INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. FAIRCLOTH:

S. 1853. A bill to amend title 18, United States Code, to clarify the Federal jurisdiction over offenses relating to damage to religious property; to the Committee on the Judiciary.

By Mr. ASHCROFT (for Mr. Dole (for himself, Mr. HATCH, Mr. LOTT, Mr. GRASSLEY, and Mr. INHOFE)):

S. 1854. A bill to amend Federal criminal law with respect to the prosecution of violent and repeat juvenile offenders and controlled substances, and for other purposes; to the Committee on the Judiciary.

The violent and repeat juvenile offender reform act of 1996

Mr. ASHCROFT. Mr. President, it seems like the latest incomprehensible tragedy is only the next newspaper away. Today we have an epidemic of juvenile crime. It means that frequently juveniles are unable to control their desires as they seek to enhance their capacity to be of service to themselves, their family, and fellow man as they are in school. They are diverted and distracted because they have concerns about their own safety. They fear they might be robbed or raped. It is not a question of someone throwing spit balls. As a matter of fact, an 8-year-old girl from St. Louis wrote me that crime is real. It has to do with weapons. It has to do with people losing their lives. Young children are afraid. Citizens are afraid to leave their homes because they fear the senseless, mindless attack of predatory youngsters who have become a major threat to the personal security and integrity of individuals in our culture.

We rejoice in the fact there has been some drop in overall crime rates. Frankly, crime rates had nowhere else to go, in general, but down. But they are coming down, and I am pleased by it. But I think it is important we not be deluded, we not be fooled. The fact that, overall, crime rates are coming down should not mask something which should alert us and should literally prompt us to significant response. And that is this. While overall crime rates are going down, juvenile crime rates have been skyrocketing. So those components of the crime rate which would signal what we can expect in the future are telling us to beware, to be alert, to brace ourselves, because between 1968 and 1992, juvenile arrests for violent crime increased by 47 percent while adult violent crime arrests increased only by 19 percent. So we had a 2.5-to-1 higher increase, higher explosion in growth in juvenile crime.

Juvenile murder increased by 26 percent, forcible rapes by 41 percent, juvenile robberies by 39 percent, aggravated assaults by 27 percent—an exploding,
growing, expanding threat to the safety and security and integrity of the population. Frequently, because we are talking about juveniles, we are finding these individuals are being sent back into classrooms. Teachers do not know what these individuals have done because the records are frequently sealed. Other students are not aware of the specific conduct, though they frequently know someone has been in trouble. So you get a tremendous wave of insecurity in the classroom.

I think most of us understand, when we work on legislation here, we need a secure environment. We invest substantially in a secure environment here. Yet, when we are preparing the next generation to literally lead America, we have students in our public schools, and teachers, who are having constantly to look over their shoulders, unaware, not knowing, not confident, distressed, discomfited by the fact that they have frequently sent these kids right back into our schools. And our schools are unaware.

I talked to a teacher who indicated she knew there were several people in her classroom who were being housed in a juvenile detention facility, sent into the school, some of them even having these electronic shackles, the bracelets they have to wear around their ankle that allows the law enforcement community to monitor their location. But these students would refuse to tell the teacher the kinds of crimes or offenses which they have been convicted of, so a teacher in the classroom looks at the student and the student says: You know I have been convicted of a crime but I am not going to tell you whether I raped someone or murdered someone or assaulted someone. You just cannot know that.

I submit to you that is not a healthy environment. It is not just the school environment for which we must be concerned. It is the environment in which we maintain our homes. It is the streets of America, which we must literally reclaim.

I believe the Dole-Hatch bill, which I have just sent to the desk, is a much needed effort to curtail these astronomical growth numbers and to fulfill the first duty of government. We have gotten awfully expansive of government. It is not just the school environment for which we must be concerned. It is the environment in which we maintain our homes. It is the streets of America, which we must literally reclaim.

