Proclamation of Implementation Plans; California State Implementation Plan Revisions, Bay Area Air Quality Management District” (FRL6161–4) received on September 24, 1998; to the Committee on Environment and Public Works.

EC–7166. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled “Mepiquat Chloride; Pesticide Tolerance; Emergency Exemptions” (FRL633–2) received on September 24, 1998; to the Committee on Environment and Public Works.

EC–7167. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled “Approval of Underground Storage Tank Program” (FRL6167–7) received on September 24, 1998; to the Committee on Environment and Public Works.

EC–7168. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule regarding pesticide tolerance exemptions (FRL633–2) received on September 24, 1998; to the Committee on Environment and Public Works.

EC–7179. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled “Fluroxypyr; Pesticide Tolerance” (FRL633–2) received on September 24, 1998; to the Committee on Environment and Public Works.

EC–7180. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled “Migratory Bird Hunting; Late-Season and Possession Limits for Certain Migratory Game Birds” (RIN1018–AE93) received on September 24, 1998; to the Committee on Environment and Public Works.

EC–7181. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled “Migratory Bird Hunting; Final Frameworks for Late-Season Migratory Bird Hunting” (RIN1018–AE93) received on September 24, 1998; to the Committee on Environment and Public Works.

EC–7183. A communication from the Chairman of the Federal Maritime Commission, transmitting, pursuant to law, the report of a rule entitled “Update of Existing and Addition of New Filing and Service Fees” (Docket 98–99) received on September 24, 1998; to the Committee on Commerce, Science, and Transportation.

EC–7184. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Hazardous Materials Regulations; Editorial Corrections and Clarifications” (Docket RS–98–440) received on September 24, 1998; to the Committee on Commerce, Science, and Transportation.

EC–7185. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Hazardous Materials Regulations; Additional Provisions for Reformulated Gasoline and Fuel Additives: Modification of the Covered Areas Provision for Reformulated Gasoline” (FRL633–3) received on September 24, 1998; to the Committee on Commerce, Science, and Transportation.

EC–7186. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Migratory Bird Hunting; Late-Season and Possession Limits for Certain Migratory Game Birds” (RIN1018–AE93) received on September 24, 1998; to the Committee on Commerce, Science, and Transportation.

EC–7187. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Migratory Bird Hunting; Final Frameworks for Late-Season Migratory Bird Hunting” (RIN1018–AE93) received on September 24, 1998; to the Committee on Commerce, Science, and Transportation.
EC–7188. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Airworthiness Directives; Boeing Model 747–100 Series Airplanes” (Docket 96–NM–257–AD) received on September 24, 1998, to the Committee on Commerce, Science, and Transportation.

EC–7189. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Airworthiness Directives; Airbus Model A300 Series and A321 Series Airplanes” (Docket 98–NM–15–AD) received on September 24, 1998, to the Committee on Commerce, Science, and Transportation.

EC–7190. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Airworthiness Directives; Employment Air Quality Verification and Criminal History Records Check” (Docket 28859) received on September 24, 1998, to the Committee on Commerce, Science, and Transportation.

EC–7191. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Airworthiness Directives; Boeing Model 747–100, 200, and 300 Series Airplanes” (Docket 98–NM–162–AD) received on September 24, 1998, to the Committee on Commerce, Science, and Transportation.

EC–7192. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Airworthiness Directives; Airbus Model A300, A310, and A300–600 Series Airplanes” (Docket 97–NM–307–AD) received on September 24, 1998, to the Committee on Commerce, Science, and Transportation.

EC–7193. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Airworthiness Directives; British Aerospace (Jetstream) Model 410 Aircraft” (Docket 97–NM–339–AD) received on September 24, 1998, to the Committee on Commerce, Science, and Transportation.

EC–7194. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Airworthiness Directives; Airbus Model A319, A320, and A321 Series Airplanes” (Docket 96–NM–29–AD) received on September 24, 1998, to the Committee on Commerce, Science, and Transportation.

EC–7195. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Airworthiness Directives; Airbus Model A310 and A300–600 Series Airplanes” (Docket 97–NM–310–AD) received on September 24, 1998, to the Committee on Commerce, Science, and Transportation.

EC–7196. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Airworthiness Directives; Bombardier Model DHC–8–100, –200, and –300 Series Airplanes” (Docket 98–NM–1–AD) received on September 24, 1998, to the Committee on Commerce, Science, and Transportation.

EC–7197. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Airworthiness Directives; KLM Model Boeing 747–100 Series Airplanes” (Docket 98–NM–63–AD) received on September 24, 1998, to the Committee on Commerce, Science, and Transportation.

EC–7198. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Airworthiness Directives; Saab Model SAAB 340B Series Airplanes” (Docket 98–NM–161–AD) received on September 24, 1998, to the Committee on Commerce, Science, and Transportation.

EC–7199. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Airworthiness Directives; Dornier Model 328–100 Series Airplanes” (Docket 98–NM–162–AD) received on September 24, 1998, to the Committee on Commerce, Science, and Transportation.

EC–7200. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Airworthiness Directives; Airbus Model A319, A320, and A321 Series Airplanes” (Docket 98–NM–311–AD) received on September 24, 1998, to the Committee on Commerce, Science, and Transportation.

EC–7201. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Airworthiness Directives; Boeing Model 747–100 Series Airplanes” (Docket 98–NM–29–AD) received on September 24, 1998, to the Committee on Commerce, Science, and Transportation.

EC–7202. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Airworthiness Directives; Airbus Model A300, A310, and A300–600 Series Airplanes” (Docket 97–NM–307–AD) received on September 24, 1998, to the Committee on Commerce, Science, and Transportation.

EC–7203. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Airworthiness Directives; Boeing Model 747–100 Series Airplanes” (Docket 98–NM–29–AD) received on September 24, 1998, to the Committee on Commerce, Science, and Transportation.

EC–7204. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Airworthiness Directives; Dornier Model 328–100 Series Airplanes” (Docket 98–NM–96–AD) received on September 24, 1998, to the Committee on Commerce, Science, and Transportation.

EC–7205. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Airworthiness Directives; Boeing Model 747–100 Series Airplanes” (Docket 98–NM–29–AD) received on September 24, 1998, to the Committee on Commerce, Science, and Transportation.


EC–7207. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Airworthiness Directives; Boeing Aircraft Model 737–100 Series” (Docket 98–NM–346–AD) received on September 24, 1998, to the Committee on Commerce, Science, and Transportation.

EC–7208. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Airworthiness Directives; Saab Model SAAB 340B Series Airplanes” (Docket 98–NM–161–AD) received on September 24, 1998, to the Committee on Commerce, Science, and Transportation.

EC–7209. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Airworthiness Directives; Dornier Model 328–100 Series Airplanes” (Docket 98–NM–162–AD) received on September 24, 1998, to the Committee on Commerce, Science, and Transportation.

EC–7210. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Airworthiness Directives; Saab Model SAAB 340B Series Airplanes” (Docket 98–NM–161–AD) received on September 24, 1998, to the Committee on Commerce, Science, and Transportation.

EC–7211. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Airworthiness Directives; Airbus Model A319, A320, and A321 Series Airplanes” (Docket 98–NM–61–AD) received on September 24, 1998, to the Committee on Commerce, Science, and Transportation.

EC–7212. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Airworthiness Directives; British Aerospace (Jetstream) Model 410 Aircraft” (Docket 97–NM–339–AD) received on September 24, 1998, to the Committee on Commerce, Science, and Transportation.


EC–7214. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Airworthiness Directives; Airbus Model A300 Series Airplanes” (Docket 98–NM–169–AD) received on September 24, 1998, to the Committee on Commerce, Science, and Transportation.

EC–7215. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Airworthiness Directives; Rolls-Royce, plc RB211 Trent 800 Series Aircraft” (Docket 96–NM–233–AD) received on September 24, 1998, to the Committee on Commerce, Science, and Transportation.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BOND, from the Committee on Small Business, with an amendment in the nature of a substitute and an amendment to the title:


By Mr. BOND, from the Committee on Small Business, with an amendment in the nature of a substitute:


By Mr. HURWOSKI, from the Committee on Energy and Natural Resources, with amendments:

H.R. 2345. A bill to make technical and clarifying amendments to improve management of water-related facilities in the Western United States.
H. R. 2411. A bill to provide for a land exchange involving the Cape Cod National Seashore and to extend the authority for the Cape Cod National Seashore Advisory Commission.

By Mr. THOMPSON, from the Committee on Governmental Affairs, without amendment.

H. R. 2623. A bill to designate the United States Post Office located at 16250 Highway 663 in Klin, Mississippi, as the “Ray J. Favre Post Office Building.”

H. R. 2798. A bill to redesignate the building of the United States Postal Service located at 2419 West Monroe Street, in Chicago, Illinois, as the “Nancy R. Jefferson Post Office Building.”

H. R. 2799. A bill to redesignate the building of the United States Postal Service located at 324 South Laramie Street, in Chicago, Illinois, as the “Reverend Milton R. Brunson Post Office Building.”

H. R. 3630. A bill to redesignate the facility of the United States Postal Service located at 9719 Candelaria Road NE, in Albuquerque, New Mexico, as the “Steven Schifft Post Office.”

By Mr. MUKROWSKI, from the Committee on Energy and Natural Resources, with an amendment:

H. R. 3687. A bill to authorize prepayment of amounts due under a water reclamation project contract for the Canadian River Project, Texas.

By Mr. THOMPSON, from the Committee on Governmental Affairs, without amendment:

H. R. 3808. A bill to designate the United States Post Office located at 47526 Clipper Drive in Plymouth, Michigan, as the “Carl D. Puffer Post Office Building.”

H. R. 3810. A bill to designate the United States Post Office located at 202 Center Street, in Fremont, New Jersey, as the “James T. Leonard, Sr. Post Office.”

H. R. 3939. A bill to designate the United States Postal Service building located at 658 63rd Street, Philadelphia, Pennsylvania, as the “Edgar C. Campbell, Sr., Post Office Building.”

H. R. 3969. A bill to designate the United States Postal Service building located at 5209 Greene Street, Philadelphia, Pennsylvania, as the “David P. Richardson, Jr., Post Office Building.”

By Mr. MUKROWSKI, from the Committee on Energy and Natural Resources, without amendment:

H. R. 4070. A bill to authorize the construction of temperature control devices at Folson Dam in California.

H. R. 4086. A bill to amend the Idaho Admission Act regarding the sale or lease of school land.

By Mr. MUKROWSKI, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute:

S. 793. A bill to convey certain real property within the Carlsbad Project in New Mexico to the Carlsbad Irrigation District.

By Mr. MUKROWSKI, from the Committee on Energy and Natural Resources, with amendments:

S. 741. A bill to authorize the construction of the Fall River Water Users District Rural Water System and authorize financial assistance to the Fall River Water Users District, a non-profit corporation, in the planning and construction of the water supply system, and for other purposes.

S. 777. A bill to authorize the construction of the Lewis and Clark Rural Water System and to authorize assistance to the Lewis and Clark Rural Water System, Inc., a non-profit corporation, for planning and construction of the water supply system, and for other purposes.

By Mr. MUKROWSKI, from the Committee on Energy and Natural Resources, without amendment:

S. 991. A bill to make technical corrections to the Omnibus Parks and Public Lands Management Act of 1996, and for other purposes.

S. 1175. A bill to reauthorize the Delaware Water Gap National Recreation Area Citizen Advisory Commission for 10 additional years.

By Mr. MUKROWSKI, from the Committee on Energy and Natural Resources, with an amendment:

S. 1641. A bill to direct the Secretary of the Interior to study alternatives for establishing a national historic trail to commemorate and interpret the history of women’s rights in the United States.

S. 1693. A bill to authorize the National Park Service to acquire certain land for addition to the Wilderness Battlefield, as previously authorized by law, by purchase or exchange as well as by condemnation.

By Mr. MUKROWSKI, from the Committee on Energy and Natural Resources, without amendment:

S. 2041. A bill to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize the Secretary of the Interior to participate in the design, planning, and construction of the Willow Lake Natural Treatment System Project for the reclamation and reuse of water, and for other purposes.

By Mr. MUKROWSKI, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute:


By Mr. MUKROWSKI, from the Committee on Energy and Natural Resources, with amendments:

S. 2117. A bill to authorize the construction of the Perkins County Rural Water System and authorize financial assistance to the Perkins County Rural Water System, Inc., a nonprofit corporation, in the planning and construction of the water supply system, and for other purposes.

By Mr. MUKROWSKI, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute:

S. 2133. A bill to designate former United States Route 66 as “America’s Main Street” and authorize the Secretary of the Interior to provide assistance.

S. 2135. A bill to provide for the exchange of certain land in the State of Washington.

By Mr. MUKROWSKI, from the Committee on Energy and Natural Resources, without amendment:

S. 2140. A bill to amend the Reclamation Projects Authorization and Adjustment Act of 1992 to authorize the Secretary of the Interior to participate in the design, planning, and construction of the Denver Water Reuse project.

By Mr. MUKROWSKI, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute:

S. 2142. A bill to authorize the Secretary of the Interior to convey the facilities of the Pine River, Montana, to the jurisdictional transfer of lands between the Department of Agriculture, Forest Service, and the Department of the Interior; Bureau of Reclamation, and the Bureau of Indian Affairs, and for other purposes.

By Mr. MUKROWSKI, from the Committee on Energy and Natural Resources, without amendment:

S. 2239. A bill to revise the boundary of Fort Matanzas Monument and for other purposes.

By Mr. MUKROWSKI, from the Committee on Energy and Natural Resources, with amendments:

S. 2240. A bill to establish the Adams National Historical Park in the Commonwealth of Massachusetts, and for other purposes.

By Mr. MUKROWSKI, from the Committee on Energy and Natural Resources, without amendment:

S. 2241. A bill to provide for the acquisition of land, including the former D. Roosevelt family at Hyde Park, New York, and for other purposes.

S. 2246. A bill to amend the Act which established the Frederik Law Olmsted National Historic Site, in the Commonwealth of Massachusetts, by modifying the boundary and for other purposes.

S. 2297. A bill to permit the payment of medical expenses incurred by the U.S. Park Police in the performance of duty to be made directly by the National Park Service, and for other purposes.

S. 2248. A bill to allow for waiver and indemnification in mutual law enforcement agreements between the National Park Service and a state or political subdivision, when required by state law, and for other purposes.

By Mr. MUKROWSKI, from the Committee on Energy and Natural Resources, with amendments:

S. 2257. A bill to reauthorize the National Historic Preservation Act.

By Mr. MUKROWSKI, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute:

S. 2258. A bill to establish the Minuteman National Historical Site in the State of South Dakota, and for other purposes.

By Mr. MUKROWSKI, from the Committee on Energy and Natural Resources, without amendment:

S. 2268. A bill to establish a commission, in honor of the 150th Anniversary of the Seneca Falls Convention, to further protect sites of importance in the historic efforts to secure equal rights for women.

By Mr. MUKROWSKI, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute:

S. 2297. A bill to provide for the distribution of certain publications in units of the National Park System under a sales agreement between the Secretary of the Interior and a private contractor.

By Mr. MUKROWSKI, from the Committee on Energy and Natural Resources, without amendment:

S. 2309. A bill to authorize the Secretary of the Interior to enter into an agreement for the construction and operation of the Gateway Visitor Center at Independence National Historical Park.

By Mr. THOMPSON, from the Committee on Governmental Affairs, without amendment:

S. 2310. A bill to designate the United States Post Office located at 297 Larkfield Road in East Northport, New York, as the “Jerome Anthony Ambro, Jr. Post Office Building.”

S. 2370. A bill to designate the facility of the United States Postal Service located at Tall Timbers Village Square, United States Highway 19 South, in Thomasville, Georgia, as the “Lieutenant Henry O. Flipper Station.”

By Mr. MUKROWSKI, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute:

S. 2401. A bill to authorize the addition of the Paoli Battlefield site in Malvern, Pennsylvania, to Valley Forge National Historic Park.

By Mr. THOMPSON, from the Committee on Governmental Affairs, without amendment:

S. 2404. A bill to establish designations for United States Postal Service buildings located in Coconut Grove, Opa Locka, Carol City, and Miami, Florida.

By Mr. MUKROWSKI, from the Committee on Energy and Natural Resources, with an amendment:
INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

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

By Mr. MOYNIHAN (for himself, Mr. BURNS, Mr. BAUCUS, and Mr. D’AMATO):
S. 2530. A bill to exclude from Federal taxation any portion of any reward paid to David R. Kaczynski and Linda E. Patrik which is donated to the victims in the Unabomber case or their families or which is used to pay Mr. Kaczynski’s and Ms. Patrik’s attorneys’ fees; to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. MOYNIHAN (for himself, Mr. BURNS, Mr. BAUCUS, and Mr. D’AMATO):
S. 2530. A bill to exclude from Federal taxation any portion of any reward paid to David R. Kaczynski and Linda E. Patrik which is donated to the victims in the Unabomber case or their families or which is used to pay Mr. Kaczynski’s and Ms. Patrik’s attorneys’ fees; to the Committee on Finance.

TAX EXEMPTION OFWARDS

• Mr. MOYNIHAN. Mr. President, three years ago, a quiet, law-abiding American family found itself suddenly and unavoidably caught up in the story of one of the most notorious criminal manhunts of the last quarter century in the United States. At this time, my constituents David R. Kaczynski and his wife Linda E. Patrik were confronted with a terrible dilemma. Published news reports led them to suspect they knew the identity of the “Unabomber,” the elusive criminal whose letter bombs had killed three people and injured several others over a 17-year period.

Upon reading the Unabomber’s “manifesto” published in the New York Times and Washington Post in September of 1995, Mr. Kaczynski and Ms. Patrik, residents of Schenectady, New York, came to the awful realization that the man they might be David’s brother, Theodore J. Kaczynski, whose letters they believed closely resembled the Unabomber’s “manifesto.” David Kaczynski, a social worker, and Ms. Patrik, a professor of philosophy at Union College, understandably feared that disclosure of their suspicions might ultimately lead to the execution of David’s brother for the crime of murder. Even so—and as painful as it was for them—they considered it their duty to notify the Federal Bureau of Investigation, which they did.

Soon thereafter, Theodore Kaczynski was arrested in a small cabin in Montana, bringing to an end the Unabomber’s reign of violence. In January 1998, Theodore Kaczynski entered a plea agreement with federal prosecutors resulting in his sentence of life in prison without parole.

Earlier this year, David Kaczynski and Linda Patrik received a $1 million reward for the information they supplied. It was characteristic of these fine citizens that they immediately pledged, after taxes and attorneys’ fees, to pay every cent of the reward to the Unabomber’s victims and their families.

For over two years, David Kaczynski, his family, and his attorney spent countless hours involved in efforts associated with the investigation, capture, and trial of Theodore Kaczynski. Now they are attempting to do the right and noble thing by pledging the reward money to help those injured by a deeply troubled member of their family. It would be ironic and I believe unjust if the federal government were to diminish this selfless act by taxing the Kaczynskis or those to whom they have agreed to pay the reward monies. Therefore we are introducing a bill today to increase the amount available to the Unabomber’s victims and their families by exempting from federal taxation all amounts donated to the victims, as well as attorney’s fees incurred in the matter.

Mr. President, surely this is the least we can do to express our gratitude to David Kaczynski and Linda Patrik, and our sorrow and condolences to the victims and their families. I hope all Senators will support this simple but much-needed measure.

ADDITIONAL COSPONSORS

S. 1868
At the request of Mr. NICKLES, the name of the Senator from Nebraska (Mr. HAGEL) was added as a cosponsor of S. 1868, a bill to express United States foreign policy with respect to, and to strengthen United States assistance to, countries persecuted for their faith worldwide; to authorize United States actions in response to religious persecution worldwide; to establish an ambassador at large on International Religious Freedom within the Department of State, a Commission on International Religious Persecution, and a Special Adviser on International Religious Freedom within the National Security Council; and for other purposes.

S. 210
At the request of Mr. LOTT, the name of the Senator from West Virginia (Mr. KOHL) was added as a cosponsor of S. 210, a bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to clarify liability under that Act for certain recycling transactions.

S. 2288
At the request of Mr. WARNER, the names of the Senator from Rhode Island (Mr. REED), the Senator from Nevada (Mr. REID), the Senator from Kansas (Mr. ROBERTS), and the Senator from Hawaii (Mr. INOUYE) were added as cosponsors of S. 2288, a bill to provide for the reform and continuing legislative oversight of the production, procurement, dissemination, and permanent public access of the Government’s publications, and for other purposes.

S. 2295
At the request of Mr. MCCAIN, the name of the Senator from New York (Mr. D’AMATO) was added as a cosponsor of S. 2295, a bill to amend the Older Americans Act of 1965 to expand the authorizations of appropriations for that Act, and for other purposes.

S. 2432
At the request of Mr. JEFFORDS, the name of the Senator from New York (Mr. D’AMATO) was added as a cosponsor of S. 2432, a bill to support programs of grants to States to address the assistive technology needs of individuals with disabilities, and for other purposes.

S. 2466
At the request of Mr. GRASSLEY, the name of the Senator from Georgia (Mr. COVERDELL) was added as a cosponsor of Senate Joint Resolution 56, a joint resolution expressing the sense of Congress in support of the existing Federal legal process for determining the safety and efficacy of drugs, including marijuana and other Schedule I drugs, for medicinal use.

S. 2477
At the request of Mr. NICKLES, the name of the Senator from South Dakota (Mr. JOHNSON), and the Senator from Wisconsin (Mr. FEINGOLD) were added as cosponsors of Senate Concurrent Resolution 81, a concurrent resolution remembering the life and contributions of George Washington, and his contributions to the Nation.

S. 257
At the request of Mr. MURKOWSKI, the name of the Senator from Indiana (Mr. COATS), the Senator from South Dakota (Mr. JOHNSON), and the Senator from Wisconsin (Mr. FEINGOLD) were added as cosponsors of Senate Resolution 257, a resolution expressing the sense of the Senate that October 15, 1998, should be designated as “National Inhalant Abuse Awareness Day.”
through 3349 of title 5, United States Code (commonly referred to as the "Vacancies Act") to clarify statutory requirements relating to vacancies in and appointments to certain Federal offices, and for other purposes; as follows:

On page 13, insert between lines 17 and 18 the following:

§ 3349d. Notification of intent to nominate during certain recesses or adjournments

"The submission to the Senate, during a recess of the Senate in the absence of the President or after the recess of 15 days, of a written notification by the President of the President's intention to submit a nomination after the recess or adjournment shall be considered a nomination for purposes of sections 3345 through 3348b if—

(1) such notification contains the name of the proposed nominee and the position for which the person is nominated; and

(2) the President submits the nomination of such nominee within 3 days after the end of such recess or adjournment."

KEMPTHORNE AMENDMENT NO. 3649

(Ordered to lie on the table.)

Mr. KEMPTHORNE submitted an amendment intended to be proposed by him to the bill, S. 2176, supra; as follows:

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

TITLE —ENDANGERED SPECIES RECOVERY

SEC. 01. SHORT TITLE; TABLE OF CONTENTS.

(a) Short title.—The title of this title may be cited as the "Endangered Species Recovery Act of 1997".

(b) Table of Contents.—The table of contents of this title is as follows:

Sec. 01. Short title; table of contents.

Sec. 02. Listing and delisting species.

Sec. 03. Enhanced recovery planning.

Sec. 04. Interagency consultation and cooperation.

Sec. 05. Conservation plans.

Sec. 06. Enforcement.

Sec. 07. Education and technical assistance.

Sec. 08. Authorization of appropriations.

Sec. 09. Other amendments.

(c) Repeals.—Section 1533 of the Endangered Species Act of 1973.—Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to that section or provision of the Endangered Species Act of 1973 (16 U.S.C. 1533 et seq.).

SEC. 02. LISTING AND DELISTING SPECIES.

(a) BEST SCIENTIFIC AND COMMERCIAL DATA AVAILABLE.—Section 3 (16 U.S.C. 1533(a)) is amended by striking the section heading and in subsection (a)(1) and inserting the following:

"(1) by striking the section heading and in subsection (a)(1) and inserting the following:"

(b) CONFORMING AMENDMENT.—The table of contents in the first section (16 U.S.C. prec. 1531) is amended by striking the item relating to section 3 and inserting the following:

"Sec. 3. Definitions of general provisions.

(c) LISTING AND DELISTING.—

(1) FACTORS CONSIDERED FOR LISTING.—Section 4(a)(1) (16 U.S.C. 1533(a)(1)) is amended—

(A) in subparagraph (C), by inserting "scientific or commercial data")' before "disuse or predation"; and

(B) in subparagraph (D), by inserting "Federal, State, and local government and international" before "regulatory mechanisms".

(2) CRITICAL HABITAT.—Section 4(a)(2) (16 U.S.C. 1533(a)(2)) is amended by adding at the end the following:

"(2) DELISTING.—The Secretary shall, in accordance with section 5 and on a determination that the goals of the recovery plan for a species have been met, initiate the procedures for determining, in accordance with subsection (a)(1), whether to remove the species from a list published under subsection (c)."

(4) RESPONSE TO PETITIONS.—

(A) IN GENERAL.—Section 4(b)(3) (16 U.S.C. 1533(b)(3)) is amended by adding at the end the following:

"(B) RESPONSE TO PETITIONS.—

(A) ACTION MAY BE WARRANTED.—

(i) In general.—If, in the Secretary's determination that a petition presented substantial scientific or commercial information indicating that the petitioned action may be warranted, the Secretary shall promptly commence a review of the status of the species concerned.

(ii) Proposed regulation to implement the action.

(iii) the recovery goals established for the species in a recovery plan approved under section 5(b) have been achieved.

(D) DETERMINATION.—Not later than one year after receiving a petition that is found under subparagraph (A)(ii) to present substantial information indicating that the petitioned action may be warranted, the Secretary shall make one of the following findings:

(i) Not warranted.—The petitioned action is not warranted, in which case the Secretary shall promptly publish the finding in the Federal Register.

(ii) with respect to a petition to remove a species from either of the lists—

(iii) new data or a reinterpretation of prior data indicate that removal is appropriate; or

(iv) the species is endangered or threatened; and

(v) the recovery goals established for the species in a recovery plan approved under section 5(b) have been achieved.

(E) JUDICIAL REVIEW.—Any negative finding made under subsection (A) is final and may not be appealed under section 5(c).

(i) the current listing is no longer appropriate because of a change in the factors identified under subsection (a)(1); or

(ii) with respect to a petition to remove a species from either of the lists—

The Secretary shall implement a system to ensure the expedient progress is being made to add qualified species to either of the lists published under subsection (c) and to remove from the lists species for which the protection of the Act is no longer necessary; in which case the Secretary shall promptly publish the finding in the Federal Register, together with a description and evaluation of the reasons and data on which the finding is based.

"(D) SUBSEQUENT DETERMINATION.—A petition with respect to which a finding is made under subparagraph (C)(iii) shall be treated as a petition that is resubmitted to the Secretary under subparagraph (A) on the date of the finding and that presents substantial scientific or commercial information that the petitioned action may be warranted.

(E) JUDICIAL REVIEW.—Any negative finding described in subparagraph (A)(ii) and any finding described in clause (i) or (ii) of subparagraph (C) shall be subject to judicial review.

(F) MONITORING AND EMERGENCY LISTING.—The Secretary shall implement a system to monitor effectively the status of each species with respect to which a finding is made under subparagraph (C)(ii) and shall make an emergency listing under section 4(j) to prevent a significant risk to the well-being of the species."
CONGRESSIONAL RECORD — SENATE

September 25, 1998

(B) CONFORMING AMENDMENT.—Section 6(d)(1) (16 U.S.C. 1535(d)(1)) is amended in the first sentence by striking “subsection (C)” and inserting “subsection (F)”.

(B) CONFORMING AMENDMENT.—Section 4(b)(5) (16 U.S.C. 1533(b)(5)) is amended—

(A) by striking “(5) With respect to any rule” and inserting the following:

“(5) WITHDRAWAL.—With respect to any regulation;”

(B) by striking “a determination, designation, or revision” and inserting “a determination, designation, or revision”; and

(C) by striking “(a)(1) or (3),” and inserting “(a)(1).”

(6) FINAL REGULATIONS.—

(A) SCHEDULE.—Section 4(b)(6) (16 U.S.C. 1533(b)(6)) is amended by striking “(6)(A)” and all that follows through the end of subparagraph (A) and inserting the following:

“(6) FINAL REGULATIONS.—

“(A) IN GENERAL.—Within the one-year period beginning on the date on which general notice is published in accordance with paragraph (5)(A)(i) regarding a proposed regulation, the Secretary shall publish in the Federal Register—

“(i) a final regulation to implement the determination that is the subject of the final determination of the Secretary in accordance with this paragraph (5)(A)(i) or (3)(A)(iii), or the proposed or final determination of the Secretary in the preparation of the recovery plan under paragraph (5)(A) is not followed, an explanation as to why the recommendation was not followed;

(B) PROTECTIVE REGULATION.—

(1) sections 4(c)(1) (16 U.S.C. 1533(c)(1)) is amended—

(ii) selecting independent referees pursuant to subparagraph (B)(ii);

(iii) providing the referees with all studies, reports, comments, and other documents submitted for the record on the proposed regulation during the comment period on the proposed regulation, except that, if the comment period is longer than 60 days, the studies, reports, comments, or other documents submitted on the proposed regulation during the comment period after the 60th day shall be provided to the referees on request; and

(iv) requesting the referees to conduct the review, including the studies, reports, comments, and other documents provided under clause (i), and any other relevant information, and make recommendations to the Secretary in accordance with this paragraph not later than 150 days after the general notice is published pursuant to paragraph (5)(A)(i), 30 days after the Secretary shall specify the taxa to be examined under this section for the species pursuant to section 5(c) and may be subsequently revised.

(10) PROTECTIVE REGULATION.—Section 4(d) (16 U.S.C. 1535(d)) is amended—

(i) a summary of the results of the independent scientific review; and

(ii) in a case in which the recommendation of a majority of the referees who conducted the independent scientific review under subparagraph (A) is not followed, an explanation as to why the recommendation was not followed.

(2) CONFORMING AMENDMENT.—The selection and activities of referees selected pursuant to this Act shall not be subject to the Federal Advisory Committee Act (5 U.S.C. App.). The Secretary shall make available to the public, on request, the studies, reports, comments, and other documents submitted for the record on the proposed or final determinations.

(3) CONFORMING AMENDMENT.—Section 4(g) (16 U.S.C. 1535(g)) is amended—

(i) a summary of the results of the independent scientific review; and

(ii) in a case in which the recommendation of a majority of the referees who conducted the independent scientific review under subparagraph (A) is not followed, an explanation as to why the recommendation was not followed.

(3) CONFORMING AMENDMENT.—The selection and activities of referees selected pursuant to this Act shall not be subject to the Federal Advisory Committee Act (5 U.S.C. App.). The Secretary shall make available to the public, on request, the studies, reports, comments, and other documents submitted for the record on the proposed or final determinations.

(4) CONFORMING AMENDMENT.—The selection and activities of referees selected pursuant to this Act shall not be subject to the Federal Advisory Committee Act (5 U.S.C. App.). The Secretary shall make available to the public, on request, the studies, reports, comments, and other documents submitted for the record on the proposed or final determinations.

(5) CONFORMING AMENDMENT.—The selection and activities of referees selected pursuant to this Act shall not be subject to the Federal Advisory Committee Act (5 U.S.C. App.). The Secretary shall make available to the public, on request, the studies, reports, comments, and other documents submitted for the record on the proposed or final determinations.

(6) CONFORMING AMENDMENT.—The selection and activities of referees selected pursuant to this Act shall not be subject to the Federal Advisory Committee Act (5 U.S.C. App.). The Secretary shall make available to the public, on request, the studies, reports, comments, and other documents submitted for the record on the proposed or final determinations.
SEC. 05. ENHANCED RECOVERY PLANNING.

(a) REDesignation.—Section 5 (16 U.S.C. 1534) is redesignated as section 5A.

(b) RECOVERY PLANS.—The Act is amended by inserting before section 5A (as redesignated by subsection (a)) the following:

"RECOVERY PLANS

"SEC. 5. (a) The Secretary, in cooperation with the States, and on the basis of the best scientific and commercial data available, shall develop and implement plans (referred to as "recovery plans") for the conservation and recovery of endangered species and threatened species that are indigenous to the United States or in waters under its jurisdiction, to address multiple species including (i) endangered species, (ii) threatened species, and (iii) species that the Secretary has identified as candidates or proposed for listing under section 4 of this Act.

"(b) Priorities.—To the maximum extent practicable, the Secretary, in developing recovery plans, shall give priority, without regard to taxonomic classification, to recovery plans that—

"(1) address significant and immediate threats to the survival of an endangered species or a threatened species, have the greatest likelihood of achieving recovery of the endangered species or the threatened species, and will benefit species that are taxonomically distinct;

"(2) address multiple species including (i) endangered species, (ii) threatened species, or (iii) species that the Secretary has identified as candidates or proposed for listing under section 4 and that are dependent on the same habitat as the endangered species or the threatened species, and will benefit species that are taxonomically distinct;

"(3) target multiple species including (i) endangered species, (ii) threatened species, or (iii) species that the Secretary has identified as candidates or proposed for listing under section 4 and that are dependent on the same habitat as the endangered species or the threatened species, and will benefit species that are taxonomically distinct;

"(4) reduce conflicts with construction, development, private property, or other economic activities; and

"(5) reduce conflicts with military training and operations.

"(c) SCOPE OF PLAN.—To carry out subsection (c) of this section and section 3(e) of the Endangered Species Recovery Act of 1997 in the most efficient and effective manner practicable, the Secretary shall develop and implement a priority ranking system for the preparation of recovery plans based on all of the factors described in subparagraphs (A) through (D) of paragraph (1).

