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House of Representatives

The House met at 9 a.m. and was called to order by the Speaker pro tempore [Mr. JONES].

DESIGNATION OF SPEAKER PRO TEMPORE

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

WASHINGTON, DC,
July 30, 1996.

I hereby designate the Honorable WALTER B. JONES, Jr., to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

MORNING BUSINESS

The SPEAKER pro tempore. Pursuant to the order of the House of May 12, 1995, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning hour debates. The Chair will alternate recognition between the parties, with each party limited to 25 minutes, and each Member except the majority and minority leader limited to 5 minutes, but in no event shall debate continue beyond 9:50 a.m.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the House stands in recess until 10 a.m.

Accordingly (at 9 o'clock and 1 minute a.m.), the House stood in recess until 10 a.m.

☐ 1000

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore [Mr. JONES] at 10 a.m.

PRAYER

The Reverend Sylvester Shannon, Siloam Presbyterian Church, Brooklyn, NY, offered the following prayer:

I met God in the morning when my day was at its best
All day long God's presence lingered bringing glory to my breast
If you meet God in the morning God will go with you through the day
And his presence, just like sunshine, will shed light upon your way,

Let us pray:

Lord of our inner life, where choices are made, help us to guard the citadel which Thou has put in our souls. Keep us from making foolish choices which lead us to less than our best. Remind us that we are leaders in a Nation which counts on us for right thinking and right actions.

O gracious Redeemer, mighty and holy God, guide us, teach us, lead us, we pray. Amen.

THE JOURNAL

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

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

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Ohio [Mr. TRAFICANT] come forward and lead the House in the Pledge of Allegiance.

Mr. TRAFICANT led the Pledge of Allegiance as follows:

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

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will entertain ten 1-minutes from each side.

WELCOME TO THE REVEREND SYLVESTER SHANNON

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

Mr. TOWNS. Mr. Speaker, I rise today to recognize the esteemed Reverend Doctor Sylvester Lorenzo Shannon, our guest Chaplain, the pastor of the Siloam Presbyterian Church, Brooklyn, NY. He is a graduate of the Florida A&M University, where he received both a B.A. and a B.S. degree.

Reverend Shannon earned a master's degree in divinity from Duke University, a master's degree in counseling psychology from the University of Colorado, a doctor of philosophy degree in human relations and speech communications from the University of Kansas.

Dr. Shannon is married to Doris Brooks Shannon, and has three grown children and three grandchildren. His friends refer to him as a man of action. They say that he is a tremendous coalition builder. But it should be noted for my colleagues here in the House of Representatives that Dr. Shannon made a decision a long time ago not to give the Devil a ride. He knew if he gave the Devil a ride, the Devil would want to drive.

Mr. Speaker, we are delighted today to have as our guest minister Dr. Sylvester Lorenzo Shannon, pastor of the Siloam Presbyterian Church, Brooklyn, NY. Welcome.

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THE WORKING FAMILIES FLEXIBILITY ACT

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

Mr. BALLENGER. Mr. Speaker, as the percentage of employees who must balance work and family or personal interests grows rapidly, employers face obstacles in Federal law which prohibit them from providing flexible scheduling arrangements to their employees. The Working Families Flexibility Act gives employers the ability to offer their employees the option of receiving paid compensatory time off in lieu of overtime wages.

Since 1985, the public sector has had the ability under the Fair Labor Standards Act to use so-called comp time in lieu of overtime pay. H.R. 2391 extends this option to the private sector, with some adjustments, taking into account the inherent differences between the public and private sectors.

Comp time could only be provided at the request of an employee. An employee could, under an agreement with the employer, voluntarily choose to have time-and-one-half comp time over cash wages. If that same employee later decides that cash wages would be preferable to time off, then the employee could simply request to be compensated in wages. Nothing in the bill precludes employees from changing their minds. An employee could also request, at any time, to be paid cash wages for any accrued comp time.

It is time that the private sector is given the same flexibility which the public sector had had for some time. Support the Working Families Flexibility Act—to provide employees with options and greater control in balancing work and family responsibilities.

GIVE FLORIDA TOMATO FARMERS SOME JUSTICE

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

Mr. TRAFICANT. Mr. Speaker, Florida tomato farmers used to supply 50 percent of all our tomatoes. They lost $1 billion last year. The reason: Mexico is literally throwing tomatoes at Uncle Sam. Mexican tomatoes are so low they could roll under a closed door with a top hat on.

Check this out. A 25-pound box of Mexican tomatoes sells for $2, while it costs Florida tomato farmers $6 just to grow them. If that is not enough to stew your homegrown, check this out. The International Trade Commission ruled that Mexico's illegal dumping of tomatoes is not injuring Florida tomato farmers. Unbelievable. Who is on this Commission, the Three Amigos?

Let us tell it like it is. After NAFTA, GATT, and WTO, we have gone from a Nation that cannot spell potato to a Nation that cannot sell tomatoes. Beam me up, Mr. Speaker, and give these Florida tomato farmers some justice.

URGING THE PRESIDENT TO SIGN THE WELFARE REFORM BILL

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

Mr. HOKE. Mr. Speaker, in his 1935 State of the Union Address, Franklin Roosevelt called welfare a narcotic, a subtle destroyer of the human spirit. John Kennedy in 1962 said, ''No lasting solution to the problem of poverty can be bought with a welfare check.''

In 1965, Washington launched a war on poverty with the very best of intentions, but some three decades and $5.5 trillion later we have a welfare system that has arguably done more harm than it has done good, because a basic law of nature has been ignored. When a person is given handout after handout without asking anything in return, he or she is condemned to a dependency and the loss of dignity and self-worth.

So Congress passed a plan to reform welfare that is based on the simple premise that welfare recipients should work for their benefits, just like you work to support your family and pay your taxes. Our reforms make sense. Welfare should not be a way of life. Work should replace welfare for the able-bodied. States should have the power and flexibility to implement their own reforms. Noncitizens and felons should not receive welfare benefits.

Mr. President, we ask that you sign the bill.

SPEAKER GINGRICH SHOULD BRING TO THE FLOOR BILLS RELATING TO DIABETES

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

Ms. FURSE. Mr. Speaker, last week there was a historic meeting here in Washington. All the organizations who are working to end diabetes came to Washington for a call for action. The reason for this event was to celebrate that there are now 234 cosponsors of H.R. 1073 and 1074, but they also came here to call on the Speaker to bring those bills to the floor so we can vote on them.

These bills are bipartisan. They were introduced by myself and the gentleman from Washington [Mr. NETHERCUTT]. As parents of children with diabetes, we know that if we can improve coverage for diabetes education and supplies, people can better manage this disease, which affects over 16 million Americans. We know that that will be a saving in the long run.

As a result of this knowledge, we formed the Diabetes Caucus last year and we have introduced these bills. However, it is the Speaker who is able to bring bills to the floor. So today we ask the gentleman from Georgia [Mr. GINGRICH] to bring these bills. He has previously stated his support for this issue. Bring them to the floor for a vote. Let us make a difference now for those 16 million Americans.

DEMOCRATS ARE DETERMINED TO PROTECT MEDICARE

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

Mr. PALLONE. Mr. Speaker, today is the 31st anniversary of President Johnson's signature of the Medicare bill. I want to affirm that Democrats remain committed to improving Medicare in a commonsense fashion. It took Democrats 13 years to overcome Republicans' opposition to Medicare and enact the program.

In 1965, Mr. Speaker, 93 percent of the House Republicans, including then-Representative Bob Dole, voted for a substitute that would have killed Medicare as we know it. Unfortunately, the Republican leadership in this House of Representatives is continuing that effort essentially to change Medicare in a fashion so it will not be the Medicare that we know.

Unlike our Republican counterparts, we as Democrats are not sorry that hundreds of thousands of seniors rely on Medicare. Instead, we are pleased that it has doubled the number of seniors who now receive health care. Medicare is a proven success worth protecting. Democrats are determined to do that.

MEDICARE

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

Ms. DELAURO. Mr. Speaker, today is the 31st anniversary of Medicare. Let's stop to think about what a difference Medicare has made in the lives of our seniors. Before Medicare, only 46 percent of American seniors had health insurance. Today 99 percent are covered. In 1966, the poverty rate for seniors was almost 30 percent. Today, fewer than 10 percent of our Nation's elderly live in poverty.

Can this possibly be the same Medicare Program that Bob Dole bragged about ''fighting the fight * * * voting against Medicare in 1965 * * * because we knew it wouldn't work?'' And the same program that Speaker GINGRICH expects to ''wither on the vine?'' And is it the same Medicare that the chair of the Health Subcommittee, BILL THOMAS called ''the old-fashioned, socialist 1960's top-heavy bureaucratic system.''

Medicare works. The seniors in my district know it and seniors across the country know it. And these same seniors are deeply set against cutting Medicare to pay for tax breaks for the wealthy. We made a pledge to seniors

31 years ago—Medicare must be protected and continue to provide quality health care that seniors can rely on.

PERMISSION FOR SUNDRY COMMITTEES AND THEIR SUBCOMMITTEES TO SIT TODAY DURING 5-MINUTE RULE

Mr. SCHAEFER. Mr. Speaker, I ask unanimous consent that the following committees and their subcommittees be permitted to sit today while the House is meeting in the Committee of the Whole House under the 5-minute rule: the Committee on Banking and Financial Services; the Committee on Economic and Educational Opportunities; the Committee on Government Reform and Oversight; the Committee on International Relations; the Committee on the Judiciary; the Committee on National Security; the Committee on Resources; the Committee on Science; and the Committee on Transportation and Infrastructure.

It is my understanding that the minority has been consulted and that there is no objection to these requests.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 3603, AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1997

Mr. SKEEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 3603) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1997, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico? The Chair hears none and without objection, appoints the following conferees: Messrs. SKEEN, MYERS of Indiana, WALSH, DICKEY, KINGSTON, RIGGS, NETHERCUTT, LIVINGSTON, DURBIN, Ms. KAPTUR, and Messrs. THORNTON, FAZIO of California, and OBEY.

There was no objection.

□ 1015

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. JONES). Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered or on which the vote is objected to under clause 4 of rule XV. Such rollcall votes, if postponed, will be taken after debate has concluded on all motions to suspend the rules, but not before 2 p.m. today.

ENERGY POLICY AND CONSERVATION ACT AMENDMENTS

Mr. SCHAEFER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3868) to extend certain programs under the Energy Policy and Conservation Act through September 30, 1996.

The Clerk read as follows:

H.R. 3868

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

SECTION 1. ENERGY POLICY AND CONSERVATION ACT AMENDMENTS.

The Energy Policy and Conservation Act is amended—

(1) by amending section 166 (42 U.S.C. 6246) to read as follows:

''AUTHORIZATION OF APPROPRIATIONS

''SEC. 166. There are authorized to be appropriated for fiscal year 1996 such sums as may be necessary to implement this part.'';

(2) in section 181 (42 U.S.C. 6251) by striking ''June 30, 1996'' both places it appears and inserting in lieu thereof ''September 30, 1996'';

(3) by adding at the end of section 256(h) (42 U.S.C. 6276(h)) ''There are authorized to be appropriated for fiscal year 1996 such sums as may be necessary to carry out this part.''; and

(4) in section 281 (42 U.S.C. 6258) by striking ''June 30, 1996'' both places it appears and inserting in lieu thereof ''September 30, 1996''.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Colorado [Mr. SCHAEFER] and the gentleman from New Jersey [Mr. PALLONE] each will control 20 minutes.

The Chair recognizes the gentleman from Colorado [Mr. SCHAEFER].

GENERAL LEAVE

Mr. SCHAEFER. 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. 3868.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

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

(Mr. SCHAEFER asked and was given permission to revise and extend his remarks.)

Mr. SCHAEFER. Mr. Speaker, this bill reauthorizes certain provisions contained in the Energy Policy and Conservation Act. Specifically, this bill assures that if there is an energy emergency during the August recess, the President's authority to drawdown the Strategic Petroleum Reserve and the ability of U.S. oil companies to participate in the International Energy Agreement without violating antitrust laws is preserved.

It is important that the United States maintain a strong Strategic Petroleum Reserve to protect American citizens from shutoffs in imported oil. Similarly, the President's authority to order a drawdown of that stored oil in an emergency must also be maintained. This bill assures the President's drawdown authority is kept intact until the end of the fiscal year.

This bill does not address the issue of maintaining adequate levels of oil in the Reserve. Over the past 18 months, I have been greatly troubled by the trend of selling oil from the Strategic Petroleum Reserve to meet budgetary goals.

The Reserve is our first line of defense in an energy emergency. This energy security insurance policy for which we have paid over $200 billion should not be squandered carelessly to meet short-term budgetary objectives.

I have directed staff to work on a long-term EPCA extension which would make it more difficult for the Reserve to be raided by people willing to sacrifice long-term energy security for short-term budget goals. In the meantime, this short-term extension of certain EPCA authorities protects Americans in the event of an energy emergency and gives us time to pass a long-term extension before the 104th Congress adjourns.

I believe these provisions of EPCA are too important for us to leave for August recess without reauthorizing them. While an energy emergency which would require the Reserve to be drawn down during August is unlikely, it is not impossible. Consider the implications of the recent terrorist attack in Saudi Arabia on our energy security. I believe this Nation must have the ability to use all its tools to deal with an energy emergency so I urge my colleagues to support this bill.

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

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

Mr. Speaker, I am pleased to support this temporary reauthorization of the most important provisions of Energy Policy and Conservation Act, through September 30 of this year. While I would prefer a simple extension of EPCA—one that covered its State Energy Conservation programs and other authorities—I support this legislation because it ensures the United States and industry are able to fulfill their major emergency-related responsibilities. These include planning for international oil crises and management of the Strategic Petroleum Reserve.

I thank Chairman SCHAEFER for bringing this extension to the House floor, and I look forward to working with him in September to resolve the remaining issues.

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

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

Mr. Speaker, I certainly am willing to work with my good friend, the gentleman from New Jersey [Mr. PALLONE], to extend this a bit further. We will have to sit down and decide on how we are going to do this. But we are giving the President the authority during the August recess in order to adapt to any emergency that might exist.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Colorado [Mr. SCHAEFER] that the House suspend the rules and pass the bill, H.R. 3868.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

DEVELOPMENTAL DISABILITIES ASSISTANCE AND BILL OF RIGHTS ACT AMENDMENTS OF 1996

Mr. FRISA. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3867) to amend the Developmental Disabilities Assistance and Bill of Rights Act to extend the Act, and for other purposes.

The Clerk read as follows:

H.R. 3867

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 ''Developmental Disabilities Assistance and Bill of Rights Act Amendments of 1996''.

SEC. 2. REAUTHORIZATION OF ALLOTMENTS FOR STATES.

Section 130 of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6030) is amended by striking ''the fiscal years 1995 and 1996'' and inserting ''the fiscal years 1995 through 1999''.

SEC. 3. REAUTHORIZATION OF AUTHORITIES RELATING TO PROTECTION AND ADVOCACY OF INDIVIDUAL RIGHTS.

Section 143 of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6043) is amended by striking ''the fiscal years 1995 and 1996'' and inserting ''the fiscal years 1995 through 1999''.

SEC. 4. REAUTHORIZATION OF AUTHORITIES RELATING TO UNIVERSITY AFFILIATED PROGRAMS.

Section 156(a) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6066(a)) is amended by striking ''the fiscal years 1995 and 1996'' and inserting ''the fiscal years 1995 through 1999''.

SEC. 5. REAUTHORIZATION OF AUTHORITIES RELATING TO PROJECTS OF NATIONAL SIGNIFICANCE.

Section 163(a) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6083(a)) is amended by striking ''the fiscal years 1995 and 1996'' and inserting ''the fiscal years 1995 through 1999''.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York [Mr. FRISA] and the gentleman from California [Mr. WAXMAN] each will control 20 minutes.

The Chair recognizes the gentleman from New York [Mr. FRISA].

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

(Mr. FRISA asked and was given permission to revise and extend his remarks.)

Mr. FRISA. Mr. Speaker, it is my pleasure to bring to the floor this legislation which is entitled the Developmental Disabilities Assistance and Bill of Rights Reauthorization Act and to urge its adoption.

This is, I think, an excellent example of how the Federal Government can best help to coordinate resources with the States as well as localities and other private sector programs to effectuate improvements in the lives of those who have suffered disabilities which do not enable them to live as full a life as possible. This program is now being reauthorized through 1999.

I think it is important to point out that the gentleman from Virginia [Mr. BLILEY], the chairman of the Committee on Commerce, along with the gentleman from Michigan [Mr. DINGELL], his counterpart on the other side, as well as the gentleman from Florida [Mr. BILIRAKIS], the subcommittee chairman, and the gentleman from California [Mr. WAXMAN], I think put forward an excellent bipartisan effort to ensure that this bill would come to the floor with unanimous approval of the Committee on Commerce.

Mr. Speaker, briefly this legislation will reauthorize 4 particular programs: The basic State council grant program; the protection and advocacy systems program; university-affiliated programs, which coordinates with some 59 universities throughout these United States to coordinate available programs and training programs as well for individuals; and, finally, projects of national significance.

Mr. Speaker, I would urge adoption of this measure.

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

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

Mr. Speaker, I am pleased that the House is considering today the reauthorization of important programs under the Developmental Disabilities Assistance and Bill of Rights Act.

These programs address the special concerns and needs of over 3 million Americans affected by developmental disabilities. Conditions such as cerebral palsy, mental retardation, epilepsy, and autism manifest themselves early in life, result in varying degrees of disability, and affect both individuals and families for many years. Serving these people effectively requires cooperation between the Federal Government and States, local communities, and the private sector. The goal is to ensure that affected individuals and their families have access to appropriate services; that programs promote productivity, independence, and appropriate integration into the community; and that affected people and families have an opportunity to participate in program development and implementation.

H.R. 3867 extends the authorization of four effective programs that provide for research, training and education, and a variety of social and support services.

First, the bill provides for continued assistance to States to support activities of developmental disabilities councils. These activities include the design and promotion of comprehensive, statewide systems that are consumer- and family-oriented, to help developmentally disabled people achieve their maximum productive potential. To qualify for these funds, a State must have established a council which is comprised of at least 50 percent representation from people with developmental disabilities and their families or guardians. The State also must have a comprehensive plan that includes development and operation of programs of training, outreach, prevention, education, and collaboration with a variety of service agencies at the State and local levels.

H.R. 3867 also reauthorizes State protection and advocacy programs that are designed and maintained by States to protect the legal and human rights of people with developmental disabilities. Protection and advocacy systems operate based on individual State needs, are independent of any service agency, and perform an essential role in ensuring protection and quality care for vulnerable citizens.

Finally, this bill, H.R. 3867, reauthorizes university-affiliated research, education, training, and information dissemination activities; and special research projects of national significance. These programs are designed to develop and apply creative approaches to service delivery and care that are workable and sensitive to special needs; to disseminate information about successful activities; and to provide technical assistance. The goal of all of this research is to enhance the ability of individuals with developmental disabilities to live and work in their communities in the most effective ways.

All of the activities under the Developmental Disabilities Act are designed to recognize differing needs within States and communities, and to capitalize on successful ideas and actions that originate at the State or local level. This is a system that is working for people, and H.R. 3867 recognizes that success by reauthorizing the programs without change. These programs deserve our continuing support.

H.R. 3867 is supported by a broad spectrum of individuals and organizations whose expertise and work is dedicated to providing the best care and services for individuals with developmental disabilities.

An identical bill was passed by the Senate, July 12, by unanimous consent, and I urge my colleagues to support this bill so that it can be signed into law as expeditiously as possible.

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

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

Mr. Speaker, I would like to thank the gentleman from California for his support of this legislation and helping to craft it originally, and certainly this reauthorization, and would just add

that there were many organizations, as has been noted, that have worked on the Task Force on Developmental Disabilities. I would just like to share some of them because it is such a wide-ranging group:

The American Association on Mental Retardation; the American Association of University Affiliated Programs; the American Network of Community Options and Resources; the American Occupational Therapy Association; the American Rehabilitation Association; the Autism National Committee; the Epilepsy Foundation of America; the International Brain Injury Society; the Joseph P. Kennedy Foundation; Justice For All; the Learning Disabilities Association; the National Association of Developmental Disabilities Councils; the National Association of Protective and Advocacy Systems; the National Easter Seals Society; the National Parent Network on Disabilities; the National Therapeutic Recreation Society; the ARC; the Association for People With Severe Disabilities; the United Cerebral Palsy Associations; and the list goes on and on and on.

Once again, in conclusion, Mr. Speaker, I would advocate the passage of this measure which will help enhance the lives of those who are afflicted with these disabilities, in such a way as to make the very best use of precious small Federal resources in coordination with our State, local governments, educational institutions, health care organizations, as well as private sector organizations.