I have held hearings around my State. I have talked to juvenile officials, those who deal with the juveniles. We have talked to sheriffs. We have talked to prosecutors. We have heard them tell us how juvenile individuals who are involved in criminal acts are simply playing the system. They sometimes look forward to the conviction bill which allows them to hide behind their status as juveniles, that they do not have to be really answerable for their activities.

The administration has not been active in prosecuting those who have offended the Federal laws. There have only been 233 convictions in the Clinton administration of juveniles as adults. I think for the major categories of criminal activity when juveniles are committed, programs such as those committed by adults, would be felonies, we need a serious approach.

One of the things that stunned me about the testimony of Prof. John DiFulio from Princeton, one of the leading criminologists in America, is his report that when he interviews inmates of major prisons, their main worry is about the young prisoners who are going to be sent in. They are so hardened as criminals and have been allowed to be so indiscriminate in their criminal acts that we have to get these people thrown into jail that the old-time criminals are scared stiff. They are afraid of what is happening.

Those on the inside, the old-time, long-time criminal element in our Nation's prison systems, are fearful because they see what we have done by turning our heads to activity, so long as it is conducted by a juvenile, and allowing individuals to harden their approach to the safety and integrity of other individuals, and they are afraid. America needs to respond, and it needs to respond dramatically.

The Dole-Hatch bill, also cosponsored by Senator Lott and myself and, I am pleased to say, Senator Grassley, is to be added as an original cosponsor of the bill, is a measure which would begin to focus the energy and resources of the Federal Government on this part of crime, which is exploding, this part of crime which is growing at an incredible rate: juvenile crime; violent repeat juvenile criminal behavior.

The estimated total amount of Federal appropriations used for at-risk and delinquent youth was more than $4 billion last year. By contrast, the amount sent to the States, a very few million were to be used for investigation, prosecution, and detention. It is time we looked carefully at how we can assist States and how we can carry our share of the Federal responsibility. As it relates to actually prosecuting those individuals who are guilty of committing acts which, if committed as adults, would be clearly and simply felonies.

This threatens the lives of people, they undermine the security of their property, they destabilize and disrupt our educational process. It is something which we cannot tolerate, it is something with which we cannot be complacent, it is something with which we must be forthright. We can do much more, and the Dole-Hatch bill is an enormous step in the right direction.

Let me briefly give you some of the things that are important about the Dole-Hatch bill. I believe make it a very promising way to address this most serious problem.

One of the difficulties in the area of juvenile laws is the fact that juvenile records frequently have been sealed. Proceedings of juveniles are closed proceedings. Records are not available. Teachers who have to deal with these individuals in schools do not know what they have on their hands.

I talked to the sheriff—and I am sure many other sheriffs—I have talked to the sheriff in Moniteau County, MO. The biggest town in Moniteau County is California, MO. People say they are going to California in central Missouri. People do not think you are going to the west coast, they think you are going to California, MO. It is not a big town.

I asked what his No. 1 crime problem was, and he said it was juveniles coming in from out of State trying to set up drug operation in Moniteau County and he could not call the States from which these juveniles came and get their records, because there was a
big blanket of security, security for the criminal but not for the society, a blanket of nondisclosure over juvenile records. I think it is high time that when people commit felonious acts, when they are criminals, that we have an understanding of what they have done in the past and that they are no longer to another jurisdiction, we have to be able to find out what their history is.

I talked to a judge not too long ago. He said he was sentencing an 18-year-old for murder and robbery. He had discovered that the individual was originally from the west coast and had a juvenile record that included other murders. He did not think it is fair to expect a judicial system to operate in relation to repeat offenders, repeat violent predators and to allow those repeat violent predators to have the presumption that they are first offenders when they have a rap sheet as long as from here to Chicago.

The problem is that those people do criminal acts, those acts ought to be made available to law enforcement officials, judges, schoolteachers and school officials, not only because we will know how to take steps to protect the other students in the school environment—that would be enough of a reason—but we can do our best to change the way people operate, we can do our best to help them redirect their lives if they are not allowed to hide under a shield of juvenile law that keep their records from being known.