"(d) SCHEDULE.—For each species determined to be an endangered species or a threatened species after the date of enactment of this Act, the Secretary shall develop a recovery plan pursuant to this subsection.

"(e) CONTENTS OF RECOVERY PLANS.—Each recovery plan shall contain:

"(1) a biological recovery goal.

"(A) IN GENERAL.—Not later than 60 days after the date of the publication under section 4 of the final listing determination, the Secretary shall publish a draft final recovery plan.

"(B) DUTY OF THE RECOVERY TEAM.—Each recovery team shall submit to the Secretary a final recovery plan for the species or group of species addressed under this Act not later than 30 months after the date of enactment of this Act.

"(C) SECRETARIAL DUTY.—If a recovery plan is not submitted within the time period specified in paragraph (2), the Secretary shall—

"(i) make a determination that a recovery plan is not required due to the existence of an existing recovery plan or plan under a cooperative agreement or state plan, or

"(ii) publish the draft final recovery plan.

"(D) FINAL DRAFT.—The Secretary shall review and publish the final recovery plan not later than 30 months after the date of enactment of this Act.

"(2) RECOVERY MEASURES.—The recovery plan shall incorporate recovery measures that will meet the recovery goal.

"(B) PEER REVIEW.—The recovery team shall promptly obtain independent scientific review of the recommended biological recovery measures.

"(C) ESTABLISHMENT OF MEASURES.—The recovery measures may incorporate general and site-specific measures for the conservation and recovery of the species such as—

"(i) actions to protect and restore habitat;

"(ii) research;

"(iii) establishment of refugia, captive breeding, and releases of experimental populations; and

"(iv) activities that may be taken by Federal agencies, including actions that, to the maximum extent practicable, Federal, State, and local governments and other persons to recover species, including those activities necessary for the development and implementation of conservation plans under section 10.

"(D) FEDERAL AGENCIES.—Each recovery plan shall include the following factors—

"(i) the effectiveness of the measures in meeting the recovery goal;

"(ii) the period of time in which the recovery goal is likely to be achieved, provided that the time period within which the recovery goal is to be achieved will not pose a significant risk to recovery of the species; and

"(iii) the social and economic impacts (both quantitative and qualitative) of the recovery measures and the distribution of the impacts across regions and industries.

"(E) DETERMINATION OF RECOVERY GOALS.—The recovery plan shall include a description of any alternative recovery measures considered, but not included in the recommended measures, and an explanation of how any such measures considered were assessed and the reasons for their selection or rejection.

"(F) DESCRIPTION OF ECONOMIC EFFECTS.—If any recommended recovery measures identified in clause (i) would impose significant costs on a municipality, county, region, or industry, the recovery plan shall prepare a description of the economic effects on the public and private sectors including, as appropriate, effects on employment, public revenues, and value of property as a result of the implementation of the recovery plan.

"(G) BENCHMARKS.—The recovery plan shall include objective, measurable benchmarks expected to be achieved over the course of the recovery plan to determine whether progress is being made toward the recovery goal. To the extent possible, current and historical population estimates, along with other relevant factors, should be considered in determining whether progress is being made toward meeting the recovery goal.

"(H) FEDERAL AGENCY RESPONSIBILITY.—The recovery plan for an endangered species or a threatened species shall identify Federal agencies..."
that authorize, fund, or carry out actions that are likely to have a significant impact on recovery of the species.

(1) PUBLIC NOTICE AND COMMENT.—

(1) In general.—The Secretary makes a preliminary determination that the draft recovery plan meets the requirements of this section, the Secretary shall publish in the Federal Register a notice of availability, and a summary, of the draft recovery plan, and include in the draft recovery plan a response to significant comments that the Secretary received on the draft recovery plan.

(2) Review and approval.—The Secretary shall review each draft plan submitted by a recovery team, including a recovery team appointed pursuant to the authority of subsection (m), to determine whether the plan was developed in accordance with the requirements of this section. If the Secretary determines that the plan does not satisfy such requirements, the Secretary shall notify the recovery team and give the team an opportunity to address the concerns of the Secretary. The Secretary shall adopt a final recovery plan that is consistent with the requirements of this section.

(2) SELECTION OF RECOVERY MEASURES.—(1) In general.—In each final plan the Secretary shall select recovery measures that meet the recovery goal and the benchmarks. The recovery measures shall achieve an appropriate balance among the measures recommended by the Secretary, the States, Indian tribes, local governments, private landowners, and any other individual or organization that is likely to have a significant impact on recovery of the endangered species or threatened species covered by the plan. The Secretary shall convene a recovery team to develop the recovery plan and shall select recovery measures that meet the recovery goal. If the Secretary has established an exception pursuant to section 15(e) and the recommendations of the independent referees on the recovery goal.

(2) Review of each plan.—The Secretary shall hold at least one public hearing on each draft recovery plan in each State to which the plan would apply (including at least one hearing in an affected rural area, if any), except that the Secretary may not be required to hold more than five hearings under this paragraph.

(3) PROCUREMENT AUTHORITY.—In developing and implementing recovery plans, the Secretary may procure the services of appropriate Federal and State agencies and institutions and other qualified persons.

(b) Review and selection by the Secretary.—

(1) Review and approval.—The Secretary shall review each plan submitted by a recovery team, including a recovery team appointed pursuant to the authority of subsection (m), to determine whether the plan was developed in accordance with the requirements of this section. If the Secretary determines that the plan does not satisfy such requirements, the Secretary shall notify the recovery team and give the team an opportunity to address the concerns of the Secretary. The Secretary shall adopt a final recovery plan that is consistent with the requirements of this section.

(2) Selection of recovery measures.—In each final plan the Secretary shall select recovery measures that meet the recovery goal and the benchmarks. The recovery measures shall achieve an appropriate balance among the measures recommended by the Secretary, the States, Indian tribes, local governments, private landowners, and any other individual or organization that is likely to have a significant impact on recovery of the endangered species or threatened species covered by the plan. The Secretary shall convene a recovery team to develop the recovery plan and shall select recovery measures that meet the recovery goal. If the Secretary has established an exception pursuant to section 15(e) and the recommendations of the independent referees on the recovery goal.

(3) Measures recommended by recovery team.—If the Secretary selects measures other than the measures recommended by the recovery team, the Secretary shall publish with the final plan an explanation of why the measures recommended by the recovery team were not selected for the final recovery plan.

(4) Publication of notice on final plans.—The Secretary shall publish in the Federal Register a notice of availability, and a summary, of the final recovery plan, and include in the final recovery plan a response to significant comments that the Secretary received on the draft recovery plan.

(5) Review and approval.—The Secretary shall review each recovery plan first proposed or revised pursuant to this section, not later than ten years after the date of enactment of this subsection, not later than ten years after the date of approval or revision of the plan and every ten years thereafter.

(6) Revision of recovery plans.—Notwithstanding any other provision of this section, the Secretary shall review and approve a recovery plan if the Secretary finds that substantial new information, which may include failure to meet the benchmarks included in the plan, based on the best scientific and commercial data available, indicates that the recovery goal contained in the recovery plan will not be achieved. The Secretary may not be required to hold more than five hearings under this paragraph.

(1) In general.—In cooperation with the States, Indian tribes, local governments, and other appropriate Federal agencies and institutions, the Secretary shall develop, as soon as practicable, and publish standards and guidelines for the development of recovery plans and the implementation of recovery plans that are likely to have a significant impact on the conservation of the species and the implementation of the plan. The Secretary shall publish such standards and guidelines no later than two years after the date on which the Secretary has received an application for a recovery plan.

(2) Duty of Federal agencies.—Each Federal agency identified under subsection (e)(4) shall enter into an implementation agreement with the Secretary not later than two years after the date on which the Secretary approves the recovery plan for the species. The Secretary shall convene a recovery team to develop the recovery plan and shall select recovery measures that are likely to have a significant impact on recovery of the species.

(3) Duty of recovery team.—The recovery team shall participate in the development of the recovery plan and shall meet the requirements of this section.

(4) Financial assistance.—

(1) In general.—In cooperation with the States, Indian tribes, local governments, and other appropriate Federal agencies and institutions, the Secretary shall develop, as soon as practicable, and publish standards and guidelines for the development of recovery plans and the implementation of recovery plans that are likely to have a significant impact on the conservation of the species and the implementation of the plan. The Secretary shall publish such standards and guidelines no later than two years after the date on which the Secretary has received an application for a recovery plan.

(2) Duty of Federal agencies.—Each Federal agency identified under subsection (e)(4) shall enter into an implementation agreement with the Secretary not later than two years after the date on which the Secretary approves the recovery plan for the species. The Secretary shall convene a recovery team to develop the recovery plan and shall select recovery measures that are likely to have a significant impact on recovery of the species.

(3) Duty of recovery team.—The recovery team shall participate in the development of the recovery plan and shall meet the requirements of this section.

(4) Financial assistance.—In cooperation with the States, Indian tribes, local governments, and other appropriate Federal agencies and institutions, the Secretary shall develop, as soon as practicable, and publish standards and guidelines for the development of recovery plans and the implementation of recovery plans that are likely to have a significant impact on the conservation of the species and the implementation of the plan. The Secretary shall publish such standards and guidelines no later than two years after the date on which the Secretary approves the recovery plan for the species. The Secretary shall convene a recovery team to develop the recovery plan and shall select recovery measures that are likely to have a significant impact on recovery of the species.

(5) Review and approval of final plans.—In general.—In cooperation with the States, Indian tribes, local governments, and other appropriate Federal agencies and institutions, the Secretary shall develop, as soon as practicable, and publish standards and guidelines for the development of recovery plans and the implementation of recovery plans that are likely to have a significant impact on the conservation of the species and the implementation of the plan. The Secretary shall publish such standards and guidelines no later than two years after the date on which the Secretary approves the recovery plan for the species. The Secretary shall convene a recovery team to develop the recovery plan and shall select recovery measures that are likely to have a significant impact on recovery of the species.

(6) Withdrawal of authority.—
“(A) IN GENERAL.—The Secretary may withdraw the authority from a State that has been authorized to develop a recovery plan pursuant to this subsection if the actions of the Secretary under this subsection are not in accordance with the substantive and procedural requirements of subsections (c), (d)(1), (d)(2), and (e) and this subsection. The Secretary shall give the State agency an opportunity to correct any deficiencies identified by the Secretary and shall withdraw the authority from the State unless the State agency within 90 days, the petition shall be a final agency action for the purposes of judicial review.

“(B) PETITIONS TO WITHDRAW.—Any person may submit a petition requesting the Secretary to withdraw the authority from a State on the basis that the actions of the Secretary under this subsection are not in accordance with the substantive and procedural requirements described in subparagraph (A). If the Secretary has not acted on the petition pursuant to subparagraph (A) within 90 days, the petition shall be deemed to be denied and the denial shall be a final agency action for the purposes of judicial review.”

“(n) CRITICAL HABITAT DESIGNATION.—

“(1) RECOMMENDATION OF THE RECOVERY TEAM.—Not later than nine months after the date of publication under section 4 of a final regulation containing a listing determination for species, the recovery team appointed for the species shall provide the Secretary with a description of any habitat of the species that is recommended for designation as critical habitat pursuant to sections 4 and 5 and any recommendations for special management considerations or protection that are specific to the habitat.

“(2) THE SECRETARY.—The Secretary, to the maximum extent prudent and determinable, shall by regulation designate any habitat that is considered to be critical habitat for an endangered species or a threatened species that is indigenous to the United States or waters with respect to which the United States exercises sovereign rights and authorities.

“(A) DESIGNATION.—

“(i) PROPOSAL.—Not later than 18 months after the date on which a final listing determination is made for a species, the recovery team shall prepare a petition for designation as critical habitat for a species, the Secretary, after consultation and in cooperation with the recovery team, shall publish in the Federal Register a proposed regulation designating critical habitat for the species.

“(ii) PROCLAMATION.—The Secretary shall, after consultation and in cooperation with the recovery team, publish in the Federal Register a final regulation designating critical habitat for a species not later than 30 months after the date on which a final listing determination is made under section 4 for the species.

“(B) OTHER DESIGNATIONS.—If a recovery plan is not developed under this section for an endangered species or a threatened species, the Secretary may publish a proposed regulation designating critical habitat for an endangered species or threatened species not later than three years after making a determination that the species is an endangered species or a threatened species.

“(C) ADDITIONAL AUTHORITY.—The Secretary may designate additional critical habitat for an endangered species or a threatened species concurrently with the final regulation implementing the determination of endangered status under section 4 if the Secretary determines that designated such habitat at the time of listing is essential to avoid the imminent extirpation or extinction of the species.

“(D) FURTHER ACTIONS.—Notwithstanding any other provision of law, if the Secretary determines that the requested revision may be warranted. The Secretary shall make a finding as to whether the petition of an interested person under section 7 of the Act relating to the National Wildlife Refuge System by striking "section 5(a)(1)" and inserting "section 5(a)(2)".

“(E) REPORTS.—The Secretary shall report annually to the Committee on Environment and Public Works of the Senate and the Committee on Resources of the House of Representatives on the status of efforts to develop and implement recovery plans for all species listed pursuant to section 4 and on the status of all species for which the plans have been developed.

“(F) CONFORMING AMENDMENTS FOR RECOVERY PLANNING.—

“(1) Section 6(d)(1) (16 U.S.C. 1535(d)(1)) is amended by striking "section 4(e)" and inserting "section 4(f)".

“(2) Section 109(a)(5) (16 U.S.C. 1539(f)(5)) is amended by striking the term "section 5(b)" and inserting "section 5(a)".

“(3) Section 7(a)(1) of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l-9) is amended in the undesignated paragraph by striking "section 4(f)" and inserting "section 4(e)".


“(7) The table of contents of the first section of Public Law 103-531 (16 U.S.C. 1536) is amended by striking the item relating to section 5 and inserting the following:

"Sec. 5. Recovery plans."

"Sec. 5A. Land acquisition.;"

"and"

"by adding at the end the following:

"Sec. 19. Annual cost analysis by the Fish and Wildlife Service."

"(e) PLANS FOR PREVIOUSLY LISTED SPECIES.—In the case of species included in the list published under section 4(c) before the date of enactment of this Act, and for which no recovery plan was developed before that date, the Secretary of the Interior or the Secretary of Commerce, as appropriate, shall develop a final recovery plan in accordance with the requirements of section 5 (including the priorities of section 5(b)) of the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.) (as amended by this section) for those one-half of the species not later than 36 months after the date of enactment of this Act and for all species not later than 60 months after such date.

SEC. 94. INTRAGOVERNMENTAL CONSULTATION AND COOPERATION.

"(a) REASONABLE AND PRUDENT ALTERNATIVES.—

“(1) DEFINITION.—Subsection (a) of section 3 (16 U.S.C. 1532) as amended by section 2(a)(2) (as amended by section 2(a)(2)) is amended by inserting the following after the paragraph defining the term "plant" and redesignating the subsequent paragraphs accordingly:

“(15) REASONABLE AND PRUDENT ALTERNATIVES.—The term ‘reasonable and prudent alternatives’ means alternative actions identified that, when implemented in a manner consistent with the intended purpose of the action, that can be implemented consistent with the scope of the act and the jurisdiction and the Federal agency, that are economically and technologically feasible, and that the Secretary believes would avoid the likelihood of jeopardy to the continued existence of the listed species or resulting in the destruction or adverse modification of critical habitat.”

“(2) CONFORMING AMENDMENT.—Section 7(a)(2) (16 U.S.C. 1538(n)) is amended in the first sentence by striking ‘‘as defined by section 3(13) of this Act.’’
and inserting: ''CONSULTATIONS.—(1) The Secretary determines are likely to have an adverse effect on a species or threatened species that the Secretary has identified as critical habitat or on land or water owned or under the control of the agency; and

(ii) shall, at least once every ten years thereafter, from inventory required by clause (i) including newly listed species, species proposed for listing, and candidate species.''