Mrs. SMITH of Washington. Mr. Speaker, I join my colleagues today in lending my support for H.R. 3867, legislation that reauthorizes the Developmental Disabilities and Bill of Rights Act. As a longtime advocate of individuals with developmental disabilities and their families, it gives me great pleasure to see the House take up a bill that provides necessary services and programs for individuals seeking aid and the skills necessary to their well being. During my years in the Washington State legislature, I worked with the many families who desired to provide for their children's real and often very unique needs. As chairwoman of the Children and Family Services Committee, I witnessed first hand how the developmental disability councils defined the priorities of the developmentally disabled and consequently coordinated their funding requests. The university affiliated programs in the State of Washington also provided invaluable information to professionals and families alike. Having seen these different programs at work in Washington State, I applaud Congress' commitment to these invaluable services. I urge my colleagues to join me in supporting this important legislation.

Mr. FRISA. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York [Mr. FRISA] that the House suspend the rules and pass the bill, H.R. 3867.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. FRISA. 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. 3867.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

□ 1030

Mr. FRISA. Mr. Speaker, I ask unanimous consent that the Committee on Commerce be discharged from further consideration of the Senate bill (S. 1757) to amend the Developmental Disabilities Assistance and Bill of Rights Act to extend the Act, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore (Mr. JONES). Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 1757

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 ''Developmental Disabilities Assistance and Bill of Rights Act Amendments of 1996''.

SEC. 2. REAUTHORIZATION OF ALLOTMENTS FOR STATES.

Section 130 of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6030) is amended by striking ''the fiscal years 1995 and 1996'' and inserting ''the fiscal years 1995 through 1999''.

SEC. 3. REAUTHORIZATION OF AUTHORITIES RELATING TO PROTECTION AND ADVOCACY OF INDIVIDUAL RIGHTS.

Section 143 of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6043) is amended by striking ''the fiscal years 1995 and 1996'' and inserting ''the fiscal years 1995 through 1999''.

SEC. 4. REAUTHORIZATION OF AUTHORITIES RELATING TO UNIVERSITY AFFILIATED PROGRAMS.

Section 156(a) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6066(a)) is amended by striking ''the fiscal years 1995 and 1996'' and inserting ''the fiscal years 1995 through 1999''.

SEC. 5. REAUTHORIZATION OF AUTHORITIES RELATING TO PROJECTS OF NATIONAL SIGNIFICANCE.

Section 163(a) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6083(a)) is amended by striking ''the fiscal years 1995 and 1996'' and inserting ''the fiscal years 1995 through 1999''.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TECHNICAL CORRECTIONS AND MISCELLANEOUS AMENDMENTS TO TRADE LAWS

Mr. CRANE. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3815) to make technical corrections and miscellaneous amendments to trade laws, as amended.

The Clerk read as follows:

H.R. 3815

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

SECTION 1. PAYMENT OF DUTIES AND FEES.

(a) INTEREST ACCRUAL.—Section 505(c) of the Tariff Act of 1930 (19 U.S.C. 1505(c)) is amended in the second sentence by inserting after ''duties, fees, and interest'' the following: ''or, in a case in which a claim is made under section 520(d), from the date on which such claim is made,''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to claims made pursuant to section 520(d) of the Tariff Act of 1930 on or after April 25, 1995.

SEC. 2. OTHER TECHNICAL AND CONFORMING AMENDMENTS.

(a) EXAMINATION OF BOOKS AND WITNESSES.—Section 509(a)(2) of the Tariff Act of 1930 (19 U.S.C. 1509(a)(2)) is amended by striking ''(c)(1)(A)'' and inserting ''(d)(1)(A)''.

(b) REQUIREMENT FOR CERTIFICATE FOR IMPORTATION OF ALCOHOLIC LIQUORS IN SMALL VESSELS.—Section 7 of the Act of August 5, 1935 (19 U.S.C. 1707; 49 Stat. 520), is repealed.

(c) PENALTIES FOR CERTAIN VIOLATIONS.—Section 592 of the Tariff Act of 1930 (19 U.S.C. 1592) is amended—

(1) in subsection (a)(1), by striking ''lawful duty'' and inserting ''lawful duty, tax, or fee''; and

(2) in subsections (b)(1)(A)(vi), (c)(2)(A)(ii), (c)(3)(A)(ii), (c)(4)(A)(i), and (c)(4)(B) by striking ''lawful duties'' each place it appears and inserting ''lawful duties, taxes, and fees''.

(d) DEPRIVATION OF LAWFUL DUTIES, TAXES, OR FEES.—Section 592(d) of the Tariff Act of 1930 (19 U.S.C. 1592(d)) is amended by striking ''or fees be restored'' and inserting ''and fees be restored''.

(e) RECONCILIATION TREATED AS ENTRY FOR RECORDKEEPING.—

(1) Section 401(s) of the Tariff Act of 1930 (19 U.S.C. 1401(s)) is amended by inserting ''recordkeeping,'' after ''reliquidation,''.

(2) Section 508(c)(1) of such Act (19 U.S.C. 1508(c)(1)) is amended by inserting '', filing of a reconciliation,'' after ''entry''.

(f) EXTENSION OF LIQUIDATION.—Section 504(d) of the Tariff Act of 1930 (19 U.S.C. 1504(d)) is amended by inserting '', unless liquidation is extended under subsection (b),'' after ''shall liquidate the entry''.

(g) EXEMPTION FROM DUTY FOR PERSONAL AND HOUSEHOLD GOODS ACCOMPANYING RETURNING RESIDENTS.—Section 321(a)(2)(B) of the Tariff Act of 1930 (19 U.S.C. 1321(a)(2)(B)) is amended by inserting '', 9804.00.65,'' after ''9804.00.30''.

(h) DEBT COLLECTION.—Section 631(a) of the Tariff Act of 1930 (19 U.S.C. 1631(a)) is amended—

(1) by inserting after ''law,'' the following: ''including section 3302 of title 31, United States Code, and subchapters I and II of chapter 37 of such title,''; and

(2) by inserting ''and the expenses associated with recovering such indebtedness,'' after ''Government,''.

(i) EXAMINATION OF BOOKS AND WITNESSES.—Section 509(b) of the Tariff Act of 1930 (19 U.S.C. 1509(b)) is amended in paragraphs (3) and (4) by striking ''appropriate regional commissioner'' and inserting ''officer designated pursuant to regulations''.

(j) REVIEW OF PROTESTS.—Section 515(d) of the Tariff Act of 1930 (19 U.S.C. 1515(d)) is amended by striking ''district director'' and inserting ''port director''.

(k) EFFECTIVE DATE.—The amendments made by this section apply as of December 8, 1993.

SEC. 3. CLARIFICATION REGARDING THE APPLICATION OF CUSTOMS USER FEES.

(a) IN GENERAL.—Subparagraph (D) of section 13031(b)(8) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(b)(8)(D)) is amended—

(1) in clause (iv)—

(A) by striking ''subparagraph 9802.00.80 of such Schedules'' and inserting ''heading 9802.00.80 of such Schedule''; and

(B) by striking ''and'' at the end of clause (iv);

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

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

''(vi) in the case of merchandise entered from a foreign trade zone (other than merchandise to which clause (v) applies), be applied only to the value of the privileged or nonprivileged foreign status merchandise under section 3 of the Act of June 18, 1934 (commonly known as the Foreign Trade Zones Act, 19 U.S.C. 81c).''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) apply to—

(1) any entry made from a foreign trade zone on or after the 15th day after the date of the enactment of this Act; and

(2) any entry made from a foreign trade zone after November 30, 1986, and before such 15th day if liquidation of the entry was not final before such 15th day.

(c) APPLICATION OF FEES TO CERTAIN AGRICULTURAL PRODUCTS.—The amendment made by section 111(b)(2)(D)(iv) of the Customs and Trade Act of 1990 shall apply to—

(1) any entry made from a foreign trade zone on or after the 15th day after the date of the enactment of this Act; and

(2) any entry made from a foreign trade zone after November 30, 1986, and before such 15th day if the liquidation of the entry was not final before such 15th day.

SEC. 4. TECHNICAL AMENDMENT TO THE CUSTOMS AND TRADE ACT OF 1990.

Subsection (b) of section 484H of the Customs and Trade Act of 1990 (19 U.S.C. 1553 note) is amended by striking '', or withdrawn from warehouse for consumption,'' and inserting ''for transportation in bond''.

SEC. 5. CLARIFICATION OF FEES FOR CERTAIN CUSTOMS SERVICES.

(a) IN GENERAL.—Section 13031(b)(9)(A) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(b)(9)(A)) is amended—

(1) by striking ''centralized hub facility or'' in clause (i); and

(2) in clause (ii)—

(A) by striking ''facility—'' and inserting ''facility or centralized hub facility—'',

(B) by striking ''customs inspectional'' in subclause (I), and

(C) by striking ''at the facility'' in subclause (I) and inserting ''for the facility''.

(b) DEFINITIONS.—Section 13031(b)(9)(B)(i) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(b)(9)(B)(i)) is amended—

(1) by striking '', as in effect on July 30, 1990'', and

(2) by adding at the end thereof the following new sentence: ''Nothing in this paragraph shall be construed as prohibiting the Secretary of the Treasury from processing merchandise that is informally entered or released at any centralized hub facility or express consignment carrier facility during the normal operating hours of the Customs Service, subject to reimbursement and payment under subparagraph (A).''.

(c) CITATION.—Section 13031(b)(9)(B)(ii) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(b)(9)(B)(ii)) is amended by striking ''section 236 of the Tariff and Trade Act of 1984'' and inserting ''section 236 of the Trade and Tariff Act of 1984''.

SEC. 6. SPECIAL RULE FOR EXTENDING TIME FOR FILING DRAWBACK CLAIMS.

Section 313(r) of the Tariff Act of 1930 (19 U.S.C. 1313(r)) is amended by adding at the end the following:

''(3)(A)(i) Subject to clause (ii), the Customs Service may, notwithstanding the limitation set forth in paragraph (1), extend the time for filing a drawback claim for a period not to exceed 18 months, if—

''(I) the claimant establishes to the satisfaction of the Customs Service that the claimant was unable to file the drawback claim because of an event declared by the President to be a major disaster on or after January 1, 1994; and

''(II) the claimant files a request for such extension with the Customs Service within one year from the last day of the 3-year period referred to in paragraph (1).

''(ii) In the case of a major disaster occurring on or after January 1, 1994, and before the date of the enactment of this paragraph—

''(I) the Customs Service may extend the time for filing the drawback claim for a period not to exceed 1 year; and

''(II) the request under clause (i)(II) must be filed not later than 1 year from the date of the enactment of this paragraph.

''(B) If an extension is granted with respect to a request filed under this paragraph, the periods of time for retaining records set forth in subsection (t) of this section and section 508(c)(3) shall be extended for an additional 18 months or, in a case to which subparagraph (A)(ii) applies, for a period not to exceed 1 year from the date the claim is filed.

''(C) For purposes of this paragraph, the term 'major disaster' has the meaning given that term in section 102(2) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5122(2)).''.

SEC. 7. TREATMENT OF CERTAIN ENTRIES.

(a) LIQUIDATION OR RELIQUIDATION OF ENTRIES.—Notwithstanding sections 514 and 520 of the Tariff Act of 1930 (19 U.S.C. 1514 and 1520), and any other provision of law, the United States Customs Service shall liquidate or reliquidate those entry numbers made at New York, New York, which are listed in subsection (c), in accordance with the final results of the administrative review, covering the period from May 1, 1984, through March 31, 1985, undertaken by the International Trade Administration of the Department of Commerce for such entries (case number A–580–008).

(b) PAYMENT OF AMOUNTS OWED.—Any amounts owed by the United States pursuant to the liquidation or reliquidation of an entry under subsection (a) shall be paid by the Customs Service within 90 days after such liquidation or reliquidation.

(c) ENTRY LIST.—The entries referred to in subsection (a) are the following:

Entry Number	Date of Entry
84–4426808	August 29, 1984
84–4427823	September 4, 1984
84–4077985	July 25, 1984
84–4080859	August 3, 1984
84–4080817	August 3, 1984
84–4077723	August 1, 1984
84–4075194	July 10, 1984
84–4076481	July 17, 1984
84–4080930	August 9, 1984.

SEC. 8. TEMPORARY DUTY SUSPENSION FOR PERSONAL EFFECTS OF PARTICIPANTS IN CERTAIN WORLD ATHLETIC EVENTS.

(a) IN GENERAL.—Subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended by inserting in numerical sequence the following new heading:

''9902.98.05	Any of the following articles not intended for sale or distribution to the public: personal effects of aliens who are participants in, officials of, or accredited members of delegations to, the 1998 Goodwill Games, and of persons who are immediate family members of or servants to any of the foregoing persons; equipment and materials imported in connection with the foregoing event by or on behalf of the foregoing persons or the organizing committee of such event; articles to be used in exhibitions depicting the culture of a country participating in such event; and, if consistent with the foregoing, such other articles as the Secretary of the Treasury may allow	Free	No change	Free	On or before 2/1/99''.

(b) TAXES AND FEES NOT TO APPLY.—The articles described in heading 9902.98.05 of the Harmonized Tariff Schedule of the United States (as added by subsection (a)) shall be free of taxes and fees which may be otherwise applicable.

(c) EFFECTIVE DATE.—The amendment made by this section applies to articles entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.

SEC. 9. MISCELLANEOUS TECHNICAL CORRECTION.

Section 313(s)(2)(B) of the Tariff Act of 1930 (19 U.S.C. 1313(s)(2)(B)) is amended by striking ''successor'' the first place it appears and inserting ''predecessor''.

SEC. 10. URUGUAY ROUND AGREEMENTS ACT.

Section 405(b) of the Uruguay Round Agreements Act (19 U.S.C. 3602(b)) is amended—

(1) in paragraph (1) by striking ''1(a)'' and inserting ''1(b)''; and

(2) in paragraph (2) by striking ''1(b)'' and inserting ''1(a)''.

SEC. 11. FEES FOR CERTAIN CUSTOMS SERVICES.

(a) IN GENERAL.—Section 13031(a)(5) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(a)(5)) is amended—

(1) in subparagraph (A), by inserting ''a place'' after ''aircraft from''; and

(2) in subparagraph (B), by striking ''subsection (b)(1)(A)'' and inserting ''subsection (b)(1)(A)(i)''.

(b) LIMITATION ON FEES.—Section 13031(b)(1) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(b)(1)) is amended to read as follows:

''(b) LIMITATIONS ON FEES.—(1)(A) No fee may be charged under subsection (a) of this section for customs services provided in connection with—

''(i) the arrival of any passenger whose journey—

''(I) originated in—

''(aa) Canada,

''(bb) Mexico,

''(cc) a territory or possession of the United States, or

''(dd) any adjacent island (within the meaning of section 101(b)(5) of the Immigration and Nationality Act (8 U.S.C. 1101(b)(5))), or

''(II) originated in the United States and was limited to—
''(aa) Canada,
''(bb) Mexico,
''(cc) territories and possessions of the United States, and
''(dd) such adjacent islands;
''(ii) the arrival of any railroad car the journey of which originates and terminates in the same country, but only if no passengers board or disembark from the train and no cargo is loaded or unloaded from such car while the car is within any country other than the country in which such car originates and terminates;
''(iii) the arrival of any ferry; or
''(iv) the arrival of any passenger on board a commercial vessel traveling only between ports which are within the customs territory of the United States.
''(B) The exemption provided for in subparagraph (A) shall not apply in the case of the arrival of any passenger on board a commercial vessel whose journey originates and terminates at the same place in the United States if there are no intervening stops.
''(C) The exemption provided for in subparagraph (A)(i) shall not apply to fiscal years 1994, 1995, 1996, and 1997.''.
(c) FEE ASSESSED ONLY ONCE.—Section 13031(b)(4) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(b)(4)) is amended—
(1) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively;
(2) by striking ''No fee'' and inserting ''(A) No fee''; and
(3) by adding at the end the following new subparagraph:
''(B) In the case of a commercial vessel making a single voyage involving 2 or more United States ports with respect to which the passengers would otherwise be charged a fee pursuant to subsection (a)(5), such fee shall be charged only 1 time for each passenger.''.
(d) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the amendments made by section 521 of the North American Free Trade Agreement Implementation Act.

SEC. 12. TECHNICAL CORRECTION TO CERTAIN CHEMICAL DESCRIPTION.

(a) AMENDMENT TO SUBHEADING 2933.90.02.—The article description for subheading 2933.90.02 of the Harmonized Tariff Schedule of the United States is amended by striking ''(Quizalofop ethyl)''.
(b) EFFECTIVE DATE.—
(1) GENERAL RULE.—The amendment made by this section applies to articles entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.
(2) RETROACTIVE PROVISION.—Notwithstanding section 514 of the Tariff Act of 1930 or any other provision of law, upon proper request (which includes sufficient information to identify and locate the entry) filed with the Customs Service on or before the date that is 180 days after the date of the enactment of this Act, any entry, or withdrawal from warehouse for consumption, of an article that occurred—
(A) after December 31, 1994, and before the date that is 15 days after the date of the enactment of this Act, and
(B) with respect to which there would have been no duty or a lesser duty if the amendment made by subsection (a) applied to such entry or withdrawal,

shall be liquidated or reliquidated as though such amendment applied to such entry or withdrawal.

SEC. 13. MARKING OF IMPORTED ARTICLES AND CONTAINERS.

(a) IN GENERAL.—Section 304 of the Tariff Act of 1930 (19 U.S.C. 1304) is amended—
(1) by redesignating subsections (f), (g), (h), and (i) as subsections (h), (i), (j), and (k), respectively, and
(2) by inserting after subsection (e) the following new subsections:
''(f) MARKING OF CERTAIN COFFEE AND TEA PRODUCTS.—The marking requirements of subsections (a) and (b) shall not apply to articles described in subheadings 0901.21, 0901.22, 0902.10, 0902.20, 0902.30, 0902.40, 2101.10, and 2101.20 of the Harmonized Tariff Schedule of the United States, as in effect on January 1, 1995.
''(g) MARKING OF SPICES.—The marking requirements of subsections (a) and (b) shall not apply to articles provided for under subheadings 0904.11, 0904.12, 0904.20, 0905.00, 0906.10, 0906.20, 0907.00, 0908.10, 0908.20, 0908.30, 0909.10, 0909.20, 0909.30, 0909.40, 0909.50, 0910.10, 0910.20, 0910.30, 0910.40, 0910.50, 0910.91, 0910.99, 1106.20, 1207.40, 1207.50, 1207.91, 1404.90, and 3302.10, and items classifiable in categories 0712.90.60, 0712.90.8080, 1209.91.2000, 1211.90.2000, 1211.90.8040, 1211.90.8050, 1211.90.8090, 2006.00.3000, 2918.13.2000, 3203.00.8000, 3301.90.1010, 3301.90.1020, and 3301.90.1050 of the Harmonized Tariff Schedule of the United States, as in effect on January 1, 1995.''.
(b) EFFECTIVE DATE.—The amendments made by this section apply to goods entered, or withdrawn from warehouse for consumption, on or after the date of the enactment of this Act.

SEC. 14. RELIQUIDATING ENTRY OF WARP KNITTING MACHINES.

Notwithstanding section 514 of the Tariff Act of 1930 (19 U.S.C. 1514) or any other provision of law, upon proper request filed with the Customs Service before the 180th day after the date of the enactment of this Act, the Secretary of the Treasury shall—
(1) liquidate or reliquidate as duty free Entry No. 100–3022436–3, made on July 12, 1989, at the port of Charleston, South Carolina; and
(2) refund any duties and interest paid with respect to such entry.

SEC. 15. INJURY DETERMINATIONS FOR CERTAIN COUNTERVAILING DUTY ORDERS.

(a) IN GENERAL.—Section 753 of the Tariff Act of 1930 (19 U.S.C. 1675b) is amended—
(1) by inserting ''or section 701(c)'' after ''section 303'' each place it appears in the section heading and text; and
(2) in subsections (a)(2) and (c) by striking ''under section 303(a)(2)'';

SEC. 16. TREATMENT OF DIFFERENCE BETWEEN COLLECTIONS OF ESTIMATED ANTIDUMPING DUTY AND FINAL ASSESSED DUTY UNDER ANTIDUMPING DUTY ORDER.

Section 737(a) of the Tariff Act of 1930 (19 U.S.C. 1673f(a)) is amended—
(1) in the matter preceding paragraph (1) by striking ''deposit collected'' and inserting ''deposit, or the amount of any bond or other security, required'';
(2) in paragraph (1) by striking ''the cash deposit collected'' and inserting ''that the cash deposit, bond, or other security''; and
(3) in paragraph (2) by striking ''refunded, to the extent the cash deposit'' and inserting ''refunded or released, to the extent that the cash deposit, bond, or other security''.

SEC. 17. PERSONAL ALLOWANCE EXEMPTION FROM DUTIES.

Section 555(b)(6) of the Tariff Act of 1930 (19 U.S.C. 1555(b)(6)) is amended by inserting after ''customs territory'' the following: '', except that merchandise purchased by United States residents is eligible for exemption from duty under subheadings 9804.00.65, 9804.00.70, and 9804.00.72 of the Harmonized Tariff Schedule of the United States upon the United States resident's return to the customs territory of the United States, if the person meets the eligibility requirements for the exemption claimed. Notwithstanding any other provision of law, such merchandise shall be considered to be articles acquired abroad as an incident of the journey from which the person is returning, for purposes of determining eligibility for any such exemption''.