A significant part of the Dole-Hatch proposal is that such records can be maintained and developed at Federal expense if such records are made available to law enforcement and school authorities, including those outside the State. The juvenile community in America is very mobile. The Bloods and the Crips are no longer focused on the seaboard of this country. I am sure we can find them in Kansas City and in Oklahoma City, in the cities of Missouri and across the United States of America.

It is fundamentally important that we not provide this blanket of security for criminal activity; that we expose to the light of day the acts of individuals whose conduct threatens the very security and integrity and dignity of the American public and also threatens substantially our ability to operate our public schools. I, for one, am afraid to see us fail to protect our public education system.

Second, this measure provides States will get 50 percent more in funding if they prosecute as adults juveniles 14 or older who have committed murder, rape, armed robbery, aggravated assault, and distribution of controlled substances. The funding will be substantially greater to States who decide to get serious.

I do not think it is unfair at all for the Federal Government to say on we are not interested in providing resources just for social programs. If we are really worried about the threat to the integrity, to the security, to the safety of our citizenry, then for States who are really serious about protecting them, we will provide more funding. States who are serious enough to provide real prosecutions will get additional funding.

This bill establishes an Office of Juvenile Accountability to assist the States in the prosecution of offenders and in combating youth violence. To get funding, States would have to make reasonable assurances by 2002 that juvenile proceedings will be open to the public, that juvenile records will be made available to schools and law enforcement agencies, and that fingerprint records will be kept for all juvenile offenders.

The idea that we have repeat, serious predatory criminals who are not fingerprinted because they are juveniles and we do not have the capacity to follow their activities and to monitor what they are doing is an idea whose time has come. We do not have the time for us to understand that it is not spittingballs in the hall and it is not just truancy. We have major criminal activity, and we should respond to it as such.

Reform of the Federal juvenile justice system is indicated here. It would hold juveniles 13 or older accountable as adults for the commission of violent crimes, such as murder and robbery, drug trafficking, or if they have been adjudicated delinquent on three previous offenses which, if the activity had been committed by an adult, would have been felonies.

What we are really talking about here is focusing our attention on those juveniles who have been extremely disruptive and violent and who have decided that they can game or take advantage of the system, and, when they take advantage of the system, to hide under it as juveniles. We have to say there is no hiding place down here. We simply have to say, "If you're going to make a conscious decision to be involved in criminal activity, then you'll be treated as a criminal, not as a juvenile."

Note what we do not do here. We do not say that everyone's first encounter with the law, if it is for some kind of activity which is not serious, automatically puts them into the adult criminal system. Ninety percent of all the juveniles that encounter our system encounter once. They have learned their lesson.

This system does not do anything to deal with those individuals unless they have committed murder, rape, armed robbery, armed assault, or major drug trafficking crimes. And you are pretty sure that is not a first encounter of someone with the system. So for the individuals in our juvenile justice system for whom the system has worked, this system does not affect them. But it begins to say, for those in the 10 percent who are involved in the serious, repeat, predatory, violent crimes of rape, armed robbery, armed assault, murder, major drug trafficking, those individuals are to be treated as criminals because they are involved in criminal activity.

It is my judgment that it is beyond time for us to recognize that the times have changed, that criminal activity and juvenile delinquency is not what it once was. It is a new category of offense. It demands a new category of response.

The same responses that have worked in the past will not work in the future, not unless we are willing to accept the tidal wave, this explosion of countercultural crime. It is against the culture which says crime is going down overall. It is countercultural because it is going up dramatically.

We owe it to every man, woman, and child in America to do what we can to protect their integrity for their personal safety, the safety and security of their property as well as their persons. We owe it to every schoolteacher. We owe it to every schoolchild. We owe it to individuals who are trying to prepare themselves for a future in these United States of America so they can build these United States of America rather than tear down these United States of America. We owe them schools that are safe enough in which to learn.