(c) CONSULTATION.—Section 7(a)(3) (16 U.S.C. 1536(a)(3)) is amended to read as follows:

`````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````
prudent measures shall be related both in nature and extent to the effect of the proposed activity that is the subject of the consultation.

(j) EMERGENCY CONSULTATIONS. — Section 7 (16 U.S.C. 1536) is amended by adding the following:

"(q) EMERGENCY CONSULTATIONS. — In response to an unusual or emergency condition, consultation under subsection (a)(2) may be deferred by a Federal agency for the emergency repair of a natural gas pipeline, hazardous waste facility, or electrical transmission facility, if the repair is necessary to address an imminent threat to human lives or an imminent and significant threat to the environment, and conditions are being complied with as soon as practicable after the threat to human lives or the environment has abated."

(k) REVISION OF REGULATIONS. — Not later than one year after the date of enactment of this Act, the Secretary of the Interior and the Secretary of Commerce shall promulgate modifications to part 402 of title 50, Code of Federal Regulations, to implement this section and the amendments made by this section.

SEC. 90. CONSERVATION PLANS. —

(a) PERMIT FOR TAKING ON THE HIGH SEAS. — Section 10(a)(1)(B) (16 U.S.C. 1539(a)(1)(B)) is amended by striking "section 9(a)(1)(B)" and inserting "paragraph (B) or (C) of section 9(a)(1)".

(b) MONITORING. — Section 10(a)(2)(B) (16 U.S.C. 1539(a)(2)(B)) is amended in the last sentence by striking "reporting" and inserting "monitoring and reporting".

(c) OTHER PLANS. — Section 10(a) (16 U.S.C. 1539(a)) is amended by striking paragraph (2)(C) and inserting the following:

"(C) MULTIPLE SPECIES CONSERVATION PLANS. —

"(A) IN GENERAL. — In addition to one or more listed species, a conservation plan developed under paragraph (2) may, at the request of the applicant, include species proposed for listing under section 4(c), candidate species, or other species found on lands or waters owned or within the jurisdiction of the applicant covered by the plan.

"(B) APPROVAL CRITERIA. — The Secretary shall provide for a permit under paragraph (1)(B) that includes species other than species listed as endangered species or threatened species if, after notice and opportunity for public comment, the Secretary finds that the permit application and the related conservation plan satisfy the criteria of subparagraphs (A) and (B) of paragraph (2)(C) and that the permit application and the related conservation plan with respect to other species satisfy the following requirements:

"(i) The impact on non-listed species included in the plan will be incidental;

"(ii) the applicant will, to the maximum extent practicable, minimize and mitigate such impact;

"(iii) the actions taken by the applicant with respect to species proposed for listing or candidates for listing included in the plan, if undertaken by all similarly situated persons within the range of such species, are likely to eliminate the need to list the species as an endangered species or a threatened species for the duration of the agreement as a result of the activities conducted by those persons;

"(iv) the actions taken by the applicant with respect to species proposed for listing or candidates for listing included in the plan, if undertaken by all similarly situated persons within the range of such species, would not be likely to contribute to a situation to list the species as an endangered species or a threatened species for the duration of the agreement; and

"(v) the criteria of subparagraphs (A)(iv), (B)(iii), and (B)(v) of paragraph (2).

and the Secretary has received such other assurances as the Secretary may require that the plan will be implemented. The permit shall contain conditions as the Secretary deems necessary or appropriate to carry out the purposes of this paragraph, including such monitoring and reporting requirements as the Secretary deems necessary for determining whether the terms and conditions are being complied with. The Secretary shall not include as a term or condition on the permit this paragraph any provisions for a species proposed for listing under section 4(c), candidate species, or other species not listed under section 4 if the Secretary finds that the taking of such species, if any, will have no more than a negligible effect, both individually and cumulatively, on the survival and recovery of the species in the wild.

"(D) ENSURE IMPLEMENTATION. — As soon as practicable after the threat to human lives or the environment has abated, the Secretary shall implement the plan with respect to other non-listed species in-"
(d)(2)) is amended by adding at the end the data, views, or arguments on the plan and days for interested parties to submit written public comment period for an additional 30 participation, the Secretary shall extend the opportunity, as early as practicable, for public 1539(c)) is amended—

Under an agreement, the Secretary shall permit entry into agreements with non-Federal property owner to protect, manage, or enhance suitable habitat on private property for the benefit of endangered species or threatened species. A grant provided to an individual private landowner under this paragraph shall be in addition to and not the purpose of, carrying out of an agreement if the taking is incidental to, and not the purpose of, carrying out of an otherwise lawful activity, except that the Secretary may not permit through an agreement any payments for the baseline requirement specified pursuant to subparagraph (B).

(B) BASELINE.—For each agreement under this subsection, the Secretary shall establish a baseline requirement that is mutually agreed on by the applicant and the Secretary at the time of the agreement that will, at a minimum, provide for the protection of the species covered by the agreement on lands and waters that are subject to the activities of those persons during the duration of the agreement; (ii) the actions taken under the agreement do not adversely affect an endangered species or a threatened species; (iii) the agreement contains such other measures that the Secretary may require as being necessary or appropriate for the purposes of the agreement; (iv) the person will ensure adequate funding to implement the agreement; and (v) the agreement includes such monitoring and reporting requirements as the Secretary deems necessary for determining whether the terms and conditions of the agreement are being complied with.

(3) EFFECTIVE DATE OF PERMIT.—A permit issued under subsection (a)(1)(C) shall take effect at such time as the Secretary is listed pursuant to section 4(c), if the permittee is in full compliance with the terms and conditions of the agreement.

(4) HABITAT RESERVE AGREEMENTS.—A person who has entered into a candidate conservation agreement under this subsection, and is in compliance with the agreement, may be required to undertake any additional measures for species covered by such agreement if the measures would require the payment of additional money, or the adoption of additional use, development, or management restrictions on any land, waters, or water-related rights that would otherwise be available under the terms of the agreement without the consent of the property owner to enter into the agreement. The Secretary and the person entering into a candidate conservation agreement, by the terms of the agreement, shall identify—

(A) other modifications to the agreement; or

(B) other additional measures; if any, that the Secretary may require under extraordinary circumstances.

(e) PUBLIC NOTICE.—Section 10(c) (16 U.S.C. 1539c(e)) is amended—

(1) by striking "thirty" each place that it appears and inserting "60"; and

(2) by inserting before the final sentence the following:

" and after the date of the loan, the loan shall be for a term of four years. If no permit is issued under paragraph (1)(B) with respect to the conservation plan within four years after the date of the loan, the loan shall be for the term of five years.

(1) EFFECT ON PERMITS AND PROPOSED PLANS.—No amendment made by this section requires the modification of—

(a) a permit issued under section 10 of the Endangered Species Act of 1973 (16 U.S.C. 1539); or

(b) a conservation plan submitted for approval pursuant to such section; prior to the date of enactment of this Act. 

(2) SUSTAINING ECONOMIC ACTIVITY.—Not later than 1 year after the date of enactment of this Act, the Secretary of the Interior and the Secretary of Commerce shall, after consultation with the States and local governmental, business, environmental, and landowner interests; (iii) the likely benefits of the plan; and (iv) such other factors as the Secretary considers appropriate.

(E) TERM OF THE LOAN.—(i) IN GENERAL.—Except as provided in clause (ii), a loan made under this paragraph shall be for a term of four years. If no permit is issued under paragraph (1)(B) with respect to the conservation plan within four years after the date of the loan, the loan shall be for the term of five years.

(ii) ADVANCED REPAYMENTS.—If no conservation plan is developed within three years after the date of the loan, the loan shall be for a term of four years. If no permit is issued under paragraph (1)(B) with respect to the conservation plan within four years after the date of the loan, the loan shall be for the term of five years.

(1) EFFECT ON PERMITS AND PROPOSED PLANS.—No amendment made by this section requires the modification of—

(a) a permit issued under section 10 of the Endangered Species Act of 1973 (16 U.S.C. 1539); or

(b) a conservation plan submitted for approval pursuant to such section; prior to the date of enactment of this Act. 

(c) ACCOUNTING.—The Secretary may make a loan, the Secretary shall consider—

(i) the number of species covered by the plan; (ii) the extent to which there is a commitment to participate in the planning process from a diversity of interests (including local governmental, business, environmental, and landowner interests); (iii) the likely benefits of the plan; and (iv) such other factors as the Secretary considers appropriate.

(D) CRITERIA.—In determining whether to make a loan, the Secretary shall consider—

(i) the number of species covered by the plan; (ii) the extent to which there is a commitment to participate in the planning process from a diversity of interests (including local governmental, business, environmental, and landowner interests); (iii) the likely benefits of the plan; and (iv) such other factors as the Secretary considers appropriate.

(E) TERM OF THE LOAN.—(i) IN GENERAL.—Except as provided in clause (ii), a loan made under this paragraph shall be for a term of four years. If no permit is issued under paragraph (1)(B) with respect to the conservation plan within four years after the date of the loan, the loan shall be for the term of five years.

(ii) ADVANCED REPAYMENTS.—If no conservation plan is developed within three years after the date of the loan, the loan shall be for a term of four years. If no permit is issued under paragraph (1)(B) with respect to the conservation plan within four years after the date of the loan, the loan shall be for the term of five years.

(1) EFFECT ON PERMITS AND PROPOSED PLANS.—No amendment made by this section requires the modification of—

(a) a permit issued under section 10 of the Endangered Species Act of 1973 (16 U.S.C. 1539); or

(b) a conservation plan submitted for approval pursuant to such section; prior to the date of enactment of this Act. 

(c) ACCOUNTING.—The Secretary may make a loan, the Secretary shall consider—

(i) the number of species covered by the plan; (ii) the extent to which there is a commitment to participate in the planning process from a diversity of interests (including local governmental, business, environmental, and landowner interests); (iii) the likely benefits of the plan; and (iv) such other factors as the Secretary considers appropriate.

(D) CRITERIA.—In determining whether to make a loan, the Secretary shall consider—

(i) the number of species covered by the plan; (ii) the extent to which there is a commitment to participate in the planning process from a diversity of interests (including local governmental, business, environmental, and landowner interests); (iii) the likely benefits of the plan; and (iv) such other factors as the Secretary considers appropriate.

(E) TERM OF THE LOAN.—(i) IN GENERAL.—Except as provided in clause (ii), a loan made under this paragraph shall be for a term of four years. If no permit is issued under paragraph (1)(B) with respect to the conservation plan within four years after the date of the loan, the loan shall be for the term of five years.

(ii) ADVANCED REPAYMENTS.—If no conservation plan is developed within three years after the date of the loan, the loan shall be for a term of four years. If no permit is issued under paragraph (1)(B) with respect to the conservation plan within four years after the date of the loan, the loan shall be for the term of five years.

(1) EFFECT ON PERMITS AND PROPOSED PLANS.—No amendment made by this section requires the modification of—

(a) a permit issued under section 10 of the Endangered Species Act of 1973 (16 U.S.C. 1539); or

(b) a conservation plan submitted for approval pursuant to such section; prior to the date of enactment of this Act. 

(c) ACCOUNTING.—The Secretary may make a loan, the Secretary shall consider—

(i) the number of species covered by the plan; (ii) the extent to which there is a commitment to participate in the planning process from a diversity of interests (including local governmental, business, environmental, and landowner interests); (iii) the likely benefits of the plan; and (iv) such other factors as the Secretary considers appropriate.

(D) CRITERIA.—In determining whether to make a loan, the Secretary shall consider—

(i) the number of species covered by the plan; (ii) the extent to which there is a commitment to participate in the planning process from a diversity of interests (including local governmental, business, environmental, and landowner interests); (iii) the likely benefits of the plan; and (iv) such other factors as the Secretary considers appropriate.
Secretary of the Interior and the Secretary of Commerce shall enter into appropriate arrangements with the National Academy of Sciences to conduct a review of and prepare a report on a permitment and implementation of conservation plans under section 10(a) of the Endangered Species Act of 1973 (16 U.S.C. 1539(a)). The report shall assess the extent to which plans comply with the requirements of that Act, the role of multiple species conservation plans in preventing the need to list species covered by those plans, and the relationship of conservation plans for listed species to implementation of recovery plans. The report shall be transmitted to the Congress not later than five years after the date of enactment of this Act.

SEC. 95. ENFORCEMENT.

(a) ENFORCEMENT FOR INCIDENTAL TAKING.—Section 11 (16 U.S.C. 1540) is amended—

(1) by inserting “—The” and inserting “—Policy.”

(2) by striking “Policy.” and inserting “Policy.”

(b) CITIZEN SUIT FOR INCIDENTAL TAKING.—Section 10(a) (16 U.S.C. 1531) is amended by striking the item related in the first section (16 U.S.C. prec. 1531) is amended by striking the item related in the first section (16 U.S.C. prec.

SEC. 96. AUTHORIZATION OF APPROPRIATIONS.


<table>
<thead>
<tr>
<th>Section</th>
<th>Fiscal Year</th>
<th>Appropriations</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>1998</td>
<td>$41,500,000</td>
</tr>
<tr>
<td>10</td>
<td>1999</td>
<td>$105,000,000</td>
</tr>
<tr>
<td>10</td>
<td>2000</td>
<td>$110,000,000</td>
</tr>
<tr>
<td>10</td>
<td>2001</td>
<td>$115,000,000</td>
</tr>
<tr>
<td>10</td>
<td>2002</td>
<td>$120,000,000</td>
</tr>
<tr>
<td>10</td>
<td>2003</td>
<td>$125,000,000</td>
</tr>
</tbody>
</table>

SEC. 97. TECHNICAL AND ASSISTANCE.

(a) IN GENERAL.—Section 13 is amended to read as follows:

PRIVATe PROPERTY OWNERS EDUCATION AND TECHNICAL ASSISTANCE

PROGRAm.

SEC. 13. (a) IN GENERAL.—In cooperation with the States and other Federal agencies, the Secretary shall develop and implement a private property owners education and technical assistance program to—

(1) inform the public about this Act;

(2) respond to requests for technical assistance from the private property owners interested in listing or proposed for listing under section 4(c)(1) and candidate species on the property of the property owners;

(3) recognize exemplary efforts to conserve species on private land;

(b) ELEMENTS OF THE PROGRAM.—Under the program, the Secretary shall—

(1) publish educational materials and conduct workshops for private property owners and other members of the public on the role of this Act in conserving endangered species and threatened species, the principal mechanisms of this Act for achieving species recovery, and potential sources of technical and financial assistance; and

(2) provide technical assistance to State and local governments and private property owners interested in developing and implementing recovery plan implementation agreements, conservation plans, and safe harbor agreements;

(3) serve as a focal point for questions, requests, and suggestions from property owners and local governments and private property owners; and

(4) provide financial assistance to State and local governments and private property owners interested in developing and implementing recovery plan implementation agreements, conservation plans, and safe harbor agreements;

(c) HABITAT CONSERVATION INSURANCE PROGRAM.

SEC. 15. (c) HABITAT CONSERVATION INSURANCE PROGRAM.

(1) ESTABLISHMENT.—There is established a Habitat Conservation Insurance Program.

(2) USE.—The Program shall be used to pay the cost of additional mitigation measures not otherwise required under an existing conservation plan under subsection (a) or a candidate conservation agreement under subsection (b) to minimize or mitigate adverse effects to a species covered by the plan or agreement, to the extent that the adverse effects were not anticipated and addressed at the time the plan or agreement was approved by the Secretary.

(3) GRANTS.—In carrying out the Program, the Secretary may make grants to any person who is a party to a conservation plan under subsection (a) or a candidate conservation agreement under subsection (b) to minimize or mitigate adverse effects to a species covered by the plan or agreement, to the extent that the adverse effects were not anticipated and addressed at the time the plan or agreement was approved by the Secretary.

(d) IN GENERAL.—Section 15(a) (16 U.S.C. 1535(a)) is amended by striking the item related in the first section (16 U.S.C. prec.

SEC. 98. ACCOUNTING AND STRATEGIC MANAGEMENT PLAN.

(1) ACCOUNTING AND STRATEGIC MANAGEMENT PLAN.—Not later than November 30,
1998, the Secretary of the Interior and the Secretary of Commerce shall each submit to the Committee on Environment and Public Works of the Senate and the Committee on Resources of the House of Representatives—

"(1) an accounting for fiscal year 1998 of funds expended by the Department of the Interior and the Department of Commerce, respectively, for the development of the policies and functions and responsibilities under this Act; and

(2) a management plan describing the projects and uses by the respective Department of authorized funds for fiscal years 1999 through 2003."

(e) ASSISTANCE TO STATES FOR CONSERVATION ACTIVITIES.—There are authorized to be appropriated to the Secretary such sums as may be necessary for each of fiscal years 1998 through 2003 to provide financial assistance to State agencies to carry out conservation activities under other sections of this Act, including the provision of technical assistance for the development and implementation of recovery plans and regulations to implement the provisions of this Act.

SEC. 09. OTHER AMENDMENTS.

(a) DEFINITIONS.—

(1) CANDIDATE SPECIES.—Subsection (a) of section 3 (16 U.S.C. 1532) (as amended by section 02(a)(2)) is amended by redesignating paragraphs (2) through (10) as paragraphs (3) through (11), respectively, and inserting the following after paragraph (1):

"(2) CANDIDATE SPECIES.—The term ‘candidate species’ means a species for which the Secretary has on file sufficient information on biological vulnerability and threats to survival and status of the species that indicates the species is likely to become an endangered species in the foreseeable future unless recovery measures are implemented.

(b) RURAL AREA.—Subsection (a) of section 3 (16 U.S.C. 1532) (as amended by sections 02(a)(2) and 04(a)(1) and this subsection) is amended by inserting the following after the paragraph defining the term ‘rural area’:

"(17) RURAL AREA.—The term ‘rural area’ means a sparsely populated or unincorporated area that has no city or town that has a population of more than 10,000 inhabitants."

(4) COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS.—Subsection (a)(20) of section 3 (16 U.S.C. 1532) (as amended by sections 02(a)(2) and 04(a)(1) and this subsection) is amended by inserting before the period at the end the following:

"Commonwealth of the Northern Mariana Islands.

(b) TERRITORIAL SEA.—Subsection (a) of section 3 (16 U.S.C. 1532) (as amended by sections 02(a)(2) and 04(a)(1) and this subsection) is amended by inserting after the paragraph defining the term ‘take’ and redesignating the subsequent paragraphs accordingly:

"(23) TERRITORIAL SEA.—The term ‘territorial sea’ means the area of the United States within the 12-nautical-mile maritime zone set forth in Presidential Proclamation 5928, dated December 27, 1988."

(c) FINDINGS, PURPOSES, AND POLICY.—(1) commercial value.—Section 2(a)(3) (16 U.S.C. 1531(a)(3)) is amended by inserting ‘commercial’ after ‘recreational’.

(2) AGENCY COORDINATION.—Section 2(c) (16 U.S.C. 1531(c)) is amended by adding at the end the following:

"(3) AGENCY COORDINATION.—Federal agencies are encouraged to coordinate and collaborate to further the conservation of endangered species and threatened species."

(d) NO TAKING AGREEMENTS.—Section 9 (16 U.S.C. 1539) is amended by adding at the end the following:

"(b) NO TAKING AGREEMENTS.—The Secretary and a non-Federal property owner may enter into an agreement identifying activities of the property owner that, based on a determination of the Secretary, will not result in a violation of the prohibitions of paragraphs (1)(B), (1)(C), and (2)(B) of subsection (a). The Secretary shall respond to a request for an agreement submitted by a property owner within 90 days after receipt. Nothing in this subsection prevents the Secretary, the Attorney General, or any other person from commencing an enforcement action under section 11."

(e) CONFORMING AMENDMENTS.—

(1) SECTION HEARING.—The section heading of section 10 (16 U.S.C. 1539) is amended to read as follows:

"CONSERVATION MEASURES AND EXCEPTIONS.

(2) TABLE OF CONTENTS.—The table of contents in the first section (16 U.S.C. prec. 1531) is amended with respect to the item relating to section 10 to read as follows:

"‘Sec. 10. Conservation measures and exceptions.’"

ROCKEFELLER AMENDMENTS NOS. 3650–3651

(Ordered to lie on the table.)

Mr. ROCKEFELLER submitted two amendments intended to be proposed by him to the bill, S. 2176, supra; as follows:

AMENDMENT NO. 3650

On page 2, line 15, after “resigns,” add the following: “whose term expires,” and On page 3, line 4, add:

"(3) notwithstanding paragraph (1), an officer who is nominated by the President for reappointment for an additional term to the same office without a break in service, may continue to serve in that office subject to the time limitations in Section 3346, until such time as the Senate has acted to confirm or reject the nomination, notwithstanding adjudgment sine die.”

AMENDMENT NO. 3651

On page 2, line 15, after “resigns,” add the following “whose term expires,” and On page 3, after line 4, add:

"(3) notwithstanding paragraph (1), an officer who is nominated by the President for reappointment for an additional term to the same office without a break in service, may continue to serve in that office subject to the time limitations in Section 3346, until such time as the Senate has acted to confirm or reject the nomination, notwithstanding adjudgment sine die.”

DASCHLE AMENDMENT NO. 3652

(Ordered to lie on the table.)

Mr. DASCHLE submitted an amendment intended to be proposed by him to the bill, S. 2176, supra; as follows:

On page 4, add after line 24 the following:

(1) the President certifies that the vacant position involves critical duties pertaining to national security, criminal law enforcement, public health and safety, or stability of financial markets, the acting officer may serve an additional 150 days after the date of the certification, or until such later time as provided under this section.

(2) The President shall submit the certification under paragraph (1) to each House of Congress.

THOMPSON AMENDMENT NO. 3653

(Ordered to lie on the table.)

Mr. THOMPSON submitted an amendment intended to be proposed by him to the bill, S. 2176, supra; as follows:

On page 2, line 18, insert “to the office” after “first assistant.”

On page 2, line 20, insert “until the inability stops” after “capacity.”

On page 3, line 3, insert “until the inability stops” after “capacity.”

On page 3, line 5, strike “3346(a)(2)” and insert “3345(a)(1).”

On page 3, line 5, insert “(1)” after “(b).”

On page 3, strike lines 8 through 14 and insert the following:

"(A) during the 365-day period preceding the date of the death, resignation, or beginning of inability to serve, such person did not serve in the position of first assistant to the office of such officer or served in the position of first assistant to the office of such officer for less than 90 days; and

On page 3, line 15, strike “(3)” and insert “(1)”.

On page 3, strike lines 18 through 20 and insert the following:

"(2) Paragraph (1) shall not apply to any person if—

(A) such person is serving as the first assistant to the office of an officer described under subsection (a); and

(B) the office of such first assistant is an office for which appointment is required to be made by the President by and with the advice and consent of the Senate; and

(C) the Senate has approved the appointment of such person to such office.

On page 4, line 12, strike “in the case of a rejection or withdrawal”.

On page 5, line 1, strike “Application” and insert “Exclusivity.”

On page 5, line 2, strike “applicable to” and insert “the exclusive means for temporarily authorizing an acting official to perform the functions and duties of”. On page 5, strike lines 8 through 10.

On page 5, line 17, strike “(2)” and insert “(1).”

On page 5, lines 17, 18, and 19, strike “in effect on the date of enactment of the Federal Vacancies Reform Act of 1998.”

On page 6, line 4, strike “(3)” and insert “(2).”

On page 6, line 11, insert “statutorily vested in that agency head” after “duties.”
On page 7, line 8, strike all beginning with the comma through line 15 and insert a period.

On page 7, strike lines 16 through 23 and insert the following:

“(b) Unless an officer or employee is performing the functions and duties in accordance with sections 3346, 3349, and 3347, if an officer of an Executive agency (including the Executive Office of the President, and other than the General Accounting Office) whose appointment to office is required to be made by the President, by and with the consent of the Senate, dies, resigns, or is otherwise unable to perform the functions and duties of the office—

(1) the office shall remain vacant; and

(2):"

On page 8, line 4, strike the comma and insert a period.

On page 8, strike line 5 through line 11 on page 9.

On page 9, line 14, strike “first” and insert “second”.

On page 9, strike line 17 through line 2 on page 10 and insert the following:

“(d)(1) An action taken by any person who is not acting under section 3345, 3346, or 3347, or as provided by subsection (b), of any function or duty of a vacant office to which this section and, subsections (a), (b), (c), (d), (e), and (g) apply shall have no force or effect.

On page 10, line 5, strike “(d)” and insert “(e)”."

On page 10, line 9, strike “or”.

On page 10, line 12, strike the period and insert a semicolon.

On page 10, insert between lines 12 and 13 the following:

“(4) any Chief Financial Officer appointed by the President, by and with the advice and consent of the Senate; or

(5) an officer of an Executive agency (including the Executive Office of the President, and other than the General Accounting Office) if a statutory provision expressly prohibits the head of the Executive agency from performing the functions and duties of such office.

On page 10, line 19, insert “in an office to which this section and sections 3346, 3347, 3348, 3349a, 3349b, and 3349c apply” after “vacancy”.

On page 11, line 11, insert “or section 3349a” after “3346”.

On page 12, line 21, beginning with “relating” strike all through line 24.

On page 12, line 25, strike “sections” and insert “Sections”.

On page 13, line 15, strike “or” after the semicolon.

On page 13, line 17, strike all after “Commission” and insert a semicolon and “or”.

On page 13, insert between lines 17 and 18 the following:

“(3) any judge appointed by the President, by and with the advice and consent of the Senate to a court constituted under paragraph 1 of the United States Constitution.”.

On page 14, before line 1, strike the item relating to section 3347 and insert the following:

“3347. Exclusivity.”

GLENN AMENDMENTS NOS. 3654–3656

(Ordered to lie on the table.)

Mr. DASCHLE (for Mr. GLENN) submitted three amendments intended to be proposed by him to the bill, S. 2176, supra; as follows:

AMENDMENT NO. 3654

On page 4, insert after line 24 the following:

“(d)(1) Notwithstanding any provision of this section, the President may extend any time limitation under this section by no more than 90 days if the President submits a written certification to Congress, on or before the last day of the period subject to such time limitation, that such extension is necessary and in the national interest based on national security, public health and safety, natural disaster, or economic emergency.

(2) The President may exercise no more than 1 extension under paragraph (1) with respect to any vacancy.”

AMENDMENT NO. 3655

On page 3, line 14, strike “180” and insert “45”.

AMENDMENT NO. 3656

On page 3, strike line 4 and insert the following:

“section 3346; or

“(b) notwithstanding paragraph (1), the President (and only the President) may direct an officer or employee of such Executive agency to perform the functions and duties of the office temporarily in an acting capacity, subject to the time limitations of section 3346, if—

(A) during the 365-day period preceding the date of death, resignation, or beginning of inability to serve of the applicable officer, the officer or employee served in a position in such agency for not less than 180 days; and

(B) the rate of pay for the position described under subparagraph (A) is equal to or greater than the minimum rate of pay payable for a position at GS–15 of the General Schedule.”

DURBIN AMENDMENTS NOS. 3657–3659

(Ordered to lie on the table.)

Mr. DURBIN submitted three amendments intended to be proposed by him to the bill, S. 2176, supra; as follows:

AMENDMENT NO. 3657

On page 3, line 24, strike “150” and insert “210”.

AMENDMENT NO. 3658

On page 13, insert between lines 17 and 18 the following:

“§ 3349d. Nomination reported to Senate

Any nomination submitted to the Senate that is pending before a committee of the Senate for more than 150 calendar days, shall on the day following such 150th calendar day be discharged from such committee, placed on the Senate executive calendar, and be deemed as reported favorably by such committee.”.

AMENDMENT NO. 3659

On page 13, insert between lines 17 and 18 the following:

“§ 3349d. Consideration of nomination in Senate

(a) Any nomination remaining on the Senate executive calendar for 150 calendar days shall be considered for a vote by the Senate in executive session within the next 5 calendar days following such 150th day in which the Senate is in session.

(b) The Senate may waive subsection (a) by unanimous consent.”.

CHAFFEE (AND MOYNIHAN) AMENDMENT NO. 3660

(Ordered to lie on the table.)

Mr. CHAFEE (for himself and Mr. MOYNIHAN) submitted an amendment intended to be proposed by them to the bill, S. 2176, supra; as follows:

At the appropriate place in the bill insert the following new section:

SEC. 34. CASH REIMBURSEMENT TO FEDERAL EMPLOYEES FOR PARKING SPACES.

Section 7905(b)(2) of title 5, United States Code, is amended—

(1) in subparagraph (B) by striking “and” after the semicolon,

(2) in subparagraph (C) by striking the period and inserting “and”; and

(3) by adding at the end the following:

“(D) taxable cash reimbursement to an employee for the value of an employee parking space.”.

LEAHY AMENDMENTS NOS. 3661–3664

(Ordered to lie on the table.)

Mr. LEAHY submitted four amendments intended to be proposed by him to the bill, S. 2176, supra; as follows:

AMENDMENT NO. 3661

At the appropriate place, insert the following:

SEC. 36. RESPONSIBILITY OF THE SENATE DURING A JUDICIAL EMERGENCY.

Section 46 of title 28, United States Code, is amended by adding at the end the following:

“(e) ACTION BY SENATE REQUIRED.—The Senate shall not recess during a session for more than 9 days without first voting on a judicial nomination in any case in which—

“(1) the nomination to fill the judicial vacancy in the affected circuit or district court has been pending before the Senate for a period of 60 days or longer; and

“(2) a judicial emergency is declared by the Administrative Office of the United States Courts.”.

AMENDMENT No. 3662

At the appropriate place, insert the following:

SEC. 37. BILL LAN LEE NOMINATION.

(a) DISCHARGE.—The Bill Lan Lee nomination as Assistant Attorney General for the Civil Rights Division is discharged from the Committee on the Judiciary.

(b) POINT OF ORDER.—It shall not be in order in the Senate to vote on the adjournment of the 105th Congress unless the Senator who has voted on Bill Lan Lee nomination as Assistant Attorney General for the Civil Rights Division.

AMENDMENT No. 3663

At the appropriate place, insert the following:

SEC. 38. RESPONSIBILITY OF THE SENATE DURING A JUDICIAL EMERGENCY.

Section 46 of title 28, United States Code, is amended by adding at the end the following:

“(e) ACTION BY SENATE REQUIRED.—The Senate shall not recess during a session for more than 9 days without first voting on a judicial nomination in any case in which—

“(1) the nomination to fill the judiciary vacancy in the affected circuit court has been pending before the Senate for a period of 60 days or longer; and

“(2) a judicial emergency is declared pursuant to subsection (b) due to vacancies on the affected circuit court.”

AMENDMENT No. 3664

At the appropriate place, insert the following:

SEC. 39. CIRCUIT JUDGES FOR THE CIRCUIT COURT OF APPEALS.

(a) In GENERAL.—The President shall appoint, by and with the advice and consent of the Senate—

September 25, 1998
The President shall appoint, by and with the advice and consent of the Senate—

1. 1 additional circuit judge for the first circuit court of appeals;
2. 2 additional circuit judges for the second circuit court of appeals;
3. 1 additional circuit judge for the fifth circuit court of appeals;
4. 2 additional circuit judges for the sixth circuit court of appeals; and
5. 2 additional circuit judges for the ninth circuit court of appeals.

The first vacancy in the office of circuit judge in each of the circuits named in this section, occurring 7 years or more after the confirmation date of the judge named to fill a temporary judgeship created by this subsection, shall not be filled.

In order that the table contained in section 44 of title 28, United States Code, will, with respect to each judicial circuit, reflect the changes in the total number of permanent circuit judgeships authorized as a result of subsection (a) of this section, such table is amended to read as follows:

**Circuits**

<table>
<thead>
<tr>
<th>District</th>
<th>Judges</th>
</tr>
</thead>
<tbody>
<tr>
<td>District of Columbia</td>
<td>12</td>
</tr>
<tr>
<td>First</td>
<td>7</td>
</tr>
<tr>
<td>Second</td>
<td>15</td>
</tr>
<tr>
<td>Third</td>
<td>14</td>
</tr>
<tr>
<td>Fourth</td>
<td>15</td>
</tr>
<tr>
<td>Fifth</td>
<td>18</td>
</tr>
<tr>
<td>Sixth</td>
<td>18</td>
</tr>
<tr>
<td>Seventh</td>
<td>11</td>
</tr>
<tr>
<td>Eighth</td>
<td>11</td>
</tr>
<tr>
<td>Ninth</td>
<td>34</td>
</tr>
<tr>
<td>Tenth</td>
<td>11</td>
</tr>
<tr>
<td>Eleventh</td>
<td>12</td>
</tr>
<tr>
<td>Federal</td>
<td>12.</td>
</tr>
</tbody>
</table>

**SEC. 1. DISTRICT JUDGES FOR THE DISTRICT COURTS.**

(a) In general.—The President shall appoint, by and with the advice and consent of the Senate—

1. 1 additional district judge for the middle district of Alabama;
2. 2 additional district judges for the district of Arizona;
3. 1 additional district judge for the eastern district of California;
4. 2 additional district judges for the southern district of California;
5. 1 additional district judge for the district of Colorado;
6. 3 additional district judges for the middle district of Florida;
7. 2 additional district judges for the southern district of Florida;
8. 2 additional district judges for the district of Nevada;
9. 1 additional district judge for the district of New Mexico;
10. 3 additional district judges for the eastern district of New York;
11. 1 additional district judge for the western district of North Carolina;
12. 1 additional district judge for the district of Oregon;
13. 1 additional district judge for the northern district of Texas;
14. 1 additional district judge for the southern district of Texas; and
15. 1 additional district judge for the eastern district of Virginia.

(b) Temporary Judgeships.—The President shall appoint, by and with the advice and consent of the Senate—

1. 1 additional district judge for the eastern district of California;
2. 1 additional district judge for the district of Colorado;
3. 2 additional district judges for the middle district of Florida;
4. 1 additional district judge for the southern district of Indiana;
5. 1 additional district judge for the eastern district of Kentucky;
6. 1 additional district judge for the middle district of Louisiana;
7. 1 additional district judge for the district of New Mexico;
8. 1 additional district judge for the northern district of New York;
9. 1 additional district judge for the western district of New York;
10. 1 additional district judge for the district of South Carolina;
11. 1 additional district judge for the eastern district of Tennessee; and
12. 1 additional district judge for the western district of Washington.

The first vacancy in the office of district judge in each of the judicial districts named in this subsection, occurring 7 years or more after the confirmation date of the judge named to fill a temporary judgeship created by this subsection, shall not be filled.

**Districts**

<table>
<thead>
<tr>
<th>Judges</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alabama: Northern</td>
</tr>
<tr>
<td>Middle</td>
</tr>
<tr>
<td>Southern</td>
</tr>
<tr>
<td>Alaska</td>
</tr>
<tr>
<td>Arizona</td>
</tr>
<tr>
<td>Arkansas: Eastern</td>
</tr>
<tr>
<td>Western</td>
</tr>
<tr>
<td>California: Northern</td>
</tr>
<tr>
<td>Eastern</td>
</tr>
<tr>
<td>Central</td>
</tr>
<tr>
<td>Southern</td>
</tr>
<tr>
<td>Colorado:</td>
</tr>
<tr>
<td>Connecticut</td>
</tr>
<tr>
<td>Delaware</td>
</tr>
<tr>
<td>District of Columbia</td>
</tr>
<tr>
<td>Florida: Northern</td>
</tr>
<tr>
<td>Middle</td>
</tr>
<tr>
<td>Southern</td>
</tr>
<tr>
<td>Georgia: Northern</td>
</tr>
<tr>
<td>Middle</td>
</tr>
<tr>
<td>Southern</td>
</tr>
<tr>
<td>Hawaii</td>
</tr>
<tr>
<td>Idaho</td>
</tr>
<tr>
<td>Illinois: Northern</td>
</tr>
<tr>
<td>Central</td>
</tr>
<tr>
<td>Southern</td>
</tr>
<tr>
<td>Indiana: Northern</td>
</tr>
<tr>
<td>Southern</td>
</tr>
<tr>
<td>Iowa: Northern</td>
</tr>
<tr>
<td>Southern</td>
</tr>
<tr>
<td>Kansas</td>
</tr>
<tr>
<td>Kentucky: Eastern</td>
</tr>
<tr>
<td>Western</td>
</tr>
<tr>
<td>Eastern and Western</td>
</tr>
<tr>
<td>Louisiana: Eastern</td>
</tr>
<tr>
<td>Middle</td>
</tr>
<tr>
<td>Western</td>
</tr>
<tr>
<td>Maine</td>
</tr>
<tr>
<td>Maryland</td>
</tr>
<tr>
<td>Massachusetts</td>
</tr>
<tr>
<td>Michigan: Eastern</td>
</tr>
<tr>
<td>Western</td>
</tr>
<tr>
<td>Minnesota</td>
</tr>
<tr>
<td>Mississippi: Northern</td>
</tr>
<tr>
<td>Southern</td>
</tr>
<tr>
<td>Missouri: Eastern</td>
</tr>
<tr>
<td>Western</td>
</tr>
<tr>
<td>Eastern and Western</td>
</tr>
<tr>
<td>Montana</td>
</tr>
<tr>
<td>Nebraska</td>
</tr>
<tr>
<td>Nevada</td>
</tr>
<tr>
<td>New Hampshire</td>
</tr>
<tr>
<td>New Jersey</td>
</tr>
<tr>
<td>New Mexico</td>
</tr>
<tr>
<td>New York: Northern</td>
</tr>
<tr>
<td>Southern</td>
</tr>
<tr>
<td>Eastern</td>
</tr>
<tr>
<td>Western</td>
</tr>
<tr>
<td>North Carolina: Eastern</td>
</tr>
<tr>
<td>Middle</td>
</tr>
<tr>
<td>Western</td>
</tr>
<tr>
<td>North Dakota</td>
</tr>
<tr>
<td>Ohio: Northern</td>
</tr>
<tr>
<td>Southern</td>
</tr>
<tr>
<td>Oklahoma: Northern</td>
</tr>
<tr>
<td>Eastern</td>
</tr>
<tr>
<td>Western</td>
</tr>
<tr>
<td>Northern, Eastern, and Western</td>
</tr>
<tr>
<td>Oregon</td>
</tr>
<tr>
<td>Pennsylvania: Eastern</td>
</tr>
<tr>
<td>Middle</td>
</tr>
<tr>
<td>Western</td>
</tr>
<tr>
<td>Puerto Rico</td>
</tr>
<tr>
<td>Rhode Island</td>
</tr>
<tr>
<td>South Carolina</td>
</tr>
<tr>
<td>South Dakota</td>
</tr>
<tr>
<td>Tennessee: Eastern</td>
</tr>
<tr>
<td>Middle</td>
</tr>
<tr>
<td>Western</td>
</tr>
<tr>
<td>Texas: Northern</td>
</tr>
<tr>
<td>Southern</td>
</tr>
<tr>
<td>Eastern</td>
</tr>
<tr>
<td>Western</td>
</tr>
<tr>
<td>Utah</td>
</tr>
<tr>
<td>Vermont</td>
</tr>
<tr>
<td>Virginia: Eastern</td>
</tr>
<tr>
<td>Western</td>
</tr>
<tr>
<td>Washington: Eastern</td>
</tr>
<tr>
<td>Western</td>
</tr>
<tr>
<td>West Virginia:</td>
</tr>
<tr>
<td>Northern</td>
</tr>
<tr>
<td>Southern</td>
</tr>
<tr>
<td>Wisconsin: Eastern</td>
</tr>
<tr>
<td>Western</td>
</tr>
<tr>
<td>Wyoming</td>
</tr>
</tbody>
</table>

**SEC. 2. ARTICLE III STATUS FOR THE JUDGE-SHIP AUTHORIZED FOR THE COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS.**

(a) composition of ninth circuit.—Section 41 of title 28, United States Code, is amended by inserting „Northern Mariana Islands” after “Hawaii”.

(b) establishment of judicial district.—

1. in general.—Chapter 5 of title 28, United States Code, is amended by inserting after section 114 the following new section:

"114A. Northern Mariana Islands

“The Northern Mariana Islands constitute 1 judicial district. Court shall be held at Saipan.”

2. technical and conforming amendment.—The table of sections for chapter 5 of title 28, United States Code, is amended by inserting after the item relating to section 114 the following:

"114A. Northern Mariana Islands."
NOTICE OF COMMITTEE MEETING

Mr. BENTNATT. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet on Friday, September 25, 1998, at 10 a.m. in closed session, to receive a briefing on the worldwide threat and status of U.S. military forces and potential operational requirements.

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

COMMITTEE ON FOREIGN RELATIONS

Mr. BENTNATT. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Friday, September 25, 1998, at 9:30 a.m. to hold two hearings.

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

ADDITIONAL STATEMENTS

RECognition of DR. MAdAN M. BHAsIN

Mr. ROCKEFELLER. Mr. President, I rise today to recognize and congratulate Dr. Madan Bhasin for being awarded the 1999 Industrial Chemistry Award by the American Chemical Society. This honor is annually bestowed to recognize outstanding contributions to industrial chemistry that have resulted in the commercialization of an economically significant new product or process. I am always proud when West Virginians are recognized for their outstanding contributions to society. However, this is an especially nice case since Dr. Bhasin’s work also demonstrates how great ideas can improve a company’s profit margin and save resources at the same time.