SEC. 18. TARIFF TREATMENT OF CERTAIN SILVER AND GOLD BARS.

(a) IN GENERAL.—Subchapter II of chapter 71 of the Harmonized Tariff Schedule of the United States is amended—
(1) by striking subheading 7106.92.00 and inserting in numerical sequence the following new subheadings and superior text thereto, with such text having the same degree of indentation as subheading 7106.91:

''7106.92	Semimanufactured:.			
7106.92.10	Rectangular or near-rectangular shapes, each having a purity of 99.5 percent or higher and not otherwise marked or decorated than with weight, purity or other identifying information	Free		Free
7106.92.50	Other	4.8%	Free (A*, CA, E, IL, J, MX)	65%''

(2) by striking subheading 7108.13.50 and inserting in numerical sequence the following new subheadings and superior text thereto, with such text having the same degree of indentation as subheading 7108.13.10:

''7108.13.55	Other: Rectangular or near-rectangular shapes, each having a purity of 99.5 percent or higher and not otherwise marked or decorated than with weight, purity or other identifying information	Free		Free

7108.13.70	Other	6.6%	Free (CA, E, IL, J, MX)	65%''

and

(3) by striking subheadings 7115.90.10 through 7115.90.50 and inserting in numerical sequence the following new subheadings and superior text, with the article description for subheading 7115.90.15 having the same degree of indentation as the article description of subheading 7116.10.10:

''7115.90.15	Gold, not clad with precious metal, in rectangular or near-rectangular shapes, each having a purity of 99.5 percent or higher and not otherwise marked or decorated than with weight, purity or other identifying information	Free		Free
7115.90.25	Silver, not clad with precious metal, in rectangular or near-rectangular shapes, each having a purity of 99.5 percent or higher and not otherwise marked or decorated than with weight, purity or other identifying information	Free		Free
7115.90.30	Of gold, including metal clad with gold	6.2%	Free (A*, CA, E, IL, J, MX)	110%
7115.90.40	Of silver, including metal clad with silver	4.8%	Free (A*, CA, E, IL, J, MX)	65%
7115.90.60	Other	6.4%	Free (A, CA, E, IL, J, MX)	65%''.

(b) CONFORMING AMENDMENTS.—General note 4(d) of the Harmonized Tariff Schedule of the United States is amended—

(1) by striking ''7106.92.00 Chile'' and inserting ''7106.92.50 Chile''; and

(2) by striking ''7115.90.10 Argentina'' and ''7115.90.20 Argentina'' and inserting ''7115.90.30 Argentina'' and ''7115.90.40 Argentina'', respectively.

(c) STAGED RATE REDUCTIONS.—Any staged rate reduction that was proclaimed by the President before the date of the enactment of this Act to take effect on or after the date of the enactment of this Act—

(1) of a rate of duty set forth in subheading 7106.92.00 of the Harmonized Tariff Schedule of the United States shall apply to the corresponding rate of duty in subheading 7106.92.50 of such Schedule (as added by subsection (a)(1));

(2) of a rate of duty set forth in subheading 7108.13.50 shall apply to the corresponding rate of duty in subheading 7108.13.70 of such Schedule (as added by subsection (a)(2));

(3) of a rate of duty set forth in subheading 7115.90.10 shall apply to the corresponding rate of duty in subheading 7115.90.30 of such Schedule (as added by subsection (a)(3));

(4) of a rate of duty set forth in subheading 7115.90.20 shall apply to the corresponding rate of duty in subheading 7115.90.40 of such Schedule (as added by subsection (a)(3)); and

(5) of a rate of duty set forth in subheading 7115.90.50 shall apply to the corresponding rate of duty in subheading 7115.90.60 of such Schedule (as added by subsection (a)(3)).

(d) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to goods that are entered, or withdrawn from warehouse for consumption, on or after the date that is 15 days after the date of the enactment of this Act.

SEC. 19. CERTAIN LEAD FUEL TEST ASSEMBLIES.

(a) IN GENERAL.—Notwithstanding section 514 of the Tariff Act of 1930 (19 U.S.C. 1514) or any other provision of law, the Secretary of the Treasury shall—

(1) liquidate or reliquidate as free of duty the entries listed in subsection (b), and

(2) refund any duties paid with respect to such entry,

if the importer files a request therefor with the Customs Service within 60 days after the date of the enactment of this Act.

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

Entry Number	Date of Entry
110–0675952–3	March 9, 1990
110–1525996–0	September 19, 1990
110–3667810–7	November 7, 1990
110–1526938–1	December 21, 1990

SEC. 20. CERTAIN UNLIQUIDATED VESSEL REPAIR ENTRIES.

(a) TEMPORARY EXEMPTION EXTENDED.—Section 484E of the Customs and Trade Act of 1990 (19 U.S.C. 1466 note) is amended—

(1) in subsection (b)—

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

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

(C) by inserting after paragraph (2) the following new paragraph;

''(3) any entry listed in subsection (c) that was made during the period beginning on January 1, 1993, and ending on December 31, 1994, to the extent such entry involves the purchase of equipment, the use of materials, or the expense of repairs in a foreign country for 66 LASH (Lighter Aboard Ship) barges documented under the laws of the United States if—

''(A) such entry was not liquidated on January 1, 1995; and

''(B) such entry, had it been made on or after January 1, 1995, would otherwise be eligible for the exemption provided in section 466(h)(1) of the Tariff Act of 1930 (19 U.S.C. 1466(h)(1)), and''; and

(2) by adding at the end the following:

''(c) ENTRIES.—The entries referred to in subsection (b)(3) are the following:

''(1) NUMBERED ENTRIES.—

Entry Number	Date of Entry
C14–0025455–8	August 18, 1993
C14–0025456–6	August 18, 1993
C14–0025457–4	August 18, 1993
C14–0025473–1	August 27, 1993
C14–0025478–0	September 13, 1993
C14–0025479–8	September 13, 1993
C14–0025480–6	September 13, 1993
C14–0025481–4	September 13, 1993
C14–0025511–8	April 16, 1993
C14–0025533–2	April 30, 1993
C14–0025545–6	May 21, 1993
C14–0025546–4	May 21, 1993
C14–0025547–2	May 21, 1993
C14–0025558–9	June 15, 1993
C14–0025560–5	June 15, 1993
C14–0025574–6	July 21, 1993
C14–0025575–3	July 21, 1993
C14–0025603–3	July 23, 1993
C14–0025604–1	July 23, 1993
C14–0025605–8	July 23, 1993
C14–0025623–1	October 25, 1993
C14–0025624–9	October 25, 1993
C14–0025625–6	October 25, 1993
C14–0025635–5	November 8, 1993
C14–0025636–3	November 8, 1993
C14–0025637–1	November 8, 1993
C14–0025653–8	November 30, 1993
C14–0025654–6	November 30, 1993
C14–0025655–3	November 30, 1993
C14–0025657–9	November 30, 1993
C14–0025679–3	January 3, 1994
C14–0025680–1	January 3, 1994
C14–0025688–4	February 14, 1994
C14–0025689–2	February 14, 1994
C14–0025690–0	February 14, 1994
C14–0025691–8	February 14, 1994
C14–0025692–6	February 14, 1994
C14–0026803–8	January 24, 1994
C14–0026804–6	January 24, 1994
C14–0026805–3	January 24, 1994
C14–0026807–9	January 24, 1994
C14–0026808–7	January 24, 1994
C14–0026809–5	January 24, 1994
C14–0026810–3	January 24, 1994
C14–0026811–1	January 24, 1994
C14–0026826–9	March 10, 1994
C14–0026827–7	March 10, 1994
C14–0026828–5	March 10, 1994
C14–0026829–3	March 10, 1994
C14–0026830–1	March 10, 1994
C14–0026831–9	March 10, 1994
C14–0026832–7	March 10, 1994
C14–0026833–5	March 10, 1994
C14–0026841–8	March 31, 1994
C14–0026843–4	March 31, 1994
C14–0026852–5	May 5, 1994
C14–0026853–3	May 5, 1994
C14–0026854–1	May 5, 1994
C14–0026867–3	May 18, 1994
C14–0026869–9	May 18, 1994
C14–0026874–9	June 8, 1994
C14–0026875–6	June 8, 1994
C14–0026898–8	August 2, 1994
C14–0026899–6	August 2, 1994
C14–0040625–7	October 5, 1994

''(2) ADDITIONAL ENTRY.—The entry of a 66th LASH barge (No. CG E69), for which no entry number is available, if, within 60 days after the date of the enactment of this subsection, a proper entry is filed with the Customs Service.''.

SEC. 21. IMPORTS OF CIVIL AIRCRAFT.

General Note 6 of the Harmonized Tariff Schedule of the United States is amended to read as follows:

''6. Articles Eligible for Duty-Free Treatment Pursuant to the Agreement on Trade in Civil Aircraft.

''(a) Whenever a product is entered under a provision for which the rate of duty 'Free (C)' appears in the 'Special' subcolumn, the importer—

''(i) shall maintain such supporting documentation as the Secretary of the Treasury may require; and

''(ii) shall be deemed to certify that the imported article is a civil aircraft, or has been imported for use in civil aircraft and will be so used.

The importer may amend the entry or file a written statement to claim a free rate of duty under this note at any time before the liquidation of the entry becomes final, except that, notwithstanding section 505(c) of the Tariff Act of 1930 (19 U.S.C. 1505(c)), any refund resulting from any such claim shall be without interest.

''(b) For purposes of the tariff schedule, the term 'civil aircraft' means—

''(i) any aircraft—

''(A) that is manufactured or operated pursuant to any certificate issued by the Administrator of the FAA under section 44704 of title 49, United States Code, or pursuant to the approval of the airworthiness authority in the country of exportation, if such approval is recognized by the FAA as an acceptable substitute for such an FAA certificate, or

''(B) for which an application for such a certificate has been submitted to, and accepted by, the Administrator of the FAA, and

''(ii) any aircraft not described in clause (i), other than aircraft purchased for use by the Department of Defense or the United States Coast Guard.''.

SEC. 22. TEMPORARY SUSPENSION OF DUTY ON DICHLOROFOP-METHYL.

(a) IN GENERAL.—Subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended by inserting in numerical sequence the following new heading:

''9902.30.16	Methyl 2-[4-(2,4- dichlorophenoxy)phenoxy] propionate (dichlorofop-methyl) in bulk form or in forms or packages for retail sale containing no other pesticide products (CAS No. 51338-27-3) (provided for in subheading 2918.90.20 or 3808.30.15)	Free	No change	No change	On or before 12/31/98''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) applies with respect to goods entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.

SEC. 23. DUTY ON DISPLAY FIREWORKS.

(a) IN GENERAL.—Chapter 36 of the Harmonized Tariff Schedule of the United States is amended by striking subheading 3604.10.00 and inserting the following new subheadings, with the article description for subheading 3604.10 having the same degree of indentation as the article description for subheading 3604.90.00:

''3604.10	Fireworks:.				
3604.10.10	Display or special fireworks (Class 1.3G)	2.4%	Free (A*, CA, E, IL, J, MX)		12.5%
3604.10.90	Other (including Class 1.4G)	5.3%	Free (A*, CA, E, IL, J, MX)		12.5%''.

(b) CONFORMING AMENDMENT.—General note 4(d) of the Harmonized Tariff Schedule of the United States is amended by striking ''3604.00.00 India'' and inserting ''3604.10.10 India'' and ''3604.10.90 India''.

(c) EFFECTIVE DATE.—The amendment made by subsection (a) applies with respect to goods entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.

SEC. 24. ELIMINATION OF DUTIES ON 3,3′-DIAMINOBENZIDINE (TETRAAMINO BIPHENYL).

(a) IN GENERAL.—Subheading 2921.59.17 of the Harmonized Tariff Schedule of the United States is amended by striking ''and m-Xylenediamine'' and inserting ''m-Xylenediamine; and 3,3′-Diaminobenzidine (tetraamino biphenyl)''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) applies with respect to goods entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.

SEC. 25. TEMPORARY REDUCTION IN DUTY ON THIDIAZURON.

(a) IN GENERAL.—Subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended by inserting in numerical sequence the following new heading:

''9902.30.17	N-phenyl-n'-(1,2,3-thiadiazol-5'yl urea (thidiazuron) in bulk or in forms or packages for retail sale (CAS No. 51707-55-2) (provided for in subheading 2934.90.15 or 3808.30.15)	4.0%	No change	No change	On or before 12/31/98''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) applies with respect to goods entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.

SEC. 26. ELIMINATION OF DUTY ON 2-AMINO-3-CHLOROBENZOIC ACID, METHYL ESTER.

(a) IN GENERAL.—Subheading 2922.49.05 of the Harmonized Tariff Schedule of the United States is amended by inserting after ''acid'' the following: ''; 2-Amino-3-chlorobenzoic acid, methyl ester''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) applies with respect to goods entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.

SEC. 27. TECHNICAL AMENDMENTS RELATING TO PUBLIC LAW 103–465.

(a) TITLE I.—

(1) Section 516A(a)(2)(A)(i)(I) of the Tariff Act of 1930 (19 U.S.C. 1516a(a)(2)(A)(i)(I)) is amended by adding a comma after ''subparagraph (B)''.

(2) Section 132 of the Uruguay Round Agreements Act (19 U.S.C. 3552) is amended by striking ''title'' and inserting ''section''.

(b) TITLE II.—

(1)(A) The item relating to section 221 in the table of contents of the Uruguay Round Agreements Act is amended to read as follows:

''Sec. 221. Special rules for review of determinations.''.

(B) The section heading for section 221 of that Act is amended to read as follows:

''SEC. 221. SPECIAL RULES FOR REVIEW OF DETERMINATIONS.''.

(2) Section 270(a)(2)(B) of the Uruguay Round Agreements Act is amended by striking ''771(A)(c)'' and inserting ''771A(c)''.

(3) Section 702(c)(5) of the Tariff Act of 1930 (19 U.S.C. 1671a(c)(5)) is amended by striking ''(b)(1)(A)'' and inserting ''(b)(1)''.

(4) Section 732(c)(5) of the Tariff Act of 1930 (19 U.S.C. 1673a(c)(5)) is amended by striking ''(b)(1)(A)'' and inserting ''(b)(1)''.

(5) Section 212(b)(1)(C)(i)(I) of the Uruguay Round Agreements Act is amended by striking ''the petition'' and inserting ''a petition''.

(6) Section 214(b)(2)(A)(i)(II) of the Uruguay Round Agreements Act is amended by striking ''the merchandise'' and inserting ''merchandise''.

(7) Section 771(16)(B)(i) of the Tariff Act of 1930 (19 U.S.C. 1677(16)(B)(i)) is amended by striking ''merchandise which is the subject of the investigation'' and inserting ''subject merchandise''.

(8) Section 732(e)(1) of the Tariff Act of 1930 (19 U.S.C. 1673a(e)(1)) is amended by striking ''the the'' and inserting ''the''.

(9) Section 233(a)(6)(C) of the Uruguay Round Agreements Act is amended by inserting ''each place it appears'' after '''commence''''.

(10) Section 261(d)(1)(A)(ii) of the Uruguay Round Agreements Act is amended by inserting after ''is amended'' the following: ''by striking 'as follows:' and inserting a comma and''.

(11) Section 261(d)(1)(B)(ii)(I) of the Uruguay Round Agreements Act is amended by inserting ''of'' after ''section 303 or''.

(12) Section 337(b)(3) of the Tariff Act of 1930 (19 U.S.C. 1337(b)(3)) is amended in the first sentence by striking ''such section and''.

(13) Section 281(h)(4) of the Uruguay Round Agreements Act is amended by striking ''(A),''.

(14) Section 771(30) of the Tariff Act of 1930 (19 U.S.C. 1677(30)) is amended by striking ''agreement'' and inserting ''Agreement''.

(15) Section 705(c)(1)(B)(i)(II) of the Tariff Act of 1930 (19 U.S.C. 1671d(c)(1)(B)(i)(II)) is amended by inserting ''section'' after ''if''.

(16) Section 282(d) of the Uruguay Round Agreements Act (19 U.S.C. 3572(d)) is amended by aligning the text of the last sentence with the text of the first sentence.

(c) TITLE III.—

(1) Section 314(e) of the Uruguay Round Agreements Act is amended in the matter proposed to be inserted as section 306(b)(1) of the Trade Act of 1974, by striking the closed quotation marks and second period at the end.

(2) Section 321(a)(1)(C)(i) of the Uruguay Round Agreements Act is amended to read as follows:

''(i) in the first sentence by striking 'such Act' and inserting 'such subtitle'; and''.

(3) Section 592A(a)(3) of the Tariff Act of 1930 (19 U.S.C. 1592A(a)(3)) is amended by striking ''list under paragraph (2)'' and inserting ''list under paragraph (1)''.

(4) Section 301(c)(4) of the Trade Act of 1974 (19 U.S.C. 2411(c)(4)) is amended by striking ''paragraph (1)(C)(iii)'' and inserting ''paragraph (1)(D)(iii)''.

(5) Section 202(d)(4)(A)(i) of the Trade Act of 1974 (19 U.S.C. 2252(d)(4)(A)(i)) is amended by striking ''section 202(b)'' and inserting ''subsection (b)''.

(6) Section 304(a)(3)(A) of the Trade Act of 1974 (19 U.S.C. 2414(a)(3)(A)) is amended by inserting ''Rights'' after ''Intellectual Property''.

(7) Section 331 of the Uruguay Round Agreements Act (19 U.S.C. 3591) is amended by striking '', as defined in section 2(9) of the Uruguay Round Implementation Act,''.

(8) Section 204 of the Agricultural Act of 1956 (7 U.S.C. 1854) is amended in the second sentence by striking ''Implementation'' and inserting ''Agreements''.

(9) Section 334(b)(1)(B)(ii) of the Uruguay Round Agreements Act (19 U.S.C. 3592(b)(1)(B)(ii)) is amended by striking ''possession,'' and inserting ''possession;''.

(10) Section 305(d)(2) of the Trade Agreements Act of 1979 (19 U.S.C. 2515(d)(2)) is amended—

(A) by striking ''or'' after the semicolon at the end of subparagraph (B); and

(B) in subparagraph (C) by striking the period at the end and inserting a semicolon.

(11) Section 304 of the Trade Agreements Act of 1979 (19 U.S.C. 2514) is amended—

(A) in subsection (a) by striking the comma after ''XXIV(7)''; and

(B) in subsection (c)—

(i) by striking the comma after ''XXIV(7)''; and

(ii) by striking the comma after ''XIX(5)''.

(12) Section 308(4)(D) of the Trade Agreements Act of 1979 (19 U.S.C. 2518(4)(D)) is amended by striking ''the the'' and inserting ''the''.

(13) Section 305(g) of the Trade Agreements Act of 1979 (19 U.S.C. 2515(g)) is amended—

(A) in paragraph (1)—

(i) by striking ''of such subsection'' and inserting ''of subsection (d)(2)''; and

(ii) by inserting ''of subsection (d)(2)'' after ''(as the case may be)''; and

(B) in paragraph (3)—

(i) by striking ''the the'' and inserting ''the''; and

(ii) by inserting ''of subsection (d)(2)'' after ''(as the case may be)''.

(14) Section 402(4) of the Trade Agreements Act of 1979 (19 U.S.C. 2532(4)) is amended by inserting a comma after ''system, if any''.

(15) Section 414(b)(1) of the Trade Agreements Act of 1979 (19 U.S.C. 2544(b)(1)) is amended by striking ''procedures,,'' each place it appears and inserting ''procedures,''.

(16) Section 451(6)(A) of the Trade Agreements Act of 1979 (19 U.S.C. 2571(6)(A)) is amended by striking ''Members.'' and inserting ''Members; and''.

(d) TITLE IV.—

(1) Section 492(c) of the Trade Agreements Act of 1979 (19 U.S.C. 2578a(c)) is amended by striking ''phystosanitary'' and inserting ''phytosanitary''.

(2) Section 412(b) of the Uruguay Round Agreements Act is amended by striking ''1853'' and inserting ''972''.

(e) TITLE V.—

(1) Section 154(c)(2) of title 35, United States Code, is amended in the matter preceding subparagraph (A) by striking ''Acts'' and inserting ''acts''.

(2) Section 104A(h)(3) of title 17, United States Code, is amended by striking ''section 104A(g)'' and inserting ''subsection (g)''.

(f) TITLE VI.—

(1) Section 141(c)(1)(D) of the Trade Act of 1974 (19 U.S.C. 2171(c)(1)(D)) is amended by striking the second comma after ''World Trade Organization''.

(2) Section 601(b)(1)(B) of the Uruguay Round Agreements Act (19 U.S.C. 2465 note) is amended by striking ''such date of enactment'' and inserting ''the date of the enactment of this Act''.

SEC. 28. TECHNICAL AMENDMENTS RELATING TO PUBLIC LAW 103–182.

(a) TITLE II.—

(1) Section 13031(b)(10)(A) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(b)(10)(A)) is amended—

(A) by striking ''Agreement)'' and inserting ''Agreement Implementation Act of 1988)''; and

(B) by striking ''section 403'' and inserting ''article 403''.