The Dole-Hatch bill, which addresses the core problem of violent, hard-core, repeat juvenile offenders, will do exactly that. It focuses the resources on investigation and prosecution. It does not focus on the resources which have had $4 billion spent previously, coinciding with the explosion of juvenile crime in the culture. It does not deny that effort that is being made to try to provide the right reinforcements and support for individuals who want to stay straight, but it says that effort can no longer characterize solely what we are doing.

We must be willing to get involved in investigation, prosecution, detention. We must be willing to provide for individuals involved in predatory crimes which deprive us of our security, of our integrity and our safety. And we must treat those who choose to be criminals as criminals in order to address this serious problem.

So I am pleased to have this opportunity to submit the Dole-Hatch measure addressing this serious problem of violent, repeat, hard-core juvenile offenders and to commend the majority leader and the chairman of the Judiciary Committee for this farsighted measure, which will take serious steps to curtail this threat to the liberty which all Americans have a right to enjoy.

Mr. GRAMM (for himself and Mr. D'AMATO):
S. 1855. A bill to reduce registration fees required to be paid by issuers of securities, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.


Mr. GRAMM. Mr. President, today, I am joined by Banking Committee
Chairman D’AMATO in introducing the Securities and Exchange Commission Fee Reduction Act of 1996. This legislation is similar to a bill that was approved overwhelmingly by the House of Representatives earlier this year, and it should enjoy similar support in the Senate.

Today, so-called user fees collected by the Securities and Exchange Commission (SEC) will pay for the entire SEC budget nearly three times over. These fees have become transformed into a tax on investment and capital formation. The legislation that we are introducing today will reduce these excess fees in stages over a period of 5 years until the amounts collected are approximately in line with the budget of the SEC.

Mr. President, permit me to review the history of these fees, so that this bill, and its importance, can be placed in context. For many years a variety of user fees have been assessed to support the budget of the SEC. The cost of these fees is recognized as a tax by the House Ways and Means Committee. This fact resulted in a near shutdown of the SEC 2 years ago in a dispute between the Appropriations and Ways and Means Committees over tax legislation. To prevent a recurrence of that problem, a compromise was reached whereby the Ways and Means Committee will withhold its objections to such fees being raised in appropriations bills, but only while the excess fees are on track to their elimination. This bill implements that compromise, which also has the full support of the authorizing committee in the House and the SEC.

This legislation is revenue neutral, since the excess SEC fees have not been used for deficit reduction but rather as offsetting collections in appropriations bills. The fees collected for deficit reduction purposes remain unchanged.

Mr. President, this position finds a strong consensus in this Congress. The legislation adopted by the House of Representatives had the support of Republicans and Democrats and was carefully crafted in consultation with the other legislative branches. The Ways and Means and Appropriations Committees of the other body believe that the companion bill will eliminate any fiscal year except to the extent provided in advance in appropriations Acts. Fees collected during any fiscal year pursuant to this paragraph shall be deposited and credited as offsetting collections in accordance with appropriations Acts.

"(A) IN GENERAL.—Except as provided in subparagraph (B), each fee shall be deposited and included as general revenues of the Treasury.

"(b) REDUCING REGISTRATION FEES.

"(1) REPORTED SECURITIES.

"(D) RATES.

"(i) DURING FISCAL YEAR 2002 AND EACH SUCCESSING FISCAL YEAR.

"(ii) DURING FISCAL YEAR 2003 AND EACH SUCCESSING FISCAL YEAR.

"(iii) DURING FISCAL YEAR 2004 AND EACH SUCCESSING FISCAL YEAR.

"(iv) DURING FISCAL YEAR 2005 AND EACH SUCCESSING FISCAL YEAR.

"(v) DURING FISCAL YEAR 2006 AND EACH SUCCESSING FISCAL YEAR.