Mr. Bhasin received his B.Sc. from the University of Delhi and his Ph.D. from the University of Notre Dame in 1958 and has been with Union Carbide since 1963. During his 35 year career at the Union Carbide Technical Center in
South Charleston, West Virginia, he has devoted his efforts to researching and applying catalysts to create new production methods and help improve existing industrial processes. His invention and implementation of a chemical reaction via ethylene epoxidation catalysts led to his recognition by the American Chemical Society. The catalysts Dr. Bhasin invented allow for the more efficient conversion of ethylene epoxidation to ethylene oxide and ethylene glycol, which are components in products such as polyester and anti-freeze. Billions of pounds of ethylene epoxidation are used each year so increasing the conversion efficiency has allowed Union Carbide to remain competitive. Increasing the conversion efficiency has reduced production costs and will make our emergency services even better than they are today.

The National Highway Traffic Safety Administration has conducted studies showing that crash-to-care time for fatal accidents is about a half hour in urban areas. In rural areas, which cover most of my home state of Montana, that crash-to-care time almost doubles. On average, it takes just shy of an hour to get emergency attention to crash victims in rural areas. Almost half of the serious crash victims who do not receive care in that first hour die at the scene of the accident. That’s a scary statistic. But it doesn’t have to continue that way.

Drew Dawson, who is the Director of the Montana Emergency Medical Services Bureau and president of the National Association of State Emergency Medical Services Directors, strongly supports this legislation. He tells me that the bill will help bring better wireless 9–1–1 coverage to Montana and will enhance our statewide Trauma Care System. Mr. Dawson believes this legislation will help him and his emergency folks do their job better, which means it will help them save more lives than they already do.

Mr. President, I hope all of my colleagues will join me and help pass this important legislation.

RECOGNIZING THE CITIZENS AGAINST LAWSUIT ABUSE (CALA)

Mr. ROCKEFELLER. Mr. President, I wish to recognize today the efforts of a group of citizens who have joined together to address an important issue affecting our state and the nation. These individuals, who have formed Citizens Against Lawsuit Abuse (CALA), are working to educate the public about how excesses in our civil justice system can be harmful. CALA volunteer spokespersons are speaking out about how lawsuit abuse means people pay through higher prices for consumer products, higher medical expenses, higher taxes and lost business expansion and product development. I should note that my own concerns relate to abuse of the system in the form of frivolous suits and inappropriate delays—not legitimate use of our tort system.

CALA reports that recent studies of liability costs have found that our State has a high lawsuit and liability cost relative to product economic output measured as gross state product. As another example of the effect of lawsuit abuse, CALA’s own survey of all West Virginia municipalities last year found an estimated annual lawsuit-related cost for our municipal taxpayers to be more than $9 million. Nationally, it has been estimated that the costs of our civil justice system averages $1200 per person per year.

Legal reform of any kind is not a simple issue. The legal system is essential to provide justice to every American. But that does not mean that the status quo is perfect. When lawsuits and the courts can be used in excess or result in imposing costs without reason on the other parties, from individuals to not-for-profit agencies to businesses, the system should be reviewed and reformed if possible.

I often have spoken about the problems associated with our product liability system. We see the terrible consequences of our country’s confusing patchwork, slow, and often unfair system of product liability rules that need to be properly and fairly reformed. The leaders of West Virginia’s CALA movement should be commended here today. Volunteers such as Robert Mauk of Huntington; Jim Thomas, Sid Davis and Mac McJunkin of Charleston; Cuz Blake of Bridgeport; Phyliss Garner of Clarksburg; Rick Pruitte of Fairmont; and Sam Chico of Morgantown are all working hard to ensure that our State has a strong, fair and effective civil justice system that will serve all West Virginians and grow our economy and jobs. These people give their time to speak to community groups, organize educational activities and distribute materials to help us all be conscious of lawsuit costs and excesses of the system.

Citizens Against Lawsuit Abuse groups have declared September 21 through 26 to be “Lawsuit Abuse Awareness Week” in West Virginia. I want to commend these citizens for their dedication and commitment and to acknowledge this week as time of public awareness on the serious issues associated with lawsuit abuse.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. BENNETT. Mr. President, I ask unanimous consent that the Senate immediately proceed to executive session to consider the following nominations on the Executive Calendar: Nos. 824

EXECUTIVE SESSION
The following named officer for appointment in the United States Army to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

**To be lieutenant general**

**Maj. Gen. John Costello, 0000**

The following named officer for appointment in the United States Army to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

**To be lieutenant general**

**Maj. Gen. Ronald E. Adams, 0000**

The following named officer for appointment in the United States Army to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

**To be lieutenant general**

**Lt. Gen. Randolph W. House, 0000**

The following named officer for appointment in the United States Army to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

**To be lieutenant general**

**Maj. Gen. Daniel J. Petrosky, 0000**

The following named officer for appointment in the Reserve of the Army to the grade indicated under title 10, U.S.C., section 12003:

**To be rear admiral (lower half)**

**Capt. James S. Allan, 0000**

**Capt. Maurice B. Hill, Jr., 0000**

**Capt. Duret S. Smith, 0000**

**Capt. Jerry D. West, 0000**

**Capt. James M. Walley, Jr., 0000**

The following named officer for appointment in the United States Navy to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

**To be lieutenant general**

**Lt. Gen. James E. Sherrard, III, 0000**

The following named officer for appointment in the United States Air Force to the grade indicated under title 10, U.S.C., section 624:

**To be brigadier general**

**Col. Robert W. Chedister, 0000**

The following named officer for appointment in the United States Air Force to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

**To be lieutenant general**

**Maj. Gen. Charles R. Heflebower, 0000**

The following named officer for appointment in the United States Air Force to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

**To be lieutenant general**

**Lt. Gen. Thomas R. Case, 0000**

The following named officer for appointment in the United States Air Force Reserve, United States Air Force, to the grade indicated under title 10, U.S.C., section 12303:

**To be major general**

**Brig. Gen. William A. Moorman, 0000**

The following named officer for appointment in the United States Army to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

**To be general**

**Lt. Gen. Montgomery C. Meigs, 0000**

The following named officer for appointment in the United States Army to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

**To be lieutenant general**

**Lt. Gen. William M. Steele, 0000**

Capt. Thomas E. Zelbor, 0000

The following named officer for appointment in the United States Navy to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

**To be vice admiral**

**Vice Adm. Vernon E. Clark, 0000**

NOMINATIONS PLACED ON THE SECRETARY’S DESK

IN THE AIR FORCE, ARMY, MARINE CORPS, NAVY

Air Force nominations beginning Jeffrey C. McBry, and ending Neal A. Thagard, which nominations were received by the Senate and appeared in the Congressional Record of July 30, 1998.

Air Force nominations beginning Hart Jacobsen, and ending Henry S. Jordan, which nominations were received by the Senate and appeared in the Congressional Record of September 2, 1998.

Air Force nominations beginning Charles C. Armland, and ending Scott A. Zuerlein, which nominations were received by the Senate and appeared in the Congressional Record of September 2, 1998.

Air Force nominations beginning Larry V. Zettwoch, which nominations were received by the Senate and appeared in the Congressional Record of September 3, 1998.

Army nominations beginning David W. Acuff, and ending *Michael E. Yam, which nominations were received by the Senate and appeared in the Congressional Record of July 30, 1998.

Army nominations beginning David W. Brooks, and ending Shelby R. Peary, which nominations were received by the Senate and appeared in the Congressional Record of July 30, 1998.

Army nominations beginning James G. Harris, which was received by the Senate and appeared in the Congressional Record of September 3, 1998.

Army nominations beginning Robert D. Alston, and ending Earl R. Woods, Jr., which nominations were received by the Senate and appeared in the Congressional Record of September 3, 1998.

Army nominations beginning Ann E.B. Adcock, and ending Thomas J. Yurik, which nominations were received by the Senate and appeared in the Congressional Record of July 25, 1998.

Navy nominations beginning Edward R. Cawthon, which was received by the Senate and appeared in the Congressional Record of September 2, 1998.

Navy nominations beginning Dean A. Huf, which was received by the Senate and appeared in the Congressional Record of September 3, 1998.

Navy nominations beginning Robert D. Alston, and ending Earl R. Woods, Jr., which nominations were received by the Senate and appeared in the Congressional Record of September 3, 1998.

Navy nominations beginning Ann E.B. Adcock, and ending Thomas J. Yurik, which nominations were received by the Senate and appeared in the Congressional Record of July 25, 1998.

Navy nominations beginning Edward R. Cawthon, which was received by the Senate and appeared in the Congressional Record of September 2, 1998.

Navy nominations beginning Dean A. Huf, which was received by the Senate and appeared in the Congressional Record of September 3, 1998.
Navy nominations beginning Daniel Avenancio, and ending Carl B. Weickel, which nominations were received by the Senate and appeared in the Congressional Record on September 11, 1998.

Navy nominations beginning Karla M. Abreuolson, ending Glen A. Zurolo, which nominations were received by the Senate and appeared in the Congressional Record of September 11, 1998.

Navy nominations beginning Leanne K. Aaby, and ending Michael J. Zucchero, which nominations were received by the Senate and appeared in the Congressional Record of September 14, 1998.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will resume legislative session.

FEDERAL MEAT AND POULTRY EMPLOYEES PAY ACT OF 1998

Mr. BENNETT. I ask unanimous consent that the Agriculture Committee be discharged from further consideration of S. 2511 and the Senate then proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The bill clerk read as follows:

A bill (S. 2511) to authorize the Secretary of Agriculture to pay employees of the Food Safety and Inspection Service working in establishments subject to the Federal Meat Inspection Act and the Poultry Products Inspection Act for overtime and holiday work performed by the employees.

The Senate proceeded to consider the bill.

Mr. BENNETT. I ask unanimous consent that the bill be read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill appear at this point in the RECORD.

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

The bill was read the third time and passed, as follows:

S. 2511

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 “Federal Meat and Poultry Employees Pay Act of 1998”.

SEC. 2. OVERTIME AND HOLIDAY PAY.

(a) In General.—The Secretary of Agriculture may be authorized to pay employees of the Food Safety and Inspection Service working in establishments subject to the Federal Meat Inspection Act and the Poultry Products Inspection Act for overtime and holiday work performed by the employees.

The Senate proceeded to consider the bill.

Mr. BENNETT. I ask unanimous consent that the bill be read a third time and passed, that the motion to reconsider be laid upon the table, and that any statements relating to the bill appear at this point in the RECORD.

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

The bill clerk read as follows:

A bill (H.R. 4382) to amend the Public Health Service Act to require the program for mammography quality standards be modified to include mammography.

The Senate proceeded to consider the bill.

Mr. BENNETT. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of the House report No. 590, H.R. 4382.

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

The bill clerk read as follows:

A bill (H.R. 4382) was considered read the third time and passed.

MAMMOGRAPHY QUALITY STANDARDS REAUTHORIZATION ACT OF 1998

Mr. BENNETT. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of the conference report of H.R. 4382.

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

The bill clerk read as follows:

A bill (H.R. 4382) to amend the Public Health Service Act to require the program for mammography quality standards be modified to include mammography.

SEC. 3. CONFORMING AMENDMENTS.

(a) Section 25 of the Poultry Products Inspection Act (21 U.S.C. 486) is amended by striking “except that the cost” and all that follows and inserting “except the cost of overtime and holiday pay paid pursuant to the Federal Meat and Poultry Employees Pay Act of 1996”.


(c) The matter under the heading “BUREAU OF ANIMAL INDUSTRY” of the Act of July 24, 1919, is amended by striking the next to the last paragraph (7 U.S.C. 394).

(d) Section 5549 of title 5, United States Code, is amended by striking paragraph (1) and inserting the following:


ORDERS FOR MONDAY

SEPTEMBER 28, 1998

Mr. BENNETT. Mr. President, I now ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 12 noon on Monday, September 28. I further ask unanimous consent that when the Senate reconvenes on Monday, immediately following the prayer, the Journal of proceedings be approved, no resolutions come over under the rule, the call of the calendar be waived, the morning hour be deemed to have expired and that the two leaders be reserved. I further ask that the Senate then begin a period for the transaction of morning business until 2 p.m., with Senators permitted to speak for up to 5 minutes each, with the following exceptions:

Senator Roth in control of the time until 12:40; Senator Dorgan, or his designee, for 40 minutes thereafter.

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

PROGRAM

Mr. BENNETT. Mr. President, for the information of all Senators, on Monday, there will be a period for morning business from 12 noon until 2. Following morning business, the motion to proceed to the Internet tax bill will be the pending business. Members are encouraged to come to the floor to discuss the important Internet tax. At 3:30 p.m., under a previous order, the Senate will resume consideration of the so-called Vacancies Act for debate only until 5:30 p.m. Following that debate, at 5:30 p.m., the Senate will proceed to a cloture vote on the vacancies bill. Following that vote, the Senate may consider any other legislative or executive items cleared for action.

Members are reminded that second-degree amendments to the vacancy bill must be filed by 4:30 p.m. on Monday. And as a further reminder, a cloture motion was filed today on the motion to proceed to the Internet tax bill.
That vote will occur on Tuesday morning at a time to be determined by the two leaders.

ORDER FOR ADJOURNMENT

Mr. BENNETT. Mr. President, if there is no further business to come before the Senate, following the remarks of Senator LEAHY, who is expected on the floor momentarily, I ask unanimous consent that the Senate stand in adjournment under the previous order. The PRESIDING OFFICER. Without objection, it is so ordered.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

JUVENILE JUSTICE BILL

Mr. LEAHY. Mr. President, first, I alert my colleagues that I will speak a very short time. I am going to talk about a UC that I would have proposed but will not propose today but will explain why.

Earlier this month, the Republican majority came to the floor, unfortunately without prior warning, to propose a unanimous consent request for consideration of the Hatch-Sessions juvenile justice bill, S. 10. I see the distinguished Senator from Alabama here on the floor now. The UC was proposed late on Thursday afternoon. Unfortunately, it was after Senators had been informed there would be no more votes. In fact, I had already left for home in Vermont. We were unaware that they might want to proceed to S. 10 on Thursday.

My concern is that there had been a year of inaction on the bill. I had tried to propose some additional changes to the bill, which was voted on by the Judiciary Committee in July 1997, but I was unable to get any response from the other side of the aisle in the Judiciary Committee on that. There was also no attempt to get a response from this side of the aisle on the proposed UC.

I mention this because the failure of this Congress to take up and pass responsible juvenile crime legislation does not rest with the Democrats. And it is not going to be cured by any kind of a procedural floor gimmick.

Over the past year, I have spoken on the floor of the Senate and at hearings on several occasions about my concerns with the legislation. At the same time, I have expressed my willingness to work with the chairman of the full committee in a bipartisan manner to improve the juvenile crime bill.

I accept the Hatch-Sessions Amendments and in wanting to see changes in the bill. It has been criticized by virtually every major newspaper in the United States. It has been criticized by national leaders ranging from Chief Justice Rehnquist to Marian Wright Edelman, President of the Children’s Defense Fund. The National District Attorneys Association, and other law enforcement agencies have written me with their concerns about this bill.

I have also heard from numerous State and local officials across the United States, including the National Governors’ Association, the Council of State Governments, the U.S. Conference of Mayors, the National Association of Counties, and the National Conference of State Legislatures. All of them have expressed concerns about the restrictions this bill would place on their ability to combat and prevent juvenile crime effectively.

In short, S. 10, as reported by the Judiciary Committee, is a bill laden with problems—in fact, so many that at last count the bill had lost nearly a quarter of the Republicans who signed on as co-sponsors since its introduction.

The unanimous consent request that was proposed by the other side of the aisle, I believe, was patently unfair. It would have limited debate of juvenile justice and other crime matters. It would have prevented the Republicans from offering a substitute to their own bill but not allowed Democrats the same opportunity. The only additional amendments in order under their plan would be five on each side.

We just received from the chairman of the Judiciary Committee the day before yesterday, September 23, the latest version of S. 10 which contains over 100 different changes, but the Republicans want to limit us to 5 amendments. That is not a bipartisan effort to improve this bill.

While I appreciate that we are short of time in this Congress, and I understand why the Republican leadership would like to limit the number of amendments we may offer, of course, the decision to bring the bill up at the end of the Congress is that of the majority. I have no problem with that.

But we have worked diligently to pare down the amendments that the Democrats plan to offer to S. 10 from 64 to the 25 substantive amendments which I would have put in a proposed UC. Keep in mind what I said, also, that just a couple days ago we were handed a bill—S. 10—from the other side with over 100 changes. We are talking about cutting Democratic amendments from 64 to 25 substantive ones that address the substantial criticisms leveled at this bill. I want to assure that Senate consideration of this legislation is fair, full, and productive. I do not appreciate, frankly, what appears to be almost a procedural ambush to move this bill forward in a way that allows consideration of all changes from the other side but very few from this side.

So, Mr. President, I am not going to make a unanimous consent request, but I ask to put this into the RECORD—not as a unanimous consent request, I ask unanimous consent to have printed in the RECORD what I would recommend should be a unanimous consent request to be asked by the leadership entitled “Juvenile Justice.”

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

JUVENILE JUSTICE

I ask unanimous consent that it be in order for the majority leader, after consultation with the democratic leader to proceed to consideration of S. 10, H.R. 1818 and Repeal Juvenile Offender Act and it be considered under the following limitations:

That the only amendments in order be a substitute amendment by Senators Hatch and Sessions, a substitute amendment offered by the minority leader or his designee and the following listed amendments, and if that substitute is agreed to that the substitute continue to be amendable in two degrees:

Leahy—Judicial review procedures in certain juvenile cases; preservation of state presumption for prosecution of most juveniles; access to juvenile records; separation standard for juveniles in custody; crime victim assistance.

Kennedy—gun control measure; Hate Crimes Prevention Act; reauthorization of the Juvenile Justice and Delinquency Prevention Act.

Biden—prevention program for after-school activities; increase funding for prosecutor/courts grant program; modify requirements to qualify for funding from $150 million grant program; gun ban for dangerous teens; preserve the sovereign rights of native americans by continuing the tribal “OPT-IN”; extension crime law trust fund.

Kohl—reauthorize title V programs; restoration of the jail removal mandate.

Feingold—improve school safety; allow funds to be used to identify early warning signs of potential juvenile offenders.

Durbin—relevant.

Bingaman—Truancy Prevention and Juvenile Crime Reduction Act; to strike provisions relating to tobacco and alcohol.

Lautenberg—jump mentoring bill, S. 1461.

Wellstone—juvenile mental health protections.

Murray—restorative/community justice.

That there may be a managers package of amendments to be considered by the majority and minority leader, and I finally ask consent that following the disposition of any or all amendments the bill read a third time, the Judiciary Committee be discharged from further consideration of H.R. 1818 and the Senate proceed to its consideration; all after the enacting clause be stricken and the title of S. 10 be replaced by the following:

That the only amendments in order be a substitute amendment offered by Senators Hatch and Sessions, a substitute amendment offered by the minority leader or his designee and the listed amendments, and if that substitute is agreed to that the substitute continue to be amendable in two degrees:

Leahy—Judicial review procedures in certain juvenile cases; preservation of state presumption for prosecution of most juveniles; access to juvenile records; separation standard for juveniles in custody; crime victim assistance.

Kennedy—gun control measure; Hate Crimes Prevention Act; reauthorization of the Juvenile Justice and Delinquency Prevention Act.

Biden—prevention program for after-school activities; increase funding for prosecutor/courts grant program; modify requirements to qualify for funding from $150 million grant program; gun ban for dangerous teens; preserve the sovereign rights of native americans by continuing the tribal “OPT-IN”; extension crime law trust fund.

Kohl—reauthorize title V programs; restoration of the jail removal mandate.

Feingold—improve school safety; allow funds to be used to identify early warning signs of potential juvenile offenders.

Durbin—relevant.

Bingaman—Truancy Prevention and Juvenile Crime Reduction Act; to strike provisions relating to tobacco and alcohol.

Lautenberg—jump mentoring bill, S. 1461.

Wellstone—juvenile mental health protections.

Murray—restorative/community justice.

That there may be a managers package of amendments to be considered by the majority and minority leader, and I finally ask consent that following the disposition of any or all amendments the bill read a third time, the Judiciary Committee be discharged from further consideration of H.R. 1818 and the Senate proceed to its consideration; all after the enacting clause be stricken and the title of S. 10, as amended be inserted in lieu thereof, the bill be read a third time and the Senate proceed to a vote on passage of the bill. I further ask that following the vote the Senate inform in its amendment, request a conference with the House and the Chair be authorized to appoint conference on the part of the Senate.

Mr. SESSIONS. There was an unanimous consent.

Mr. LEAHY. No, no. I tell my friend from Alabama, this is what I would propose. I already stated that. And I have informed the floor staff on the Republican side that I would not make the unanimous consent request to this bill. If this Senate has known me for 24 years here knows I would never do this. I would not propose a unanimous consent request on a
day when everybody has taken off already to the various airports or home. But I am putting into the Record, so that Senators can read it on Monday, what would have been my proposal if we were able to make it. I would not seek to amend it to other side. I have not done that in 24 years, and I am not about to start now.

Mr. SESSIONS. Thank you.

Mr. LEAHY. Thank you, Mr. President.

I yield the floor.

Mr. SESSIONS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama.

The Chair advises the Senator, because of the previous order, he will have to seek unanimous consent to speak at this point.

Mr. SESSIONS. I ask unanimous consent, Mr. President, notwithstanding the previous order for adjournment, I be permitted to speak, and the Senate then adjourn under the previous order.

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

Mr. SESSIONS. I really appreciate Senator LEAHY and his leadership as ranking member on the Judiciary Committee, and with him to juvenile justice, that we have not had a year of inaction, as the Senator said. There were 100 changes proposed, and most of those in an apparently futile attempt to gain the support of Democratic Members, to have been using procedural tactics to block the consideration of that bill.

The bill came out of the Judiciary Committee on a 12-6 vote, and with bipartisan support. Since that time, we have sought to gain additional support from the Democratic side. I have been a prosecutor for almost 20 years. I believe in this bill. It is not a political bill. It is a bill that provides resources and support and strength right to the local juvenile courts throughout America. It is in those courts where the real progress is being made in fighting juvenile crime.

I see the Presiding Officer, the Senator from Alabama. A few months ago we had the opportunity to meet in Ohio with a juvenile judge, Judge Grossman, who allowed us to witness a model program in action. In this program the judges have the resources and the capacity to confront youngsters when they are first arrested for juvenile crimes. Judges also have the option to do something effective to confront those children and to change them from the road of destruction on which they are too often headed. A community may have alternative schools. It may have boot camps. It may have intensive probation supervision. In Ohio, Judge Grossman has a truancy program with trials conducted in the schoolroom with the Judge present. These are the kind of programs that can actually deter juvenile crime.

That is the heart and soul of this juvenile justice bill. I hope somehow, some way we can get a vote on it this time. It has been frustrating that we have not been able to do that yet. The National Juvenile Judges Association, the Fraternal Order of Police, the Boy’s and Girl’s Club, and organization after organization have supported this piece of legislation. I don’t think there is any group more interested and more professionally concerned than the National Juvenile Judges Association. They have spent a good bit of time analyzing it, and they support it. This bill certainly represents a very important step forward.

I thank this body and I thank the Presiding Officer for his leadership on juvenile crime and juvenile justice. It is a matter close to my heart. The Presiding Officer is a former prosecutor. The Chairman is a former prosecutor. The ranking member on the Judiciary Committee is a former prosecutor. We were able to make it. I would not have gotten there if we had not had bipartisan support. Since that time, we were able to make it. I would not have gotten there if we had not had bipartisan support. Since that time, we were able to make it. I would not have gotten there if we had not had bipartisan support.

The House has acted on good legislation. If we can get our legislation passed, even in these last few days—I know the time is short—if we can get our legislation passed, we could pass a bill that the people of this country would be proud of and would, in fact, allow us to intervene in the lives of kids who are going wrong and get them back on the right track. Sometimes that takes tough intervention. Sometimes they need to go to a boot camp or detention facility or alternative school. We need to help encourage States to do that. Mr. President, I thank the occupant of the Chair for his time and his leadership on this matter.

TENNESSEE VALLEY AUTHORITY

Mr. SESSIONS. Mr. President, I was taken aback this morning after reading statements made by Vice President GORE that appeared in an article detailing the decision made by the Energy and Water Appropriations conference committee to eliminate Federal funding for the Tennessee Valley Administration’s non-power programs. Funding for these TVA programs has been going on since TVA’s inception. It has been pared down very much, year after year after year, until it has been completely, almost completely, cut. It has been zeroed out nonpower funding for the Tennessee Valley Authority. The last time I checked, the Vice President was a part of this administration. Now, those of us who opposed the Administration’s decision are in trouble. There was a debate about reducing TVA’s funding. People took different sides on it. The chairman of the Tennessee Valley Authority is a personal friend of the Vice President. The Vice President helped the current TVA chairman get his appointment and the Vice President consults with him regularly. Initially, the TVA chairman said he thought the Administration’s funding reductions were a good idea and he supported the Clinton Administration’s position. We asked him to reconsider. Chairman Crowell held hearings and studied the issue and came back and said he didn’t think the Administration’s position was a good idea after all; he changed his mind.

What I am saying, Mr. President, is that we are “living in spin” in this city. It offends me. It is a matter of basic integrity. I am just a former prosecutor from Alabama. I haven’t been in this body 2 years. Maybe you are supposed to become immune to these things. I am not immune to it yet. When the Vice President says, “It is a major change and I think it was an wise decision.”

Now, there is a group more interested in the Tennessee Valley than any group more interested and more unjustified, unfair, and it seriously undermines TVA’s important role in... the Tennessee Valley.”

I agree that the decision to eliminate this funding is unfair because for the first time the ratepayer, the Tennessee Valley power payer, will be asked to keep up a waterway, even though every other waterway in America is kept up by taxpayers, through either the Corps of Engineers or other agencies. This is a major change and I think it was an unfair decision.

Mr. President, just 2 years ago this administration took action that directly led to this result. There has been debate for some time as to whether or not we ought to fund the Tennessee Valley Authority in this way. Two years ago this President and this Vice President, working through the Office of Management and Budget, which is a part of this administration submitted a budget to this Congress that zeroed out nonpower funding for the Tennessee Valley Authority. The last time I checked, the Vice President was a part of this administration.

Now, those of us who opposed the Administration’s decision are in trouble. There was a debate about reducing TVA’s funding. People took different sides on it. The chairman of the Tennessee Valley Authority is a personal friend of the Vice President. The Vice President helped the current TVA chairman get his appointment and the Vice President consults with him regularly. Initially, the TVA chairman said he thought the Administration’s funding reductions were a good idea and he supported the Clinton Administration’s position. We asked him to reconsider. Chairman Crowell held hearings and studied the issue and came back and said he didn’t think the Administration’s position was a good idea after all; he changed his mind.

What I am saying, Mr. President, is that we are “living in spin” in this city. It offends me. It is a matter of basic integrity. I am just a former prosecutor from Alabama.
Once the Administration supported it and said it was a good idea—and were joined in this belief by the TVA leadership itself—it was almost impossible to change the decisionmaking momentum. I am disappointed. I remember that a little over a year ago we held a TVA caucus meeting with the chairman of the Tennessee Valley Authority, Mr. Craven Crowell. During this meeting Mr. Crowell met with Members of the House of Representatives and with Senators who live in the area and with the Tennessee Valley. This meeting gave us the opportunity to come together and share information and discuss issues of importance regarding how to make TVA work better. I asked if he had discussed with the President of the United States, President Clinton, the zeroing out of funding for TVA’s nonpower resources, and Mr. Crowell said yes. I said, “Have you talked with the Office of Management and Budget?” and Mr. Crowell replied, “Yes, I spend a lot of time with them.” Then I asked, knowing that the Vice President is from Tennessee and had previously been involved in TVA, “Did you talk with the Vice President about it?” and Mr. Crowell said the Vice President “knew about it.”

So, now we have it. More spin in the Capitol. The President and Vice President personally engaged in recommending the zeroing out of this budget item 2 years ago and now they are coming forward to attack those who carried out what they recommended. In fact, the budget the President submitted has zero dollars for nonpower in the Tennessee Valley.

Whatever happens with this issue and what we do about it, I don’t know. I continue to adhere to the belief that it is unfair to ask the people who live there to fund the waterway maintenance and upkeep—that is what we are talking about—when no other place in the country does it that way. The taxpayers and the Corps of Engineers, or other agencies, do that throughout the country.

It shocks my conscience and doesn’t enhance my respect for the credibility, integrity, and the honesty of the Vice President to have him make the kind of comments I quoted earlier. In truth, had the President and Vice President not supported reducing this funding 2 years ago, it would not be passing now. I think most people who keep up with the details of this situation know what I am saying is true.

ADJOURNMENT UNTIL MONDAY, SEPTEMBER 28, 1998

The PRESIDING OFFICER, Under the previous order, the Senate now stands adjourned until 12 noon, Monday, September 28.

Thereupon, the Senate, at 1:26 p.m., adjourned until Monday, September 28, 1998, at 12 noon.

NOMINATIONS

Executive nominations received by the Senate September 25, 1998:

NATIONAL SCIENCE FOUNDATION


MAXINE L. SAYTZ, of CALIFORNIA, to be a MEMBER of the NATIONAL SCIENCE BOARD, NATIONAL SCIENCE FOUNDATION, for a term expiring May 10, 2004. Vice Frank H. Bogs, term expired.

LUISE SEQUISSA, of WISCONSIN, to be a MEMBER of the NATIONAL SCIENCE BOARD, NATIONAL SCIENCE FOUNDATION, for a term expiring May 10, 2004. Vice John Hopkins, term expired.

CONFIRMATIONS

Executive nominations confirmed by the Senate September 25, 1998:

DEPARTMENT OF DEFENSE

JAMES M. BODNER, of VIRGINIA, to be DEPUTY UNDER SECRETARY OF DEFENSE, for a term of 2 years. Vice Stephen W. Preston, term expired.

HERBERT LEE CHUCHANTH, of MICHIGAN, to be an ASSISTANT SECRETARY OF DEFENSE, for a term of 2 years. Vice Charles Johnson, term expired.

RICHARD DANZER, of the DISTRICT OF COLUMBIA, to be SECRETARY OF THE NAVY, for a term of 2 years. Vice Richard Daniel, term expired.

IN THE AIR FORCE

The following named Reserve officer for appointment as chief of the air force reserve under title 10, U.S.C., section 631.

To be Chief of the Air Force Reserve, United States Air Force

MAJ. GEN. JAMES E. SHERRA, III, 0000.

The following named officer for appointment in the united states air force to the grade indicated under title 10, U.S.C., section 624.

To be brigadier general

COL. ROBERT W. CHIDESTER, 0000.

The following named officer for appointment in the united states air force to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601.

To be lieutenant general

MAJ. GEN. CHARLES R. REFLEROBER, 0000.

To be Rear Admiral (lower half)

CAPT. JERRY D. WEST, 0000.

The following named officer for appointment in the united states air force to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601.

To be Rear Admiral (lower half)

CAPT. JAMES M. WALLER, 0000.

The following named officer for appointment in the united states air force to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601.

To be Rear Admiral (lower half)

CAPT. MARKE R. SHELLEY, 0000.

The following named officer for appointment in the united states air force to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601.

To be Rear Admiral (lower half)

CAPT. JAMES B. PLEHAL, 0000.

The following named officer for appointment in the united states air force to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601.

To be Rear Admiral (lower half)

CAPT. JOHN P. MCLAUGHLIN, 0000.

The following named officer for appointment in the united states air force to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601.

To be Rear Admiral (lower half)

CAPT. JEFFREY D. CALVART, 0000.

The following named officer for appointment in the united states air force to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601.

To be Rear Admiral (lower half)

CAPT. WILLIAM W. KINSEY, 0000.

The following named officer for appointment in the united states air force to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601.

To be Rear Admiral (lower half)

CAPT. MICHAEL E. KENYON, 0000.

The following named officer for appointment in the united states air force to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601.

To be Rear Admiral (lower half)

CAPT. GREGORY J. SPARLING, 0000.

The following named officer for appointment in the united states air force to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601.

To be Rear Admiral (lower half)

CAPT. WILLIAM S. MILLER, 0000.

The following named officer for appointment in the united states air force to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601.

To be Rear Admiral (lower half)

CAPT. SCOTT W. BOSHER, 0000.
CONGRESSIONAL RECORD — SENATE

September 25, 1998

CAPT. ANNETTE E. BROWN, 0000.
CAPT. BRAD C. CALBREATH, 0000.
CAPT. LEWIS W. CRENSHAW, JR., 0000.
CAPT. JOSEPH E. ENRIGHT, 0000.
CAPT. TERRANCE T. ETNYRE, 0000.
CAPT. MARK P. FITZGERALD, 0000.
CAPT. JONATHAN W. GREENERT, 0000.
CAPT. CHARLES H. GRIFFITHS, JR., 0000.
CAPT. STEPHEN C. HEILMAN, 0000.
CAPT. CURTIS A. KEMP, 0000.
CAPT. ANTHONY W. LENDERICH, 0000.
CAPT. WALTER B. MASSENBURG, 0000.
CAPT. MICHAEL G. MATHIS, 0000.
CAPT. JAMES K. MORAN, 0000.
CAPT. CHARLES L. MUNNS, 0000.
CAPT. RICHARD B. PORTERFIELD, 0000.
CAPT. JOHN W. TOWNES, III, 0000.
CAPT. THOMAS E. ZELIBOR, 0000.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be vice admiral
VICE ADM. VERNON E. CLARK, 0000.

IN THE NAVY
AIR FORCE NOMINATIONS BEGINNING JAMES C. ARMSTRONG, AND ENDING SCOTT A. ZUEBLIN, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON SEPTEMBER 2, 1998.

IN THE ARMY

IN THE MARINE CORPS
The State of Louisiana and its lessees have never received this money. Therefore, this legislation authorizes an alternative means of compensating the State and its lessees. Under this legislation, the state lessee in the West Delta Field would be authorized to withhold its Federal royalty payments on other OCS production in the Gulf of Mexico, using these funds to pay the State of Louisiana and itself until the authorization in Section 6004 of the Oil Pollution Act of 1990 (U.S.C. 2701 note) is satisfied. At that point, the lessee would resume its royalty payments to the Department of the Interior.

Mr. Speaker, the time has come to close this unhappy chapter in the relationship between the State and Federal government on Federal OCS oil and gas development. Louisiana has been a good host to the Federal government with respect to OCS development. Louisiana expects the Federal government to honor the authorization enacted in 1990. I respectfully encourage all of my colleagues to support this long-overdue legislation and ensure its swift enactment this year before Congress departs in the coming month.

As the number of lawsuits continues to climb, the impact on the American public is evident. The increasing number of lawsuits results in higher operating costs for businesses, the withdrawal of certain products from the market, and a weakening of growth and expansion. These costs are inevitably passed along to consumers in the form of higher prices for goods and services, lost opportunity, and fewer jobs.

Mr. Speaker, with these serious issues facing the United States, it is increasingly important for groups like Ohio Citizens Against Lawsuit Abuse to be recognized for their hard work and efforts on behalf of Ohioans and all Americans. We need the kind of dedication shown by OCALA and other groups to keep up the battle with lawsuit abuse and overall legal reform. I would urge my colleagues to support this legislation and encourage all to stand and join me in recognizing the week of Monday, September 21 through Saturday, September 26, 1998 as “Ohio Lawsuit Abuse Awareness Week.”
A TRIBUTE TO TAKIS SALPEAS

HON. TOM LANTOS
OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 25, 1998

Mr. LANTOS. Mr. Speaker, I rise today to pay tribute to Mr. P. Takis Salpeas, an extremely talented and capable manager with the San Francisco Bay Area Rapid Transit District (BART) who recently resigned his position in Millbrae, California, to take a position with the Washington Metropolitan Transportation Authority (WMATA) in Washington, DC.

Mr. Salpeas has served BART with distinction since 1991, first as project manager for the BART Colma Station Extension, then as Executive Director of West Bay Extensions, and was in charge of the extension of BART to the San Francisco International Airport, which lies in my Congressional district.