(2) Section 202 of the North American Free Trade Agreement Implementation Act (19 U.S.C. 3332) is amended—

(A) in subsection (m)(4)(C) by striking ''(o)'' and inserting ''(p)''; and

(B) in subsection (p)(18) by striking ''federal government'' and inserting ''Federal Government''.

(b) TITLE III.—

(1) Section 351(b)(2) of the North American Free Trade Agreement Implementation Act is amended by striking ''Agreement Act'' and inserting ''Agreements Act''.

(2) Section 411(c) of the Trade Agreements Act of 1979 (19 U.S.C. 2541(c)) is amended by striking ''Special Representatives'' and inserting ''Trade Representative''.

(3) Section 316 of the North American Free Trade Agreement Implementation Act (19 U.S.C. 3381) is amended by striking ''subsection 202(d)(1)(C)(i)'' and inserting ''subsection (d)(1)(C)(i)''.

(4) Section 309(c) of the North American Free Trade Agreement Implementation Act (19 U.S.C. 3358(c)) is amended in paragraphs (1) and (2) by striking ''column 1—General'' and inserting ''column 1 general''.

(c) TITLE IV.—

(1) Section 402(d)(3) of the North American Free Trade Agreement Implementation Act (19 U.S.C. 3432(d)(3)) is amended in the matter preceding subparagraph (A) by striking ''(c)(4)'' and inserting ''subsection (c)(4)''.

(2) Section 407(e)(2) of the North American Free Trade Agreement Implementation Act (19 U.S.C. 3437(e)(2)) is amended by striking ''petition,'' and inserting ''petition;''.

(3) Section 516A(g)(12)(D) of the Tariff Act of 1930 (19 U.S.C. 1516a(g)(12)(D)) is amended—

(A) by striking ''(D)(i)'' and inserting ''(D)''; and

(B) by striking ''If the Trade Representative'' and inserting ''(i) If the Trade Representative''.

(4) Section 415(b)(2) of the North American Free Trade Agreement Implementation Act (19 U.S.C. 3451(b)(2)) is amended by striking ''under 516A(a)'' and inserting ''under section 516A(a)''.

(d) TITLE V.—Section 219 of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2707) is amended—

(1) in subsection (b)(1) by striking ''Hemisphere,'' and inserting ''Hemisphere;''; and

(2) in paragraphs (1) and (2) of subsection (h) by striking ''Center,'' and inserting ''Center;''.

(e) TITLE VI.—

(1) Section 3126 of the Revised Statutes of the United States (19 U.S.C. 293) is amended by striking ''or both'' and inserting ''or both,''.

(2) Section 3127 of the Revised Statutes of the United States (19 U.S.C. 294) is amended by striking ''conveyed a United States'' and inserting ''conveyed in a United States''.

(3) Section 436(a)(2) of the Tariff Act of 1930 (19 U.S.C. 1436(a)(2)) is amended—

(A) by striking ''431(e)'' and inserting ''431''; and

(B) by striking ''or'' after the semicolon at the end.

(4) Section 313 of the Tariff Act of 1930 (19 U.S.C. 1313) is amended—

(A) in subsection (j)(2) by realigning the text following subparagraph (C)(ii)(II) beginning with ''then upon the exportation'' and ending with ''duty, tax, or fee.'' two ems to the left so that the text has the same degree of indentation as paragraph (3) of section 313(j) of such Act; and

(B) in subsection (t) by striking ''chapter'' and inserting ''Act''.

(5) Section 441 of the Tariff Act of 1930 (19 U.S.C. 1441) is amended—

(A) in each of paragraphs (1), (2), and (4) by striking the semicolon at the end and inserting a period; and

(B) in paragraph (5) by striking ''; and'' and inserting a period.

(6) Section 484(a)(1) of the Tariff Act of 1930 (19 U.S.C. 1484(a)(1)) is amended by striking ''553, and 336(j)'' and inserting ''and 553''.

(7) Section 514(a) of the Tariff Act of 1930 (19 U.S.C. 1514(a)) is amended by striking ''section 520 (relating to refunds and errors), and section 521 (relating to reliquidations on account of fraud)'' and inserting ''and section 520 (relating to refunds and errors)''.

(8) Section 491(a) of the Tariff Act of 1930 (19 U.S.C. 1491(a)) is amended in the first sentence—

(A) by striking ''in in'' and inserting ''in''; and

(B) by striking ''appropriate customs officer'' and inserting ''Customs Service''.

(9) Section 490(c)(1) of the Tariff Act of 1930 (19 U.S.C. 1490(c)(1)) is amended by striking ''paragraphs (1) through (4) of subsection (a)'' and inserting ''subparagraphs (A) through (D) of subsection (a)(1)''.

(10) Sections 1207(b)(2) and 1210(b)(1) of the Omnibus Trade and Competitiveness Act of 1988 (19 U.S.C. 3007(b)(2) and 3010(b)(1)) are each amended by striking ''484(e)'' and ''1484(e)'' and inserting ''484(f)'' and ''1484(f)'', respectively.

(11) Section 641(d)(2)(B) of the Tariff Act of 1930 (19 U.S.C. 1641(d)(2)(B)) is amended in the second to the last sentence by striking ''his'' and inserting ''the''.

(12) Section 621(4)(A) of the North American Free Trade Agreement Implementation Act is amended by striking ''disclosure in 30 days'' and inserting ''disclosure within 30 days''.

(13) Section 592(d) of the Tariff Act of 1930 (19 U.S.C. 1592(d)) is amended in the subsection heading by striking ''TAXES'' and inserting ''TAXES,''.

(14) Section 625(a) of the Tariff Act of 1930 (19 U.S.C. 1625(a)) is amended by striking ''chapter'' and inserting ''Act''.

(15) Section 413(a)(1) of the Tariff Act of 1930 (19 U.S.C. 1413(a)(1)) is amended by striking ''this Act'' and inserting ''the North American Free Trade Agreement Implementation Act''.

SEC. 29. OTHER TECHNICAL AMENDMENT.

Section 516A(g)(4)(A) of the Tariff Act of 1930 (19 U.S.C. 1516a(g)(4)(A)) is amended by striking ''Implementation Agreement Act of 1988'' and inserting ''Agreement Implementation Act of 1988''.

SEC. 30. MORATORIUM ON MARKINGS OF METAL FORGINGS AND HAND TOOLS; CONSULTATION AND LAYOVER REQUIREMENTS IN GENERAL.

(a) MORATORIUM ON EXISTING AGENCY ACTIONS.—

(1) MORATORIUM.—Any regulations, rulings, guidelines, or other administrative decisions of the Secretary of the Treasury or of the United States Customs Service relating to rules of origin or country of origin marking requirements in effect on July 17, 1996, with respect to hand tools or metal forgings for hand tools may not be changed, modified, or revoked for a period of 1 year beginning on the date of the enactment of this Act. The regulations, rulings, guidelines, and other administrative decisions referred to in the preceding sentence shall, for the 1-year period beginning on the date of the enactment of this Act, govern the rules of origin and country of origin marking requirements with respect to hand tools and metal forgings for hand tools.

(2) DEFINITION.—For purposes of this subsection, the term ''metal forgings for hand tools'' means metal forgings that—

(A) are imported for processing into finished hand tools in the United States; and

(B) have not been improved in condition beyond rough burring, trimming, grinding, turning, hammering, chiseling, or filing.

(b) CONSULTATION WITH CONGRESS.—

(1) HAND TOOLS AND METAL FORGINGS.—Any regulations, rulings, guidelines, or other administrative decisions referred to in subsection (a) may be changed, modified, or revoked, consistent with United States law, after the end of the 1-year period described in that subsection, but only if the requirements of paragraph (3) are met.

(2) CHANGES IN RULE OF ORIGIN OR COUNTRY OF ORIGIN MARKING REQUIREMENTS.—Any regulations, rulings, guidelines, or other administrative decisions of the Secretary of the Treasury or of the United States Customs Service constituting a significant policy change in rules of origin or country of origin marking requirements in effect on July 17, 1996, may be issued only if the requirements of paragraph (3) are met.

(3) PROCEDURAL REQUIREMENTS.—The requirements referred to in paragraphs (1) and (2) are that—

(A) in addition to any other requirement of law or public notice procedure, the Secretary of the Treasury has consulted with interested and potentially affected persons regarding the proposed action referred to in paragraph (1) or (2), as the case may be;

(B) the Secretary of the Treasury has submitted a report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate that sets forth the action proposed, the extent to which such action constitutes a significant policy change from that underlying the regulations, rulings, guidelines, or administrative decisions in effect, and the reasons for such change;

(C) a period of 60 days, beginning with the first day on which the Secretary of the Treasury has met the requirements of subparagraphs (A) and (B) with respect to the proposed action has expired; and

(D) the Secretary of the Treasury has consulted with the committees referred to in subparagraph (B) regarding the proposed action during the period referred to in subparagraph (C).

(4) CALCULATION OF 60-DAY PERIOD.—The 60-day period referred to in paragraph (3)(C) shall be computed by excluding—

(A) the days on which either House of Congress is not in session because of an adjournment of more than 3 days to a day certain or an adjournment of the Congress sine die; and

(B) any Saturday and Sunday, not excluded under subparagraph (A), when either House is not in session.

(5) DEFINITION.—For purposes of this subsection, the term ''significant policy change'' means an action or determination for which the Secretary of the Treasury is required to follow the procedures of section 625(c) or section 516 of the Tariff Act of 1930 (19 U.S.C. 1625, 1516).

(c) EFFECT ON OTHER LAWS AND OBLIGATIONS.—Nothing in this section shall affect section 132 or 334 of the Uruguay Round Agreements Act (19 U.S.C. 3552, 3592), or require actions inconsistent with United States obligations under the WTO Agreements (as defined in section 2 of the Uruguay Round Agreements Act (19 U.S.C. 3501), the North American Free Trade Agreement, or the Agreement on the Establishment of a Free Trade Area between the Government of the United States of America and the Government of Israel.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Illinois [Mr. CRANE] and the gentleman from Florida [Mr. GIBBONS] each will control 20 minutes.

The Chair recognizes the gentleman from Illinois [Mr. CRANE].

GENERAL LEAVE

Mr. CRANE. 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. 3815.

The SPEAKER pro tempore. 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.

Mr. Speaker, I rise in strong support of H.R. 3815, a bill to make technical corrections and miscellaneous amendments to trade laws.

H.R. 3815 is a package of miscellaneous trade provisions and other technical and clerical corrections that were introduced originally as separate bills. The provisions in H.R. 3815 fall into four broad categories of miscellaneous trade proposals. The Committee on Ways and Means and the House already have approved the first group of proposals, which were included in last year's Balanced Budget Act, which was vetoed.

The second group of miscellaneous trade proposals was favorably reported by the Ways and Means Subcommittee on Trade on May 9 and by the full committee on July 26.

The third group includes two additional individual provisions, both of which received public comment. These two provisions also were favorably reported by the full committee on July 26.

The final group of provisions is a collection of purely technical and clerical corrections submitted by the Office of Law Revision. These items also were favorably reported by the subcommittee on May 9 and by the full committee on July 26.

During its consideration of the bill, the Ways and Means Committee approved an amendment to H.R. 3815, involving a 1-year moratorium on changes in regulations or administrative rulings relating to the importation of metal forgings for hand tools. The amendment also includes a 60-day consultation and layover provision for any significant policy changes with regard to rules of origin or country of origin marking requirements for all products.

The amendment and additional changes incorporated here today, represent a bipartisan compromise on this matter.

An additional amendment which clarifies that the moratorium applies only to hand tools and metal forgings covered by preexisting rulings rather than new products was included as part of H.R. 3815 subsequent to the filing of the committee report. I support this final compromise and applaud my colleagues on the Ways and Means Committee, especially Mrs. JOHNSON, Mrs. KENNELLY, and Mr. NEAL, for working closely with me on this issue.

Let me add that collecting these highly technical miscellaneous bills into a single legislative package is an enormous task undertaken in each Congress. H.R. 3815 groups roughly half the total number of miscellaneous trade bills introduced during the 104th Congress.

An effort has been made to include only those bills which are noncontroversial and revenue neutral. On average, it takes a continuous effort over two or three Congresses to pass such a bill, even those which make purely technical and clerical corrections.

Given these difficulties, it is my hope that we might be able to develop a set of transparent ground rules for handling miscellaneous trade proposals in the future. In my view, any bill which has the approval of the Congress and the administration, is unopposed by business and industry, and is revenue neutral, should move forward under expedited procedures. Business and industry often rely on the ability of Congress to update the trade laws to conform with commercial reality. I think we should be responsive to the needs of the trade community by developing some transparent, expedited procedures.

I look forward to working with my colleagues on both sides of the aisle to establish such rules and procedures.

I urge my colleagues to vote ''yes'' on H.R. 3815.

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

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

I rise in support of H.R. 3815, as amended.

H.R. 3815 consists of a large number of miscellaneous trade provisions and technical corrections to various trade laws. These changes were proposed by Members, the administration, the private sector, or the law revision counsel. They facilitate customs administration, suspend duties on specific products, or correct errors in tariff treatment or in the technical drafting of various trade statutes.

The committee amendment to section 30 of the bill as reported clarifies that preexisting rulings or other administrative decisions of the Treasury Department or Customs Service regarding rules of origin or country of origin marking requirements for handtools or metal forgings for handtools govern during a 1-year moratorium period with respect to tools or forgings covered by the decisions and defined in the bill.

The amendment also defines the scope of significant policy changes in rule of origin and marking requirements that would be subject to new congressional consultation and layover procedures. These modifications to the bill as reported are agreed among the interested parties involved.

The provisions of H.R. 3815 were subject to public comment and are non-controversial. I urge passage of H.R. 3815.

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

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Illinois [Mr. CRANE] that the House suspend the rules and pass the bill, H.R. 3815, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

REGULATING FISHING IN CERTAIN WATERS OF ALASKA

Mr. CALVERT. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1786) to regulate fishing in certain waters of Alaska, as amended.

The Clerk read as follows:

H.R. 1786

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

SECTION 1. DESCENDANTS' LAND USE.

(a) IN GENERAL.—Local residents who are descendants of Katmai residents who lived in the Naknek Lake and River Drainage shall be permitted, subject to reasonable regulations established by the Secretary of the Interior, to continue their traditional fishery for red fish within Katmai National Park (the national park and national preserve redesignated, established, and expanded under section 202(2) of the Alaska National Interest Lands Conservation Act (16 U.S.C. 410hh–1)).

(b) RED FISH DEFINED.—For the purposes of subsection (a), the term ''red fish'' means spawned-out sockeye salmon that has no significant commercial value.

SEC. 2. EFFECT ON TITLE AND JURISDICTION OF TIDAL AND SUBMERGED LANDS.

(a) TITLE.—No provision of this Act shall be construed to invalidate or validate or in any other way affect any claim by the State of Alaska to title to any or all submerged lands, nor shall any actions taken pursuant to or in accordance with this Act operate under any provision or principle of the law to bar the State of Alaska from asserting at any time its claim of title to any or all of the submerged lands.

(b) JURISDICTION.—Nothing in this Act nor in any actions taken pursuant to this Act shall be construed as expanding or diminishing Federal or State jurisdiction, responsibility, interests, or rights in management, regulation, or control over waters of the State of Alaska or submerged lands under any provision of Federal or State law.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California [Mr. CALVERT] and the gentleman from South Dakota [Mr. JOHNSON] each will control 20 minutes.

The Chair recognizes the gentleman from California [Mr. CALVERT].

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

(Mr. CALVERT asked and was given permission to revise and extend his remarks.)

Mr. CALVERT. Mr. Speaker, H.R. 1786 is the result of cooperative efforts of the Alaska Federation of Natives, the Bristol Bay Native Association, the Department of the Interior, and Resources Committee staff.

This bill is necessary to allow approximately 40 local residents of the Alaska Peninsula to harvest traditional red fish within the boundaries of Katmai National Park. Red fish is spawned out sockeye salmon which has traditional significance for the residents of this region. The harvest of red

fish takes place from August to October each year. When Katmai National Park was designated in the 1930's, the local residents were prohibited from the taking of fish by traditional means. This bill would allow the local residents to again harvest this culturally significant red fish by traditional means.

I want to thank Bristol Bay Native Association, Department of the Interior, the Alaska Federation of Natives and staff for their work on this bill.

I urge my colleagues to support this noncontroversial bill.

GENERAL LEAVE

Mr. CALVERT. 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. 1786.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

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

Mr. JOHNSON of South Dakota. Mr. Speaker, I yield myself such time as I may consume.

The majority has had an opportunity to examine this legislation and has no objection to the bill.

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

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

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. CALVERT] that the House suspend the rules and pass the bill, H.R. 1786, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

NATIONAL GEOLOGIC MAPPING REAUTHORIZATION ACT OF 1996

Mr. CALVERT. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3198) to reauthorize and amend the National Geologic Mapping Act of 1992, and for other purposes.

The Clerk read as follows:

H.R. 3198

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 ''National Geologic Mapping Reauthorization Act of 1996''.

SEC. 2. FINDINGS.

Congress finds that—

(1) in enacting the National Geologic Mapping Act of 1992 (43 U.S.C. 31a et seq.), Congress found, among other things, that—

(A) during the 2 decades preceding enactment of that Act, the production of geologic maps had been drastically curtailed;

(B) geologic maps are the primary data base for virtually all applied and basic earth-science investigations;

(C) Federal agencies, State and local governments, private industry, and the general public depend on the information provided by geologic maps to determine the extent of potential environmental damage before embarking on projects that could lead to preventable, costly environmental problems or litigation;

(D) the lack of proper geologic maps has led to the poor design of such structures as dams and waste-disposal facilities;

(E) geologic maps have proven indispensable in the search for needed fossil fuel and mineral resources; and

(F) a comprehensive nationwide program of geologic mapping is required in order to systematically build the Nation's geologic-map data base at a pace that responds to increasing demand;

(2) the geologic mapping program called for by that Act has not been fully implemented; and

(3) it is time for this important program to be fully implemented.

SEC. 3. REAUTHORIZATION AND AMENDMENT.

(a) DEFINITIONS.—Section 3 of the National Geologic Mapping Act of 1992 (43 U.S.C. 31b) is amended—

(1) by striking ''As used in this Act:'' and inserting ''In this Act:'';

(2) by redesignating paragraphs (2), (3), (4), and (5) as paragraphs (3), (4), (5), and (6), respectively;

(3) by inserting after paragraph (1) the following:

''(2) ASSOCIATION.—The term 'Association' means the Association of American State Geologists.''; and

(4) in each paragraph that does not have a heading, by inserting a heading, in the same style as the heading in paragraph (2), as added by paragraph (3), the text of which is comprised of the term defined in the paragraph.

(b) GEOLOGIC MAPPING PROGRAM.—Section 4 of the National Geologic Mapping Act of 1992 (43 U.S.C. 31c) is amended—

(1) by striking subsection (a) and inserting the following:

''(a) ESTABLISHMENT.—

''(1) IN GENERAL.—There is established a national cooperative geologic mapping program between the United States Geological Survey and the State geological surveys, acting through the Association.

''(2) DESIGN, DEVELOPMENT, AND ADMINISTRATION.—The cooperative geologic mapping program shall be—

''(A) designed and administered to achieve the objectives set forth in subsection (c);

''(B) developed in consultation with the advisory committee; and

''(C) administered through the Survey.'';

(2) in subsection (b)—

(A) in the subsection heading by striking ''USGS'' and inserting ''THE SURVEY'';

(B) in paragraph (1)—

(i) by single-indenting the paragraphs, double-indenting the subparagraphs, and triple indenting the clauses;

(ii) by inserting ''LEAD AGENCY.—'' before ''The Survey'';

(iii) in subparagraph (A)—

(I) by striking ''Committee on Natural Resources'' and inserting ''Committee on Resources''; and

(II) by striking ''date of enactment of this Act'' and inserting ''date of enactment of the National Geologic Mapping Reauthorization Act of 1996'';

(iv) in subparagraph (B)—

(I) by striking ''State geological surveys'' and inserting ''Association''; and

(II) by striking ''date of enactment of this Act'' and inserting ''date of enactment of the National Geologic Mapping Reauthorization Act of 1996''; and

(v) in subparagraph (C)—

(I) by striking ''date of enactment of this Act'' and inserting ''date of enactment of the National Geologic Mapping Reauthorization Act of 1996'';

(II) by striking ''Committee on Natural Resources'' and inserting ''Committee on Resources'';

(III) in clauses (i) and (ii) by inserting ''and the Association'' after ''the Survey'';

(IV) by adding ''and'' at the end of clause (ii); and

(V) by striking ''; and'' at the end of clause (iii) and all that follows through the end of the subparagraph and inserting a period; and

(C) in paragraph (2)—

(i) by inserting ''RESPONSIBILITIES OF THE SECRETARY.—'' before ''In addition to''; and

(ii) in subparagraph (A) by striking ''State geological surveys'' and inserting ''Association'';

(3) in subsection (c)—

(A) in paragraph (2) by striking ''interpretive'' and inserting ''interpretative''; and

(B) in paragraph (4) by striking ''awareness for'' and inserting ''awareness of''; and

(4) in subsection (d)—

(A) in paragraph (1) by inserting ''FEDERAL COMPONENT.—'' before ''A Federal'';

(B) in paragraph (2)—

(i) by inserting ''SUPPORT COMPONENT.—'' before ''A geologic''; and

(ii) by striking subparagraph (D) and inserting the following:

''(D) geochronologic and isotopic investigations that—

''(i) provide radiometric age dates for geologic-map units; and

''(ii) fingerprint the geothermometry, geobarometry, and alteration history of geologic-map units,

which investigations shall be contributed to a national geochronologic data base;'';

(C) in paragraph (3) by inserting ''STATE COMPONENT.—'' before ''A State''; and

(D) by striking paragraph (4) and inserting the following:

''(4) EDUCATION COMPONENT.—A geologic mapping education component—

''(A) the objectives of which shall be—

''(i) to develop the academic programs that teach earth-science students the fundamental principles of geologic mapping and field analysis; and

''(ii) to provide for broad education in geologic mapping and field analysis through support of field studies;

''(B) investigations under which shall be integrated with the other mapping components of the geologic mapping program and shall respond to priorities identified for those components; and

''(C) Federal funding for which shall be matched by non-Federal sources on a 1-to-1 basis.''.