"(b) REDUCING REGISTRATION FEES.

"(1) REPORTED SECURITIES.

"(A) DURING FISCAL YEAR 1997.

"(B) DURING FISCAL YEAR 1998.

"(C) DURING FISCAL YEAR 1999.

"(D) DURING FISCAL YEAR 2000.

"(E) DURING FISCAL YEAR 2001 AND EACH SUCCESSING FISCAL YEAR.

"(A) IN GENERAL.—Except as provided in subparagraph (B), for each $1,000,000 of the maximum aggregate price at which the subject securities are proposed to be offered, the fees collected during any fiscal year pursuant to this paragraph shall be deposited and credited as general revenues of the Treasury.

"(B) LIMITATION; DEPOSIT.—Except as provided in subparagraph (C), no amounts shall be collected pursuant to this paragraph for any fiscal year except to the extent provided in advance in appropriations Acts. Fees collected during any fiscal year pursuant to this paragraph shall be deposited and credited as offsetting collections in accordance with appropriations Acts.

"(C) Lapse of Appropriations.—If, on the first day of a fiscal year, regular appropriations to the Commission have not been enacted, the Commission shall cease to collect fees (as offsetting collections) under this subsection during that fiscal year until such a regular appropriation is enacted.

"SEC. 3. TRANSACTION FEES.

"(a) AMENDMENT.—Section 31 of the Securities Exchange Act of 1934 (15 U.S.C. 78ee) is amended to read as follows:

"(b) EXCHANGE-TRADED SECURITIES.

"(1) RATE.—Each national securities exchange shall pay to the Commission a fee at a rate equal to

"(2) REVENUES OF TREASURY.

"(b) OFF-EXCHANGE-TRADES OF EXCHANGE-REGISTERED SECURITIES.

"(b) OFF-EXCHANGE-TRADES OF LAST-SALE-REPORTED SECURITIES.

"(b) OFF-EXCHANGE-TRADES OF LAST-SALE-REPORTED SECURITIES.
"(1) COVERED TRANSACTIONS.—Each national securities association shall pay to the Commission a fee at a rate equal to the dollar amount determined under paragraph (2) for each transaction on the aggregate dollar amount of sales transacted during the period to which the fee relates under subsection (d) by or through any member of such association engaging in a covered transaction on a national securities exchange of securities (other than bonds, debentures, and other evidences of indebtedness) subject to prompt last sale reporting pursuant to the rules of the Commission or a registered national securities association, excluding any sales for which a fee is paid under subsection (b).

"(2) FEE RATES.—Except as provided in paragraph (4), the dollar amount determined under this paragraph is:

(A) $12 for fiscal year 1997;

(B) $14 for fiscal year 1998;

(C) $17 for fiscal year 1999;

(D) $18 for fiscal year 2000;

(E) $20 for fiscal year 2001; and

(F) $25 for fiscal year 2002 or for any succeeding fiscal year.

"(3) LIMITATION; DEPOSIT OF FEES.—Except as provided in paragraph (4), no amounts collected pursuant to this subsection for any fiscal year beginning before October 1, 2001, except to the extent provided in advance in appropriation Acts, shall be deposited and credited as offsetting collections to the account provided for in section 31 of the Securities Exchange Act of 1934, as amended by subsection (a) of this section. The amount of fees collected pursuant to the rules of the Commission or a registered national securities association, excluding any sales for which a fee is paid under subsection (b), shall be offsetting collections to the account provided for in section 31 of the Securities Exchange Act of 1934, as amended by subsection (a) of this section. Such offsetting collections shall be deposited and credited as general revenues of the Treasury:

(A) $20,000,000 for fiscal year 1997;

(B) $26,000,000 for fiscal year 1998;

(C) $32,000,000 for fiscal year 1999;

(D) $32,000,000 for fiscal year 2000;

(E) $32,000,000 for fiscal year 2001; and

(F) $40,000,000 for fiscal year 2002 and any succeeding fiscal year.