Under Mr. Salpeas' leadership, the BART rapid rail system cleared numerous political and financial hurdles in order to begin construction of the important 8.7 mile BART Extension to the San Francisco International Airport. The BART Extension to the airport will connect the existing 95-mile multi-county BART system with a new international terminal at the airport.

Mr. Salpeas has more than 25 years experience in rail transit planning, engineering and construction, and he has been an invaluable leader at BART. Mr. Salpeas has been selected for the position of Assistant General Manager of Transit System Development at WMATA.

Prior to coming to BART in 1991, Mr. Salpeas worked for the Southeastern Pennsylvania Transit Authority (SEPTA), which serves the Philadelphia metropolitan area. He was project manager for reconstruction of elevated rail guideways and stations, and later directed its engineering development program.

Mr. Salpeas is a member of the American Society of Civil Engineers; the Transportation Research Board of the National Research Council, the American Public Transit Association (APTA) and the APTA Construction Committee; and the Federal Transit Administration's Construction Roundtable. A graduate of Widener University in Pennsylvania, Mr. Salpeas holds two master's degrees in systems engineering and civil engineering. He is the author of more than 30 professional papers on rail transit topics, and has taught civil and transportation engineering at Widener University in Pennsylvania.

Mr. Speaker, I appreciate having the opportunity to recognize Mr. Takis Salpeas and wish him well in his new position at WMATA. Mr. Salpeas has served our community well and made a difference in the lives of Pennsylvania residents. Takis will be missed by those who worked with him, he will be missed by his friends in the Bay Area, and he will be missed by countless others in our community who do not know him, but who have benefited from Takis' work and dedication in bringing BART to the airport.

I would like to place a copy of an article which appeared in the San Francisco Chronicle last year, which I believe captured the essence of Mr. Salpeas' character and accomplishments at BART.

[From the San Francisco Chronicle, Sept. 1, 1997]

HE'S HELPING DRIVE BART'S TRAIN TO SFO ENGINEER AIMS TO GET IT DONE FAST, INEXPENSIVELY

(By Benjamin Pimentel)

While politicians take credit for BART's grand plan to reach Francisco International Airport, many say an engineer named Takis Salpeas—known to few outside BART and local political circles—is the project's real driving force.

Part commander and part cheerleader, the 47-year-old Greek immigrant has spent the past five years working out details for BART's eight-mile march to SFO and Millbrae, one of the biggest transit projects in Bay Area history.

In many ways, Salpeas is just the person to lead BART's bulldozers when construction begins next month: a dedicated railroad-builder full of brashness and bravado who hasn't lost his optimism in the face of dozens of obstacles.

"BART is one of the best systems in the world. There will be no margin of error," Salpeas said. "Everything will be efficient. We have to go for it."

The airport project is the biggest in Salpeas' career—and the most controversial. It has been the subject of lawsuits, opposition from local groups and the airlines and political battles in Congress.

At a time when some believe the line will open by the early 21st century, Salpeas says he's sure he can complete the job on schedule in 50 months.

And even though critics predict that the extension will cost more than its projected $1.2 billion price tag, the feisty engineer claims he can do the job efficiently enough to save up to $200 million.

Salpeas' gung-ho attitude has rubbed some people the wrong way. Although local leaders are excited about the economic benefits of the BART extension, many complain that BART planned the extension without adequately consulting them—and that Salpeas has tried to steamroll their concerns. Others are willing to publicly criticize a man they will have to negotiate with in the coming years.

"You're either on his side or (you're) the enemy," one government official said. "We have this love-hate relationship with the man."

Others, like San Bruno Mayor Ed Simon, say they appreciate Salpeas' directness.

"He's a straight shooter," he said. "Some people think he's abrasive because he doesn't try to sugarcoat every thought."

Salpeas acknowledges that he has been blunt in dealing with cities.

"Whatever I tell them is the truth, the honest, professional truth," he said. "I never promise anything I can't deliver."

Born and raised in Athens, Salpeas is the son of a Greek railway engineer. His family sent him to study civil engineering at the University of Pennsylvania in the early '70s, hoping he would return to become director of Greece's national rail system.

Salpeas decided to build his career in the United States instead. After a stint with Philadelphia's rail transit agency, Salpeas moved to the Bay Area in 1991 to build BART's Colma station.

He was later tapped to head BART's SFO extension team.

"People recently, when BART finally got a federal funding commitment, it was unclear if the project would ever get started."

The weekend before the Federal Transit Administration signed off on the $1.2 billion SFO extension agreement, Salpeas said he was nervously scribbling plans for radically cheaper alternatives.

Because the line will pass through several cities, Salpeas has had to calm fears about how construction will affect communities. Along the way, he's had to contend with cities' demands, such as extending a sidewalk or building tracks on a free road—demands that usually get turned down.

"Everybody wants something out of this project—and yet I have fixed resources," he said.

BART board member Dan Richard, who negotiated with cities for the agency, said there were times when he wished Salpeas would take a softer approach.

"There's a reason why there are few engineers in public office," he said. "They sometimes use the direct approach, which is what you need to build things—but isn't always the most political way. Every once in a while, we have to guide the missile in a different direction."

Simon recalled how Salpeas would fidget with his tie whenever discussions seemed to be reaching a stalemate.

"He'd lose his tie and put on another shirt to start working," Simon said. "He just wants to build the darn train."

And Salpeas wants to build it fast and cheap.

To do this, BART is changing the way it issues contracts. In the past, BART dealt with dozens of contractors whose job was to build whatever BART had designed. BART's recently completed East Bay extensions, roughly the length of the airport project, involved 51 contractors.

By contrast, the SFO extension will involve four contractors in charge of both design and building the line. Fewer contractors will likely mean fewer delays and shorter construction by more than a year, Salpeas said.

The process, called design build, is commonly used in private construction projects—but this is the first time it will be used to build a major Bay Area transit project.

Many things could still derail Salpeas' game plan. BART must lobby Congress every year for its annual appropriation, and some local groups still think the project is too expensive and impractical.

But he remains optimistic.
Mr. MORAISON of Kansas. Mr. Speaker, I rise today to honor one of Texas' true humanitarians, Seguin City Councilman Sam Flores. On August 29, 1998, Councilman Flores was recognized for his dedication to the people of his community when he was selected as the Seguin Hispanic Chamber of Commerce's Humanitarian of the Year. Councilman Sam Flores' career only begins to tell the story of his devotion to his community and the people in it.

Born in San Marcos, Texas, during the midst of the country's worst depression, a young Sam Flores learned the value of hard work at an early age. As soon as he was old enough, Sam began his adult life as a migrant worker, traveling as far north as Michigan to work the fields. Although he recognized the value of education, Sam dropped out of school during his sophomore year to serve his country in the Far East as a member of the U.S. Marines. He served in the Marines for six years as a Platoon Sergeant in the Korean War and also helped evacuate Americans from Shanghai during the communist revolution in China.

Upon returning he enrolled at South-west Texas State Teacher's College where he earned his teacher's degree in 1955. In 1959 he earned his Master's degree in school administration. It was in 1959 that Sam and his wife, Velia, moved to her hometown of Seguin. Sam secured a position with the Harlandale Independent School District in San Antonio. He served the Harlandale ISD for 35 years teaching education and special education to elementary and secondary school students. For ten years he held the position of Director for Special Education for six different school districts. He also served as Principal of the Harlandale School District for eleven years. Even after retirement Sam stays involved with education by serving as the Attendance Officer for Seguin High School.

Community leadership defines Sam Flores' life. As a member of the Seguin City Council for 33 years, Sam championed community improvement. He was one of the founders and the President of the Seguin Boys Club. He held a leading role in the establishment of the Seguin Housing Authority and the agreement to build a new Seguin Post Office. His leadership brought about the completion of the Walnut Creek Flood project and the paving of 22 miles of Seguin's gravel streets. He has also provided leadership in the fight against the discrimination of minorities through full integration of the Seguin Independent School District and service on a special committee which brought Mexican American Studies to Texas Lutheran University. Sam Flores now serves the community of Seguin as the Chairman of the "Seguin Memorial Committee," a group developed to honor the city's namesake, Juan N. Seguin, with a statue in the downtown city park.

Sam Flores has made tangible and intangible contributions to the city of Seguin. All those whose lives he has touched, from his students to other community members, can attest to his true humanitarianism. Their description of him is more accurate: "Sam is a soldier for the people of his community and state." We need more soldiers in our communities like Sam Flores.
Brathwaite-Burke; and famed attorneys Charles Earl Lloyd, and the late Thomas G. Neusom.

All of the honorees have made exemplary contributions to the legal profession as well as to the citizens of Los Angeles and this nation. That is why I am especially proud to commend and recognize each of them before the House today.

Judge Gilbert C. Alston, a graduate of the University of Southern California (USC) Law School, spent his early career working in the Los Angeles District Attorney’s office, and in private practice with his law partner H. Ronald Hauptman. He was appointed the first Commissioner of the Pasadena Municipal Court in 1971, and six months later was appointed by then-Governor Ronald Reagan to the Los Angeles Municipal Court. In 1977 Governor Jerry Brown, Jr. agreed to transfer Judge Alston to the Pasadena Judicial District, where he became Pasadena’s first African American judge.

Judge Alston is perhaps best known in judicial circles for his ruling allowing the use of cameras in the courtroom. Judge Alston was elevated to the Los Angeles Superior Court in 1980, a position he held until his retirement.

Judge Dion Morrow, a native Angeleno, graduated from Loyola Law School on June 1, 1957, and was admitted to the California State Bar on December 18, 1957. His early career was spent in private practice with fellow distinguished Los Angeles attorneys Xenophon F. Lang, Robert Hall, James Gordon, and David Cunningham. Judge Morrow joined the Los Angeles City Attorney’s office in 1975, serving as Assistant City Attorney and Senior Deputy City Attorney until his appointment to City Attorney Burton Pines. He was the first African American to hold such a position. He was appointed to the Compton Municipal Court by Governor Brown on October 17, 1975. A little over two years later, he was elevated to the Los Angeles Superior Court, where he spent the next 18 years presiding over complex criminal and civil cases. Dion retired from the bench on October 31, 1995, but continues to serve the legal community as a private arbitrator, mediator, settlement judge and discovery referee. Judge Morrow is past president of the Langston Bar Association.

Los Angeles County Supervisor Yvonne Brathwaite-Burke certainly requires little introduction. She has been recognized by Time magazine as one of “America’s 200 Future Leaders,” and was selected “Woman of the Year” by both the Los Angeles Times and her alma mater UCLA, which two years ago awarded her its “1996 Alumni of the Year” award. As my predecessor in the California State Assembly and the United States Congress, he is a distinguished public official who has received numerous honors and commendations for an illustrious career spanning more than three decades. Yvonne represented California’s then-28th Congressional District from 1972–1976. She is a former member of the University of California Board of Regents, and is currently a member of several boards, including the Los Angeles Coliseum Commission and the Metropolitan Transportation Authority, where she has been a forceful and influential advocate for an improved transportation system in Los Angeles and the region. Yvonne received her Juris Doctor degree from USC and was admitted to the California State Bar in 1956. She has championed equal opportunity for displaced homemakers, and authored legislation benefiting California’s disadvantaged youth, nursing home residents, and orphans. Yvonne Brathwaite-Burke has earned her place in the Hall of Fame.

Attorney Charles Earl Lloyd received his Juris Doctor degree from USC in 1961 and was admitted to the California State Bar in January 1962. After serving two years as a prosecuting attorney in the Los Angeles City Attorney’s office, in 1964 he entered private practice under the firm of Berman, Lloyd and Goldstein. A year later, he became the senior partner in the firm of Lloyd, Bradley (Tom Bradly would go on to serve five consecutive terms as the Mayor of the City of Los Angeles) Burrell, and Nelson. He is recognized as one of the premier criminal attorneys in the nation, and has also represented many entertainers and professional sportsmen, including the entertainer Dr. William (Bill) Cosby; legendary boxer Sonny Liston; and former Houston Oilers lineman Ernie Ladd. Charles was the first African American to serve as a City of Los Angeles Harbor Commissioner. He is an outstanding attorney and a mentor to many young aspiring attorneys throughout the nation.

Thomas G. Neusom, who will be inducted posthumously into the Hall of Fame, was admitted to the California State Bar in 1950 and for a brief time thereafter practiced law with legendary Los Angeles attorneys Crispus A. Wright and Carl A. Earles. Tom served two terms as NAACP president, during which he successfully litigated and won the integration of the Los Angeles Fire Department. He also served as the co-counsel on the suit which led to the integration of the Los Angeles Police Department. He was a lawyer’s lawyer—a man of tremendous integrity and a commitment to helping the downtrodden.

Mr. Speaker, please join with me in applauding the excellence of these five distinguished individuals. It is a special honor to highlight just a few of their outstanding accomplishments, and it is with a tremendous sense of pride that I salute and congratulate each of them as they are inducted into the John M. Langston Bar Association Hall of Fame.

PERSONAL EXPLANATION

HON. LORETTA SANCHEZ OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES
Friday, September 25, 1998

Ms. SANCHEZ. Mr. Speaker, on Thursday, September 24, 1998, I was unconsciously detained on official business and missed the following roll call vote: No. 459 and No. 460.

On roll call vote No. 459, I had been present, I would have voted “no”; on roll call vote No. 460, had I been present I would have voted “yea.”

IN HONOR OF OUR LADY OF GOOD COUNSEL PARISH

HON. DENNIS J. KUCINICH OF OHIO

IN THE HOUSE OF REPRESENTATIVES
Friday, September 25, 1998

Mr. KUCINICH. Mr. Speaker, I rise today to extend my best wishes to the community of Our Lady of Good Counsel Parish. For more than a century, this parish has served as a spiritual refuge, opening its doors to anyone in need of peace.

In the spring of 1873, led by Father Patrick F. Quigley, the Catholic Diocese of Cleveland dedicated the cornerstone of a mission church in Brooklin, Ohio. The community’s first mass was held at the local public school, but by 1874, it celebrated the blessing of the cornerstone of its first church, the Sacred Heart of Mary Mission. As the parish flourished, the Cleveland Diocese elevated the community to parochial status in 1889, appointed Michael Decker as its first pastor and opening the Sacred Heart of Mary School.

Unfortunately, in 1907, an accident caused a fire that destroyed the church and the school. While rebuilding took place, the parish continued to celebrate mass in the town hall. By August 15, 1909, the new church was finished with a new pastor, Father Luke Rath. During the next eight years, the parish population grew, causing the community to expand their church with a new sister’s house, mission house, and portable school buildings to serve 350 students. Father Rath presided over the dedication ceremony, where the community changed its name to Our Lady of Good Counsel Parish.

The current church was dedicated in 1930, a beautiful building which includes a soaring bell tower modeled after that of Sancto Spiritu Church in Florence, Italy. Although it struggled during the Great Depression, the parish maintained a social life, sponsoring a variety of plays, operettas, and card parties. The community also added a bowling alley, a cafeteria, and a new school addition.

My fellow colleagues, please join me in honoring the Our Lady of Good Counsel Parish and its current pastor Father Leroy Moreeau, CPPS as they celebrate in commemoration of 150 years in service to God. Throughout its long history, the parish has undergone many changes, but the spirit and dedication of its members have remained constant. As the Cleveland Diocese celebrates its sesquicentennial anniversary, Our Lady of Good Counsel Parish remains a beacon of solace and friendship for its members and the residents of Cleveland’s Old Brooklin neighborhood.

TO TRIBUTE TO EBRI

HON. DONALD M. PAYNE OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES
Friday, September 25, 1998

Mr. PAYNE. Mr. Speaker, I want to congratulate the Employee Benefit Research Institute on their 20th Anniversary. The Employee Benefit Research Institute, or EBRI as it is more commonly known, is the only nonprofit, nonWashington organization dedicated to original public policy research and education on economic security and employee benefits. For the last 20 years, they have been instrumental in promoting knowledge and understanding among the media and policymakers of employee benefits. I believe their greatest service has been in advancing the public’s understanding of employee benefits and their effect on the nation’s economy. Their commitment to disseminating the facts has earned EBRI renown.
as the preeminent public policy research organization on issues affecting workers and their benefits.

EBRI has provided me with invaluable objective research, data, and analysis. The Institute is guided by the tenet that policy initiatives cannot be truly successful unless they are founded on sound, objective, relevant information.” The information produced by EBRI covers health, retirement, among other economic issues, is thorough and comprehensive.

One of the most important reference materials to come out of EBRI is the Retirement Confidence Survey (RCS). The RCS is an important indicator of societal attitudes toward retirement planning and savings. While the House considers legislative measures, I find the issue briefs and research documents to be a valuable research and information tool.

As increased attention is paid by policymakers, media, and the benefits community to the unique challenges facing minority groups, I think they are to be especially commended for addressing the unique challenges facing minority groups.

I am proud to salute Rev. Robert L. Brown.

Judge Pastore has dedicated his life to justice. He has earned a reputation for his fairness, integrity, and commitment to upholding and respecting the law. These qualities are demonstrated in the many judicial cases he has tried, presided over, and rendered judgments on for more than half a century. Judge Pastore retired only three years ago, leaving a legacy which included positions as a Democratic state representative and a Superior Court judge.

It is fascinating to listen to Judge Pastore’s stories of the century of history he witnessed, along with the remarkable changes and tremendous progress to the judicial system. Although he no longer practices professionally, he continues to keep up-to-date on current case law, and his wife still reads the Connecticut Law Journal to him. Many seek his advice, knowing his counsel is offered with wisdom, justice and compassion. Plaques cover the walls of his home to honor the services he has donated to the community. Indeed, his long career has left an indelible mark on the residents of Connecticut, and especially his close friends from the Wooster Street neighborhood. It is difficult to find someone whose commitment to excellence equals his own.

I join with Judge Pastore, his children, grandchildren, and great-grandchildren to honor Philip Pastore on his 100th birthday. Best wishes for continued fulfillment and happiness. Happy Birthday!

Judging the dedication of our firefighters whenever we pass by their town’s firehouse or see a truck responding to an emergency call, we all must recognize the daily sacrifice of these brave men and women.

Many times, we tend to take their services for granted and often do not acknowledge them for their hard work.

I hope that all Americans will reflect on the dedication of our firefighters whenever we pass by their firehouse or see a truck responding to an emergency call. We all must recognize the daily sacrifice of these brave men and women.

I extend my deepest appreciation and highest praise and congratulations to Rev. Robert L. Brown.
TESTIMONY AT TWO TOWN HALL MEETINGS

The point made most frequently in written comments was that Medicare should not impose any new requirements on home health care services. The logic of providing home health services is clear: seniors are happier and healthier if they can remain in their own homes, and a home environment ensures a higher level of independence. Those companies of a certain size that provide home health services have noted that the federal financial penalty for hospitals that transfer patients to other care settings because they are not able to care for them, is significantly lower than the financial penalty for hospitals that transfer patients to other care settings because they do not have an adequate number of Medicare patients.

Others voiced their support for an expanded Medicare program in which more Americans are eligible for services. It is not known if younger and healthier individuals sign up for Medicare and pay premiums that per beneficiary will fall. Several people who filled out comment forms warned against efforts to privatize Medicare or compromise the program through block grant awards. Those who argued for including providing prevention, dental and vision services. The importance of these services requires no explanation. What we are seeing is that all health care providers deliver more comprehensive prevention services, we should demand the same from Medicare. One woman suggested that Medicare should require all HMOs to provide a toll-free hotline to consumers.

COMMENTS FROM MEDICARE PROVIDERS

Medicare providers in my district also spoke at the town hall meetings about the challenges they face in providing care. The interim payment system for home health agencies has imposed a heavy financial burden on providers. Medicare providers have also struggled to meet efforts to care for disproportionate share hospital payments from payments to HMOs, eliminate the 100 bed requirement for qualification as a disproportionate share hospital, and reduce the financial penalty for hospitals that transfer patients to other care settings before the DRG period has expired.

CONCERNS OF PEOPLE WITH AIDS

The AIDS epidemic has taken a devastating toll in my district, and Medicare plays a significant role in provision of health care to individuals affected by this epidemic. It is estimated that between 6% and 20% of people with HIV/AIDS rely on Medicare for some or all of their health care services. The Centers for Disease Control has estimated that between 1985 and 1990, Medicare beneficiaries were diagnosed with AIDS.

A recent report published by the Academy for Educational Development documents several challenges related to HIV-related health care services under Medicare. First, because the program does not cover the costs of prescription drugs, beneficiaries are forced to find other ways of acquiring the expensive but promising new drug treatments for HIV infection. These drugs can cost $12,000 per year or more.

The report notes several other problems for people with HIV including, “the lack of guaranteed availability of individual supplemental insurance for the disabled under the age of 65, the lack of guaranteed availability of HIV specialists in Medicare managed care plans, the inadequacy of community-based

and home care services to address the ongoing chronic nature of the HIV disease process, and the limitations of the hospice benefit for addressing the acute treatment needs of people with AIDS.”

I am submitting a copy of this report with the town hall meeting testimony noted above.

RECOMMENDATIONS

A number of recommendations for reform of Medicare follow from the testimony and policy research presented above. Below is a list of recommendations. In some cases, we have noted less desirable options and proposals that are consistent with these recommendations.

- Expand services available in Medicare
  - Medicare should provide comprehensive and cost-effective care to those who are eligible for the program. The program should provide reimbursement for needed drug therapies, long term care services, dental and vision care, and prescription services.
  - The Medically Necessary Dental Care Act (H.R. 1288) would provide coverage for outpatient dental procedures.

- Expand eligibility for Medicare
  - Medicare can serve as the foundation for increased access to health care for all Americans. I urge the Commission to identify ways in which eligibility for the program can be expanded. The expanded Basic Benefits Program (H.R. 3470) is consistent with this proposal. The bill would allow many of the “near elderly” to buy in to Medicare. We need to build upon this legislation to ensure that any buy in is affordable for all those who need health insurance coverage.

- Address legitimate concerns of Medicare providers
  - The interim payment system for home health agencies threatens to put many providers out of business. Congress and the Commission must urgently address the need to develop a more equitable payment system for home health care. The Medicare Home Health Beneficiary Protection Act (H.R. 4339) places a moratorium on the interim payment system for home health care.
  - The Commission should also take steps to protect reimbursement to disproportionate share hospital payments from payments to HMOs, eliminate the 100 bed requirement for qualification as a disproportionate share hospital, and remove the financial penalty for hospitals that transfer patients to other care settings before the DRG period has expired.

- Address concerns of People with AIDS
  - As people with AIDS live longer lives, more will become eligible for Medicare. The Commission should make several changes in the program to address the needs of this growing population, including: guaranteed availability of supplemental Medicare insurance for disabled individuals; guaranteed access to an HIV expert as a primary care provider and for specialist services; and elimination of the limitation on hospice benefits that bars people from receiving some needed acute care treatments while in hospice care.
  - In addition, I encourage the Commission to study the interaction between Medicare, Medicaid, and Ryan White CARE program services, and the provision of community-based support services.

- Look forward to working with the Commission to build a fiscally sound and expanded Medicare program that will provide the services people need and the opportunity to present these perspectives.
In his book on Robert F. Kennedy, Maxwell
America remains silent.

Mr. FARR of California. Mr. Speaker, as a
cohair of the Congressional Travel and Tour-

The world is watching.

moderate political leaders in Bosnia deserve support

Mr. FARR of California, Mr. Speaker, as a
cochair of the Congressional Travel and Tour-

Mr. LIPINSKI. Mr. Speaker, I appreciate this
opportunity to pay tribute to the fine gentleman
from California, Mr. Vic Fazio. We have been
tremely blessed to have such a hard-
working, fair leader in the Democratic Caucus and the House of Representatives. He has al-
tways tried to assist all Members, no matter
what side of the aisle they are on. Vic Fazio
has consistently possessed a keen under-
standing of what it truly means to be a public
servant. Through his dedication to listening to
the needs of the American people and un-
faltering leadership, Vic Fazio has served as
a strong role model for all current and fu-
ture Members of the House of Representa-
tives. Vic, I congratulate you on your retire-
ment, and thank you for setting such a high standard
of excellence and integrity.
Srpksa to receive the international assistance they were excluded from receiving because of their previous leadership's failure to carry out requirements under the Dayton Peace Agreement. Dodik permitted the International Criminal Tribunal for the former Yugoslavia to open an office in Srpksa, and encouraged individuals who had been indicted by the Tribunal for war crimes to turn themselves in.

Dodik’s future as the head of the government of Srpksa now hangs in the balance. If the ultranationalist who won the presidency, Poplasen, is unable to put together a government favorable to his extremist and rejectionist agenda, then new parliamentary elections in Srpksa will be required. Some have questioned whether the United States and other western countries are at fault for producing the victory of Poplasen by providing too much support for President Plavsic, and in effect, making her the candidate of the “outsiders” in the minds of the Bosnian Serb electorate. While there may be some degree of truth to this, I believe that other factors such as the malign influence of Serbian President Milosevich had as much to do with the outcome of the election as anything else.

In any event, Prime Minister Dodik has appealed for continued support from the international community. If we want to see moderates such as Dodik succeed in Bosnia, and this is essential to our exit strategy for our troops in Bosnia, I believe that we have no choice but to provide tangible support that Bosnians perceive as being linked to their support for the Dayton plan. If, on the other hand, the ultranationalists can reassess their grasp on power, we will need to rethink our entire strategy in Bosnia, and whether the creation of a multi-ethnic state that is stable and peaceful is possible to realize.

CONGRATULATIONS TO JOHN GRAYSON ROTHROCK

HON. CHARLES W. “CHIP” PICKERING
OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES
Friday, September 25, 1998

Mr. PICKERING. Mr. Speaker, yesterday morning Mr. John Grayson Rothrock was sworn in as an Ensign in the U.S. Navy Reserve. John has been a loyal and effective member of my staff and I am proud to have him with the Navy.

John fulfilled a lifelong ambition of serving his country in the U.S. Armed Forces. Surrounded by his mother, father and many friends who swore allegiance to the Constitution and its defense, I know that John does not take this oath lightly, because he is following a proud tradition in his family. His father, a combat veteran from World War II, participated in the ceremony and was able to receive the customary “silver dollar” for the first salute.

I am proud of John and recognize him for hearing the call of duty and answering it with service in the U.S. Navy Reserve. It is a pleasure to have John serve in my office and I join my staff in wishing him the best of fortune in his new undertaking.

IN RECOGNITION OF NATIONAL POLLUTION PREVENTION WEEK

HON. ROB PORTMAN
OF OHIO

IN THE HOUSE OF REPRESENTATIVES
Friday, September 25, 1998

Mr. PORTMAN. Mr. Speaker, I want to take this opportunity to recognize and support September 21–27 as National Pollution Prevention Week which is currently being observed in the Second District of Ohio and around the Nation.

Protecting the environment while not adversely affecting a community’s business climate is sometimes challenging but it is absolutely necessary. One of the most cost-effective ways to have clean streets, drinkable water, and breathable air is to focus on eliminating pollution before it is created. Clearly, it is much better to eliminate or reduce pollution at its source rather than have to dispose, treat, or release it into the air, water, or land.

Pollution Prevention Week is an excellent opportunity to raise awareness of these effective efforts. It can serve to encourage government agencies, the business community, environmental organizations, community groups, and most importantly, the general public, to work toward a cleaner environment and a more competitive, prosperous and sustainable business climate. This is a concept that we can all support, and is one embraced by the Greater Cincinnati Earth Coalition and other constituents on Southwest Ohio to achieve these goals to improve the quality of life for everyone.

A TRIBUTE TO THOMAS M. BARRY

HON. WILLIAM (BILL) CLAY
OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES
Friday, September 25, 1998

Mr. CLAY. Mr. Speaker, I rise today in tribute to an outstanding American and citizen from my home state of Missouri. Mr. Thomas M. Barry, on the occasion of his appointment as President of SBC International’s Telkom South Africa operations, holds a group that represents 87% of the communications needs of the people of South Africa.

Chairman of our International Community Centers—throughout South Africa.

The gekks are getting impatient. Here we are practically in the 21st century, and human beings have never been to another planet. We’ve never achieved unimaginable speeds, warped space-time or manipulated gravity. And that’s not good enough for Marc Millis, an aerospace engineer at NASA’s Lewis Research Center. When he was a kid he watched “Star Trek” (all baby engineers do) and Jaceguay Counteau on TV and wanted to be an explorer. “I assumed by the time I was old enough to get into the field, the rocket technology used by Apollo would be old hat,” Millis says.

Would that it were so. NASA is still helping metal into space with rockets. But there are signs of change—or at least willingness to change. Millis runs a small, meager
funded program called Breakthrough Propulsion Physics. The idea is to figure out how to build spaceships that bypass the rules of physics and carry human beings far into the universe faster than the speed of light. While the rocket-scientist fraternity of NASA, these guys stand out: they're serious researchers who actually use sci-fi terms like "warp drive" and "gravity shield." Millis rides a group, organizes workshops and extracting the big ideas while filtering out the nutty ones.

For Millis the job began in 1990. At a workshop he made a presentation titled "Unsolved Problems: Propelling Spacecraft Without Rockets." Quietly, a few enlightened souls introduced themselves, even though "these kinds of topics were . . . the polite way to say it is too far away from fruition for me to holler about," says Millis. "Words, crazy. Then in 1995 NASA started the Advanced Space Transportation Program at Marshall Space Flight Center, seeking to improve space exploration with traditional technology. "Someone asked, 'What about things like manipulating gravity? Is this light-speed thing still a showstopper?' Stuff like that," says Millis. "And one of the Marshall staff is excited about it.'"

It turned out there were plenty of ideas out there. At Caltech, a physicist named Kip Thorne was investigating what it would take to construct a person-size wormhole, a shortcut that tunnels through space-time, the quantum-mechanical fabric of the universe. A University of Wales physicist named Miguel Alcubierre proposed that a ship could exceed the speed of light by compressing space-time in front and expanding it behind—your basic science-fictional warp drive. Quantum physicists were trying to figure out how photons, particles of light, seem to accelerate past light speed when they tunnel through an apparent hole. Only one idea is actually being tested: researchers at Marshall's Space Sciences Lab are trying to replicate experiments said to show reduced gravity above a spinning superconductive disc. But designing an experiment that eliminates external influences has proved difficult. "It's fascinating," says David Noever, the researcher leading the project, "but you have to be very careful."

Needless to say, the Breakthrough Propulsion Physics program is controversial. "NASA is a place that builds things, not a place to try and take ideas which are decades, if not hundreds of years, from fruition and try to build working prototypes," says Lawrence Krauss, a physicist at Case Western Reserve and author of "The Physics of 'Star Trek.'" Thorne, the wormhole expert, is starting to think that fundamental physics forbids traversable, human-size wormholes. And then there's the money issue. "So far Millis's activity has not spent much government money," said Gerald Smith, a physicist at Penn State. "Advanced propulsion is a very tough area, and NASA's not putting much money into it. Those of us who are doing work in it don't see it wasted."

Millis knows he's not likely to be making the jump to hyperspace any time soon. But the program continues to gain speed—in February the Marshall center ran a weeklong workshop on the propulsion program. Last year Millis hopes to award a few small grants to researchers in the field. "There's a few people that these subjects will make nervous," he says, "but there seems to be a few people that these subjects will make very happy as well." Millis rides a group, organizes workshops and extracting the big ideas while filtering out the nutty ones. They're the ones without the patience to wait to reach the stars.

HON. XAVIER BECERRA
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Friday, September 25, 1998
MR. BECERRA. Mr. Speaker, on September 17, 1998, I was unavoidably detained during rollcall vote No. 446, on agreeing to the resolution to provide for consideration of H.R. 4569, a bill to appropriate funds for foreign operations for FY 98. Had I been present for the vote, I would have voted "no" on the resolution.

IN MEMORY OF MARK FIELDS
(1978-1997): WE MUST PRESS FORWARD IN THE FIGHT AGAINST CANCER
HON. TOM LANTOS
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Friday, September 25, 1998
MR. LANTOS. Mr. Speaker, this weekend cancer survivors from across America will gather in Washington for "The March—Coming Together to Conquer Cancer," a crusade to strengthen cancer research and improve methods of treatment. As we join together in support of this important event, I believe that it is appropriate to recall the spirit of one who would not let this vicious disease destroy his good heart and dauntless soul.

I would like to ask my colleagues to join me in honoring the memory of Mark Fields, a brave young man from San Mateo, California, who passed away nearly two years ago after a four year fight against leukemia. Mark was an intelligent, articulate teenager with interests and abilities in the computer field, and I will earn a college degree in computer science.

I not only commend you for your hospital computer plan, I also would like to offer you my services. Since I am in the unique position of having been a patient at a children's hospital as well as being very computer literate, I would appreciate the opportunity to assist you in whatever way I can.

I look forward to hearing from you. Respectfully yours,

Mark Fields

TRIBUTE TO THE INDIANA STATE LEAGUE OF UNITED LATIN AMERICAN CITIZENS
HON. PETER J. VISCLOSKY
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Friday, September 25, 1998
MR. VISCLOSKY. Mr. Speaker, it is my distinct honor to pay tribute to the Indiana State League of United Latin American Citizens (LULAC), as it hosts the 1998 LULAC Midwest Conference. This year's conference, titled 'Money Management and the Tools to Make It Work,' is being held on Saturday, September 26, 1998, in Hammond, Indiana. Giving the conference's keynote address is Rick Duran, LULAC's National President. Mr. Duran was elected this Fourth of July at the conclusion of the LULAC National Convention. I would also like to take this opportunity to commend Augustine Sanchez, Midwest LULAC Vice President, and the Indiana LULAC state officers, Maria D. Pizana, Terry Serna, Vickie Lipinski, Barbara Medellin, Dave Jones, Amelia Velez, Louise Martinez, Alicia Rios, and Greg Chavez, for the leadership they have displayed in organizing this important event. Hosting the LULAC Midwest Conference is an honor and a challenge which the Indiana State LULAC has met with vigor and excitement.

Founded in 1929 in Corpus Christi, Texas, LULAC was established to protect the Constitutional rights and freedoms of Hispanic-
Americans. Over the years, LULAC has improved the social and economic status of Hispanics through its activism in the areas of equal justice, housing, employment, and education. By 1954, LULAC had earned recognition for winning two landmark civil rights cases. The first integrated the Orange County, California school system, and the second secured jury duty rights for Mexican-Americans in Texas. Since that time, LULAC has worked hard to achieve full access to the political process for all Hispanics, as well as equal educational opportunity for Hispanic children.

LULAC councils across the nation work toward this goal by holding voter registration drives and citizen awareness sessions, sponsoring health fairs and tutorial programs, and raising scholarship money for the LULAC national scholarship fund. In addition, LULAC’s activism has expanded to include the areas of language and cultural rights. In response to a recent increase in anti-Hispanic sentiment, LULAC councils have fought back by holding seminars and public symposiums on language and immigration issues. The nation’s oldest and largest national Hispanic civil rights organization, LULAC continues to be a strong voice in the struggle for equal opportunity for Hispanic-Americans.

The Indiana State LULAC has faithfully worked to fulfill the National LULAC mission through a strong commitment to community and education. The Indiana LULAC emphasizes the protection of civil and human rights for Hispanic citizens and immigrants, and it strives to achieve this goal by educating the Hispanic community. Extremely youth-oriented, LULAC hosts annual career days and college fairs, provides numerous educational workshops and seminars for students, and offers several leadership training opportunities to students. In addition, Indiana LULAC continues to award scholarships to academic achievers throughout the state and, to date, has awarded over $200,000 in college scholarships. In the future, the Indiana State LULAC aspires to open a LULAC National Education Center, which would provide counseling and tutorial services, scholarships, and low-interest loans to help Hispanic students attend college.