(c) ADVISORY COMMITTEE.—Section 5 of the National Geologic Mapping Act of 1992 (43 U.S.C. 31d) is amended—

(1) by striking subsection (a) and inserting the following:

''(a) ESTABLISHMENT.—

''(1) IN GENERAL.—There shall be established a 10-member geologic mapping advisory committee to advise the Director on planning and implementation of the geologic mapping program.

''(2) MEMBERS EX OFFICIO.—Federal agency members shall include the Administrator of the Environmental Protection Agency or a designee, the Secretary of Energy or a designee, the Secretary of Agriculture or a designee, and the Assistant to the President for Science and Technology or a designee.

''(3) APPOINTED MEMBERS.—Not later than 90 days after the date of enactment of the National Geologic Mapping Reauthorization Act of 1996, in consultation with the Association, the Secretary shall appoint to the advisory committee 2 representatives from the Survey (including the Chief Geologist, as

Chairman), 2 representatives from the State geological surveys, 1 representative from academia, and 1 representative from the private sector.''; and

(2) in subsection (b)(3) by striking ''and State'' and inserting '', State, and university''.

(d) GEOLOGIC MAPPING PROGRAM IMPLEMENTATION PLAN.—Section 6 of the National Geologic Mapping Act of 1992 (43 U.S.C. 31e) is amended—

(1) in paragraph (1) by inserting ''cooperative'' after ''national'';

(2) by striking paragraph (3)(C) and inserting the following:

''(C) for the State geologic mapping component, a priority-setting mechanism that responds to—

''(i) specific intrastate needs for geologic-map information; and

''(ii) interstate needs shared by adjacent entities that have common requirements; and'';

(3) by striking paragraphs (4) and (5) and inserting the following:

''(4) a mechanism for adopting scientific and technical mapping standards for preparing and publishing general-purpose and special-purpose geologic maps to—

''(A) ensure uniformity of cartographic and scientific conventions; and

''(B) provide a basis for judgment as to the comparability and quality of map products; and''; and

(4) by redesignating paragraph (6) as paragraph (5).

(e) NATIONAL GEOLOGIC-MAP DATA BASE.—Section 7 of the National Geologic Mapping Act of 1992 (43 U.S.C. 31f) is amended by striking subsection (b) and inserting the following:

''(b) STANDARDIZATION.—

''(1) IN GENERAL.—Geologic maps contributed to the national archives shall have format, symbols, and technical attributes that adhere to standards so that archival information can be accessed, exchanged, and compared efficiently and accurately, as required by Executive Order 12906 (59 Fed. Reg. 17,671 (1994)), which established the National Spatial Data Infrastructure.

''(2) DEVELOPMENT OF STANDARDS.—Entities that contribute geologic maps to the national archives shall develop the standards described in paragraph (1) in cooperation with the Federal Geographic Data Committee, which is charged with standards development and other data coordination activities as described in Office of Management and Budget revised Circular A–16.''.

(f) ANNUAL REPORT.—Section 8 of the National Geologic Mapping Act of 1992 (43 U.S.C. 31g) is amended in the first sentence—

(1) by striking ''Committee on Natural Resources'' and inserting ''Committee on Resources''; and

(2) by striking ''program, and describing and evaluating progress'' and inserting ''program and describing and evaluating the progress''.

(g) AUTHORIZATION OF APPROPRIATIONS.—Section 9 of the National Geologic Mapping Act of 1992 (43 U.S.C. 31h) is amended to read as follows:

''SEC. 9. AUTHORIZATION OF APPROPRIATIONS.

''(a) IN GENERAL.—There are authorized to be appropriated to carry out the national cooperative geologic mapping program under this Act—

''(1) $24,000,000 for fiscal year 1997;

''(2) $26,000,000 for fiscal year 1998;

''(3) $28,000,000 for fiscal year 1999; and

''(4) $30,000,000 for fiscal year 2000.

''(b) ALLOCATION OF APPROPRIATED FUNDS.—

''(1) IN GENERAL.—Of the amount of funds that are appropriated under subsection (a) for any fiscal year up to the amount that is equal to the amount appropriated to carry out the national cooperative geologic mapping program for fiscal year 1996—

''(A) not less than 20 percent shall be allocated to State mapping activities; and

''(B) not less than 2 percent shall be allocated to educational mapping activities.

''(2) INCREASED APPROPRIATIONS.—Of the amount of funds that are appropriated under subsection (a) for any fiscal year up to the amount that exceeds the amount appropriated to carry out the national cooperative geologic mapping program for fiscal year 1996—

''(A) for fiscal year 1997—

''(i) 76 percent shall be allocated for Federal mapping and support mapping activities;

''(ii) 22 percent shall be allocated for State mapping activities; and

''(iii) 2 percent shall be allocated for educational mapping activities;

''(B) for fiscal year 1998—

''(i) 75 percent shall be allocated for Federal mapping and support mapping activities;

''(ii) 23 percent shall be allocated for State mapping activities; and

''(iii) 2 percent shall be allocated for educational mapping activities;

''(C) for fiscal year 1999—

''(i) 74 percent shall be allocated for Federal mapping and support mapping activities;

''(ii) 24 percent shall be allocated for State mapping activities; and

''(iii) 2 percent shall be allocated for educational mapping activities; and

''(D) for fiscal year 2000—

''(i) 73 percent shall be allocated for Federal mapping and support mapping activities;

''(ii) 25 percent shall be allocated for State mapping activities; and

''(iii) 2 percent shall be allocated for educational mapping activities.''.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California [Mr. CALVERT] and the gentleman from South Dakota [Mr. JOHNSON] each will control 20 minutes.

The Chair recognizes the gentleman from California [Mr. CALVERT].

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

(Mr. CALVERT asked and was given permission to revise and extend his remarks.)

Mr. CALVERT. Mr. Speaker, I rise in strong support of H.R. 3198, a bill to reauthorize and amend the National Geologic Mapping Act of 1992 which established a cooperative program between the U.S. Geological Survey, the various State geological surveys, and academia. After 4 years, it is time to reauthorize this program for another 4 years and to modify its terms slightly based upon the experience the cooperators have gained.

First, let me say that our colleague from West Virginia, NICK RAHALL, joined by a large bipartisan group of Members, was the lead sponsor of the bill which became law in 1992 first authorizing the cooperative geologic mapping program. That action was taken, Mr. Speaker, in the wake of a study by the National Academy of Sciences which expressed alarm at the decline of detailed geologic mapping efforts nationwide over the last decade.

The National Geologic Mapping Act then, as now, was a codification of ''cooperative federalism'' in that it expressly authorized the practice of the USGS using a small but significant portion of its geologic mapping budget to fund mapping projects of priority to the State geologic surveys on a 50/50 matching share basis. Furthermore, a component of the program was designed to set aside a smaller portion of the budget for universities to compete for funds to support student training in geologic mapping skills and field studies.

Mr. Speaker, the basic scientific endeavor of mapping the bedrock geology and surficial deposits of this country is the foundation upon which society's needs for identification and abatement of geologic hazards such as seismic zones, volcanic activity, and landslides. Such mapping is also key to delineation and protection of sources of safe drinking water, sound land-use planning, and initial mineral resources assessments as well.

Since its passage of the 1992 Act, staffing at the USGS, particularly for this type of work, has declined dramatically. A significant reduction-in-force in the Geologic Division begun by the fiscal year 1995 budget and continued last year has made it all the more necessary to full involve the State surveys in the priorization of national geologic mapping needs and cooperative use of their staffs to get the job done.

H.R. 3198 reauthorizes this cooperative program for 4 more years and establishes thresholds for the sharing of funds between the Federal, State, and academic components. In general, the administration has agreed to dedicate not less than 20 percent of the budget line for geologic mapping to the cooperative State map component, and not less than 2 percent to the educational component.

Mr. Speaker, by way of reference, the fiscal year 1996 appropriation for this subactivity of the USGS was approximately $22 million, meaning that $4 million is in the grant pool for matching with State moneys on geologic mapping projects upon approval by a peer review panel. The administration's fiscal year 1997 budget requested level funding for this program and the full House voted in agreement earlier this month on H.R. 3662, the Interior and Related Agencies appropriations bill.

H.R. 3198 will reauthorize this valuable program for 4 more years and ratify some very minor changes negotiated between the three participant groups—Feds, States, and academia. Specifically, these are definitional name changes, a slight modification of the congressional findings, and a paring down of the size of the Advisory Committee to the USGS Director. The current act has an unwieldly 16 member board. This reauthorization calls for downsized 10-member advisory

board, made up of Federal representatives as well as State geologists and university members.

Mr. Speaker, let me finish by thanking the ranking member of the Energy and Mineral Resources Subcommittee, Mr. ABERCROMBIE of Hawaii, for his cooperation on this reauthorization. H.R. 3198 has the full support of the administration and I urge its passage.

□ 1045

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

Mr. JOHNSON of South Dakota. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the gentleman from Hawaii [Mr. ABERCROMBIE], the ranking member of the Subcommittee on Energy and Mineral Resources of the Committee on Resources has been detained; however, I am advised that he is in full support of this legislation. The minority is in support of the legislation. The Clinton administration has expressed its support, and so we have no objection to this legislation. We support its passage.

Mr. Speaker, I will submit a statement from the gentleman from Hawaii [Mr. ABERCROMBIE] for the RECORD.

Mr. ABERCROMBIE. Mr. Speaker, I am pleased to rise in support of H.R. 3198, a bill that would reauthorize the 1992 Geologic Mapping Act through fiscal year 2000, and amend the act to designate that 20 percent of the total amount appropriated be allocated to the State component of the program. I would note that both the Clinton administration and the State Geologists support this bill.

Congress enacted the National Geologic Mapping Act of 1992—Public Law 102–285 and 43 U.S.C. sections 31a–h—in order to expedite the production of a geologic map data base for the Nation, which can be applied to land-use management, assessment, and utilization, conservation of natural resources, groundwater management, and environmental protection. The act designated the U.S. Geological Survey as the Federal agency responsible for planning, coordinating, and managing the National Cooperative Geologic Mapping Program. This program is carried out by a consortium of geologic mapping partners including State geological Surveys, universities, other Federal agencies, and the USGS.

Geologic maps are the primary data base for nearly all applied and basic earth science investigations. Federal agencies, State and local governments, private industry, and the general public depend on the information provided by geologic maps. The current geologic map data base is inadequate to meet these needs and development of a comprehensive nationwide program of geologic mapping is required at a pace that responds to increasing demand for mapping in high-priority areas. The States and the USGS each conduct a yearly, needs-based survey to determine program priorities.

Improved geologic map information has been shown, using benefit-cost analyses, to be of significant value in many decisionmaking processes, including:

Exploring for and developing mineral, energy, and water resources;

Screening and characterizing sites for toxic and nuclear waste disposal;

Land use evaluation and planning for environmental protection;

Earthquake hazards reduction;

Predicting volcanic hazards;

Designing and constructing infrastructure requirements such as utility lifelines, transportation corridors, and surface-water impoundments;

Reducing losses from landslides and other ground failures;

Mitigating effects of coastal and stream erosion; and

Siting of critical facilities.

I urge my colleagues to support enactment of this bill.

Mr. JOHNSON of South Dakota.

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

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

The SPEAKER pro tempore (Mr. EWING). The question is on the motion offered by the gentleman from California [Mr. CALVERT] that the House suspend the rules and pass the bill, H.R. 3198.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. CALVERT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 3198, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

CRAWFORD NATIONAL FISH HATCHERY CONVEYANCE ACT

Mr. SAXTON. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3287) to direct the Secretary of the Interior to convey the Crawford National Fish Hatchery to the city of Crawford, NE, as amended.

The Clerk read as follows:

H.R. 3287

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 ''Crawford National Fish Hatchery Conveyance Act''.

SEC. 2. CONVEYANCE OF CRAWFORD NATIONAL FISH HATCHERY TO THE CITY OF CRAWFORD, NEBRASKA.

(a) CONVEYANCE REQUIREMENT.—Within 180 days after the date of the enactment of this Act, the Secretary of the Interior shall convey to the city of Crawford, Nebraska, without reimbursement, all right, title, and interest of the United States in and to the property described in subsection (b), for use by the city for a city park and other public recreational purposes.

(b) PROPERTY DESCRIBED.—The property referred to in subsection (a) is the property known as the Crawford National Fish Hatchery, located in the city of Crawford, Nebraska, consisting of 5.95 acres (more or less), and all improvements and related personal property under the control of the Secretary that is located on that property, including buildings, structures, equipment, and all easements, leases, and water rights relating to that property.

(c) USE AND REVERSIONARY INTEREST.—If any of the property conveyed to the city of Crawford, Nebraska, under this section is used by the city for any purpose other than the uses authorized under subsection (a), all right, title, and interest in and to all property conveyed under this section shall revert to the United States. The city of Crawford, Nebraska, shall ensure that all property that reverts to the United States under this subsection is in substantially the same or better condition as at the time of conveyance to the city.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New Jersey [Mr. SAXTON] and the gentleman from Massachusetts [Mr. STUDDS] each will control 20 minutes.

The Chair recognizes the gentleman from New Jersey [Mr. SAXTON].

(Mr. SAXTON asked and was given permission to revise and extend his remarks.)

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

Mr. Speaker, I appreciate the opportunity to discuss H.R. 3287, the Crawford National Fish Hatchery Conveyance Act. This bill was introduced by Congressman BILL BARRETT on April 23, 1996. Under the terms of this bill, the Secretary of the Interior shall convey to the city of Crawford, within 180 days of enactment and without reimbursement, all right, title, and interest to the Crawford hatchery facility to the city of Crawford. This facility will be used as a city park and for other public recreation purposes. The proposal also contains a reversionary clause that stipulates that the property will be returned to the Federal Government if it is used for something other than recreational purposes.

It is important to note that the hatchery is located in the middle of an existing city park. While the city has spent a considerable amount of money restoring those parklands under their jurisdiction, the hatchery buildings and ponds are in a highly deteriorated state. There is little likelihood that this facility will ever again be used by either the State of Nebraska or the Federal Government as a hatchery.

I urge all Members to support this noncontroversial bill.

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

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

Mr. Speaker, the tension is palpable here. This is an extraordinary moment. We have already given more time to this than I think it really deserves. It is utterly noncontroversial. This is the standard procedure by which, for many years, we have approved the transfer of these hatcheries.

Mr. YOUNG of Alaska. Mr. Speaker, I strongly support H.R. 3287, the Crawford National Fish Hatchery Conveyance Act, introduced by our colleague from Nebraska, BILL BARRETT.

This measure is somewhat different from other fish hatchery transfer bills in that it will convey about 6 acres of Federal lands not to the State, but to the city of Crawford, NE.

For nearly 62 years, this hatchery was used by the U.S. Fish and Wildlife Service and the Nebraska State Game and Park Commission to produce millions of bluegill, channel catfish, largemouth bass, various species of trout, and their eggs.

Unfortunately, in 1991, the Crawford National Fish Hatchery was severely damaged from flooding of the White River. The facilities were closed, no repairs were made, the buildings have not been maintained, and there is no likelihood that either the Federal or the State Government will reopen this hatchery in the future.

Furthermore, the hatchery is located in the middle of the city park. While the local community has spent a substantial amount of money to rebuild its park facilities, these efforts have been undermined by this unwanted, rapidly deteriorating, and increasingly dangerous fish hatchery.

H.R. 3287 will convey the hatchery property to the city of Crawford, which has made a commitment to restore and use certain buildings for various recreational activities. In addition, the bill contains the standard reversionary clause that requires the city of Crawford to return this property to the Federal Government, if it is used for anything other than the authorized purposes.

I urge an ''aye'' vote on this legislation and compliment BILL BARRETT for his outstanding leadership in this matter.

Mr. BARRETT of Nebraska. Mr. Speaker, I rise today in support of H.R. 3287, a bill to transfer the old Crawford National Fish Hatchery to the city of Crawford. I'd also like to extend my thanks to Chairman SAXTON for his assistance with this bill, and the Lake Minatare legislation.

Crawford is a small town with approximately 1,300 residents in northwest Nebraska. It's a friendly town with large city park on its western city limit. However, within the boundaries of the city park is an abandoned fish hatchery.

In the 1920's Crawford granted the U.S. Fish and Wildlife Service the rights to build a fish hatchery in the city park. It was successfully operated by the Service from 1929 to 1983. It was mainly used to breed trout. During the early 1980's, Federal financial support for the hatchery diminished, and the State Game and Parks Commission took over the operation and maintenance of the facility.

In 1991, the Game and Parks Commission completed construction of a new facility and prepared to close the Crawford site. Later that year, Crawford sustained heavy damage caused by a 100-year flood. The hatchery was severely damaged, and essentially destroyed. Currently, neither the Service nor the State operate the facility, and the ruined buildings continue to fall apart, creating an eyesore in the city park.

Due to the lack of interest in repairing the hatchery, the Fish and Wildlife Service is preparing to declare the property as excess to its needs and turn it over to the General Services Administration for disposition, with the recommendation that the property be returned to the city. Unfortunately, the disposition process is often slow, and, in the case of Crawford, the outcome may not be what the city desires.

In the regard, I introduced a bill, H.R. 3287, a transfer the property back to the city. The city intends to restore some of the damaged buildings and use them for public meeting rooms. These improvements will greatly enhance the city park.

This action has the support of the city, the State Game and Parks Commission, and the U.S. Fish and Wildlife Service. I urge my colleagues to support this bill.

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

Mr. SAXTON. Mr. Speaker, I have no more requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Jersey [Mr. SAXTON] that the House suspend the rules and pass the bill, H.R. 3287, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SAXTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 3287, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

WALHALLA NATIONAL FISH HATCHERY CONVEYANCE ACT

Mr. SAXTON. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3546) to direct the Secretary of the Interior to convey the Walhalla National Fish Hatchery to the State of South Carolina, as amended.

The Clerk read as follows:

H.R. 3546

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 ''Walhalla National Fish Hatchery Conveyance Act''.

SEC. 2. CONVEYANCE OF WALHALLA NATIONAL FISH HATCHERY TO THE STATE OF SOUTH CAROLINA.

(a) CONVEYANCE REQUIREMENT.—Within 180 days after the date of the enactment of this Act, the Secretary of the Interior shall convey to the State of South Carolina without reimbursement all right, title, and interest of the United States in and to the property described in subsection (b), for use by the South Carolina Department of Natural Resources as part of the State of South Carolina fish culture program.

(b) PROPERTY DESCRIBED.—The property referred to in subsection (a) is the property known as the Walhalla National Fish Hatchery, located on Indian Camp Creek and the East Fork of Chattooga River off of State Secondary Highway 325 in northern Oconee County, South Carolina, consisting of 76.2 acres (more or less), all improvements and related personal property under the control of the Secretary that is located on that property, including buildings, structures, and equipment, and all easements, leases, and water rights relating to that property.

(c) REVERSIONARY INTEREST.—If any of the property conveyed to the State of South Carolina under this section is used for any purpose other than the use authorized under subsection (a), all right, title, and interest in and to all property conveyed under this section shall revert to the United States. The State of South Carolina shall ensure that all property reverting to the United States under this subsection is in substantially the same or better condition as at the time of transfer to the State.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New Jersey [Mr. SAXTON] and the gentleman from Massachusetts [Mr. STUDDS] each will control 20 minutes.

The Chair recognizes the gentleman from New Jersey [Mr. SAXTON].

(Mr. SAXTON asked and was given permission to revise and extend his remarks.)

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

Mr. Speaker, I appreciate the opportunity to take action on H.R. 3546, the Walhalla National Fish Hatchery Conveyance Act.

H.R. 3546 was introduced by Congressman LINDSEY GRAHAM on May 29, 1996. Under the terms of this bill, the Secretary of the Interior shall convey to the South Carolina Department of Natural Resources, within 180 days of enactment and without reimbursement, all right, title, and interest to the Walhalla Hatchery facility for use as a State hatchery. Furthermore, the proposal contains a reversionary clause that stipulates that the property will be returned to the Federal Government if it is used for something other than fishery resources management.