"(4) Lapse of Appropriations.—If, on the first day of a fiscal year, a regular appropriation to the Commission has not been enacted, the Commission shall continue to collect fees (as offsetting collections) under this subsection at the rate in effect during the preceding fiscal year until such a regular appropriation is enacted.

"(5) DATES FOR PAYMENT OF FEES.—The fees required by subsections (a), (b), and (c) shall be paid:

(1) on or before March 15, with respect to transactions and sales occurring during the period beginning on the preceding September 1 and ending at the close of the preceding December 31; and

(2) on or before September 30, with respect to transactions and sales occurring during the period beginning on the preceding January 1 and ending at the close of the preceding August 31.

"(6) COMMISSION AUTHORITY.—The Commission may, by rule, exempt any sale of securities or any class of sales of securities from any fee imposed by this section, if the Commission finds that such exemption is consistent with the public interest, the equal regulation of markets and brokers and dealers, and the development of a national market system.

"(7) LOW-VOLUME TRANSACTIONS.—No fee shall be assessed under this section for transactions in which the number of equity securities taking place at times of day characterized by low volume and during nondriving trading hours, as determined by the Commission.

"(f) PUBLICATION.—The Commission shall publish in the Federal Register notices of the fee rates applicable under this section for each fiscal year.".

(b) EFFECTIVE DATE; TRANSITION.

(1) EFFECTIVE DATE.—Except as provided in paragraph (c), the Commission shall apply subsection (a) of this section (as so amended) in each fiscal year beginning before October 1, 1998.

(2) TRANSITION.—The Commission may, by rule, exempt any sale of securities subject to prompt last sale reporting pursuant to the rules of the Commission or a registered national securities association, excluding any sales for which a fee is paid under subsection (b), from the requirements of subsection (a) of this section (as so amended) until the date that is 5 years after the date of the enactment of this Act.

"SEC. 4. TIME FOR PAYMENT.

Section 4(e) of the Securities Exchange Act of 1934 (15 U.S.C. 78d(e)) is amended by inserting before the period the following: "and, and the Commission may also specify the time at which such fee shall be deposited and credited as general revenues of the Treasury:

(A) $20,000,000 for fiscal year 1997;

(B) $26,000,000 for fiscal year 1998;

(C) $32,000,000 for fiscal year 1999.

"SEC. 5. ELIMINATION OF UNNECESSARY FEES.

The fees authorized by the amendments made by this Act are in lieu of, and not in addition to, any fees that the Securities and Exchange Commission is authorized to impose or collect pursuant to section 79A of title 31, United States Code.

Mr. D’AMATO. Mr. President, I am pleased to join my distinguished colleagues and Securities Subcommittee Chairman, Senator GRAMM, in sponsoring legislation to fully and fairly fund the Securities and Exchange Commission. The Securities and Exchange Commission Fee Reduction Act of 1996 provides a long-term solution to the SEC’s current funding problems.

The Securities and Exchange Commission is funded through offsetting collections. Its section 6(b) fees. Section 6(b) fees are paid by issuers who register their securities with the Securities and Exchange Commission. In the last several years, the section 6(b) fees assessed on issuers has resulted in fees collected by the agency that far exceeds the cost of regulation. Any fees raised over and above the Securities and Exchange Commission’s budget are deposited into the General Treasury for deficit reduction. Last year the SEC raised approximately $750 million in fees to pay for a budget of less than $300 million.

The section 6(b) fees have become a tax on capital formation. These user fees now raise enough money to fund the SEC’s entire budget. The proposed 1997 budget continues this trend by raising the statutory fee level and expanding the fee base. The 1997 budget proposal raises $776 million in fees to fund the SEC’s $307 million budget.

The SEC’s and Exchange Commission Fee Reduction Act will stabilize the SEC’s fee structure by reducing fees and increasing appropriations over a 5-year period. It will return the.