One of LULAC’s primary goals is to advance the economic condition of Latinos in the United States and Puerto Rico. The leaders of LULAC are striving to empower members of the Latino community to take control of their financial futures and obtain financial security for their retirement years. With a significant economic disparity between Latinos and the general population, LULAC is taking this opportunity to address this immediate, important issue. United Latin American Citizens 1998 Midwest Conference offers workshops and information sessions to give participants the opportunities and techniques to learn about becoming financially secure, independent, and taking the initiative to become one’s own boss. Proceeds for this conference will be used to fund scholarships, as well as youth and young adult educational projects for the Midwest. These programs include the Young Reader Programs, the Hispanic Leadership Opportunities Programs, and the Washington, D.C. Youth Seminars.

Mr. Speaker, I ask you and my other distinguished colleagues to join me in commending the Midwest and State of Indiana LULAC organizations for their extraordinary efforts to unite Hispanics. All involved in the success of these organizations, as well as their endeavors, should be proud of their efforts in working toward equality, independence, and success for Hispanic-Americans.

DALLAS’ NBC CHANNEL 5 CELEBRATES ITS 50TH ANNIVERSARY

HON. PETE SESSIONS
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Friday, September 25, 1998

Mr. SESSIONS. Mr. Speaker, it is my pleasure to rise today to recognize a distinguished part of Texas history. This Sunday, September 27, 1998, Dallas’ NBC Channel 5 will be celebrating its 50th Anniversary. Channel 5 was founded in 1948 by Texas visionary Amon G. Carter, a noted communications pioneer in both publishing and broadcasting, whose ingenuity led to the delivery of television to the State of Texas and the Southwest. In fact, NBC Channel 5 was the first television station to go on the air in the State of Texas and the entire Southwest of the United States on September 27, 1948, airing the local visit of President Harry S. Truman in his Presidential whistlestop campaign.

While Channel 5 has made its home in a Texas State Historic Landmark Building for the past fifty years, it has served as much more than a simple addition to Texas’ architectural heritage. NBC Channel 5 can boast numerous historical accolades, including the first live local news report in Texas in 1948, the first live intercontinental satellite report in 1977, and the first station in the Southwest to offer viewers news via e-mail in 1997.

NBC Channel 5 remains a broadcasting leader in delivering to its viewers the very best in programming and local, national, and international news coverage, highlighted by an unwavering commitment to community service. Therefore, it is with great pride that I ask my colleagues to join me in recognizing fifty years of excellence from a news organization that has raised the standard of journalistic integrity and service to both the Great State of Texas and the United States of America; Dallas’ NBC Channel 5.

TAIWAN’S 87TH NATIONAL DAY

HON. CORRINE BROWN
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES
Friday, September 25, 1998

Ms. BROWN of Florida. Mr. Speaker, as the Chinese on Taiwan prepare to celebrate their 87th National Day on October 10, 1998, I wish them the best in their continuing efforts to sustain economic growth and to further political reform.

My congratulations go to President Lee Teng-hui and Vice President Lien Chan and the people of the Republic of China on Taiwan. President Lee is to be especially saluted for having repeatedly urged the Chinese communists to hold meaningful exchanges on reunification issues. President Lee is committed to reunification. His dream is to see a reunified and democratic China.

In the meantime, President Lee asks all nations to consider Taiwan’s legitimate place in the world community. After all, Taiwan is the 19th largest economy and 14th largest trading nation in the world. Excluding Taiwan’s participation in world affairs is a loss for the international community.

May Taiwan have many many returns of their National Day and an early reunification with Mainland China under the principles of democracy, freedom, and individual human rights.

HON. PETE J. VISCLOSKEY
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Friday, September 25, 1998

Mr. VISCLOSKEY. Mr. Speaker, it is with great pleasure that I commend the City of Hobart, Indiana, for dedicating its newest park to the memory of the late Emily Silich. On Saturday, September 26, at 10:00 AM, Emily Silich’s family and friends will gather to honor her memory. It is due to Emily’s dream, vision, and extraordinary efforts that this park has been created to enrich the lives and neighborhoods of the people of Hobart, and the whole of Northwest Indiana.

Emily Silich Park, as it will be named, began as only an idea, a dream. As the City Councilwoman for the Second District of Hobart, Emily sought to provide her constituents with their first park. From its humble beginnings in 1992, to the final culmination in 1998, this drive to provide a positive, clean, and public park for the Second District has been a study in determination and persistence. After Emily Silich passed away in 1995, her family and friends did not allow her dream to fade away.

Instead, Silich’s family and friends enlisted the aid of Mayor Linda Buzinec, the local YMCA Board, and Hobart residents. With the aid of the current City Councilman from the Second District, Carl Lindsey purchased 327 acres of farmland from the YMCA. The project moved forward and the new park was dedicated in honor of the late Emily Silich. Carl Lindsey’s donations total $6,000, which include $3,000 from the YMCA and $3,000 from the township.

Mr. Speaker, I ask you and my distinguished colleagues to join me in congratulating the selfless efforts of the Silich family,
Mayor Buzinec, and Councilman Lindsey. Through their hard work, dedication, and determination, Emily Silich's goal was realized. Citizens like Tom Silich, Robin Tonell, Carl Lindsey, and Linda Buzinec are examples of the true American ideal: Citizens improving themselves, their neighborhoods, and their communities. I am proud to serve such dedicated residents of Indiana's First Congressional District.

HAPPY BIRTHDAY TO TAIWAN

HON. DONALD M. PAYNE
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Friday, September 25, 1998

Mr. PAYNE. Mr. Speaker, I rise to send greetings and best wishes to the leaders in the Republic of China on Taiwan. Their national day is a day of celebration for all the Chinese living in Taiwan. Taiwan, a small island country, faces a formidable adversary—the Chinese mainland. Yet Taiwan is able to enjoy its economic success, political reforms as well as freedom and democracy. Much of Taiwan's economic and political success is directly attributable to the leadership of President Lee Teng-hui. A statesman of vision, energy and courage, President Lee is determined to make Taiwan a model nation for all emerging countries. And most important of all, he hopes Taiwan will inspire the Chinese mainland to democratize and become a free country.

President Lee Teng-hui should be credited for restarting the bilateral talks between Taiwan and the Chinese mainland. It is his goal is see the principles of democracy and freedom flourish. Happy Birthday to Taiwan!

TRIBUTE TO THE HONORABLE VIC FAZIO

SPEECH OF

HON. LOUIS STOKES
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Thursday, September 24, 1998

Mr. STOKES. Mr. Speaker, I would like to commend my colleague, HOWARD BERMAN, for permitting me this opportunity to express my gratitude to a departing member. I am here to join my colleagues as we salute a long time friend and colleague, VIC FAZIO. Over my thirty year career in the United States House of Representatives, I am privileged to say that for twenty of those years, I had the distinct pleasure of knowing and working with VIC FAZIO. The years that VIC served on the Ethics Committee presented him as a man of honesty, intelligence, and integrity. He is a man whose diligent work ethic has earned him a long and productive career in the House. He has worked on various committees and served in several key positions.

As a freshman, VIC embraced a diligent work ethic that established him as a great legislator. VIC was elected to represent the Third District of California in 1978. Since that time, he has been elected to ten consequent terms in the House. He was appointed to the House Appropriations Committee in 1980 and served as the ranking Democrat on the Appropriations Subcommittee on the Legislative Branch until 1996. Although still a member of the subcommittee, VIC relinquished his ranking position in order to gain a seat on the Appropriations Subcommittee on Agriculture, Rural Development, Food, and Drug Administration.

In 1990, he was the political arm of the Democrats in Congress when he was selected to the position of Chairman of the Democratic Congressional Campaign Committee. He then served as the Regional Representative on the Steering and Policy Committee and sat on the new Steering Committee. VIC has co-chaired the House Bipartisan Task Force on Ethics and was the Majority Whip-at-Large. VIC's tenure also included work on the Budget Committee and also served on the Select Committee on Hunger.

Mr. Speaker, VIC FAZIO has held a well respected position in the House as a very effective legislator. Many of his colleagues recognize VIC as the man with the quick and easy smile, a man to turn to in order to get things accomplished and represented the concerns of his colleagues. VIC is a man whose astute nature provided all he encountered with wisdom and guidance. Indicative of his well respected character, VIC was re-elected by an overwhelming majority of our colleagues to serve as the Chairman of the Democratic Caucus during his tenth term in 1996.

On a personal note, I would like to wish VIC and his lovely wife, Judy, well as VIC embarks on a new path when he leaves the House of Representatives this year. No other has served with such integrity, intelligence recognizes VIC as the man with the quick and easy smile, a man to turn to in order to get things accomplished and represented the concerns of his colleagues. VIC is a man whose astute nature provided all he encountered with wisdom and guidance. Indicative of his well respected character, VIC was re-elected by an overwhelming majority of our colleagues to serve as the Chairman of the Democratic Caucus during his tenth term in 1996.

In 1990, he was the political arm of the Democrats in Congress when he was selected to the position of Chairman of the Democratic Congressional Campaign Committee. He then served as the Regional Representative on the
HISPANIC HERITAGE MONTH

HON. PETER J. VISCLOSKY
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
F r i d a y , September 25, 1998

Mr. VISCLOSKY. Mr. Speaker, it is my distinct honor to celebrate the activities of Hispanic Heritage Month. Governor O’Bannon has designated September 15 through October 15, 1998, Indiana’s Hispanic Heritage Month. This proclamation is in recognition of the efforts Indiana’s Hispanic-American population has consistently displayed to improve the State of Indiana, as well as Indiana’s First Congressional District.

In Northwest Indiana, you will find a vibrant, active, and proud Hispanic community. Thriving organizations such as the Latin American Community Alliance for Support and Assistance (LACASA) of NWI, Inc., Northwest Indiana Hispanic Coordinating Council, Hispanic Women’s Forum of NWI, Union Benefica Mexicana, Puerto Rican Parade and Cultural Organization, Sociedad Mutualista Mexico, Raza de Bronce, Northwest Indiana Latino Historical Society, the Hispanic Catholic Center, National Association of Hispanic Nurses-Indiana Chapter, National Council of La Raza affiliate, U.S. Hispanic Leadership Institute affliates, National Council of Puerto Rican Women (NaCoPRW), League of United Latin American Citizens (LULAC), Indiana University Northwest’s ALMA Latino student organization, Purdue University Calumet’s Los Latinos student organization, Calumet College of St. Joseph’s Los Amigos Latino student organization, Ivy Tech State College’s Latino student organization, Valparaiso University’s LIVE Latino student organization, to name a few, provide an effective avenue for promoting Hispanic interests and their shared cultural heritage.

Active in every aspect of community life from labor organizer, police chief, and Federal district court educator, to Labor President, and clergy, the citizens of Northwest Indiana have a multitude of Hispanic-American role models to emulate. Indeed, as an increasingly important segment of the Northwest Indiana community, Hispanic-Americans are making many valuable contributions to our state and region. These valuable contributions have come not only culturally, but also in the areas of law, religion, agriculture, education, architecture, and technology. Without the contributions of Hispanic-Americans, the rich, diverse, ethnically flavored culture of Northwest Indiana would be incomplete.

Mr. Speaker, Hispanic-Americans strive to earn and enjoy the promise and benefits that America, at its best, extends to all. I am proud to serve as the Representative in Congress for Northwest Indiana, with its diverse multicultural heritage, and I encourage my distinguished colleagues, and all citizens, to participate and enjoy events commemorating Hispanic Heritage Month.

SUPPORT FOR H.R. 4283, THE AFRICA: SEEDS OF HOPE BILL

HON. LEE H. HAMILTON
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
F r i d a y , September 25, 1998

Mr. HAMILTON. Mr. Speaker, I want to bring to the attention of our colleagues a letter from the Secretary of Agriculture Dan Glickman in support of H.R. 4283, the Africa: Seeds of Hope bill.

Doug Bereuter and I introduced the bill on April 1, 1998. The bill currently has 103 co-sponsors. The purpose of the bill is to reduce hunger and poverty in Sub-Saharan Africa. And, second, the bill enhances our ability to respond to humanitarian crises by replacing the Food Security Commodity Reserve with the Bill Emerson Humanitarian Trust. It also helps American farmers by giving the Department of Agriculture the ability to allocate commodities for emergency food needs in Sub-Saharan Africa, and for other purposes (Seeds of Hope Act). The bill is designed to focus on development activities that will provide assistance to the poor, especially women and children, throughout sub-Saharan Africa.


There are two proposals contained in H.R. 4283 that would have substantial positive impact on managing the Food Security Commodity Reserve (FSCR), which this bill would rename the “Bill Emerson Humanitarian Trust.” The first major change authorizes holding reserves in the form of cash, as well as commodities. The holding of reserves in the form of cash or commodities permits flexibility in managing the trust and could reduce overstocking and storage costs for the Commodity Credit Corporation (CCC). The second major proposal included in this legislation for repaying the FSCR through the purchase of commodities using funds appropriated in advance for this purpose or with existing, uncommitted CCC stocks. This legislation for repaying CCC to replenish the FSCR is more cost-effective and efficient, and will increase the availability of assistance to the 26 million people in 31 countries which depend on CCC for food security.

H.R. 4283 could increase direct spending; therefore, it is subject to the pay-as-you-go requirements of the Omnibus Budget Reconciliation Acts of 1990 and 1997. The Office of Management and Budget’s preliminary scoring estimates of this bill are zero.

The Office of Management and Budget advises that from the standpoint of the Administration’s program there is no objection to the presentation of this report. USDA supports the passage of H.R. 4283. Thank you for the opportunity to share with you the Department’s views. I am sending a similar letter to Representative Doug Bereuter.

Sincerely,

Dan Glickman,
Secretary.

IN HONOR OF DR. ROBERT RUBEN

HON. CAROLYN B. MALONEY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
F r i d a y , September 25, 1998

Mrs. MALONEY of New York. Mr. Speaker, I rise today to pay tribute to Dr. Robert Ruben on the occasion of his retirement as Chair of the Montefiore Medical Center Department of Otolaryngology. Tonight, Montefiore Medical Center is holding a gala salute in honor of Dr. Ruben’s distinguished career. The gala will benefit hearing restoration research.

Dr. Ruben has had a long and impressive career in medicine. He received his undergraduate degree in psychology from the John Hopkins University and his M.D. from the John Hopkins School of Medicine.

Although he is retiring from the post of Chair of the Department of Otolaryngology, Dr. Ruben will continue his dedicated work on behalf of people with hearing disorders at Montefiore Medical Center and the Albert Einstein College of Medicine.

When making his decision to retire from the position of department chair, Dr. Ruben took into consideration the time he will now have to continue his work on the protection, repair and regeneration of damaged hearing cells. In his own words: “The more effort, resources and time that we devote to understanding hearing disorders, the sooner we will enable communicatively deprived people to reach their full potential.”

Over the course of Dr. Ruben’s career he has received numerous honors and distinctions that date back to his teenage years. As a high school student, Robert Ruben received an honorable mention in the Westinghouse Talent Search. He is the recipient of the American Academy of Ophthalmology & Otolaryngology Research Award, the Schreiber Gold Medal of the National Association of the Deaf, an Honorary Professor and Advisor to the Peking Institute of Otolaryngology of the People’s Republic of China, and recipient of the Presidential Citation, AAP/HNS.

His work on behalf of children and the disabled is extensive. He has served on the Head Start Medical Advisory committee, the National Task Force on Mentally Retarded Deaf, the National Institute of Health Advisory Council, the Advisory board of the National Institute of Deafness & Other Communication Disorders, and as the director of the American Board of Otolaryngology, to name a few.

Mr. Speaker, I am proud and honored to bring to your attention the important work Dr. Robert Ruben has done for communicatively deprived people and the field of Otolaryngology. Montefiore Medical Center and the Albert Einstein College of Medicine are privileged to have such an outstanding man on their staff.
IN RECOGNITION OF WORLD-RENOVED SEASCAPE ARTIST
CHARLES VICKERY
HON. WILLIAM O. LIPINSKI
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Friday, September 25, 1998

Mr. LIPINSKI. Mr. Speaker, I rise today to pay my respects to a world-renowned seascape artist and outstanding member of my district, Mr. Charles Vickery, who passed away in La Grange, Illinois, on September 22, 1998.

Charles Vickery was widely known as a local legend in Chicago's Western Suburbs where he lived and painted for over sixty years. He began his career, by studying the techniques of such artists as Frederick Waugh, Winslow Homer, and Anton Fisher at The Art Institute of Chicago and at Chicago's American Academy of Art. After he learned the mechanics, he received what he called his greatest instruction and source of inspiration, from Lake Michigan. From Lake Michigan, Charles Vickery learned the light effects and sea anatomy that later led him to be known and remembered for his ability to paint the many moods of water, making it come alive on the canvas.

In 1937, at the age of twenty-four, Charles Vickery opened his first art studio in Western Springs, Illinois. However, his first big break was in 1951 when Eleanor Jewett, a respected Chicago Tribune art critic, discovered one of his paintings in a Michigan Avenue art gallery, and acclaimed him as “one of the great painters of this age * * * a bright Winslow Homer.” The Clipper Ship Gallery in La Grange, Illinois, has been dedicated exclusively to Vickery's work since 1981, displaying his original oil paintings and publishing his collection of nearly 100 limited edition prints.

Charles Vickery has received the Waters of the World Prize, the Palette and Chisel Diamond Medal, awards from the North Shore Art Association in Gloucester, Mass., and the Union League Club Prize. Although, despite his many awards, the two things that satisfied Charles Vickery most were bringing pleasure to the collectors of his work and urging other artists to further advance their abilities. Therefore, he was a charter member of the American Society of Marine Artists and a Signature Member of the Oil Painters of America.

Mr. Speaker, Charles Vickery was revered and respected by almost everyone who knew his work. I offer my heartfelt sympathy and prayers to his family and friends. Charles Vickery will most certainly be missed by many close friends, collectors of his art, and innumerable admirers.

TRIBUTE TO THE LATE LINDA MCDouGAL
HON. SAM FARR
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Friday, September 25, 1998

Mr. FARR of California. Mr. Speaker, I rise today to pay tribute to the late Linda McDougal who died on May 3 of this year. Linda has been a guiding force in raising public awareness of the needs of individuals with disabilities to assure everyone equal opportunity of opportunity, independent living and economic self-sufficiency.

Linda, one of six children born and raised in Benton, Arkansas, contracted polio at a young age. Through the loving determination and support of her mother, Pearl, and her siblings, Richard, Robert, Paul, Nina and Elizabeth, she attended public school. Each day she and her wheelchair were carried onto the school bus and up the steps of the school. After graduation, Linda attended State Teacher's College in Conway, Arkansas. By the early 1980's, Linda had set out on her course to train others about the rights of persons with disabilities. Linda took a major role in developing a housing project designed to allow people with many different disabilities to live independently. She spearheaded a Disability Awareness Day at the Arkansas State Capitol which was attended by heads of agencies, law-makers, and by Governor Bill Clinton.

Linda and her husband Robert moved to Santa Cruz, California where Linda continued to make a difference in people's lives and attitudes. In 1986, she urged the County Board of Supervisors to establish a Commission on Disabilities to guide public decision-makers in eliminating discrimination against people with disabilities in employment, and in the provision of goods and services. She helped to bring county facilities into compliance with the Americans with Disabilities Act. Linda became the first, and, until her death, only Coordinator of the Commission. Among the many projects she undertook, Linda initiated an annual Job Fair featuring exhibits by employers who welcome employees with disabilities.

In her dealings with others, Linda was unselfish, seeing the good in everyone, gracefully accepting other points of view, willing to give credit freely, and tenacious as a bulldog. Friends describe Linda as a sweet woman, honest and forthright, never negative, and possessing a delightfully wicked sense of humor. She loved to have a good cry while watching old black-and-white movies about love and romance.

The community will miss her dearly, but Linda McDougal will always be remembered for the pathways she cleared. My thoughts are with her family.

THE CODE OF CONDUCT ON ARMS TRANSFERS ACT
HON. JERROLD NADER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, September 25, 1998

Mr. NADER. Mr. Speaker, I rise to express my support for H.R. 4545, the Code of Conduct on Arms Transfers Act of 1998, introduced by Representatives McKinney and Rohrabacher.

We must do more to curb arms sales and military assistance to repressive and human rights abusers around the world. The United States should stop supplying arms to governments that use these weapons to oppress and murder their civilian populations, as well as engage in illegal acts of aggression against their neighbors.

The United States is a leading arms merchant to the world. In 1995, U.S. arms exports amounted to $15.6 billion, three times that of the next supplier and 49 percent of the world's arms exports. The United States must take the lead in curbing arms sales abroad. If we lead, the world will follow. Our nation's resources must not be used to prop up dictators or promote international aggression. The Code of Conduct on Arms Transfers Act would put an end to this shameful practice.

This legislation would prohibit U.S. military assistance and arms transfers to a foreign government unless the President certifies that the country is genuinely democratic, does not engage in human rights violations, is not engaged in illegal acts of armed aggression, and participates in the United Nations Register of Conventional Arms by annually reporting to the U.N. the numbers and types of weapons it possesses and transfers.

This bill also requires the Administration to work with other nations to limit arms transfers worldwide and urge other nations not to sell weapons to countries that the United States has deemed ineligible to receive U.S. arms sales. International cooperation, in the context of a reformed U.S. arms sales policy, is critical if we are to protect innocent people from military aggression by undemocratic governments. This is an essential component of the McKinney-Rohrabacher bill, and it will be most effective only after we begin to limit U.S. arms sales.

The McKinney-Rohrabacher Code of Conduct would help the United States to bring its military policy into accord with its other international efforts to promote global peace, security, and prosperity. I urge my colleagues to cosponsor H.R. 4545. Thank you.

TRIBUTE TO 18,745 AMERICANS
HON. NITA M. LOWEY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, September 25, 1998

Mrs. LOWEY. Mr. Speaker, I rise today to introduce a House Resolution which, for the first time, will recognize formally the 18,745 American civilians incarcerated by the Axis powers during World War II.

We all know what the world faced during the struggle between the evils of Hitler's Axis powers and the heroic citizen armies of the Allies. We know about the 50 million dead and millions of others maimed, wounded, and displaced. The history books are filled with their tragic and triumphant stories. However, there are still little known aspects of World War II that deserve our attention. The plight of civilian American internees deserves our attention. These American civilians were subject to barbaric prison conditions and endured torture, starvation, and disease simply for being American. As they lost their basic human rights, these courageous men and women were used as slave labor and 1,704 died due to the subhuman conditions they were forced to live under. Many were taken prisoner before the United States entered the war.

The horrors faced by America's civilian internees was brought to my attention by Michael Kolanik, Jr., a constituent of mine from Yorkers, N.Y. His father, Michael Kolanik, Sr., was an American citizen born in Pennsylvania in 1913 who returned to his ancestral homeland of Poland in 1931, with the full knowledge and consent of the U.S. State Department. In September of 1939, the Nazis termed Mr. Kolanik a Jew and imprisoned him in a concentration camp until the German occupation of Poland in 1939.
Kolankin: “a stateless Pole, born in Pittsburgh” and deported him to Nazi Germany as a slave laborer. While incarcerated, he faced a myriad of abuses starvation, backbreaking work, beatings, torture, and living conditions not fit for animals. Everyday was an incomprehensible struggle to stay alive with only the dream of making it known that he was living. It wasn’t until the U.S. 75th Infantry Division liberated the labor camp in 1945 that Mr. Kolankin regained his freedom and basic human rights. Upon his release, the horrific conditions he suffered through were obvious. Normally a strong 185-pound man, Mr. Kolankin had been reduced to 103 pounds. He regained his health and strength, joined the U.S. Merchant Marines, and returned to the United States.

However, his father’s story, and many others might not have been heard if not for the tireless efforts of Michael Kolankin, Jr. His love for his father and his desire to bring to light the suffering these American citizens endured drove Michael, a Vietnam Veteran, to make sure Congress recognized those incarcerated by the Axis. The recognition his father, who died in 1992, would not live to see.

Approximately 3,000 civilian internees are still alive. The least we can do is finally honor these survivors and acknowledge their heroic and courageous sacrifices. That is what my resolution does.

HUMAN RIGHTS IN UZBEKISTAN

HON. CHRISTOPHER H. SMITH OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, September 25, 1998

Mr. SMITH of New Jersey. Mr. Speaker, the situation in Russia seems to be deteriorating further every day. An exiled Chechen, Boris Yeltsin, under pressure from a Communist-dominated parliament, has named Foreign Minister Evgenyi Primakov, the anti-American former chief spy, Russia’s Prime Minister. As we watch this man entrusted with Russia’s domestic policy while maintaining control over foreign affairs, our once fond hopes for political and economic reform in the former Soviet Union are fraying at the edge. The route of Russia’s so-called reformers has raised troubling questions about the policy of supporting one man in the name of security and stability.

While the situation in Central Asia is very different, of course, there are some disturbing parallels. Specifically, I rise today to discuss the depressing state of human rights and democratization in Uzbekistan, which the United States apparently has come to see as an anchor of stability in a complex region. The Departments of State and Defense have avidly pursued a relationship with Uzbekistan. I do not criticize them for doing so. Uzbekistan is the most populous country in Central Asia, and if it lacks the large-scale potential of Kazakhstan or Turkmenistan to export oil and gas, it still has impressive reserves of natural resources. Moreover, its strategic location and its pro-American stance bolster the case for good relations between Washington and Tashkent, especially in the face of longstanding neo-imperialist instincts in Russia.

Nevertheless, Uzbekistan remains the second most repressive country among the new independent states, slightly ahead of be-nighted Turkmenistan. The rationale Tashkent offers for the acknowledged lack of freedom is the need to ensure stability. But President Islam Karimov’s policies may well create the very dangers these policies are ostensibly designed to avert.

Over the last ten years, it occasionally seemed Uzbekistan might develop towards genuine pluralism. Opposition movements were allowed to function, though under constant duress, from the late 1980s to mid-1992. In December 1991, Karimov actually permitted an opposition leader to run against him. But since June 1992, when another opposition leader was nearly beaten to death in broad daylight, the regime has clamped down on all expressions of dissent. No opposition parties may function, opposition literature is censored, and Soviet-style censorship stifles freedom of the press. The authorities have even refused to register an independent human rights monitoring organization, although Western human rights NGOs have been operating in Uzbekistan since 1996. Uzbek and western groups have compiled a list of some 35 political prisoners, not counting about 20 now being held in Uzbek jails in connection with mass arrests in the Fergana Valley last year.

To mask these realities, President Karimov, like all the leaders of the new independent states, has adopted the fashionable rhetoric of democratization and created institutions which purportedly realize that goal. Under the guise of creating three branches of power, for example, Karimov has created a pocket parliament. Uzbekistan’s judiciary, for its part, is wholly subordinate to the executive in political matters or corrupt in other cases. The government has also established human rights organizations, which distribute educational materials and supposedly work for the country’s eventual democratization, while allowing the regime to show a reformist face to the international community.

All of these issues are well known, as human rights groups can testify, and as the Helsinki Commission’s reports and the State Department’s annual reports document. But in the last year and a half, another issue has come to the fore: persecution of religious believers. It is true that Uzbekistan’s constitution enshrines freedom of religion and Russian Orthodoxy. Judaism and Islam have emerged from Soviet-era repression into the open. But the local religious establishment has supported the government’s campaign against non-traditional religions, including Protestant denominations. Uzbekistan’s new legislation on religion is the most restrictive in the former Soviet Union: as of August 15, any church with fewer than 100 members must close down and stop all activities. Church leaders who fail to comply will be subject to criminal charges. Churches that manage to register are strictly forbidden to engage in any proselytism or missionary activity, and private religious instruction is banned.

This law contradicts OSCE commitments, under which freedom of speech applies to religion. But from the perspective of stability, the most worrisome development has been the campaign against Muslims who want to practice their faith outside Uzbekistan’s religious establishment, which, like the parliament and judiciary, is under tight government control. Under the new law, which hinges on “Wahhabism,” a conservative form of Islam associated with Saudi Arabia, the authorities have cracked down on all expressions of piety. Men with beards and women covering their heads are subject to repression. Independent mosques have been closed, Imams have been arrested or “disappeared” and their followers intimidated. In late 1997, a full-fledged campaign against alleged Islamic radicals and criminals began in the Fergana Valley. Uzbek authorities charged that Islamists beheaded a policeman and committed other crimes. But according to reports by Human Rights Watch/Helsinki, the ensuing wave of arrests indiscriminately targeted pious Muslims. There is good reason to believe the claims of those arrested; that they were denied food, refused contact with their attorneys and forced to confess to crimes. The conduct of the trial, which Human Rights Watch representatives personally monitored, was appalling, with the judge ignoring the recantations of guilt expressed by torture and other blatant violations of due process.

Mr. Speaker, let me be plain. I support freedom of religion, not Islamic fanaticism or criminal behavior. Moreover, I am concerned about reports by Uzbek officials, which knowledgeable Western journalists take seriously, that Islamic groups are training in Tajikistan and Pakistan to destabilize Uzbekistan by force of arms. The environment in the region is indeed worrying, considering that the radical Taliban has taken over most of Afghanistan, Iran remains hostile to western values and Islamic terrorists are threatening the physical security of Americans. But the blanket condemnation of Muslims in Uzbekistan is worse than unfair—it is counterproductive. Such a policy applied in Uzbekistan, where declining living standards are creating desperation in some quarters, could lead to a radicalization that might not have occurred otherwise.

If this growing problem is to be addressed, Uzbek authorities must come to an understanding with the Islamic community based on a recognition that the government cannot control all aspects of society and certainly not matters of faith. Room must be found in Uzbekistan’s political process for religious and political dissidents.

It is not too late for such an initiative and a particularly timely opportunity is approaching: parliamentary elections scheduled for 1999. As of now, only government-created parties will be allowed to participate, whereas Erk and Birlik, the democratic-nationalist parties that arose in the late 1980s, remain banned. It is high time to readmit them to the political life of Uzbekistan.

Mr. Speaker, for Uzbekistan, good relations with the United States are a critical basis of geostrategy. I intend to send this statement to President Karimov, and I hope that he takes to heart these well-meaning suggestions.

ON THE DEATH OF MURIEL HUMPHREY BROWN

HON. BRUCE F. VENTO OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 25, 1998

Mr. VENTO. Mr. Speaker, I rise today to pay my respects to an extraordinary leader in American political life. The late Muriel Humphrey Brown, the widow of Vice-President, U.S. Senator and presidential candidate Hubert H. Humphrey II,
died September 20, 1998 at the age of 86 in Minneapolis surrounded by her family. Brown was born Muriel Fay Buck on February 20, 1912, in Huron, South Dakota.

Muriel Humphrey Brown was a wonderful Democratic activist and supporter of her husband throughout his illustrious career of public service in the U.S. Senate, as Vice President and two-time presidential contender. She and Hubert were always a great team and following her husband’s death from cancer in 1978, Brown was appointed to his late husband’s Senate seat. She became the State of Minnesota’s U.S. Senator. In fact, she was the only woman serving in the U.S. Senate at that time and she was only the 12th woman in history to serve in the U.S. Senate overall. In her husband’s tradition, she employed her position to advance labor issues, women's rights and social programs. As a freshmnen member of the U.S. House of Represenatives at the time, it was an honor to work with a person of her integrity, status and commitment to Democratic ideals—the ideals of our nation, state and political party, the Democratic-Farmer-Labor Party, organized and born in Minnesota.

Earlier last week, Brown had the proud honor of standing by her son, Hubert Humphrey III, as he won the Democratic gubernatorial primary for the State of Minnesota.

In remarks to the press, Brown beamed after her son’s victory. “Hubert would have been proud.” This moment seemed to be both a passing of the torch to the next generation and a prophetic capsule ending to a life well spent.

On behalf of my fellow Minnesotans, I would like to extend my sympathies to the family. She will be missed, but not forgotten. Muriel Humphrey Brown is survived by her husband, Max Brown; her daughter, Nancy Solomonson; and three sons, Skip, Bob and Douglas; and numerous grandchildren, most of whom are playing a role in public life and social causes in Minnesota.

Mr. Speaker, I would ask that the following Editorial from the St. Paul Pioneer Press on Muriel Humphrey Brown’s life to included in the RECORD.

[From the St. Paul Pioneer Press, Sept. 22, 1998]

Muriel Humphrey Brown—A Caring Mother, Loyal Political Partner

In her last public appearance Muriel Buck Humphrey Brown was brief and upbeat at the celebration of son Skip’s gubernatorial nomination. She has joined the politicians so many times at the podium that Minnesotans are ready for her rich voice before she ever uttered a sound. It didn’t matter that on Tuesday, May 13, 1997, her voice was frail and soft. The sentiment was strong and the memories of her warmth and wit over a remarkable half-century carried on the family tradition. Brown served in the Minnesota Senate at 86. She and the era of optimism and accomplishment in public life she helped her first husband shape will be missed.

The last will be no more of her affirming words, no more of the shy woman who left Huron, S.D., to marry Hubert H. Humphrey II, raise a family amidst a political circus, serve in the only Minnesota woman ever in the U.S. Senate, stick with family in good times and bad, and then find in marriage to Max Brown a private life at last.

It is well to recall her as a central policy-maker, a politician in her own right. She was a woman of her times, the partner, the guardian of family balance, the woman who moved from shy to family balance, the woman who moved from shy to warm and engaging in support of husband Hubert’s goals. Muriel Humphrey’s husband Perpich’s request, even finished out that public career and partnership by completing her late husband’s term as U.S. senator from Minnesota.

For many times at the podium that Minnesotans have ever been ready for her rich voice before she ever entered the Minnesota Senate at 86, raise a family amidst a political circus, words, no more of the shy woman who left Huron, S.D., to marry Hubert H. Humphrey II, raise a family amidst a political circus, serve in the only Minnesota woman ever in the U.S. Senate, stick with family in good times and bad, and then find in marriage to Max Brown a private life at last.

and a prophetic capsule ending to a life well spent.

ON BEHALF OF MY FELLOW MINNESOTANS, I WOULD LIKE TO EXTEND MY SYMPATHIES TO THE FAMILY.

The lasting image of Muriel Humphrey is wrapped in a proper Minnesota coat against the frigid day of Hubert Humphrey’s funeral in January 1978, holding the flag from his coffin. Home folks, however, also remember Muriel Humphrey on the campaign trail for the Wisconsin primary when hardly a spouse would venture out on her own to support a husband-candidate for president.

We remember that she entered her beautiful needlepoint in the State Fair under an assumed name so it could be judged squarely on merit. We recall work for mentally retarded citizens, including her own granddaughter. We remember support for her daughter at a tough time, that her four children are Midwestern solid despite childhoods surrounded by power and giants of history.

Muriel Humphrey Brown did her part and then some when the strong, passionate liberalism of the prairies rose from the Depression to start a quest for justice. She leaves us all with an uncluttered, disciplined public life and memories for the voice that sang harmony for the politics of the possible.

A TRIBUTE TO DR. E.B. TURNER

Hon. Mike McIntyre

Of North Carolina

In the House of Representatives

Friday, September 25, 1998

Mr. McIntyre. Mr. Speaker, I rise today to pay tribute to a man who, since 1948, has given half a century of devotion to rebuilding his community of Lumberton and his county of Robeson in southeastern North Carolina. An empowering, inspirational leader, Dr. E.B. Turner has worked tirelessly to improve the lives of those around him. He has encouraged all citizens, especially African-Americans, to find the courage to use their voices to break a oppressive silence. Dr. Turner has given all people in our community, county and state an example of faith in God, faith in the potential of our area, and the faith to cultivate a land where equality and opportunity flourish. In addition to his countless gifts to our community, he has given my family and me true friendship, by which I have been enormously honored.

This month, our community celebrated Dr. Turner’s 50-year commitment to ending social injustice. E.B. Turner was first blessed with his services 50 years ago. But utter delight that you did pervades boldness as it did on that day our community was first blessed with his services 50 years ago.

I am proud to call Dr. Turner my friend, and I look forward to his continuing presence and service to our area. May God’s blessings be upon him and his family.