This facility is extremely important to the State of South Carolina because it is the only public source for brown trout; there is no reasonable alternative for stocking the State's waters; and without these fish, there is no viable sport fishing for trout. While privately produced trout are available, this option was explored and rejected because of lack of supply control, cost fluctuations, and the potential introduction of diseases.

I urge all Members to support this noncontroversial bill.

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

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

Mr. Speaker, I congratulate the gentleman from New Jersey [Mr. SAXTON], the distinguished subcommittee chairman, for his legislative stature. It is growing by the minute.

This is identical in its substances to the preceding bill.

Mr. YOUNG of Alaska. Mr. Speaker, I rise in strong support of H.R. 3546, the Walhalla National Fish Hatchery Conveyance Act, introduced by our colleague from South Carolina, LINDSEY GRAHAM.

This noncontroversial bill is nearly identical to measures the House of Representatives has approved to transfer certain Federal fish hatcheries to non-Federal control.

This hatchery, which consists of about 78 acres, is currently being operated by the South Carolina Department of Natural Resources under a long-term agreement with the U.S. Fish and Wildlife Service.

This hatchery was 1 of 11 identified by the Clinton administration for transfer to the States in fiscal year 1996 because it is no longer an essential component of the Fish and Wildlife Service's nationwide stocking program.

Based on testimony the subcommittee received, however, it is clear that Walhalla is extremely important to the State of South Carolina because it is the only public source for brown trout, there is no reasonable alternative for stocking the State's waters, and, without these fish, there is no viable sport fishing for trout. There are 45,800 trout anglers in the State of South Carolina and this activity produces an annual economic impact of over $12 million.

This bill contains language that stipulates the property will be returned to the Federal Government if it is used for something other than the authorized purposes.

I urge an ''aye'' vote on this legislation and compliment LINDSEY GRAHAM for his outstanding leadership in this matter.

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

Mr. SAXTON. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Jersey [Mr. SAXTON] that the House suspend the rules and pass the bill, H.R. 3546, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SAXTON. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days within which to revise and extend their remarks and to include extraneous material on H.R. 3546, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

MARION NATIONAL FISH HATCHERY CONVEYANCE ACT

Mr. SAXTON. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3557) to direct the Secretary of the Interior to convey the Marion National Fish Hatchery to the State of Alabama, as amended.

The Clerk read as follows:

H.R. 3557

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 ''Marion National Fish Hatchery Act''.

SEC. 2. CONVEYANCE OF MARION NATIONAL FISH HATCHERY AND CLAUDE HARRIS NATIONAL AQUACULTURAL RESEARCH CENTER TO THE STATE OF ALABAMA.

(a) CONVEYANCE REQUIREMENT.—Within 180 days after the date of the enactment of this Act, the Secretary of the Interior shall convey to the State of Alabama without reimbursement all right, title, and interest of the United States in and to the property described in subsection (b) for use by the Game and Fish Division of the Alabama Department of Conservation and Natural Resources as part of the State of Alabama fish culture program.

(b) PROPERTY DESCRIBED.—The property referred to in subsection (a) consists of—

(1) that portion of the Marion National Fish Hatchery leased to the Alabama Game and Fish Division, located on State Highway 175 seven miles northeast of Marion, Alabama, as described in Amendment No. 2 to the Cooperative Agreement dated June 6, 1974, between the United States Fish and Wildlife Service and the State of Alabama, Department of Conservation and Natural Resources, Game and Fish Division, comprised of approximately 300 acres (more or less), and the Claude Harris National Aquacultural Research Center, located on State Highway 175 seven miles northeast of Marion, Alabama, as described in a United States Fish and Wildlife Service document entitled ''EXHIBIT A'' and dated March 19, 1996, comprised of approximately 298 acres (more or less);

(2) all improvements and related personal property under the control of the Secretary that is located on that property, including buildings, structures, equipment, and all easements and leases relating to that property; and

(3) all water rights relating to that property.

(c) REVERSIONARY INTEREST.—If any of the property conveyed to the State of Alabama under this section is used for any purpose other than the use authorized under subsection (a), all right, title, and interest in and to all property conveyed under this section shall revert to the United States. The State of Alabama shall ensure that all property reverting to the United States under this subsection is in substantially the same or better condition as at the time of transfer to the State.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New Jersey [Mr. SAXTON] and the gentleman from Massachusetts [Mr. STUDDS] each will control 20 minutes.

The Chair recognizes the gentleman from New Jersey [Mr. SAXTON].

(Mr. SAXTON asked and was given permission to revise and extend his remarks.)

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

Mr. Speaker, I appreciate the opportunity to discuss this bill, H.R. 3557, the Marion National Fish Hatchery Conveyance Act. H.R. 3557 was introduced by Congressman EARL HILLIARD on May 30, 1996.

This bill is similar to measures that transferred the Corning, Fairport, and New London Fish Hatcheries to the States. Under the terms of this bill, the Secretary of the Interior shall convey to the State of Alabama, within 180 days of enactment and without reimbursement, all right, title, and interest to the Marion Hatchery. The facility will be used by the Game and Fish Division of the Alabama Department of Conservation and Natural Resources for the State's fish culture program. The proposal also contains a reversionary clause that stipulates that the property will be returned to the Federal Government if it is used for something other than fishery resources management and fisheries-related activities.

In the most recent real estate assessment in 1994, the property was valued at $465,000 and the structures have been assessed at $1,062,000 according to the Realty Division of the U.S. Fish and Wildlife Service. The State has indicated that it has spent over $2 million on facility improvements and renovations since it assumed operational control in 1974.

I urge all Members to support this noncontroversial bill.

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

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

Mr. Speaker, once again this is a bill without controversy, a transfer of a hatchery. We also have an amendment offered breathtakingly at the last moment by the distinguished gentleman from Alabama [Mr. HILLIARD] which caused a flurry of parliamentary frowns, though I trust no procedural nightmares have been elicited by the gentleman.

Mr. Speaker, I yield such time as he may consume to the gentleman from Alabama [Mr. HILLIARD] to explain his amendment, so long as it is not too much.

Mr. HILLIARD. Mr. Speaker, I thank the gentleman from Massachusetts [Mr. STUDDS] very much for yielding.

Mr. Speaker, to the Speaker, the minority leader and the majority leader, let me say that this is a bill with an amendment. The bill, in essence, seeks to transfer from the control of the Federal Government to the State of Alabama the Marion Fish Hatchery.

The amendment seeks to transfer from the Federal Government not only the Marion Fish Hatchery, but also the Marion Research Center. At the same time, the amendment renames the Marion Fish Hatchery the Claude Harris National Aquatic Research Center.

Claude Harris was my predecessor here. He worked tirelessly to put together the Marion Fish Hatchery and Research Center and we feel it would be fitting to name it after him.

Mr. STUDDS. Mr. Speaker, in closing I note that the gentleman from New Jersey is apparently in possession of the pen that the President will use to sign the extension of the Magnuson Act when the time comes.

Mr. YOUNG of Alaska. Mr. Speaker, I support H.R. 3557, the Marion National Fish Hatchery Conveyance Act, introduced by our colleague from Alabama, EARL HILLIARD.

The legislation will transfer the 300 acres that comprise the Marion Hatchery to the State of Alabama. This facility has been effectively operated by the Alabama Game and Fish Division for over 20 years and during that

time it has produced thousands of bluegills, channel catfish, largemouth bass, striped bass, and hybrid striped bass fingerlings. These fish are used to stock over 500,000 acres of public waters in the State of Alabama and they are available to over 530,000 licensed sport anglers.

In addition, the Marion Fish Hatchery has provided over 1.3 million gulf striped bass fry to 3 Federal and 2 neighboring State hatcheries and over 270,000 gulf striped bass fingerlings to support Federal and State programs in the State of Florida.

Finally, the State of Alabama has spent over $2 million on facility improvements and renovations at the Marion National Fish Hatchery since it assumed operational control. The Alabama Game and Fish Division has stated that ''the Division will continue to utilize the facility for the production of fish to enhance the freshwaters of Alabama and the thousands of people who enjoy fishing these waters.''

I urge an ''aye'' vote on this legislation which has been endorsed by both the Clinton administration and the Governor of the State of Alabama, the Honorable Fob James, Jr.

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

Mr. SAXTON. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Jersey [Mr. SAXTON] that the House suspend the rules and pass the bill, H.R. 3557, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title of the bill was amended so as to read: ''A bill direct the Secretary of the Interior to convey the Marion National Fish Hatchery and the Claude Harris National Aquacultural Research Center to the State of Alabama.''

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SAXTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and to include extraneous material on H.R. 3557, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

2002 WINTER OLYMPIC GAMES FACILITATION ACT

Mr. HANSEN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3907) to facilitate the 2002 Winter Olympic Games in the State of Utah at the snowbasin ski area, to provide for the acquisition of lands within the Sterling Forest Reserve, and for other purposes, as amended.

The Clerk read as follows:

H.R. 3907

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

TITLE I—SNOWBASIN SKI AREA

SEC. 101. SHORT TITLE.

This title may be cited as the ''2002 Winter Olympic Games Facilitation Act''.

SEC. 102. FINDINGS AND DETERMINATION.

(a) FINDINGS.—The Congress finds that—

(1) in June 1995, Salt Lake City, Utah, was selected to host the 2002 Winter Olympic Games, and the Snowbasin Ski Resort, which is owned by the Sun Valley Company, was identified as the site of six Olympic events: the men's and women's downhills, men's and women's Super-Gs, and men's and women's combined downhills;

(2) in order to adequately accommodate these events, which are traditionally among the most popular and heavily attended at the Winter Olympic Games, major new skiing, visitor, and support facilities will have to be constructed at the Snowbasin Ski Resort on land currently administered by the United States Forest Service;

(3) while certain of these new facilities can be accommodated on National Forest land under traditional Forest Service permitting authorities, the base area facilities necessary to host visitors to the ski area and the Winter Olympics are of such a nature that they should logically be located on private land;

(4) land exchanges have been routinely utilized by the Forest Service to transfer base area lands to many other ski areas, and the Forest Service and the Sun Valley Company have concluded that a land exchange to transfer base area lands at the Snowbasin Ski Resort to the Sun Valley Company is both logical and advisable;

(5) an environmental impact statement and numerous resource studies have been completed by the Forest Service and the Sun Valley Company for the lands proposed to be transferred to the Sun Valley Company by this title;

(6) the Sun Valley Company has assembled lands with outstanding environmental, recreational, and other values to convey to the Forest Service in return for the lands it will receive in the exchange, and the Forest Service has identified such lands as desirable for acquisition by the United States; and

(7) completion of a land exchange and approval of a development plan for Olympic related facilities at the Snowbasin Ski Resort is essential to ensure that all necessary facilities can be constructed, tested for safety and other purposes, and become fully operational in advance of the 2002 Winter Olympics and earlier pre-Olympic events.

(b) DETERMINATION.—The Congress has reviewed the previous analyses and studies of the lands to be exchanged and developed pursuant to this title, and has made its own review of these lands and issues involved, and on the basis of those reviews hereby finds and determines that a legislated land exchange and development plan approval is necessary to meet Olympic goals and timetables.

SEC. 103. SNOWBASIN LAND EXCHANGE.

(a) PURPOSE AND INTENT.—The purpose of this section is to authorize and direct the Secretary to exchange 1,320 acres of federally-owned land within the Cache National Forest in the State of Utah for lands of approximately equal value owned by the Sun Valley Company. It is the intent of Congress that this exchange be completed without delay within the period specified by subsection (d).

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

(1) The term ''Sun Valley Company'' means the Sun Valley Company, a division of Sinclair Oil Corporation, a Wyoming Corporation, or its successors or assigns.

(2) The term ''Secretary'' means the Secretary of Agriculture.

(c) EXCHANGE.—

(1) FEDERAL SELECTED LANDS.—(A) Not later than 45 days after the final determination of value of the Federal selected lands, the Secretary shall, subject to this section, transfer all right, title, and interest of the United States in and to the lands referred to in subparagraph (B) to the Sun Valley Company.

(B) The lands referred to in subparagraph (A) are certain lands within the Cache National Forest in the State of Utah comprising 1,320 acres, more or less, as generally depicted on the map entitled ''Snowbasin Land Exchange—Proposed'' and dated October 1995.

(2) NON-FEDERAL OFFERED LANDS.—Upon transfer of the Federal selected lands under paragraph (1), and in exchange for those lands, the Sun Valley Company shall simultaneously convey to the Secretary all right, title and interest of the Sun Valley Company in and to so much of the following offered lands which have been previously identified by the United States Forest Service as desirable by the United States, or which are identified pursuant to subparagraph (E) prior to the transfer of lands under paragraph (1), as are of approximate equal value to the Federal selected lands:

(A) Certain lands located within the exterior boundaries of the Cache National Forest in Weber County, Utah, which comprise approximately 640 acres and are generally depicted on a map entitled ''Lightning Ridge Offered Lands'', dated October 1995.

(B) Certain lands located within the Cache National Forest in Weber County, Utah, which comprise approximately 635 acres and are generally depicted on a map entitled ''Wheeler Creek Watershed Offered Lands—Section 21'' dated October 1995.

(C) Certain lands located within the exterior boundaries of the Cache National Forest in Weber County, Utah, and lying immediately adjacent to the outskirts of the City of Ogden, Utah, which comprise approximately 800 acres and are generally depicted on a map entitled ''Taylor Canyon Offered Lands'', dated October 1995.

(D) Certain lands located within the exterior boundaries of the Cache National Forest in Weber County, Utah, which comprise approximately 2,040 acres and are generally depicted on a map entitled ''North Fork Ogden River—Devil's Gate Valley'', dated October 1995.

(E) Such additional offered lands in the State of Utah as may be necessary to make the values of the lands exchanged pursuant to this section approximately equal, and which are acceptable to the Secretary.

(3) SUBSTITUTION OF OFFERED LANDS.—If one or more of the precise offered land parcels identified in subparagraphs (A) through (D) of paragraph (2) is unable to be conveyed to the United States due to appraisal or other reasons, or if the Secretary and the Sun Valley Company mutually agree and the Secretary determines that an alternative offered land package would better serve long term public needs and objectives, the Sun Valley Company may simultaneously convey to the United States alternative offered lands in the State of Utah acceptable to the Secretary in lieu of any or all of the lands identified in subparagraphs (A) through (D) of paragraph (2).

(4) VALUATION AND APPRAISALS.—(A) Values of the lands to be exchanged pursuant to this section shall be equal as determined by the Secretary utilizing nationally recognized appraisal standards and in accordance with section 206 of the Federal Land Policy and Management Act of 1976. The appraisal reports shall be written to Federal standards as defined in the Uniform Appraisal Standards for Federal Land Acquisitions. If, due to size, location, or use of lands exchanged under this section, the values are not exactly equal, they shall be equalized by the payment of cash equalization money to the Secretary or the Sun Valley Company as appropriate in accordance with section 206(b) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1716(b)). In order to expedite the consummation of the exchange directed by this section, the Sun Valley Company shall arrange and pay for appraisals of the offered and selected lands by a qualified appraiser with experience in appraising similar properties and who

is mutually acceptable to the Sun Valley Company and the Secretary. The appraisal of the Federal selected lands shall be completed and submitted to the Secretary for technical review and approval no later than 120 days after the date of enactment of this Act, and the Secretary shall make a determination of value not later than 30 days after receipt of the appraisal. In the event the Secretary and the Sun Valley Company are unable to agree to the appraised value of a certain tract or tracts of land, the appraisal, appraisals, or appraisal issues in dispute and a final determination of value shall be resolved through a process of bargaining or submission to arbitration in accordance with section 206(d) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1716(d)).

(B) In order to expedite the appraisal of the Federal selected lands, such appraisal shall—

(i) value the land in its unimproved state, as a single entity for its highest and best use as if in private ownership and as of the date of enactment of this Act;

(ii) consider the Federal lands as an independent property as though in the private marketplace and suitable for development to its highest and best use;

(iii) consider in the appraisal any encumbrance on the title anticipated to be in the conveyance to Sun Valley Company and reflect its effect on the fair market value of the property; and

(iv) not reflect any enhancement in value to the Federal selected lands based on the existence of private lands owned by the Sun Valley Company in the vicinity of the Snowbasin Ski Resort, and shall assume that private lands owned by the Sun Valley Company are not available for use in conjunction with the Federal selected lands.

(d) GENERAL PROVISIONS RELATING TO THE EXCHANGE.—

(1) IN GENERAL.—The exchange authorized by this section shall be subject to the following terms and conditions:

(A) RESERVED RIGHTS-OF-WAY.—In any deed issued pursuant to subsection (c)(1), the Secretary shall reserve in the United States a right of reasonable access across the conveyed property for public access and for administrative purposes of the United States necessary to manage adjacent federally-owned lands. The terms of such reservation shall be prescribed by the Secretary within 30 days after the date of the enactment of this Act.

(B) RIGHT OF RESCISSION.—This section shall not be binding on either the United States or the Sun Valley Company if, within 30 days after the final determination of value of the Federal selected lands, the Sun Valley Company submits to the Secretary a duly authorized and executed resolution of the Company stating its intention not to enter into the exchange authorized by this section.

(2) WITHDRAWAL.—Subject to valid existing rights, effective on the date of enactment of this Act, the Federal selected lands described in subsection (c)(1) and all National Forest System lands currently under special use permit to the Sun Valley Company at the Snowbasin Ski Resort are hereby withdrawn from all forms of appropriation under the public land laws (including the mining laws) and from disposition under all laws pertaining to mineral and geothermal leasing.

(3) DEED.—The conveyance of the offered lands to the United States under this section shall be by general warranty or other deed acceptable to the Secretary and in conformity with applicable title standards of the Attorney General of the United States.

(4) STATUS OF LANDS.—Upon acceptance of title by the Secretary, the land conveyed to the United States pursuant to this section shall become part of the Wasatch or Cache National Forests as appropriate, and the boundaries of such National Forests shall be adjusted to encompass such lands. Once conveyed, such lands shall be managed in accordance with the Act of March 1, 1911, as amended (commonly known as the ''Weeks Act''), and in accordance with the other laws, rules and regulations applicable to National Forest System lands. This paragraph does not limit the Secretary's authority to adjust the boundaries pursuant to section 11 of the Act of March 1, 1911 (''Weeks Act''). For the purposes of section 7 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 4601–9), the boundaries of the Wasatch and Cache National Forests, as adjusted by this section, shall be considered to be boundaries of the forests as of January 1, 1965.

(e) PHASE FACILITY CONSTRUCTION AND OPERATION.—

(1) PHASE I FACILITY FINDING AND REVIEW.—(A) The Congress has reviewed the Snowbasin Ski Area Master Development Plan dated October 1995 (hereinafter in this subsection referred to as the ''Master Plan''). On the basis of such review, and review of previously completed environmental and other resource studies for the Snowbasin Ski Area, Congress hereby finds that the ''Phase I'' facilities referred to in the Master Plan to be located on National Forest System land after consummation of the land exchange directed by this section are limited in size and scope, are reasonable and necessary to accommodate the 2002 Olympics, and in some cases are required to provide for the safety of skiing competitors and spectators.

(B) Within 60 days after the date of enactment of this Act, the Secretary and the Sun Valley Company shall review the Master Plan insofar as such plan pertains to Phase I facilities which are to be constructed and operated wholly or partially on National Forest System lands retained by the Secretary after consummation of the land exchange directed by this section. The Secretary may modify such Phase I facilities upon mutual agreement with the Sun Valley Company or by imposing conditions pursuant to paragraph (2) of this subsection.

(C) Within 90 days after the date of enactment of this Act, the Secretary shall submit the reviewed Master Plan on the Phase I facilities, including any modifications made thereto pursuant to subparagraph (B), to the Committee on Energy and Natural Resources of the United States Senate and the Committee on Resources of the United States House of Representatives for a 30-day review period. At the end of the 30-day period, unless otherwise directed by Act of Congress, the Secretary may issue all necessary authorizations for construction and operation of such facilities or modifications thereof in accordance with the procedures and provisions of paragraph (2) of this subsection.

(2) PHASE I FACILITY APPROVAL, CONDITIONS, AND TIMETABLE.—Within 120 days of receipt of an application by the Sun Valley Company to authorize construction and operation of any particular Phase I facility, facilities, or group of facilities, the Secretary, in consultation with the Sun Valley Company, shall authorize construction and operation of such facility, facilities, or group of facilities, subject to the general policies of the Forest Service pertaining to the construction and operation of ski area facilities on National Forest System lands and subject to reasonable conditions to protect National Forest System resources. In providing authorization to construct and operate a facility, facilities, or group of facilities, the Secretary may not impose any condition that would significantly change the location, size, or scope of the applied for Phase I facility unless—

(A) the modification is mutually agreed to by the Secretary and the Sun Valley Company; or

(B) the modification is necessary to protect health and safety.

Nothing in this subsection shall be construed to affect the Secretary's responsibility to monitor and assure compliance with the conditions set forth in the construction and operation authorization.

(3) CONGRESSIONAL DIRECTIONS.—Notwithstanding any other provision of law, Congress finds that consummation of the land exchange directed by this section and all determinations, authorizations, and actions taken by the Secretary pursuant to this section pertaining to Phase I facilities on National Forest System lands, or any modifications thereof, to be nondiscretionary actions authorized and directed by Congress and hence to comply with all procedural and other requirements of the laws of the United States. Such determinations, authorizations, and actions shall not be subject to administrative or judicial review.

(f) NO PRECEDENT.—Nothing in subsection (c)(4)(B) of this section relating to conditions or limitations on the appraisal of the Federal lands, or any provision of subsection (e), relating to the approval by the Congress or the Forest Service of facilities on National Forest System lands, shall be construed as a precedent for subsequent legislation.

TITLE II—STERLING FOREST

SEC. 201. FUNDING FOR PALISADES INTERSTATE PARK COMMISSION.

The Secretary of the Interior is authorized to provide funding to the Palisades Interstate Park Commission to be used for the acquisition of lands and interests in lands within the area generally depicted on the map entitled ''Boundary Map, Sterling Forest Reserve'', numbered SFR–60,001 and dated July 1, 1994. There are authorized to be appropriated for purposes of this section not more than $17,500,000. No funds made available under this section may be used for the acquisition of any lands or interest in lands without the consent of the owner thereof.

SEC. 202. LAND EXCHANGE.

The Secretary of the Interior is authorized to exchange unreserved unappropriated Federal lands under the administrative jurisdiction of the Secretary for the lands comprising approximately 2,220 acres depicted on the map entitled ''Sterling Forest, Proposed Sale of Sterling Forest Lands'' and dated July 25, 1996. The Secretary shall consult with the Governor of any State in which such unreserved unappropriated lands are located prior to carrying out such exchange. The lands acquired by the Secretary under this section shall be transferred to the Palisades Interstate Park Commission to be included within the Sterling Forest Reserve. The lands exchanged under this section shall be of equal value, as determined by the Secretary utilizing nationally recognized appraisal standards. The authority to exchange lands under this section shall expire on the date 18 months after the date of enactment of this Act.

TITLE III—ANAKTUVUK PASS LAND EXCHANGE AND WILDERNESS REDESIGNATION

SEC. 301. ANAKTUVUK PASS LAND EXCHANGE.

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

(1) The Alaska National Interest Lands Conservation Act (94 Stat. 2371), enacted on December 2, 1980, established Gates of the Arctic National Park and Preserve and Gates of the Arctic Wilderness. The village of Anaktuvuk Pass, located in the highlands of the central Brooks Range, is virtually surrounded by these national park and wilderness lands and is the only Native village located within the boundary of a National Park System unit in Alaska.

(2) Unlike most other Alaskan Native communities, the village of Anaktuvuk Pass is not located on a major river, lake, or coastline that can be used as a means of access. The residents of Anaktuvuk Pass have relied increasingly on snow machines in winter and all-terrain vehicles in summer as their primary means of access to pursue caribou and other subsistence resources.

(3) In a 1983 land exchange agreement, linear easements were reserved by the Inupiat Eskimo people for use of all-terrain vehicles across certain national park lands, mostly along stream

and river banks. These linear easements proved unsatisfactory, because they provided inadequate access to subsistence resources while causing excessive environmental impact from concentrated use.

(4) The National Park Service and the Nunamiut Corporation initiated discussions in 1985 to address concerns over the use of all-terrain vehicles on park and wilderness land. These discussions resulted in an agreement, originally executed in 1992 and thereafter amended in 1993 and 1994, among the National Park Service, Nunamiut Corporation, the City of Anaktuvuk Pass, and Arctic Slope Regional Corporation. Full effectuation of this agreement, as amended, by its terms requires ratification by the Congress.

(b) RATIFICATION OF AGREEMENT.—

(1) RATIFICATION.—

(A) IN GENERAL.—The terms, conditions, procedures, covenants, reservations and other provisions set forth in the document entitled ''Donation, Exchange of Lands and Interests in Lands and Wilderness Redesignation Agreement Among Arctic Slope Regional Corporation, Nunamiut Corporation, City of Anaktuvuk Pass and the United States of America'' (hereinafter referred to in this section as ''the Agreement''), executed by the parties on December 17, 1992, as amended, are hereby incorporated in this title, are ratified and confirmed, and set forth the obligations and commitments of the United States, Arctic Slope Regional Corporation, Nunamiut Corporation and the City of Anaktuvuk Pass, as a matter of Federal law.

(B) LAND ACQUISITION.—Lands acquired by the United States pursuant to the Agreement shall be administered by the Secretary of the Interior (hereinafter referred to as the ''Secretary'') as part of Gates of the Arctic National Park and Preserve, subject to the laws and regulations applicable thereto.

(2) MAPS.—The maps set forth as Exhibits C1, C2, and D through I to the Agreement depict the lands subject to the conveyances, retention of surface access rights, access easements and all-terrain vehicle easements. These lands are depicted in greater detail on a map entitled ''Land Exchange Actions, Proposed Anaktuvuk Pass Land Exchange and Wilderness Redesignation, Gates of the Arctic National Park and Preserve'', Map No. 185/80,039, dated April 1994, and on file at the Alaska Regional Office of the National Park Service and the offices of Gates of the Arctic National Park and Preserve in Fairbanks, Alaska. Written legal descriptions of these lands shall be prepared and made available in the above offices. In case of any discrepancies, Map No. 185/80,039 shall be controlling.

(c) NATIONAL PARK SYSTEM WILDERNESS.—

(1) GATES OF THE ARCTIC WILDERNESS.—

(A) REDESIGNATION.—Section 701(2) of the Alaska National Interest Lands Conservation Act (94 Stat. 2371, 2417) establishing the Gates of the Arctic Wilderness is hereby amended with the addition of approximately 56,825 acres as wilderness and the rescission of approximately 73,993 acres as wilderness, thus revising the Gates of the Arctic Wilderness to approximately 7,034,832 acres.

(B) MAP.—The lands redesignated by subparagraph (A) are depicted on a map entitled ''Wilderness Actions, Proposed Anaktuvuk Pass Land Exchange and Wilderness Redesignation, Gates of the Arctic National Park and Preserve'', Map No. 185/80,040, dated April 1994, and on file at the Alaska Regional Office of the National Park Service and the office of Gates of the Arctic National Park and Preserve in Fairbanks, Alaska.

(2) NOATAK NATIONAL PRESERVE.—Section 201(8)(a) of the Alaska National Interest Land Conservation Act (94 Stat. 2380) is amended by—

(A) striking ''approximately six million four hundred and sixty thousand acres'' and inserting in lieu thereof ''approximately 6,477,168 acres''; and

(B) inserting ''and the map entitled ''Noatak National Preserve and Noatak Wilderness Addition'' dated September 1994'' after ''July 1980''.

(3) NOATAK WILDERNESS.—Section 701(7) of the Alaska National Interest Lands Conservation Act (94 Stat. 2417) is amended by striking ''approximately five million eight hundred thousand acres'' and inserting in lieu thereof ''approximately 5,817,168 acres''.

(d) CONFORMANCE WITH OTHER LAW.—

(1) ALASKA NATIVE CLAIMS SETTLEMENT ACT.—All of the lands, or interests therein, conveyed to and received by Arctic Slope Regional Corporation or Nunamiut Corporation pursuant to the Agreement shall be deemed conveyed and received pursuant to exchanges under section 22(f) of the Alaska Native Claims Settlement Act, as amended (43 U.S.C. 1601, 1621(f)). All of the lands or interests in lands conveyed pursuant to the Agreement shall be conveyed subject to valid existing rights.

(2) ALASKA NATIONAL INTEREST LANDS CONSERVATION ACT.—Except to the extent specifically set forth in this section or the Agreement, nothing in this section or in the Agreement shall be construed to enlarge or diminish the rights, privileges, or obligations of any person, including specifically the preference for subsistence uses and access to subsistence resources provided under the Alaska National Interest Lands Conservation Act (16 U.S.C. 3101 et seq.).

SEC. 302. ALASKA PENINSULA SUBSURFACE CONSOLIDATION.

(a) DEFINITIONS.—As used in this section:

(1) AGENCY.—The term agency—

(A) means any instrumentality of the United States, and any Government corporation (as defined in section 9101(1) of title 31, United States Code); and

(B) includes any element of an agency.

(2) ALASKA NATIVE CORPORATION.—The term ''Alaska Native Corporation'' has the same meaning as is provided for ''Native Corporation'' in section 3(m) of the Alaska Native Claims Settlement Act (43 U.S.C. 1602(m)).

(3) FEDERAL LANDS OR INTEREST THEREIN.—The term ''Federal lands or interests therein'' means any lands or properties owned by the United States (A) which are administered by the Secretary, or (B) which are subject to a lease to third parties, or (C) which have been made available to the Secretary for exchange under this section through the concurrence of the director of the agency administering such lands or properties: Provided however, That excluded from such lands shall be those lands which are within an existing conservation system unit as defined in section 102(4) of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3102(4)), and those lands the mineral interest for which are currently under mineral lease.

(4) KONIAG.—The term ''Koniag'' means Koniag, Incorporated, which is a regional Corporation.

(5) REGIONAL CORPORATION.—The term ''Regional Corporation'' has the same meaning as is provided in section 3(g) of the Alaska Native Claims Settlement Act (43 U.S.C. 1602(g)).

(6) SECRETARY.—Except as otherwise provided, the term ''Secretary'' means the Secretary of the Interior.

(7) SELECTION RIGHTS.—The term ''selection rights'' means those rights granted to Koniag and confirmed as valid selections (within Koniag's entitlement), pursuant to subsections (a) and (b) of section 12, and section 14(h)(8), of the Alaska Native Claims Settlement Act (43 U.S.C. 1611 and 1613(h)(8)), to receive title to the oil and gas rights and other interests in the subsurface estate of the approximately 275,000 acres of public lands in the State of Alaska identified as ''Koniag Selections'' on the map entitled ''Koniag Interest Lands, Alaska Peninsula'', dated May 1989.

(b) VALUATION OF KONIAG SELECTION RIGHTS.—

(1) IN GENERAL.—Pursuant to paragraph (2) of this subsection, the Secretary shall value the Selection Rights which Koniag possesses within the boundaries of Aniakchak National Monument and Preserve, Alaska Peninsula National Wildlife Refuge, and Becharof National Wildlife Refuge.

(2) VALUE.—

(A) IN GENERAL.—The value of the selection rights shall be equal to the fair market value of—

(i) the oil and gas interests in the lands or interests in lands that are the subject of the selection rights; and

(ii) in the case of the lands or interests in lands for which Koniag is to receive the entire subsurface estate, the subsurface estate of the lands or interests in lands that are the subject of the selection rights.

(B) APPRAISAL.—

(i) SELECTION OF APPRAISER.—

(I) IN GENERAL.—Not later than 90 days after the date of enactment of this section the Secretary and Koniag shall meet to select a qualified appraiser to conduct an appraisal of the selection rights. Subject to subclause (II), the appraiser shall be selected by the mutual agreement of the Secretary and Koniag.

(II) FAILURE TO AGREE.—If the Secretary and Koniag fail to agree on an appraiser by the date that is 60 days after the date of the initial meeting referred to in subclause (I), the Secretary and Koniag shall, by the date that is not later than 90 days after the date of the initial meeting, each designate an appraiser who is qualified to perform the appraisal. The 2 appraisers so identified shall select a third qualified appraiser who shall perform the appraisal.

(ii) STANDARDS AND METHODOLOGY.—The appraisal shall be conducted in conformity with the standards of the Appraisal Foundation (as defined in section 1121(9) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3350(9)).

(iii) SUBMISSION OF APPRAISAL REPORT.—Not later than 180 days after the selection of an appraiser pursuant to clause (i), the appraiser shall submit to the Secretary and to Koniag a written appraisal report specifying the value of the selection rights and the methodology used to arrive at the value.

(C) DETERMINATION OF VALUE.—

(i) DETERMINATION BY THE SECRETARY.—Not later than 60 days after the date of the receipt of the appraisal report under subparagraph (B)(iii), the Secretary shall determine the value of the selection rights and shall notify Koniag of the determination.

(ii) ALTERNATIVE DETERMINATION OF VALUE.—

(I) IN GENERAL.—Subject to subclause (II), if Koniag does not agree with the value determined by the Secretary under clause (i), the procedures specified in section 206(d) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1716 (d)) shall be used to establish the value.

(II) AVERAGE VALUE LIMITATION.—The average value per acre of the selection rights shall not be less than the value utilizing the risk adjusted discount cash flow methodology, but in no event may exceed $300.

(c) KONIAG ACCOUNT.—

(1) IN GENERAL.—(A) The Secretary shall enter into negotiations for an agreement or agreements to exchange Federal lands or interests therein which are in the State of Alaska for the Selection Rights.

(B) If the value of the Federal property to be exchanged is less than the value of the Selection Rights established in subsection (b), and if such Federal property to be exchanged is not generating receipts to the Federal Government in excess of $1,000,000 per year, then the Secretary may exchange the Federal property for that portion of the Selection Rights having a value equal to that of the Federal property. The remaining selection rights shall remain available for additional exchanges.

(C) For the purposes of any exchange to be consummated under this section, if less than all

the selection rights are being exchanged, then the value of the selection rights being exchanged shall be equal to the number of acres of selection rights being exchanged multiplied by a fraction, the numerator of which is the value of all the selection rights as determined pursuant to subsection (b) hereof and the denominator of which is the total number of acres of selection rights.

(2) ADDITIONAL EXCHANGES.—If, after 10 years from the date of the enactment of this section, the Secretary was unable to conclude such exchanges as may be required to acquire all of the selection rights, he shall conclude exchanges for the remaining selection rights for such Federal property as may be identified by Koniag, which property is available for transfer to the administrative jurisdiction of the Secretary under any provision of law and which property, at the time of the proposed transfer to Koniag is not generating receipts to the Federal Government in excess of $1,000,000 per year. The Secretary shall keep Koniag advised in a timely manner as to which properties may be available for such transfer. Upon receipt of such identification by Koniag, the Secretary shall request in a timely manner the transfer of such identified property to the administrative jurisdiction of the Department of the Interior. Such property shall not be subject to the geographic limitations of section 206(b) of the Federal Land Policy and Management Act and may be retained by the Secretary solely for purposes of transferring it to Koniag to complete the exchange. Should the value of the property so identified by Koniag be in excess of the value of the remaining selection rights, then Koniag shall have the option of (A) declining to proceed with the exchange and identifying other property, or (B) paying the difference in value between the property rights.

(3) REVENUES.—Any property received by Koniag in an exchange entered into pursuant to paragraph (1) or (2) shall be deemed to be an interest in the subsurface for purposes of section 7(i) of the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.): Provided however, That should Koniag make a payment to equalize the value in any such exchange, then Koniag will be deemed to hold an undivided interest in the property equal in value to such payment which interest shall not be subject to the provisions of section 7(i) of that Act.

(d) AUTHORITY TO APPOINT AND REMOVE TRUSTEE.—In establishing a Settlement Trust under section 39 of the Alaska Native Claims Settlement Act (43 U.S.C. 1629c), Koniag may delegate, in whole or in part, the authority granted to Koniag under subsection (b)(2) of such section to any entity that Koniag may select without affecting the status of the trust as a Settlement Trust under such section.

The SPEAKER pro tempore (Mr. EWING). Pursuant to the rule, the gentleman from Utah [Mr. HANSEN] and the gentleman from California [Mr. MILLER] each will control 20 minutes.

The Chair recognizes the gentleman from Utah [Mr. HANSEN].

(Mr. HANSEN asked and was given permission to revise and extend his remarks.)

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

A half a century ago, the civic and business leaders in northern Utah joined together and acquired a magnificent mountain area called Snowbasin, just miles away from the city of Ogdon. They envisioned a ski area at Snowbasin with world class potential that would attract skiers from all over the world.

Today, their dream is a reality.

On June 16, 1995, the International Olympic Committee [IOC] awarded the honor of hosting the 2002 winter Olympic games to Salt Lake City. In so doing, Olympic experts chose Snowbasin as the site for the prestigious downhill skiing events of the winter games. Considered by Olympic experts to be one of the best downhill ski areas in North America, Snowbasin is an outstanding selection for Olympic competition because of its huge vertical and technical difficulty. In truth, the IOC members saw the very same ski potential in Snowbasin that the leaders of Ogden imagined decades ago.

As a result of this Olympic decision, I am very pleased to present to the House H.R. 3907, the 2002 Winter Olympic Games Facilitation Act, a measure that is urgently needed to enable these major men's and women's downhill ski events to occur at Snowbasin in the year 2002.

I am grateful for the tremendous support and endorsements received from those in Utah including Gov. Michael Leavitt, the Utah State Legislature, the city of Ogden, civic organizations, numerous citizens and even members of the media. I thank the chairman of the Salt Lake Olympic Organization Committee, Mr. Frank Joklik, who twice came to Washington to inform Congress of Snowbasin's importance to the winter games.

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

Mr. MILLER of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as the gentleman from Utah has properly explained, this legislation provides for the Snowbasin land exchange as it was considered in the committee, and this is to facilitate the winter Olympics in Salt Lake City in 2002. We believe that that is in fact proper.

I do continue to have some reservations about our approval of a privately prepared master development plan and the sufficiency language which I believe is still in this legislation, but I also believe that this legislation is important to the facilities for the Olympics. This legislation also includes a provision for the funding of the Palisades Interstate Park Commission for acquisition of lands within Sterling Forest.

Many of our colleagues, the gentleman from New York, Mr. HINCHEY, the gentleman from New Jersey, Mr. MARTINI, the gentlewoman from New Jersey, Mrs. ROUKEMA, Senator BRADLEY, Senator LAUTENBERG, the gentleman from New Jersey, Mr. TORRICELLI, virtually the whole New Jersey delegation and much of the New York delegation has worked on this legislation for a considerable period of time.

This is a very important piece of legislation as is Snowbasin because this also provides for the protection of habitat of some 27 rare and endangered species and also provides the protection of a very significant watershed area for northern New Jersey and providing drinking water for approximately 25 percent of that State's population. The legislation will allow for the joint Federal-State venture to acquire lands from a willing seller and a willing buyer to be managed by a commission which will permanently protect the watershed outdoor recreational resources and open space of the area.

Finally, this legislation includes, I believe, now a third title dealing with lands within Alaska, the Anaktuvuk pass legislation which was noncontroversial and passed this House before, and Koniag, what was originally a wilderness bill authored by the gentleman from Alaska [Mr. YOUNG], the chairman of our committee. As I understand it now, the wilderness provisions have been dropped for that but provides authority for selection rights.

I would like to ask the gentleman from Utah [Mr. HANSEN], chairman of the subcommittee, a question, if I might. It is my understanding that it has been amended so that the Secretary is authorized to purchase only those lands which in fact the natives actually own and not their selection rights as originally written. Is that the gentleman's understanding of the amendment?

Mr. HANSEN. Mr. Speaker, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from Utah.

Mr. HANSEN. Mr. Speaker, that would be my understanding of the legislation also.

Mr. MILLER of California. Mr. Speaker, I thank the gentleman for accepting that amendment. I think it makes this legislative package much less controversial and its success chances much higher. It was my understanding that the administration did have serious problems with the Koniag portion of this legislation in the sense that the Government might get itself, under the original legislation, into the payment of rights that, in fact, perhaps were not even owned by the native corporation. I think this amendment takes care of it. I think, with that, this legislation deserves the support of all of the Members of the House.

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

Mr. HANSEN. Mr. Speaker, I appreciate the comments of the gentleman from California.

Mr. Speaker, I yield 3 minutes to the gentlewoman from New Jersey [Mrs. ROUKEMA], one who has worked very diligently on this bill.

(Mrs. ROUKEMA asked and was given permission to revise and extend her remarks.)

Mrs. ROUKEMA. Mr. Speaker, I certainly want to thank the gentleman from Utah, Chairman HANSEN, for his help.

Mr. Speaker, I rise in strong support of H.R. 3907 and urge my colleagues on both sides of the aisle to support this important legislation.

Today, we are here with good news for the people of New Jersey and New

York—H.R. 3907 is the key that will unlock the appropriated money that Congress has included in this year's Interior appropriations bill to help purchase Sterling Forest.

East has finally met West and Sterling Forest is no longer part of gridlock in this Congress. Enactment of this legislation is essential, if the Federal Government is to play a role in this public-private partnership.

We are clearing an important hurdle here today in our commitment to preserve and protect Sterling Forest once and for all.

First, I want to thank Chairman HANSEN for recognizing the overriding interests of the Nation—and for his willingness to understand that Sterling Forest is more than just a pristine piece of open space for camping, skiing, hiking, and fishing as significant an asset as this open space is to our region. It is the source of clean, safe drinking water for some 3 million northern New Jersey residents. If we allow that drinking water to be contaminated by development, we will pay the purchase price many times over in cleanup cost and the cost of building new water treatment plants. With this legislation, we are not being penny wise and pound foolish. Instead of reacting to a crisis after the fact, we are anticipating the problem now and taking steps to avoid it. This legislation is good public policy.