Dollars to the Classroom ACT

Speech of Hon. Bob Schaffer of Colorado

In the House of Representatives

Thursday, September 17, 1998

The House in Committee of the Whole on the House of the State of the Union had under consideration the bill (H.R. 3248) to provide Dollars to the Classroom.

Mr. SCHAFER of Colorado. Mr. Chairman, I insert the following for printing in the RECORD:


HILLARY CLINTON, the Governor’s Mansion, 1800 Canter Street, Little Rock, AR 72206.

DEAR HILLARY: I still cannot believe you won. But utter delight that you did pervades all the circles in which I move. I met last Wednesday in David Rockefeller’s office with him, John Sculley, David Abbe and David Hesekem. It was a great celebration. Both John and David R. were more expansive than...
I have ever seen them—literally radiating happiness. My own view and theirs is that this country has seized its last chance. I am fond of quoting Winston Churchill to the effect that “democracy always delivers the best that it can under the circumstances—not after it has exhausted all the alternatives.” This election, more than anything else in my experience, proves his point. The issue is not what you and Bill should do now about education, training, and labor market policy. Following that are the key points in the history that explains how this nation got into the mess we are in today. It needs to be a system driven by clients, not inputs into the system.

Our purpose in these meetings was to propose concrete actions that the Clinton administration could take—between now and the inauguration, in the first 100 days and beyond. The result, from where I sit, was really exciting. We took a very large leap forward in the development of an advanced agenda on which we now have been working—a practical plan for putting all the major components of the system in place within four years, by the time Bill has to run again. I take personal responsibility for what follows. Though I believe everyone involved in the planning effort is in broad agreement, they may not all agree on the details. You should also be aware that, although the plan comes forward with May 2001 as a target date, this is not a proposal and enacted as a program. This is the plan of least resistance. But it will lead to these programs being grafted onto the present system, not to a new system, and the opportunity will have been lost. If this happens, we will all watch with dismay as their jobs disintegrate and their chances of ever getting a good job again go with them.

I think the great opportunity you have is to remold the entire American system for human resources development, almost all of the current components of which were put into place by a single World War, which was over before each of the major elements that Bill advanced in the campaign in the area of education and training could be translated individually in the ordinary classroom. Now there is a very advanced agenda on which you and we have been working—a practical plan for putting all the major components of the system in place within four years, by the time Bill has to run again. This is not a proposal and enacted as a program. This is the plan of least resistance. But it will lead to these programs being grafted onto the present system, not to a new system, and the opportunity will have been lost. If this sense of time and place is correct, it is essential that the administration’s efforts be guided by a consistent vision of what it wants to accomplish in the field of human resource development, with respect both to choice of key officials and the program. What follows can be summarized in three places:

1. A vision of the kind of national—not federal—human resources development system that we propose. We are advanced on this with a new approach to governing that should inform that vision. What is essential is that we create a seamless web of opportunities that literally extends from cradle to grave and is the same system for everyone—young and old, poor and rich, worker and full-time student.

2. An economic strategy based on skill development. The economy’s strength is derived from a whole population as skilled as any in the world, working in workplaces organized to take maximum advantage of the skills those people have to offer.

3. The schools.\n
We have a national system of education in which curriculum, pedagogy, examinations, and teacher education and licensure systems are linked to the needs of employers, which provides for substantial variance among states, districts, and schools on these matters. This new system of linked standards, promising a federal-departmental role in the American tracking system, combining high academic standards with the ability to apply what one knows to real world problems, and putting a strong incentive into learning in the postsecondary system and at work.

We have a system that rewards students who meet the national standards with further education and good jobs, providing them a strong incentive to work hard in school.

Our public school systems are reorganized to free up school professionals to make the key decisions about how to use all the available resources to bring students up to the standards. Most of the federal, state, district, and individual control has been wrestled away from that role and now rest school professional ability to make these decisions are swept away, though some new measures and support for those that vulnerable populations get the help they need. School professionals are paid at a level comparable to that of other professionals, but they are expected in a full year, to spend whatever time it take to do the job and to be fully accountable for the results of their work. The federal, state, and local governments can change the system into the new system. But the proposals Bill put before the Board are now part of the national agenda.

We take the proposals Bill put before the Board and we are now part of the national agenda. We can have a system that rewards students who meet the national standards with further education and good jobs, providing them a strong incentive to work hard in school.

Our public school systems are reorganized to free up school professionals to make the key decisions about how to use all the available resources to bring students up to the standards. Most of the federal, state, district, and individual control has been wrestled away from that role and now rest school professional ability to make these decisions are swept away, though some new measures and support for those that vulnerable populations get the help they need. School professionals are paid at a level comparable to that of other professionals, but they are expected in a full year, to spend whatever time it take to do the job and to be fully accountable for the results of their work. The federal, state, and local governments can change the system into the new system. But the proposals Bill put before the Board are now part of the national agenda. We can have a system that rewards students who meet the national standards with further education and good jobs, providing them a strong incentive to work hard in school.

Our public school systems are reorganized to free up school professionals to make the key decisions about how to use all the available resources to bring students up to the standards. Most of the federal, state, district, and individual control has been wrestled away from that role and now rest school professional ability to make these decisions are swept away, though some new measures and support for those that vulnerable populations get the help they need. School professionals are paid at a level comparable to that of other professionals, but they are expected in a full year, to spend whatever time it take to do the job and to be fully accountable for the results of their work. The federal, state, and local governments can change the system into the new system. But the proposals Bill put before the Board are now part of the national agenda. We can have a system that rewards students who meet the national standards with further education and good jobs, providing them a strong incentive to work hard in school.

Our public school systems are reorganized to free up school professionals to make the key decisions about how to use all the available resources to bring students up to the standards. Most of the federal, state, district, and individual control has been wrestled away from that role and now rest school professional ability to make these decisions are swept away, though some new measures and support for those that vulnerable populations get the help they need. School professionals are paid at a level comparable to that of other professionals, but they are expected in a full year, to spend whatever time it take to do the job and to be fully accountable for the results of their work. The federal, state, and local governments can change the system into the new system. But the proposals Bill put before the Board are now part of the national agenda. We can have a system that rewards students who meet the national standards with further education and good jobs, providing them a strong incentive to work hard in school.

Our public school systems are reorganized to free up school professionals to make the key decisions about how to use all the available resources to bring students up to the standards. Most of the federal, state, district, and individual control has been wrestled away from that role and now rest school professional ability to make these decisions are swept away, though some new measures and support for those that vulnerable populations get the help they need. School professionals are paid at a level comparable to that of other professionals, but they are expected in a full year, to spend whatever time it take to do the job and to be fully accountable for the results of their work. The federal, state, and local governments can change the system into the new system. But the proposals Bill put before the Board are now part of the national agenda. We can have a system that rewards students who meet the national standards with further education and good jobs, providing them a strong incentive to work hard in school.

Our public school systems are reorganized to free up school professionals to make the key decisions about how to use all the available resources to bring students up to the standards. Most of the federal, state, district, and individual control has been wrestled away from that role and now rest school professional ability to make these decisions are swept away, though some new measures and support for those that vulnerable populations get the help they need. School professionals are paid at a level comparable to that of other professionals, but they are expected in a full year, to spend whatever time it take to do the job and to be fully accountable for the results of their work. The federal, state, and local governments can change the system into the new system. But the proposals Bill put before the Board are now part of the national agenda. We can have a system that rewards students who meet the national standards with further education and good jobs, providing them a strong incentive to work hard in school.
three years of acquiring the general education certificate, so, for most postsecondary students, college will be free. These professional and technical degree programs will be designed to link to programs leading to the baccalaureate degree and higher degrees. There will be no dead ends in this system. Everyone who meets the general education standard and applies for college, being able to borrow all the money they need to do so, beyond the first free year.

This idea of post-secondary professional and technical certificates captures all of the essentials of the apprenticeship idea, while offering no drawbacks (see below).

But it also makes it clear that those engaged in apprentice-style programs are getting more than narrow training; they are continuing on for other purposes as well, and building a base for more education later. Clearly, this idea redefines college. Proprietary schools, employers and community-based organizations will want to offer these programs, as well as community colleges and four-year institutions, but these new entrants will have to be accredited if they are to qualify to offer the programs.

Employers are not required to provide slots for the structured on-the-job training comprised in the apprenticeship program but may do so if they can. Because they get first access to the most accomplished graduates of these programs, and they can use these programs to introduce the trainees to their own values and way of doing things.

The system of skill standards for technical and professional degrees is the same for students and trainees just coming out of high school or for adults in the workforce. It is progressive, in the sense that certificates and degrees for entry level jobs lead to further professional and technical degrees at higher skill levels, just as in the case of the system for the schools, though the standards are the same everywhere (leading to maximum mobility for students), the curricula can vary widely and programs can be custom designed to fit the needs of full-time and part-time students with very different requirements. Government grant and loan programs are available on the same terms to full-time and part-time students, as long as the programs in which they are enrolled lead to certificates and degrees defined by the system of professional and technical standards.

The national system of professional and technical standards is designed much like the national core, which provides a national core around which the states can specify standards that meet their own unique needs. There are national standards and exams for no more than 20 broad occupational areas, each of which can lead to many occupations in a number of related industries. Students who qualify in any one of these areas have the broad skills required by a whole family of occupations, and most are sufficiently flexible to enter the workplace immediately, with further occupation-specific skills provided by their union or employer. Industry and occupational groups can voluntarily take these standards and use them as the broad standards for their own needs, as can the states. Students entering the system are first introduced to very broad occupational areas and then allowed to concentrate on acquiring the skills needed for a cluster of occupations. This modular system provides for the initiative of particular states, groups, individuals, while linking the dispersed programs providing for mobility across states and occupations by reducing the time and cost entailed in moving from one occupation to another. It is possible for students to go on to earn degrees in the same manner that they do in any other major, between the kinds of generic skills needed to function effectively in high performance work organizations and the skills needed to continue learning quickly and well through a lifetime of work, on the one hand, and the specific skills needed to perform at a high level in a particular occupation or cluster of occupations, on the other.

Institutions receiving grant and loan funds under this system are required to provide information to the public and to government agencies in a uniform format. This information covers enrollment by program, costs and success rates for students of different backgrounds, and characteristics, and career outcomes enabled by enrolling students to make informed choices among institutions based on cost and performance. Loan defaults are reduced to a level accepted by the program offerings as those that do not deliver what they promise are not selected by prospective students and because the postsecondary loan system uses the IRS to collect what is owed from salaries and wages as they are earned.

EDUCATION AND TRAINING FOR EMPLOYED AND UNEMPLOYED ADULTS

The national system of skills standard establishes the basis for the development of a coherent, unified training system. This system can be accessed by students coming out of high school, employed adults who want to improve their skills at the present level or above, who are dislocated and others who lack the basic skills required to get out of poverty. But it is all the same system. There are no qualifications. Everyone who takes advantage of this system are not stigmatized. The skills needed to perform at a high level or be competitive with international competition are those for the disadvantaged, though special measures are taken to make sure that the disadvantaged are served. It is a system for everyone, just as all the parts of the system already described are for everyone. So the people who take advantage of this system are not marked by it as "damaged goods." The skills they acquire and defined in part by the employers who will make decisions about hiring and advancement.

The new general education standard becomes the target for all basic education programs, both for school dropouts and adults. Achieving that standard is the prerequisite for enrollment in all professional and technical degree programs. A wide range of agencies and institutions offer programs leading to the general education standard, including high schools, dropout recovery centers, adult education centers, community colleges, prisons, and employers. These programs are of one of the people who enroll in them. All the programs receiving government grant or loans funds that come with dropouts and adults for enrollment in programs meeting the general education standard must release the same kind of data required of the postsecondary institutions on enrollment, graduation, and success rates. Reports are produced for each institution and for the system as a whole showing differences. The same system will enable counselor and client to array all the relevant data about the costs, characteristics and performance of those programs—for everyone and for special populations—so counselors can help them assess their needs, plan a program, and finance it, and once they are trained, to find an opening.

The national system of labor market boards is established at the local, state and federal levels to coordinate the systems for job training, placement and professional and technical education, adult basic education, job matching and counseling. The rebuilt Employment Service is supervised by these boards. The systems now in place provide the client with a single point of contact for all relevant programs at once, plan a program with the client and assemble the necessary funding from all the available sources. The same system will enable counselor and client to array all the relevant programs, consider side by side their relative costs and performance records and determine which programs are best able to meet the client's needs based on performance.

SOME COMMON FEATURES

Throughout, the object is to have a performance-and-client-oriented system to encourage local creativity and responsibility by getting local people to come to high goals and organize to achieve them, sweeping away as much of the rules, regulations and bureaucracy that are in their way as possible and providing that they have real progress against their goals. For this to work, the standards at every level of the system have to be clear: every client has to know his obligations, how to accomplish in order to get what they want out of the system. The service providers have to be supported in the task of getting their clients to the finish line and to help them make real progress toward that goal. We would sweep away means-tested programs, because they stigmatize their recipients and alienate the disadvantaged. We would make that program for everyone, but also work for the disad.-

The Employment Service is greatly upgraded and separated from the Unemployment Insurance Fund. All available work jobs—whether public or private—must be included in it by law. Funding for it is carefully designed to make sure that employers will not be subject to employment suits based on the data produced by this system. The Employment Service will not participate in the multistate bar, which provides a national reward for achieving them. This means, among other things, that they are for everyone, but also work for the disad...

The Employment Service is greatly upgraded and separated from the Unemployment Insurance Fund. All available work jobs—whether public or private—must be included in it by law. Funding for it is carefully designed to make sure that employers will not be subject to employment suits based on the data produced by this system. The Employment Service will not participate in the multistate bar, which provides a national reward for achieving them. This means, among other things, that they are for everyone, but also work for the disad...
they see fit, provided that the intended beneficiaries are progressing toward the right outcomes (there are now 23 separate federal programs for dislocated workers). We would make them the public’s partners. The National Board will set standards for large cities and communities, the unit of service, not agencies, programs, and projects. Wherever possible, we would have service providers compete with one another for funds that are matched with the client, in an environment in which the client has good information about the cost and performance record of the competing providers. Dealing with public agencies whether they are schools or the employment service—should be more like dealing with Federal Express than with the old Post Office.

This vision, as I pointed out above, is consistent with everything Bill proposed as a candidate. But it goes beyond those proposals, extending them from ideas for new programs to a comprehensive vision of how they can be used as building blocks, or a new whole system. But this vision is very complex, will take a lot of description, of proposals that will have to be revised many times along the way. The right way to think about it is as an internal working document that forms the background for and plan of the actual proposals that would want to make sure that the specific actions of the new administration were designed, in a general way, to advance this agenda, but not with the specifics laying anyone to the details, which would change over time.

Everything that follows is cast in the frame of strategies for bringing the new system into being, not as a pilot program, not as a few demonstrations to be swept aside in another administration, but everywhere, as a few demonstrations to be swept aside in another administration, but everywhere, as a few demonstrations to be swept aside in another administration, but everywhere, as a few demonstrations to be swept aside in another administration, but everywhere, as a few demonstrations to be swept aside in another administration, but everywhere, as a few demonstrations to be swept aside in another administration, but everywhere, as a few demonstrations to be swept aside in another administration, but everywhere, as a few demonstrations to be swept aside in another administration, but everywhere, as a few demonstrations to be swept aside in another administration, but everywhere, as a few demonstrations to be swept aside in another administration, but everywhere, as a few demonstrations to be swept aside in another administration, but everywhere.
all clients, counseling all clients, maintaining
the information system that will make the vendor market efficient and organizing employers to provide job experience and training slots for school youth and adult trainees.

Rebuild employment service as a primary function of the boards.

Develop programs to bring dropouts and illiterates up to general education certificate standard. Organize local alternative programs to provide alternative education, counseling, job experience, and placement services to these clients.

Develop an area for dislocated workers and hard-core unemployed (see below).

Develop city and state-wide programs to improve the two years of high school and the location of colleges into two-year programs after acquisition of the general education certificate to culminate in college entrance, and training for graduation. Programs should combine academic and structured on-the-job training.

Develop uniform reporting system for providers, requiring them to provide information in that format on characteristics of clients, their success rates by program, and the costs of those programs. Develop computer based training this way that local labor market board offices with employment data from the state so that counselors and counselors look at programs offered by colleges and other vendors in terms of cost, client characteristics, program design, and outcomes. Including subsequent employment for graduates.

Design all programs around the forthcoming general education standards and the standards to be developed by the National Board for College Professional and Technical Standards.

Create statewide program of technical assistance to help high performance work organization and help them develop quality programs for participants in Technical and Professional certificate and degree programs. (It is essential that these programs be high quality, nonbureaucratic and voluntary for the firms.)

Participate with other states and the national technical assistance program in the national alliance effort to exchange information and assistance among all participants.

NATIONAL TECHNICAL ASSISTANCE TO DISLOCATED WORKERS PROGRAM

Executive branch authorized to compete opportunity to provide the following services (probably using a Request For Qualifications):

State-of-the-art assistance to the states and cities related to the principal program components (e.g., work reorganization, training, basic literacy, funding systems, apprenticeship systems, large scale data management systems, training systems for the HR professionals who make the workforce system, etc.). A number of organizations would be funded. Each would be expected to provide information and direct assistance to the state and city to coordinate efforts with one another.

It is essential that the technical assistance function include a major professional development component to make sure the key people in the states and cities upon whom success depends have the resources available to develop the high skills required. Some of the funding of this function should be provided directly to the states and cities, some to the technical assistance agency.

COOPERATIVE DESIGN AND IMPLEMENTATION ACTIVITIES OF THE WHOLE CONSORTIUM

New legislation would permit combining all dislocated workers programs at rede-designed employment service office. Clients would, in effect, receive vouchers for education and training in amounts determined by the benefits for which they qualify. Employers would be paid with vouchers to identify client worker for benefits and assist the client in the selection of education and training programs offered by provider institutions. Programs that receive funds derived from dislocated worker programs are required to provide information on costs and performance of programs in a uniform manner. The Con- solidated and voucherized dislocated workers program would operate nationwide. It would be integrated with Collaborative Design and Development units of the states and cities in which that program functioned. It would be built around the general education certificate and the Professional and Technical certificate standard. Organize local alternative job training.

Everything we have heard indicates virtually universal opposition in the employer community to the proposal for a 1 1/2% levy on employers for training to support the costs associated with employed workers gaining these skills, whatever the levy is designated. It is already found, and is left out of the German book. One of the most important reasons that large German employers offer apprenticeship slots to German young-sters is that they get, free of charge, a good assistant, that if they don’t volunteer to do so, the law will require it. Bill could gather a group of leaders and business organization leaders and tell them straight out that he will hold back on submitting legislation to require a training levy, provided that they commit themselves to a drive to get employers to spend money on training that they aren’t now spending, and to get a front-line employee training up to 2% of front-line employee salaries and wages within two years. If they have not done so within two years, tell them that they aren’t eligible when he submits legislation requiring the training levy. He could do the same thing with respect to slots for structured on-the-job training.

COLLEGE LOAN/PUBLIC SERVICE PROGRAM

We presume that this program is being designed by others and so have not attended to it. From everything we know about it, however, it is entirely compatible with the rest of what is proposed here. What is, of course, especially relevant here, is that our reconceptualization of the apprenticeship proposal would be incorporated as a part of the larger proposal, combined with our proposal that everyone who gets the general education credential be entitled to a free year of higher education (combined federal and state funds) that will have a decided impact on the calculations of cost for the college loan/public service program.

ASSISTANCE FOR DROPPOUTS AND THE LONG TERM UNEMPLOYED

The problem of upgrading the skills of high school dropouts and the hard core unemployed is especially difficult. It is also at the heart of the problem of how to help all our inner cities.

All the evidence indicates that what is needed is something with all the important characteristics of a nonresidential job Corps-like program. The problem with the Job Corps is that it is operated directly by the federal government and is therefore not embedded at all levels of the local labor market. The way to solve this problem is to create a new urban program that is locally— not federally—organized and administered, but probably something that uses something like the federal standards for contracting for Job Corps services. In this way, local employers, neighborhood organizations and other local service providers could meet the need, but requiring local authorities to use the federal standards would assure high quality results. Programs for high school dropouts and the hard core unemployed would probably have to be separately organized, though the services provided would be much the same. Federal funds would be of-fered as a base, and local funds for this purpose.

LEVY GRANT SYSTEM

This is the part of the system that provides funds for currently employed people to improve the skills that they specifically provide means whereby front-line workers can earn this general education credential (if they do not already have one) and at the same time get credit towards technical Certificates and Degrees in fields of their choosing. Everything we have heard indicates virtually universal opposition in the employer community to the proposal for a 1 1/2% levy on employers for training to support the costs associated with employed workers gaining these skills, whatever the levy is designated.

The problem with the Job Corps is that it is operated directly by the federal government and is therefore not embedded at all levels of the local labor market. The way to solve this problem is to create a new urban program that is locally— not federally—organized and administered, but probably something that uses something like the federal standards for contracting for Job Corps services. In this way, local employers, neighborhood organizations and other local service providers could meet the need, but requiring local authorities to use the federal standards would assure high quality results. Programs for high school dropouts and the hard core unemployed would probably have to be separately organized, though the services provided would be much the same. Federal funds would be offered as a base, and local funds for this purpose.

Everything we have heard indicates virtually universal opposition in the employer community to the proposal for a 1 1/2% levy on employers for training to support the costs associated with employed workers gaining these skills, whatever the levy is designated.

We have heard that the front-line employees need to be trained to a high level of literacy, especially relevant here, is that our reconceptualization of the apprenticeship proposal would be incorporated as a part of the larger proposal, combined with our proposal that everyone who gets the general education credential be entitled to a free year of higher education (combined federal and state funds) that will have a decided impact on the calculations of cost for the college loan/public service program.

As you know very well, the High Skills: Competitive Workforce as sponsored by Sen-ators Gephardt and Regula provides a ready-made vehicle for advancing many of the ideas we have outlined. To foster a good working relationship with the Clinton administration, we suggest that, to the extent possible, the framework of these companion bills be used to frame the President’s proposals. You may not know that we have put together a large group or representatives of Washington-based organizations to come to a consensus around the ideas in America’s Choice. They and their families are working very energetically on this issue. If they are part of the process of framing the legislative proposals, they can be expected to be strong support for them. We will make them aware of your thinking about the assembly of these ideas into specific legislative proposals, you may also want to take into account the packaging ideas that come later in this letter. State and local funds for this purpose.

As you know very well, the High Skills: Competitive Workforce as sponsored by Sen-ators Gephardt and Regula provides a ready-made vehicle for advancing many of the ideas we have outlined. To foster a good working relationship with the Clinton administration, we suggest that, to the extent possible, the framework of these companion bills be used to frame the President’s proposals. You may not know that we have put together a large group or representatives of Washington-based organizations to come to a consensus around the ideas in America’s Choice. They and their families are working very energetically on this issue. If they are part of the process of framing the legislative proposals, they can be expected to be strong support for them. We will make them aware of your thinking about the assembly of these ideas into specific legislative proposals, you may also want to take into account the packaging ideas that come later in this letter. State and local funds for this purpose.

As you know very well, the High Skills: Competitive Workforce as sponsored by Sen-ators Gephardt and Regula provides a ready-made vehicle for advancing many of the ideas we have outlined. To foster a good working relationship with the Clinton administration, we suggest that, to the extent possible, the framework of these companion bills be used to frame the President’s proposals. You may not know that we have put together a large group or representatives of Washington-based organizations to come to a consensus around the ideas in America’s Choice. They and their families are working very energetically on this issue. If they are part of the process of framing the legislative proposals, they can be expected to be strong support for them. We will make them aware of your thinking about the assembly of these ideas into specific legislative proposals, you may also want to take into account the packaging ideas that come later in this letter. State and local funds for this purpose.
should support the early reintroduction of this legislation with whatever changes it thinks fit. This legislation does not establish a national body to create a national examination system. We think that is the right choice for now.

SYSTEMIC CHANGE IN PUBLIC EDUCATION

The conference report on S.2 and HR 4323 also contains language that would support systemic change in public education. Here again, some of us would quibble with some of the particulars, but we believe that the approach that we recommend would be well served by endorsing the resubmission of this legislation, modified as it sees fit.

FEDERAL PROGRAMS FOR THE DISADVANTAGED

The established federal education programs have done a lot to pull the system overhauled to reflect an emphasis on relevance to the regulations. A national commission on Chapter 1, the largest of these programs, chaired by David Hornbeck, has designed a radically new version of the legislation, with the active participation of many of the advocacy groups. Other groups have been similarly engaged. We think the new administration should quickly endorse the work of the national commission and introduce new legislation in training year. We believe that this legislation will pass before the deadline—two years away—for the reauthorizations of the elementary and secondary education act, but early endorsement of this new approach by the administration will send a strong signal to the Congress and will greatly affect the climate in which other parts of the act will be considered.

PUBLIC CHOICE TECHNOLOGY, INTEGRATED HEALTH AND HUMAN SERVICES, CURRICULUM RESOURCES, HIGH PERFORMANCE MANAGEMENT, PROFESSIONAL DEVELOPMENT, AND RESEARCH AND DEVELOPMENT

The restructuring of the schools that is envisioned in S.2 and HR 4323 is not likely to succeed unless the schools have a lot of information about how to do it and real assistance in getting it done. The areas in which this help is needed are suggested by the heading of this section. One of the most cost-effective things the federal government could do is to provide support for research, development, and technical assistance to the schools. We propose that a new Secretary of Education should be directed to propose a strategy for doing just that, on a scale sufficient to permit serious testing of the whole program. It is likely that these programs are not officially tur -

developed and operated, the technical assistance proposal and the postsecondary education finance proposal.

2. The second would combine the initiatives on developing the rebuilt employment service and the new system of labor market boards as the Clinton administration's employment security program, built on the best practices anywhere in the world. This is the backbone of a system for assuring adult workers in our society that they need never again watch with dismay as their jobs disappear and their chances of ever getting a good job again go with them.

3. The third would concentrate on the overwhelming problems of our inner cities, combining the first and second packages into a special program to greatly raise the work-related skills of the people trapped in the core of our great cities. It is likely that this would enable us to take advantage of legislation on which Congress has already been working to develop the elementary and secondary reform agenda. It would combine the successor to HR 4323 and S.2 (incorporating the systemic reforms agenda and the board for student performance standards), with the proposal for revamping Chapter 1.

ORGANIZING THE EXECUTIVE BRANCH FOR HUMAN RESOURCES DEVELOPMENT

The issue here is how to organize the federal government to make sure that the new system is actually built as a seamless web in the field, where it counts, and that program gets a fast start with a first-rate team behind it.

We propose, first, that the President appoint a National Council on Human Resources Development. It would consist of the President and a number of cabinet-level members and members of Congress. It would also include a small number of governors, educators, business executives, labor leaders, and a couple of `ordinary' people. It could sit two weeks. It would be established in such a way as to assure continuity of membership across admin-

istrations, so that the consensus it forges will outlast any one administration. It would be charged with recommending broad policy on a national system of human resources development, to the President and the Congress, assessing the effectiveness and promise of current programs and proposing new approaches. It should be statutory, making it part of the Domestic Policy Council staff of the President.

Second, we propose that a new agency be created, the National Institute for Learning, Work and Service. Creation of this agency would signal instantly the new administration's commitment to putting the continuum of education and training "broadly overhauled to reflect an emphasis on its role in rebuilding the two systems, not with a view to dragging the present system and those it serves, rather than promising the promise that everyone will have access to the kind of education that only a small minority have had access to up to now. To this agency would be assigned the functions now performed by the assistant secretary for employment and training, the assistant secretary for vocational education, and the assistant secretary for higher education. It should be staffed by people specifically recruited from all over the country for the purpose. The staff would be small, high powered and able to respond quickly to the many initiatives of the new President in the field of human resources development.

The closest existing model of what we have in mind is the National Science Board and the National Science Foundation, with the Council in the place of the Board and the insti-

tutions in the place of the science agencies. But our council would be advisory, whereas the Board is governing. If you do not like the idea of a permanent council, you might consider the idea of a President's Task Force, constituted much as the council would be. In this scheme, the Department of Education would be free to focus on putting the new student performance standards in place and managing the programs that will take the leadership in the national restructuring of the schools. Much of the financing and disbursement functions of the higher education program would move to the Treasury Department, leaving the President's staff in the new institute to focus on matters of substance.

In any case, as you can see, we believe that some extraordinary measure well short of actually merging the departments of labor and education is required to move the new agenda with dispatch.

GETTING CONSENSUS ON THE VISION

Radical changes in attitudes, values and beliefs are required to move any combination of these agendas. The federal government has made some outstanding changes in this area, but the change has come too quickly and too much of it has been a result of the work of the national commission and interest groups. It would be staffed by people specifically recruited from all over the country for the purpose. The staff would be small, high powered and able to respond quickly to the many initiatives of the new President in the field of human resources development.

The closest existing model of what we have in mind is the National Science Board and the National Science Foundation, with the Council in the place of the Board and the insti-

tutions in the place of the science agencies. But our council would be advisory, whereas the Board is governing. If you do not like the idea of a permanent council, you might consider the idea of a President's Task Force, constituted much as the council would be. In this scheme, the Department of Education would be free to focus on putting the new student performance standards in place and managing the programs that will take the leadership in the national restructuring of the schools. Much of the financing and disbursement functions of the higher education program would move to the Treasury Department, leaving the President's staff in the new institute to focus on matters of substance.

In any case, as you can see, we believe that some extraordinary measure well short of actually merging the departments of labor and education is required to move the new agenda with dispatch.

GETTING CONSENSUS ON THE VISION

Radical changes in attitudes, values and beliefs are required to move any combination of these agendas. The federal government has made some outstanding changes in this area, but the change has come too quickly and too much of it has been a result of the work of the national commission and interest groups. It would be staffed by people specifically recruited from all over the country for the purpose. The staff would be small, high powered and able to respond quickly to the many initiatives of the new President in the field of human resources development.

The closest existing model of what we have in mind is the National Science Board and the National Science Foundation, with the Council in the place of the Board and the insti-

tions in the place of the science agencies. But our council would be advisory, whereas the Board is governing. If you do not like the idea of a permanent council, you might consider the idea of a President's Task Force, constituted much as the council would be. In this scheme, the Department of Education would be free to focus on putting the new student performance standards in place and managing the programs that will take the leadership in the national restructuring of the schools. Much of the financing and disbursement functions of the higher education program would move to the Treasury Department, leaving the President's staff in the new institute to focus on matters of substance.

In any case, as you can see, we believe that some extraordinary measure well short of actually merging the departments of labor and education is required to move the new agenda with dispatch.

GETTING CONSENSUS ON THE VISION

Radical changes in attitudes, values and beliefs are required to move any combination of these agendas. The federal government has made some outstanding changes in this area, but the change has come too quickly and too much of it has been a result of the work of the national commission and interest groups. It would be staffed by people specifically recruited from all over the country for the purpose. The staff would be small, high powered and able to respond quickly to the many initiatives of the new President in the field of human resources development.

The closest existing model of what we have in mind is the National Science Board and the National Science Foundation, with the Council in the place of the Board and the insti-

tions in the place of the science agencies. But our council would be advisory, whereas the Board is governing. If you do not like the idea of a permanent council, you might consider the idea of a President's Task Force, constituted much as the council would be. In this scheme, the Department of Education would be free to focus on putting the new student performance standards in place and managing the programs that will take the leadership in the national restructuring of the schools. Much of the financing and disbursement functions of the higher education program would move to the Treasury Department, leaving the President's staff in the new institute to focus on matters of substance.

In any case, as you can see, we believe that some extraordinary measure well short of actually merging the departments of labor and education is required to move the new agenda with dispatch.

GETTING CONSENSUS ON THE VISION
legislative agenda and working it on the Hill. After six months or so, when the public has warmed to the ideas and the legislative packages are about to get into hearings, then you might consider some form of summit, broadened to include not only the governors, but also key members of Congress and others whose support and influence are important. This way, Bill can be sure that the agenda is his, and he can go into it with a groundswell of support behind him.

That's it. None of us doubt that you have thought long and hard about many of these things and have probably gone way beyond what we have laid out in many areas. But we hope that there is something here that you can use. We would, of course, be very happy to flesh out these ideas at greater length and work with anyone you choose to make them fit the work that you have been doing.

Very best wishes from all of us to you and Bill

MARC TUCKER.
Friday, September 25, 1998

Daily Digest

HIGHLIGHTS

Senate passed the Wendell H. Ford National Air Transportation System Improvement Act.

Senate

Chamber Action

Routine Proceedings, pages S10945-S11006

Measures Introduced: One bill was introduced, as follows: S. 2520.

Measures Reported: Reports were made as follows:

  H.R. 3412, to amend and make technical corrections in title III of the Small Business Investment Act, with an amendment in the nature of a substitute. (S. Rept. No. 105-347)
  H.R. 3853, to promote drug-free workplace programs, with an amendment in the nature of a substitute. (S. Rept. No. 105-348)
  H.R. 2402, to make technical and clarifying amendments to improve management of water-related facilities in the Western United States, with amendments.
  H.R. 2411, to provide for a land exchange involving the Cape Cod National Seashore and to extend the authority for the Cape Cod National Seashore Advisory Commission.
  H.R. 2623, to designate the United States Post Office located at 16250 Highway 603 in Kiln, Mississippi, as the “Ray J. Favre Post Office Building”.
  H.R. 2798, to redesignate the building of the United States Postal Service located at 2419 West Monroe Street, in Chicago, Illinois, as the “Nancy B. Jefferson Post Office Building”.
  H.R. 2799, to redesignate the building of the United States Postal Service located at 324 South Laramie Street, in Chicago, Illinois, as the “Reverend Milton R. Brunson Post Office Building”.
  H.R. 3687, to authorize prepayment of amounts due under a water reclamation project contract for the Canadian River Project, Texas, with an amendment.
  H.R. 3809, to designate the United States Post Office located at 47526 Clipper Drive in Plymouth, Michigan, as the “Carl D. Pursell Post Office”.
  H.R. 3810, to designate the United States Post Office located at 202 Center Street in Garwood, New Jersey, as the “James T. Leonard, Sr. Post Office”.
  H.R. 3939, to designate the United States Postal Service building located at 658 63rd Street, Philadelphia, Pennsylvania, as the “Edgar C. Campbell, Sr., Post Office Building”.
  H.R. 3999, to designate the United States Postal Service building located at 5209 Greene Street, Philadelphia, Pennsylvania, as the “David P. Richardson, Jr., Post Office Building”.
  H.R. 4079, to authorize the construction of temperature control devices at Folsom Dam in California.
  H.R. 4166, to amend the Idaho Admission Act regarding the sale or lease of school land.
  S. 736, to convey certain real property within the Carlsbad Project in New Mexico to the Carlsbad Irrigation District, with an amendment in the nature of a substitute.
  S. 744, to authorize the construction of the Fall River Water Users District Rural Water System and authorize financial assistance to the Fall River Water Users District, a non-profit corporation, in the planning and construction of the water supply system, with amendments.
  S. 777, to authorize the construction of the Lewis and Clark Rural Water System and to authorize assistance to the Lewis and Clark Rural Water System, Inc., a nonprofit corporation, for planning and construction of the water supply system, with amendments.
  S. 991, to make technical corrections to the Omnibus Parks and Public Lands Management Act of 1996.
  S. 1175, to reauthorize the Delaware Water Gap National Recreation Area Citizen Advisory Commission for 10 additional years.
  S. 1641, to direct the Secretary of the Interior to study alternatives for establishing a national historic
trail to commemorate and interpret the history of women's rights in the United States, with an amendment.

S. 1960, to allow the National Park Service to acquire certain land for addition to the Wilderness Battlefield, as previously authorized by law, by purchase or exchange as well as by donation, with an amendment.

S. 2041, to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize the Secretary of the Interior to participate in the design, planning, and construction of the Willow Lake Natural Treatment System Project for the reclamation and reuse of water.

S. 2086, to revise the boundaries of the George Washington Birthplace National Monument, with an amendment in the nature of a substitute.

S. 2117, to authorize the construction of the Perkins County Rural Water System and authorize financial assistance to the Perkins County Rural Water System, Inc., a nonprofit corporation, in the planning and construction of the water supply system, with amendments.

S. 2133, to designate former United States Route 66 as "America's Main Street" and authorize the Secretary of the Interior to provide assistance, with an amendment in the nature of a substitute.

S. 2136, to provide for the exchange of certain land in the State of Washington, with an amendment in the nature of a substitute.

S. 2140, to amend the Reclamation Projects Authorization and Adjustment Act of 1992 to authorize the Secretary of the Interior to participate in the design, planning, and construction of the Denver Water Reuse project.

S. 2142, to authorize the Secretary of the Interior to convey the facilities of the Pine River Project, to allow jurisdictional transfer of lands between the Department of Agriculture, Forest Service, and the Department of the Interior, Bureau of Reclamation, and the Bureau of Indian Affairs, with an amendment in the nature of a substitute.

S. 2239, to revise the boundary of Fort Matanzas Monument.

S. 2240, to establish the Adams National Historical Park in the Commonwealth of Massachusetts, with amendments.

S. 2241, to provide for the acquisition of lands formerly occupied by the Franklin D. Roosevelt family at Hyde Park, New York.

S. 2246, to amend the Act which established the Frederick Law Olmsted National Historic Site, in the Commonwealth of Massachusetts, by modifying the boundary and for other purposes.

S. 2247, to permit the payment of medical expenses incurred by the U.S. Park Police in the performance of duty to be made directly by the National Park Service.

S. 2248, to allow for waiver and indemnification in mutual law enforcement agreements between the National Park Service and a state or political subdivision, when required by state law.

S. 2257, to reauthorize the National Historic Preservation Act, with amendments.

S. 2284, to establish the Minuteman Missile National Historic Site in the State of South Dakota, with an amendment in the nature of a substitute.

S. 2285, to establish a commission, in honor of the 150th Anniversary of the Seneca Falls Convention, to further protect sites of importance in the historic efforts to secure equal rights for women.

S. 2297, to provide for the distribution of certain publications in units of the National Park System under a sales agreement between the Secretary of the Interior and a private contractor, with an amendment in the nature of a substitute.

S. 2309, to authorize the Secretary of the Interior to enter into an agreement for the construction and operation of the Gateway Visitor Center at Independence National Historical Park.

S. 2310, to designate the United States Post Office located at 297 Larkfield Road in East Northport, New York, as the "Jerome Anthony Ambro, Jr. Post Office Building".

S. 2370, to designate the facility of the United States Postal Service located at Tall Timbers Village Square, United States Highway 19 South, in Thomasville, Georgia, as the "Lieutenant Henry O. Flipper Station".

S. 2401, to authorize the addition of the Paoli Battlefield site in Malvern, Pennsylvania, to Valley Forge National Historical Park, with an amendment in the nature of a substitute.

S. 2404, to establish designations for United States Postal Service buildings located in Coconut Grove, Opa Locka, Carol City, and Miami, Florida.

S. 2468, to designate the Biscayne National Park visitor center as the Dante Fascell Visitor Center at Biscayne National Park, with an amendment.

S. 2500, to protect the sanctity of contracts and leases entered into by surface patent holders with respect to coalbed methane gas, with an amendment in the nature of a substitute.

Measures Passed:

Wendell H. Ford National Air Transportation System Improvement Act: By 92 yeas to 1 nay (Vote No. 288), Senate passed H.R. 4057, to amend title 49, United States Code, to reauthorize programs of the Federal Aviation Administration, after striking all after the enacting clause and inserting in lieu...
thereof the text of S. 2279, Senate companion measure, as amended.

Senate insisted on its amendment, requested a conference with the House thereon, and the Chair appointed the following conferees on the part of the Senate: Senators McCain, Stevens, Gorton, Hollings, and Ford.

Food Safety and Inspection Service Employees: Committee on Agriculture, Nutrition and Forestry was discharged from further consideration of S. 2511, to authorize the Secretary of Agriculture to pay employees of the Food Safety and Inspection Service working in establishments subject to the Federal Meat Inspection Act and the Poultry Products Inspection Act for overtime and holiday work performed by the employees, and the measure was then passed.

Mammography Quality Standards Reauthorization Act: Senate passed H.R. 4382, to amend the Public Health Service Act to revise and extend the program for mammography quality standards, clearing the measure for the President.

Internet Tax Freedom Act—Cloture Filed: A motion was entered to close further debate on the motion to proceed to consideration of S. 442, to establish a national policy against State and local government interference with interstate commerce on the Internet or interactive computer services, and to exercise Congressional jurisdiction over interstate commerce by establishing a moratorium on the imposition of exactions that would interfere with the free flow of commerce via the Internet and, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, a vote on the cloture motion will occur on Tuesday, September 29, 1998.

Legislative Branch Appropriations Conference Report: Senate agreed to the conference report on H.R. 4112, making appropriations for the Legislative Branch for the fiscal year ending September 30, 1999, clearing the measure for the President.

Nominations Confirmed: Senate confirmed the following nominations:

- James M. Bodner, of Virginia, to be Deputy Under Secretary of Defense for Policy.
- Stephen W. Preston, of the District of Columbia, to be General Counsel of the Department of the Navy.
- Herbert Lee Buchanan III, of Virginia, to be an Assistant Secretary of the Navy.
- Jeh Charles Johnson, of New York, to be General Counsel of the Department of the Air Force.
- Richard Danzig, of the District of Columbia, to be Secretary of the Navy.

Nominations Received: Senate received the following nominations:

- George M. Langford, of New Hampshire, to be a Member of the National Science Board, National Science Foundation, for a term expiring May 10, 2004.
- Joseph A. Miller, Jr., of Delaware, to be a Member of the National Science Board, National Science Foundation, for a term expiring May 10, 2004.
- Maxine L. Savitz, of California, to be a Member of the National Science Board, National Science Foundation, for a term expiring May 10, 2004.
- Luis Sequeria, of Wisconsin, to be a Member of the National Science Board, National Science Foundation, for a term expiring May 10, 2004.
- Chang-Lin Tien, of California, to be a Member of the National Science Board, National Science Foundation, for a term expiring May 10, 2004.

Messages From the House:
Communications:
Statements on Introduced Bills:
Additional Cosponsors:
Amendments Submitted:
Authority for Committees:
Additional Statements:
Record Votes: One record vote was taken today. (Total—288)
Adjournment: Senate convened at 9:30 a.m., and adjourned at 1:28 p.m., until 12 noon, on Monday, September 28, 1998. (For Senate’s program, see the remarks of the Acting Majority Leader in today’s Record on pages S11002–03.)

Committee Meetings

(MIILITARY FORCES OPERATIONS

Committee on Armed Services: Committee met in closed session to receive a briefing on the world wide threat

Committee recessed subject to call.

NOMINATIONS

Committee on Foreign Relations: Committee concluded hearings on the nominations of Robert C. Randolph, of Washington, to be Assistant Administrator for Asia and Near East Affairs, Agency for International Development, B. Lynn Pascoe, of Virginia, to be Ambassador to Malaysia, and Diane Edith Watson, of California, to be Ambassador to the Federated States of Micronesia, after the nominees testified and answered questions in their own behalf.

BUSINESS MEETING

Committee on Governmental Affairs: Committee ordered favorably reported S. 1404, to establish a Federal Commission on Statistical Policy to study the reorganization of the Federal statistical system, to provide uniform safeguards for the confidentiality of information acquired for exclusively statistical purposes, and to improve the efficiency of Federal statistical programs and the quality of Federal statistics by permitting limited sharing of records among designated agencies for statistical purposes under strong safeguards, with an amendment in the nature of a substitute.

FOOD IMPORT SAFETY

Committee on Governmental Affairs: Permanent Subcommittee on Investigations concluded hearings to examine the safety of food imports, focusing on legislative, administrative and regulatory remedies, after receiving testimony from Timothy M. Hammonds, Food Marketing Institute, Stacey A. Zawel, Grocery Manufacturers of America, Dane T. Bernard, National Food Processors Association, Richard Levinson, American Public Health Association, Carol Tucker Foreman, Safe Food Coalition, and Robert Hahn, Public Voice for Food and Health Policy, all of Washington, D.C.; Nancy Nagle, United Fresh Fruit and Vegetable Association, Alexandria, Virginia; and Ruth Kava, American Council on Science and Health, New York, New York.

CAPITOL SECURITY

Committee on Rules and Administration: Committee continued hearings in open and closed session to examine United States Capitol security issues, receiving testimony from Robert Gramling, Director for Corporate Audits and Standards Issues, Accounting and Information Management Division, General Accounting Office; Kenneth Lopez, Director of Security, Library of Congress; Alan M. Hantman, Architect of the Capitol; Gregory S. Casey, Sergeant at Arms, United States Senate; Wilson Livingood, Sergeant at Arms, U.S. House of Representatives; Gary Abrecht, Chief of Police, United States Capitol Police; and Joyce Doria and Jack Mayer, both of Booz Allen & Hamilton, Falls Church, Virginia.

Hearings were recessed subject to call.

House of Representatives

Chamber Action

Bills Introduced: 19 public bills, H.R. 4627-4645; and 4 resolutions, H.J. Res. 130, H. Con. Res. 330, and H. Res. 555-556 were introduced. Page H8931

Reports Filed: Reports were filed today as follows:

H.R. 4321, to protect consumers and financial institutions by preventing personal financial information from being obtained from financial institutions under false pretenses amended (H. Rept. 105-701 Part 1);

Conference report on H.R. 4081, to extend the deadline under the Federal Power Act applicable to the construction of a hydroelectric project in the State of Arkansas (H. Rept. 105-748); and


Speaker Pro Tempore: Read a letter from the Speaker wherein he designated Representative Miller of Florida to act as Speaker pro tempore for today. Page H8657
Guest Chaplain: The prayer was offered by the guest Chaplain, Rev. Douglas Tanner of Washington, D.C.

Save Social Security Act: The House passed H.R. 4578, to amend the Social Security Act to establish the Protect Social Security Account into which the Secretary of the Treasury shall deposit budget surpluses until a reform measure is enacted to ensure the long-term solvency of the OASDI trust funds, by a recorded vote of 240 ayes to 188 noes, Roll No. 464.

Order of Procedure: Agreed by unanimous consent that during consideration of H.R. 4579 pursuant to H. Res. 552, notwithstanding the order of the previous question, it may be in order after 30 minutes of the 60 minutes provided for initial debate on the bill, as amended pursuant to the rule, for the Chair to postpone further consideration of the bill until the following legislative day, on which consideration may resume at a time designated by the Speaker.

Taxpayer Relief Act: The House completed 30 minutes of debate on H.R. 4579, to provide tax relief for individuals, families, and farming and other small businesses, to provide tax incentives for education, to extend certain expiring provisions. Consideration will resume Saturday, September 26, 1998.

Reciprocal Trade Agreement Authorities Act: The House failed to pass H.R. 2621, to extend trade authorities procedures with respect to reciprocal trade agreements, by a recorded vote of 180 ayes to 243 noes with 3 voting “present”, Roll No. 466.

Late Reports: The Committee on Appropriations received permission to have until midnight tonight to file a conference report on H.R. 4060, making appropriations for energy and water development for the fiscal year ending September 30, 1999. The Committee on Education and the Workforce received permission to have until midnight tonight to file a conference report on H.R. 6, to extend the authorization of programs under the Higher Education Act of 1965.

Committee Meetings

FEDERAL HYDROELECTRIC RELICENSING PROCESS

Committee on Commerce Subcommittee on Energy and Power held a hearing on the Federal Hydroelectric Relicensing Process. Testimony was heard from Senator Craig; Douglas Smith, General Counsel, Federal Energy Regulatory Commission, Department of Energy; John Leshy, Solicitor, Department of the Interior; Robert Joslin, Deputy Chief, National Forest Service, Forest Service, USDA; Terry Garcia, Assistant Secretary, Oceans and Atmosphere, NOAA, Department of Commerce; and public witnesses.

WELFARE REFORM LAW—IMPLEMENTATION OF ABSTINENCE EDUCATION PROVISIONS

Committee on Commerce Subcommittee on Oversight and Investigations held a hearing on Implementation
of the Abstinence Education Provisions of the Welfare Reform Law. Testimony was heard from Peter Van Dyck, M.D., Acting Associate Director, Maternal and Child Health Bureau, Department of Health and Human Services; Claude Allen, Secretary, Department of Health and Human Services, State of Virginia; and public witnesses.

AMERICAN WORKER PROJECT
Committee on Education and the Workforce: Subcommittee on Oversight and Investigations held a hearing on American Worker Project: Retailers and Manufacturers Concerning the Garment Industry. Testimony was heard from Assemblywoman Catherine Nolan, Chairwoman, Standing Committee on Labor, State of New York; and Larry Martin, President, American Apparel Manufacturers Association.

MISCELLANEOUS MEASURES
Committee on Government Reform and Oversight: Subcommittee on Government Management, Information, and Technology began consideration of the following bills: H.R. 4620, the Statistical Consolidation Act of 1998; H.R. 2635, Human Rights Information Act; H.R. 3032, Construction Subcontractors Payment Protection Enhancement Act of 1998; and H.R. 4614, to provide for the conveyance of Federal land in New Castle, New Hampshire, to the Town of New Castle, New Hampshire, and to require the release of certain restrictions with respect to land in such town.

Will continue September 28.

VA OVERSIGHT
Committee on Government Reform and Oversight: Subcommittee on Human Resources held a hearing on VA Oversight: The Impact of Restructuring on Health Care Quality. Testimony was heard from the following officials of the Department of Veterans Affairs: Thomas Garthwaite, M.D., Deputy Under Secretary, Health; Denis FitzGerald, M.D., Network Director, VISN-1; Bruce Woolette, D.D.S., Department of Dentistry and Jack Bachman, Department of Neurology, both with the Togus, Maine, VA Medical Center; and public witnesses.

INDEPENDENT COUNSEL
COMMUNICATION—REDACTION OF AND WITHHOLDING OF CERTAIN DOCUMENTS, RECORDS, AND MATERIALS
Committee on the Judiciary: Met in executive session and agreed to the redaction of and the withholding of certain documents, records, and materials received from the Independent Counsel, which would otherwise be required to be released on September 28, 1998.

MISCELLANEOUS MEASURES
Committee on the Judiciary: Subcommittee on Commercial and Administrative Law approved for full Committee action the following measures: S.J. Res. 51, granting the consent of Congress to the Potomac Highlands Airport Authority Compact entered into between the States of Maryland and West Virginia; and H.R. 4572, to clarify that governmental pension plans of the possessions of the United States shall be treated in the same manner as State pension plans for purposes of the limitation on the State income taxation of pension income.

Prior to this action, the Subcommittee held a hearing on S.J. Res. 51. Testimony was heard from Senator Sarbanes; Representative Bartlett of Maryland; and a public witness.

READINESS REALITIES

TECHNOLOGY TRANSFERS TO CHINA
Select Committee on U.S. National Security and Military/Commercial Concerns with the People's Republic of China: Met in executive session to continue to receive briefings.

Joint Meetings

APPROPRIATIONS—ENERGY AND WATER
Conferees on Thursday, September 24, agreed to file a conference report on the differences between the Senate- and House-passed versions of H.R. 4060, making appropriations for energy and water development for the fiscal year ending September 30, 1999.

CONGRESSIONAL PROGRAM AHEAD
Week of September 28 through October 3, 1998

Senate Chamber

On Monday, Senate will vote on a motion to close further debate on S. 2176, Federal Vacancies Reform Act, at 5:30 p.m.
On Tuesday, Senate will vote on a motion to close further debate on the motion to proceed to consideration of S. 442, Internet Tax Freedom Act.

During the balance of the week, Senate may consider further appropriations bills, and any legislative or executive items cleared for action, including conference reports, when available.

(Senate will recess on Tuesday, September 29, 1998, from 12:30 p.m. until 2:15 p.m. for respective party conferences.)

**Senate Committees**

(Committee meetings are open unless otherwise indicated)

**Committee on Armed Services:** September 29, to hold hearings to examine the status of United States military forces and their ability to successfully execute the National Military Strategy, 10 a.m., SH-216.

October 1, Full Committee, to hold hearings on issues regarding plans for Department of Energy national security programs, 9:30 a.m., SR-222.

**Committee on Banking, Housing, and Urban Affairs:** September 29, Subcommittee on International Finance, to hold hearings to examine the Trade Promotion Coordinating Committee's annual report and the National Export Strategy, 10 a.m., SD-538.

September 29, Subcommittee on International Trade, Finance, and Monetary Policy, hearing on the nomination of Jane Judd Cooper, of New York, to be Deputy Assistant Secretary of the Treasury for International Affairs, 10 a.m., SD-419.

**Committee on Commerce, Science, and Transportation:** October 1, to hold hearings on S. 2494, to enhance the ability of direct broadcast satellite and other multichannel video providers to compete effectively with cable television systems, 9:30 a.m., SR-253.

October 1, Full Committee, business meeting, to consider pending calendar business, 2:30 p.m., SR-253.

**Committee on Energy and Natural Resources:** October 1, to hold hearings on the nominations of Eljay B. Bowron, of Michigan, to be Inspector General, Department of the Interior, and Rose Eileen Gottemoeller, of Virginia, to be Assistant Secretary for Non-Proliferation and National Security, and David Michaelis, of New York, to be Assistant Secretary for Environment, Safety and Health, both of the Department of Energy, 9:30 a.m., SD-366.

October 1, Subcommittee on Forests and Public Land Management, to hold oversight hearings on the Forest Service cabin fees, 2:30 p.m., SD-366.

September 29, Subcommittee on Environment and Public Works, to hold hearings on the nominations of Nancy J. Byatt, of Michigan, to be a member of the Council of the Federal Land Bank System, and John S. England, of Texas, to be a member of the Council of the Federal Land Bank System, 2:30 p.m., SD-406.

September 29, Subcommittee on National Parks, Historic Preservation, and Cultural Properties, hearing on the nominations of Richard W. Rice, of New York, to be Commissioner of the National Park Service, and Douglas S. Smith, of Arizona, to be Commissioner of the National Park Service, 2:30 p.m., SD-406.

October 1, Subcommittee on Clean Air, Wetlands, Private Property, and Nuclear Safety, to hold hearings on regional haze and mercury pollution, 2 p.m., SD-406.

October 1, Full Committee, business meeting, to consider pending calendar business, 9:30 a.m., SD-406.

**Committee on Foreign Relations:** September 29, to hold hearings on the nominations of R. Rand Beers, of the District of Columbia, to be Assistant Secretary of State for International Narcotics and Law Enforcement Affairs, and Simon Ferro, of Florida, to be Ambassador to the Republic of Panama, 10 a.m., SD-419.

October 1, Full Committee, to hold hearings to examine the United States response to international parental abduction issues, 10 a.m., SD-419.

October 2, Full Committee, to hold hearings on the nomination of Frank E. Loy, of the District of Columbia, to be Under Secretary of State for Global Affairs, 2 p.m., SD-419.

**Committee on Governmental Affairs:** October 1, Subcommittee on International Security, Proliferation and Federal Services, to hold oversight hearings to examine United States Postal Service activities, 2 p.m., SD-342.

October 2, Full Committee, to hold hearings on the nominations of John U. Sepulveda, of New York, to be Deputy Director of the Office of Personnel Management, and Joseph Swerdzewski, of Colorado, to be General Counsel of the Federal Labor Relations Authority, 9 a.m., SD-342.

**Committee on the Judiciary:** September 28, Subcommittee on Administrative Oversight and the Courts, to hold oversight hearings to review financial control failures at the Department of Defense, 1 p.m., SD-226.

October 1, Full Committee, business meeting, to consider pending calendar business, 9:30 a.m., SD-226.

October 1, Full Committee, to hold hearings on pending nominations, 3 p.m., SD-226.

October 2, Subcommittee on Antitrust, Business Rights, and Competition, to hold hearings to examine the status of international antitrust cooperation, 10 a.m., SD-226.

October 2, Full Committee, to hold hearings on the nominations of R. Rand Beers, of the District of Columbia, to be Assistant Secretary of State for International Narcotics and Law Enforcement Affairs, and Simon Ferro, of Florida, to be Ambassador to the Republic of Panama, 10 a.m., SD-419.

**Committee on Agriculture:** October 2, Subcommittee on Department Operations, Nutrition, and Foreign Agriculture, hearing to review H.R. 4128, to amend the Soil Conservation and Domestic Allotment Act to ensure that States and local governments can quickly and safely remove flood debris so as to reduce the risk and severity of subsequent flooding, 10 a.m., 1300 Longworth.

**Committee on Science, Space, and Technology:** October 1, Full Committee, to hold hearings to examine national security, science, technology, and the Nation's economic competitiveness, 2:30 p.m., 2123 Rayburn.

October 1, Full Committee, to hold hearings to examine national security, science, technology, and the Nation's economic competitiveness, 2:30 p.m., 2123 Rayburn.

**Committee on Telecommunications, Trade, and Consumer Protection:** October 1, Full Committee, hearing on the nominations of R. Rand Beers, of the District of Columbia, to be Assistant Secretary of State for International Narcotics and Law Enforcement Affairs, and Simon Ferro, of Florida, to be Ambassador to the Republic of Panama, 10 a.m., SD-419.

**Committee on the Year 2000 Technology Problem:** October 2, to hold hearings to consider the National Commission on the Year 2000 Technology Problem, 2:30 p.m., 2123 Rayburn.

Special Committee on the Year 2000 Technology Problem: October 2, to hold hearings to examine general government emergency preparedness, 9:30 a.m., SD-192.

**House Committees**

**Committee on Agriculture:** October 2, Subcommittee on Department Operations, Nutrition, and Foreign Agriculture, hearing to review H.R. 4128, to amend the Soil Conservation and Domestic Allotment Act to ensure that States and local governments can quickly and safely remove flood debris so as to reduce the risk and severity of subsequent flooding, 10 a.m., 1300 Longworth.

**Committee on Commerce:** September 28, Subcommittee on Telecommunications, Trade, and Consumer Protection, hearing on Protecting Consumers Against Cramming and Spamming, 10 a.m., 2123 Rayburn.

September 29, Subcommittee on Health and Environment, hearing on the nominations of R. Rand Beers, of the District of Columbia, to be Assistant Secretary of State for International Narcotics and Law Enforcement Affairs, and Simon Ferro, of Florida, to be Ambassador to the Republic of Panama, 10 a.m., SD-419.

October 1, Full Committee, to hold hearings on pending nominations, 3 p.m., SD-226.

October 2, Subcommittee on Antitrust, Business Rights, and Competition, to hold hearings to examine the status of international antitrust cooperation, 10 a.m., SD-226.

October 2, Full Committee, to hold hearings on the nominations of John U. Sepulveda, of New York, to be Deputy Director of the Office of Personnel Management, and Joseph Swerdzewski, of Colorado, to be General Counsel of the Federal Labor Relations Authority, 9 a.m., SD-342.

**Committee on Energy and Commerce:** October 1, Full Committee, hearing to review H.R. 4431, the HIV Partner Protection Act, 10 a.m., 2322 Rayburn.

October 2, Full Committee, to hold hearings to examine the status of United States military forces and their ability to successfully execute the National Military Strategy, 10 a.m., SH-216.

**Committee on the Judiciary:** September 27, Full Committee, business meeting, to consider pending calendar business, 9:30 a.m., SR-485.

**Special Committee on the Year 2000 Technology Problem:** October 2, to hold hearings to examine general government emergency preparedness, 9:30 a.m., SD-192.

**Committee on Science, Space, and Technology:** October 1, Full Committee, to hold hearings to examine national security, science, technology, and the Nation's economic competitiveness, 2:30 p.m., 2123 Rayburn.

October 1, Full Committee, to hold hearings to examine national security, science, technology, and the Nation's economic competitiveness, 2:30 p.m., 2123 Rayburn.


October 2, Full Committee, to hold hearings on the nominations of John U. Sepulveda, of New York, to be Deputy Director of the Office of Personnel Management, and Joseph Swerdzewski, of Colorado, to be General Counsel of the Federal Labor Relations Authority, 9 a.m., SD-342.
Union) Mutual Recognition Agreement on Drug Inspections, 10 a.m., 2216 Rayburn.

Committee on Education and the Workforce, September 28, Subcommittee on Oversight and Investigations, hearing on American Worker Project: Department of Labor—Financial Analysis and Management Accountability, 1:30 p.m., 2261 Rayburn.

September 29, Subcommittee on Oversight and Investigations, hearing on Correcting Corruption: An Update on the Re-run of the 1996 Teamsters Election, 9 a.m., 2175 Rayburn.

Committee on Government Reform and Oversight, September 28, Subcommittee on Government Management, Information, and Technology, to continue consideration of the following bills: H.R. 4620, the Statistical Consolidation Act of 1998; H.R. 2635, Human Rights Information Act; H.R. 3032, Construction Subcontractors Payment Protection Enhancement Act of 1998; and H.R. 4614, to provide for the conveyance of Federal land in New Castle, New Hampshire, to the Town of New Castle, New Hampshire, and to require the release of certain restrictions with respect to land in such town, 3 p.m., 2154 Rayburn.


October 2, Subcommittee on the District of Columbia, the Subcommittee on Government Management, Information, and Technology and the Subcommittee on Technology of the Committee on Science, joint hearing on the District of Columbia's Year 2000 Compliance Challenges, 1:30 p.m., 2318 Rayburn.

Committee on International relations, September 28, Subcommittee on Asia and the Pacific, meeting on Cambodia: Where Do We Go From Here?, 1:30 p.m., 2172 Rayburn.

September 28, Subcommittee on International Operations and Human Rights and the Subcommittee on Asia and the Pacific, joint meeting on Human Rights in Burma, 10 a.m., 2172 Rayburn.

October 2, Subcommittee on International Economic Policy and Trade, oversight hearing on Ex-Im Bank, 1:30 p.m., 2172 Rayburn.

Committee on National Security, September 28, Subcommittee on Military Personnel, hearing on awarding the Medal of Honor to Theodore Roosevelt, 2 p.m., 2212 Rayburn.

October 2, Subcommittee on Military Personnel, oversight hearing on POW/MIA oversight, 9 a.m., 2118 Rayburn.

Committee on Resources, September 28, Subcommittee on Forests and Forest Health, oversight hearing on GAO's Office Study on Forest Health, 2 p.m., 1324 Longworth.

September 29, Subcommittee on Fisheries Conservation, Wildlife and Oceans, oversight hearing on research in National Marine Sanctuaries, 10 a.m., 1334 Longworth.

September 29, Subcommittee on Water and Power, oversight hearing on Garrison Unit Reformulation; to be followed by a hearing on H.R. 1213, Perkins County Rural Water System Act of 1997, 2 p.m., 1324 Longworth.

October 1, full committee, and the Subcommittee on Asia and the Pacific of the Committee on International Relations, joint oversight hearing on Compacts of Free Association with the Marshall Islands, Federated States of Micronesia, and Palau, 2 p.m., 1324 Longworth.

Committee on Science, September 28, Subcommittee on Basic Research, hearing on Remote Sensing Applications as a Research and Management Tool, 2 p.m., 2318 Rayburn.

September 29, Subcommittee on Space and Aeronautics, the Subcommittee on Military Research and Development and the Subcommittee on Military Procurement, of the Committee on National Security, joint hearing on U.S. Spacepower in the 21st Century, 9 a.m., 2318 Rayburn.

Committee on Transportation and Infrastructure, September 29, the Subcommittee on Government Management, Information, and Technology of the Committee on Government Reform and Oversight and the Subcommittee on Technology of the Committee on Science, joint hearing to review Aviation Issues related to the Year 2000 Computer Problem Y2K: Will We Get There on Time?, 9:30 a.m., 2167 Rayburn.

September 29, Subcommittee on Coast Guard and Maritime Transportation, oversight hearing on the Overview of the U.S. Coast Guard's Drug Interdiction Strategy, 10 a.m., 2253 Rayburn.

October 2, full committee, hearing to review transportation and infrastructure issues related to the Year 2000 Computer Problem Y2K: Will We Get There on Time?, 9:30 a.m., 2167 Rayburn.


Joint Meetings

Joint Economic Committee: October 2, to hold hearings on the employment-unemployment situation for September, 9:30 a.m., 1334 Longworth Building.


Conferees: September 28, On H.R. 4104, making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1999, 6 p.m., H-140, Capitol.

Conferees: October 1, Closed, on H.R. 3694, to authorize funds for fiscal year 1999 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, 2 p.m., S-407, Capitol.
Next Meeting of the **SENATE**
12 noon, Monday, September 28

**Senate Chamber**

Program for Monday: After the transaction of any morning business (not to extend beyond 2 p.m.), Senate will consider the motion to proceed to consideration of S. 442, Internet Tax Freedom Act.

At 3:30 p.m., Senate will consider S. 2176, Federal Vacancies Reform Act, with a cloture vote to occur thereon at 5:30 p.m.

Next Meeting of the **HOUSE OF REPRESENTATIVES**
9 a.m., Saturday, September 26

**House Chamber**

Program for Saturday: Complete consideration of H.R. 4579—Taxpayer Relief Act of 1998 (modified closed rule).

---

**Extensions of Remarks, as inserted in this issue**

<table>
<thead>
<tr>
<th>House</th>
<th>Member Name</th>
<th>Page(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>HOUSE</td>
<td>Baker, Richard H., La.</td>
<td>E1805</td>
</tr>
<tr>
<td></td>
<td>Becerra, Xavier, Calif.</td>
<td>E1813, E1814</td>
</tr>
<tr>
<td></td>
<td>Brady, Kevin, Tex.</td>
<td>E1805</td>
</tr>
<tr>
<td></td>
<td>Brown, Corrine, Fla.</td>
<td>E1814</td>
</tr>
<tr>
<td></td>
<td>Calvert, Ken, Calif.</td>
<td>E1810</td>
</tr>
<tr>
<td></td>
<td>Clay, William (Bill), Mo.</td>
<td>E1812</td>
</tr>
<tr>
<td></td>
<td>Del.auro, Rosa L., Conn.</td>
<td>E1809</td>
</tr>
<tr>
<td></td>
<td>Dixon, Julian C., Calif.</td>
<td>E1807</td>
</tr>
<tr>
<td></td>
<td>Farr, Sam, Calif.</td>
<td>E1811, E1817</td>
</tr>
<tr>
<td></td>
<td>Frelighusen, Rodney P., N.J.</td>
<td>E1815</td>
</tr>
<tr>
<td></td>
<td>Gilmor, Paul E., Ohio</td>
<td>E1825</td>
</tr>
<tr>
<td></td>
<td>Gilman, Benjamin A., N.Y.</td>
<td>E1811</td>
</tr>
<tr>
<td></td>
<td>Hamilton, Lee H., Ind.</td>
<td>E1816</td>
</tr>
<tr>
<td></td>
<td>Kucinich, Dennis J., Ohio</td>
<td>E1805, E1808, E1812</td>
</tr>
<tr>
<td></td>
<td>Lantos, Tom, Calif.</td>
<td>E1806, E1813</td>
</tr>
<tr>
<td></td>
<td>Lipinski, William O., Ill.</td>
<td>E1811, E1817</td>
</tr>
<tr>
<td></td>
<td>Lowey, Nita M., N.Y.</td>
<td>E1817</td>
</tr>
<tr>
<td></td>
<td>McIntyre, Mike, N.C.</td>
<td>E1819</td>
</tr>
<tr>
<td></td>
<td>Maloney, Carolyn B., N.Y.</td>
<td>E1816</td>
</tr>
<tr>
<td></td>
<td>Miller, George, Calif.</td>
<td>E1807</td>
</tr>
<tr>
<td></td>
<td>Moran, Jery, Kans.</td>
<td>E1807</td>
</tr>
<tr>
<td></td>
<td>Nader, J errold, N.Y.</td>
<td>E1817</td>
</tr>
<tr>
<td></td>
<td>Pappas, Michael, N.J.</td>
<td>E1809</td>
</tr>
<tr>
<td></td>
<td>Payne, Donald M., N.J.</td>
<td>E1808, E1815</td>
</tr>
<tr>
<td></td>
<td>Pelosi, Nancy, Calif.</td>
<td>E1809</td>
</tr>
<tr>
<td></td>
<td>Pickering, Charles W., “Chip”, Miss.</td>
<td>E1812</td>
</tr>
<tr>
<td></td>
<td>Portman, Rob, Ohio</td>
<td>E1812</td>
</tr>
<tr>
<td></td>
<td>Price, David E., N.C.</td>
<td>E1815</td>
</tr>
<tr>
<td></td>
<td>Rodriguez, Ciro D., Tex.</td>
<td>E1807</td>
</tr>
<tr>
<td></td>
<td>Sanchez, Loretta, Calif.</td>
<td>E1808</td>
</tr>
<tr>
<td></td>
<td>Scarborough, J. oe, Fla.</td>
<td>E1811</td>
</tr>
<tr>
<td></td>
<td>Schaffer, Bob, Colo.</td>
<td>E1819</td>
</tr>
<tr>
<td></td>
<td>Sessions, Pete, Tex.</td>
<td>E1814</td>
</tr>
<tr>
<td></td>
<td>Smith, Christopher H., N.J.</td>
<td>E1818</td>
</tr>
<tr>
<td></td>
<td>Smith, Nick, Mich.</td>
<td>E1809</td>
</tr>
<tr>
<td></td>
<td>Stokes, Louis, Ohio</td>
<td>E1815</td>
</tr>
<tr>
<td></td>
<td>Vento, Bruce F., Minn.</td>
<td>E1818</td>
</tr>
<tr>
<td></td>
<td>Visclosky, Peter J., Ind.</td>
<td>E1813, E1814, E1816</td>
</tr>
</tbody>
</table>

---

Congressional Record

The public proceedings of each House of Congress, as reported by the Official Reporters thereof, are printed pursuant to directions of the Joint Committee on Printing as authorized by appropriate provisions of Title 44, United States Code, and published for each day that one or both Houses are in session, excepting very infrequent instances when two or more unusually small consecutive issues are printed at one time. ※Public access to the Congressional Record is available online through GPO Access, a service of the Government Printing Office, free of charge to the user. The online database is updated each day the Congressional Record is published. The database includes both text and graphics from the beginning of the 103rd Congress, 2d session (January 1994) forward. ※Following each session of Congress, the daily Congressional Record is revised, printed, permanently bound and sold by the Superintendent of Documents in individual parts or by sets. ※With the exception of copyrighted articles, there are no restrictions on the republication of material from the Congressional Record.