As you know, Sterling Forest is one of the largest tracts of privately owned, undeveloped forest land in the mid-Atlantic United States. This is heavily forested land—10 percent of which is located in my district in northern New Jersey and the remaining 90 percent of which is located in orange County, NY, our colleague BEN GILMAN's district. It currently provides countless recreational opportunities to millions of nearby residents and visitors. Again, it is not only recreation that brings me here today as high a priority as open space is to our region, but something far more fundamental—water.

As the primary source of drinking water to over 3 million residents of my State, preservation of Sterling Forest is essential. Numerous tributaries and feeder streams flow south from Sterling Forest right into the Wanaque reservoir, which supplies drinking water for 25 percent of all residents of New Jersey.

Consequently, the protection of this unique natural resource in a region struggling to grapple with urban sprawl is a matter of utmost importance. This is a critical issue for the most densely populated area of the Nation's most densely populated State, northern New Jersey.

Simply put: preserving Sterling Forest protects the drinking water supply of northern New Jersey and New York, and it is imperative for the 104th Congress to take action.

At the State level, the support for preserving Sterling Forest is equally strong.

Governor Whitman has already signed into law legislation that commits our State to spending $10 million to help with the purchase of the forest. In addition, Governor Pataki has committed his administration in Albany to match New Jersey's contribution dollar-for-dollar.

Here in Congress, legislation to protect Sterling Forest has enjoyed bipartisan support in both the New Jersey and New York delegations, as witnessed by the presence of those Members who are speaking today.

In these times of tight budget constraints, it is simply unrealistic to expect the Government to carry the burden by itself. From the beginning the coalition behind Sterling Forest firmly believed that the best method to use in preserving and protecting Sterling Forest was a public-private partnership, with its purchase price being funded using private, State and Federal funds. That is why I introduced H.R. 194 in 1995 and have consistently supported H.R. 400 as passed by the Senate last July as the most expeditious solution to seeing that Sterling Forest was protected.

To date, at least $5 million in private contributions have been committed toward helping protect Sterling Forest. These efforts will continue, and private funds are expected to play an important role in the purchase of this land.

And, as I have already mentioned, New Jersey and New York have committed to spending $10 million each.

I want to emphasize something about these Federal funds: this is a one-time funding request, because this legislation provides for the Palisades Interstate Park Commission [PIPC] and the State of New York to accept financial responsibility for the long-term management of the Sterling Forest. This cost sharing is consistent with my legislation H.R. 194.

I also want to thank Chairman REGULA. For years, I have worked with him in an effort to secure appropriate funding levels for this important project. I am happy to report that this year Chairman REGULA was instrumental in seeing that language was included in the Interior appropriations bill which ranked Sterling Forest as one of the Nation's top two priorities for land acquisition and recommended that Sterling Forest receive $9 million as a down payment on the Federal Government's $17.5 million share of the purchase price.

Finally, I want to thank the Speaker for his strong endorsement of this important project to New Jersey. In March Speaker GINGRICH visited Sterling Forest and promised that Congress would pass legislation to protect Sterling Forest this year. Clearly, his advocacy has been an important factor in reaching this point today, and I want to express my appreciation for his assistance.

On behalf of the 3 million New Jersey residents who depend on this area for clean safe drinking water and the millions of recreational users who treasure this pristine open space, I urge you to support H.R. 3907.

Mr. MILLER of California. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. HANSEN. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, this legislation accomplishes two important objectives. First, it completes a land exchange that is key to preparing base facilities at Snowbasin for the 2002 Olympics. Second, it provides the means to allow Olympic Phase I. Facilities to be built on National Forest System lands at Snowbasin in a timely manner.

THE LAND EXCHANGE

Let me first discuss the land exchange. This legislation completes a land trade that has been under administrative review by the U.S. Forest Service for more than a decade. In the 1940's the ownership of Snowbasin was transferred to the Forest Service, who at the time was actively engaged in promoting skiing interests.

The need to finalize the Snowbasin land exchange was heightened when the IOC awarded the 2002 Winter Olympics to Salt Lake City. In order to accommodate the downhill ski events, which attract large crowds and extensive media coverage, major new visitor and support facilities must be constructed at the base of Snowbasin. Therefore, the need to prepare base facilities at Snowbasin for the Olympics provides greater urgency to complete the land exchange as soon as possible.

The provisions set forth in the 2002 Winter Olympic Games Facilitation Act make this a traditional land exchange in all respects, namely: The Forest Service will receive high priority lands it has designated for acquisition; Public and private lands will be appraised in accordance with Uniform Standards for Federal Land Acquisition and FLPMA; Land exchange values will be exactly equal through traditional cash equalization payments, and Public and private lands will be conveyed simultaneously.

I want to emphasize that in exchange for the 1,320 acres of land at Snowbasin, the United States will receive at least 4,100 acres of land in the same vicinity. This is beautiful mountain land that possesses outstanding recreational and environmental values. One of the exchange parcels Taylor Canyon lies directly on the outskirts of the city of Ogden. It is a magnificent canyon area that the Forest Service and residents of Ogden have desired for public acquisition. Another parcel is Lighting Ridge Ridge located about 20 miles from Ogden. Not only is this beautiful mountain land but this parcel will open public access to 4,000 acres of National Forest land. Once this land exchange is completed, the National Forest in Utah will increase in size by more than four square miles while providing public access to thousands of additional acres of National Forest land that has long been isolated.

Environmentally, the Snowbasin land exchange is based on sound merit. Numerous resource studies, including an Environmental Impact Statement, have already been completed by the Forest Service at Snowbasin. These studies, which span more than a decade, have been extensive and cover such areas as fish, wildlife, plant, water, soil, geologic, cultural, and socio-economic aspects of Snowbasin. The Forest Service has supplemented this work with specific studies on areas of special concern. Furthermore, Olympic planners also chose Snowbasin because it raised far fewer environmental concerns than other potential sites. When environmental impacts of all possible ski areas in northern Utah were considered, Snowbasin represented the best alternative.

PHASE I FACILITIES—CONSTRUCTION & OPERATION

The second—and perhaps most important—reason for the 2002 Winter Olympic Games Facilitation Act relates to timing. Since the Snowbasin ski area will remain in the National Forest after the trade, the downhill courses, snowmaking, chair lifts, safety netting, and equipment and other facilities must be built on National Forest land for the Olympics. These facilities are needed to accommodate the athletes, spectators and the media. My subcommittee heard compelling testimony that construction of these facilities must begin soon to prepare Snowbasin for both Olympic and pre-Olympic—World Cup—events. The first international test events at Snowbasin are scheduled for the winter of 1998–99. This Olympic timetable represents a unique circumstance and the Forest Service indicates that an expedited review and implementation process is necessary.

CONCLUSION

Snowbasin is the only venue of the 2002 Winter Olympic Games that will be held on National Forest land. As such, it presents a remarkable opportunity for America to showcase these magnificent lands to a worldwide television audience of about 3 billion people.

Throughout this legislative effort I have sought out the ideas and concerns of Forest Service officials, Members of Congress and professional staff, as well as senior administration officials. I have also listened closely to my Utah constituency. As a result, I can honestly say we have made a good faith effort to incorporate the views and suggestions I received. I believe we now have a very good bill that will enable Olympic progress at Snowbasin to proceed in a timely and environmentally sound manner. Therefore, I invite and ask my colleagues from both sides of the isle to join me in supporting this very important legislation for the 2002 Olympics.

Mr. Speaker, I yield 5 minutes to the gentleman from New Jersey [Mr. MARTINI], who has worked so hard on the portion of the bill on Sterling Forest.

Mr. MARTINI. Mr. Speaker, I rise in strong support of this bill—a product of much debate over the course of my service here in the House of Representatives. I must begin by thanking Speaker GINGRICH for his commitment to the acquisition of Sterling Forest, as well as to extend my thanks to Resources Subcommittee on Parks, Forests and lands Chairman JAMES HANSEN, for working with me on this legislation to authorize both the acquisition of Sterling Forest and the Snow Basin Land exchange.

Furthermore, Mr. Speaker, I must thank the New Jersey and New York delegation for their efforts. It was our collective pursuit of Sterling Forest that has today brought it to possible fruition.

With that said, I would like to take a moment to share with my colleagues the importance of acquiring Sterling Forest.

H.R. 3907 authorizes $17.5 million for the purchase of the most environmentally sensitive portion of the land—approximately 90 percent that has already been negotiated with the current owner. It also offers a land exchange opportunity for the remaining 10 percent of the land, a portion that is now partially developed.

As a Passaic County Freeholder, I understood early on the need to take action to protect Sterling Forest. In fact, during my service on the Passaic County Board of Freeholders, the board was the first entity to secure part of the Sterling Forest in 1993—purchasing 2,000 acres. I have since been looking forward to the day that the reserve would have compete Federal protection.

Located in southern New York and bordering northern New Jersey, Sterling Forest, in its current undeveloped state, is important to the residents of both States for a variety of reasons. I like to think of it as a 21st Century equivalent to Central Park. While today Sterling Forest is removed from densely populated areas, just as Central Park was at its inception, decades from now the importance of this preserved open space will be ten-fold.

Sterling Forest is a 17,500 acre water and recreational reserve that area residents and public officials have repeatedly requested the Federal Government protect. As a recreational area for New York and New Jersey, Sterling Forest offers a haven for families and individuals interested in leaving behind stresses of everyday life. The picturesque beauty of this natural sanctuary provides a wide variety of outdoor activities for the enjoyment of everyone. Sterling Forest even serves as a connection to the Northeast with the Appalachian trail winding its way through the forest's rough terrain.

Most importantly, however, Sterling Forest is a watershed for most of northern New Jersey and the surrounding area. It provides nearly 2 million New Jersey residents with clean and safe drinking water.

Proposed development and urbanization of this area will destroy a great bounty of natural resources to the entire Northeast. Furthermore, if the land is developed, the water that flows from Sterling Forest could become polluted. The only viable solution at that point would be to build a water treatment center at the cost of $150 million to New Jersey taxpayers. Not only would this cost the taxpayers revenue they just don't have but it is, at best, a second-rate solution. Truthfully, Mr. Speaker, there is just no comparison between treated water and water from a natural watershed such as Sterling Forest.

I see it as fitting that we pass today's legislation during the same week as we take up both the Water Resources Development Act of 1996 and the conference report for the Safe Drinking Water Act Amendments. This string of legislation demonstrates the 104th Congress' commitment to providing safe drinking water and protecting our nations water resources for generations to come.

Some naysayers continue to challenge this Congress's record on the environment. However, the fact is that Sterling Forest has come further in the 104th Congress than ever before.

This Congress, as well as this legislation, also recognizes that the fiscal order of the House of Representatives has been neglected for too many years. There must be a balance between our fiscal responsibility and environmental protection, for the two are intertwined.

We, as a nation are now realizing that to do otherwise would be a travesty of justice—to leave our children with a nation either in financial ruin or a nation in environmental ruin. Both are unacceptable.

This legislation sets up an unique management and fiscal partnership between all levels of government. Governor Christine Todd Whitman of New Jersey signed the appropriation and authorization of $10 million towards the project, Governor George Pataki of New York approved the 1995–96 budget including $18 million for land conservation, and private interest are also involved in the funding of this acquisition.

In fact, purchasing this land is a just a one-time expense. The Department of the Interior will not be burdened by the costs of managing and maintaining the forest, for this will be done jointly by New York and New Jersey. A partnership such as this of local, State, and Federal governments is positive for all involved and should serve as a model for future land acquisition.

To those who claim that you cannot protect the economy and the environment simultaneously, I say that our efforts demonstrate a proper balance of the two. The acquisition of Sterling Forest should clearly be viewed by my colleague here in the House of Representatives as an investment in the future of the tri-state region.

In closing, I would like to applaud the joint effort that has existed for a

number of years toward this common goal. An alliance of governmental agencies and public interest groups have joined together to save this vital resource. It is through this collective effort and I believe we will finally reach our goal and save Sterling Forest from development.

No matter how you look at this project, saving the forest yields no negative repercussions. The preservation of a vital source of water to one of the most populated areas of the country is not simply a laudable aspiration, but rather a necessary undertaking.

Furthermore, the residents are opposed to development; the local governments are opposed to development; and the taxpayers are opposed to development.

I am confident that we will all share in the success of the acquisition of Sterling Forest in the very near future and for many generations to come. Please support H.R. 3907.

Mr. HANSEN. Mr. Speaker, I yield 1 minute to another gentleman from New Jersey [Mr. FRELINGHUYSEN], who has worked very diligently on this bill.

(Mr. FRELINGHUYSEN asked and was given permission to revise and extend his remarks.)

Mr. FRELINGHUYSEN. Mr. Speaker, I thank the gentleman for yielding this time to me.

Mr. Speaker, I rise today in support of H.R. 3907, and I thank the gentleman from Utah [Mr. HANSEN] and the ranking member for their support and hard work in helping this long sought objective be realized.

I strongly support the provisions for the acquisition of Sterling Forest, this important largest undeveloped property in the New York-New Jersey metropolitan area. It is a water and recreational reserve area and especially a valuable watershed for northern New Jersey. Approximately 3½ million citizens depend on this area for clean water.

Let me thank the Speaker, the gentleman from Georgia [Mr. GINGRICH], the gentlewoman from New Jersey [Mrs. ROUKEMA], my colleague, the gentleman from New Jersey [Mr. MARTINI], for their leadership in preserving this valuable and scarce open space. Without their efforts, and most particularly the efforts of the gentleman from Utah [Mr. HANSEN], we would not be here today, and I am here today to support this proposal, and I urge my colleagues to adopt it.

Mr. Speaker, I rise today in strong support of H.R. 3907, the Snowbasin Land Exchange and Sterling Forest Land Acquisition Act. I strongly support the provisions in this legislation that authorize $17.5 million for the acquisition of Sterling Forest.

Sterling Forest consists of 20,000 acres in New York and New Jersey and is currently owned by the Sterling Forest Corp., which plans to develop residences, retail, and light industrial properties on the site. If development takes place, it will impact this critical watershed that provides water for over 3½ million people in northern New Jersey. This is almost 28 percent of New Jersey's water supply that would be negatively affected by development of the land tract and would possibly cost New Jersey hundreds of millions of dollars in construction costs for new water treatment plants.

This issue has been a priority for the State of New Jersey for some time, and a priority for me as well. When I served in the State Legislature as chairman of the Assembly Appropriations Committee, I was able to provide $10 million for the acquisition of the land in the State budget. Gov. Christine Whitman has worked in conjunction with Gov. George Pataki of New York to secure adequate funding to see that both our States contribute these essential dollars toward the overall purchase price.

This legislation today continues this effort at the Federal level. And, upon authorization of this bill, I am committed to pursuing funding as a member of the Appropriations Committee. I have also received assurances from Secretary of the Interior Bruce Babbitt on several occasions that he will support funding for Sterling Forest once the project is authorized.

Let me make clear that this authorization is a one-time cost to the Federal Government. The $17.5 million authorized in this legislation is for acquisition costs only after that point, the area will be fully operated and managed by the Palisades Interstate Park Commission. In fact, the long-term costs to the local and State Governments for water treatment and road construction will be far greater if this purchase is not made. And, the Federal Government's cost is small relative to the total amount needed to buy and maintain the property—a major commitment made by New Jersey and New York and a testament to the importance of the preservation of Sterling Forest to our area. Sterling Forest is the largest remaining undeveloped wilderness tract in the New York metropolitan region.

Mr. Speaker, I thank you for your commitment to preserving this land, as well as Congressman MARTINI and Congresswoman ROUKEMA for all of their work on this issue. This acquisition is for the public benefit and will serve the interest of present as well as future generations. Again, I strongly support this legislation and urge support for the bill.

Mr. HANSEN. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. FORBES].

(Mr. FORBES asked and was given permission to revise and extend his remarks.)

Mr. FORBES. Mr. Speaker, I rise in support of H.R. 3907 and compliment my colleagues from New Jersey and New York who have previously spoken on this very important measure.

The Sterling Forest Preserve is critical to our region of New York and New Jersey, and I want to also salute Governors Pataki and Whitman and of course the bipartisan cooperation that existed in allowing for this open space preservation.

This is a legacy, Mr. Speaker, to our children and to future generations. We want very much to make sure that this recreation preserve and the water resource that would be protected by the acquisition of these 17,500 acres must go forward. It is critical to our area, and I thank the gentleman from Utah [Mr. HANSEN] and the committee for their leadership in allowing us to come forward, and again I want to compliment the Speaker for his leadership in allowing for this preservation.

Mr. HANSEN. Mr. Speaker, I yield such time as she may consume to the gentlewoman from New Jersey [Mrs. ROUKEMA].

(Mrs. ROUKEMA asked and was given permission to revise and extend her remarks.)

Mrs. ROUKEMA. Mr. Speaker, I really want to take this opportunity for unanimous consent to revise and extend my remarks and acknowledge the essential role of the gentleman from New York [Mr. GILMAN], who could not be here today. He represents the New York portion of Sterling Forest. He is at a memorial service for former Congressman Fish this morning. But the gentleman from New York [Mr. GILMAN] played an invaluable role here, and I want him to be recognized here today.

Mr. GILMAN. Mr. Speaker, I rise in strong support for H.R. 3109, compromise legislation that includes the Utah snowbasin ski area and provides for the acquisition of Sterling Forest.

I wish to thank Chairman HANSEN, my colleagues from New Jersey, MARGE ROUKEMA and BILL MARTINI, and my friend from New York, SHERRY BOEHLERT, for all of their hard work and persistence in bringing this bill to the floor.

In addition, I want to thank Speaker GINGRICH for all of his efforts on this matter. As my colleagues may remember the Speaker during his visit to Sterling Forest promised that the 104th Congress would preserve Sterling Forest. Today the Speaker has fulfilled his promise.

The passage of this bill will guarantee that Sterling Forest will be protected, and will ensure that the last underdeveloped tract of land in the Metropolitan New York area will be conserved, while protecting a vital watershed, wildlife, and providing additional recreational opportunities.

As the Representative of the 20th Congressional District which includes 17,500 acres of Sterling Forest, I can attest to the beauty, historical significance, and environmental need to preserve this unique tract of land.

This has been a long time coming. I am especially pleased that we are able to vote for a bill today that will benefit Utah as well as the New York metropolitan region. This is an example of what we can accomplish for the environment when East and West come together.

I urge all of my colleagues to vote for this important environmental measure.

Mr. FORBES. Mr. Speaker, I rise today in support of H.R. 3907, a bill to authorize the acquisition of Sterling Forest and the Snow Basin land exchange.

Sterling Forest is a unique area just 35 miles from New York City. Comprised of dense woodland, undisturbed meadows, and majestic ridgetops, Sterling Forest is host to a number of unique biological communities and numerous sensitive wildlife species. It also consists of a major part of the watershed for the reservoirs that provide water to 25 percent of all residents in New Jersey and most New York City residents. To maintain, not only these valuable natural resources but the quality of these waters, acquisition of Sterling Forest has been a priority for many years.

Recently, an innovative partnership strategy was developed with the States of New Jersey and New York to bring the preservation of Sterling Forest within reach. Each State has set aside $10 million to contribute toward the acquisition and private philanthropy has donated another $7.5 million. The final contribution needed is $17.5 million from the Federal Government.

The House Appropriations Committee realized the need to purchase this land and has recommended $9 million for the first-year funding of this project. This legislation will move us one step closer toward acquiring Sterling Forest. It authorizes $17.5 million for acquisition of the most environmentally sensitive portion of the forest—90 percent of the tract—and includes a land swap for the remaining 10 percent of the property. It also directs the Secretary of the Interior to designate excess Federal lands to be sold to raise money to fund the purchase of the additional 10 percent of the land.

Mr. Speaker, the owners of the remainder of Sterling Forest have agreed to sell the majority of the property—including the most critical watershed natural, and recreation lands. Unfortunately, we only have 2 years in which to purchase the property or else the owners will move forward with a plan to build thousands of homes and millions of square feet of office and commercial space on Sterling Forest.

I commend the House of Representatives for considering H.R. 3907. After Several years of stalemate on this issue we are now one step closer to preserving Sterling Forest forever

Mrs. KELLY. Mr. Speaker, I rise in strong support of H.R. 3907, legislation which authorizes $17.5 million for the acquisition of the important 17,500 acres Sterling Forest reserve, located in southern New York and northern New Jersey. The acquisition of the Sterling Forest represents perhaps the most important environmental issue for our region, and represents an outstanding environmental accomplishment for the 104th Congress.

Sterling Forest is at the headwaters of a system of reservoirs which provide water for 1.8 million Metropolitan area residents. It is heavily forested, accommodating a wide variety of wildlife and plant species, and also includes a portion of the Appalachian Trail. Twenty-six million Americans live within a 2-hour drive of this important environmental resource.

The acquisition of the Sterling Forest represents a unique partnership between the Federal Government, the States of New York and New Jersey, and environmental and other private sector interests. The States have each pledged $10 million toward acquisition, and the private sector will put up $5 million.

Protecting the Sterling Forest makes sense from an environmental standpoint, it makes sense from a recreational standpoint, and it represents a good deal for the taxpayer. In New Jersey alone, an estimated $150 million in water treatment costs will be required if the reservoirs adjacent to the forest are polluted from runoff resulting from over-development. The modest Federal investment authorized by this legislation will protect these reservoirs for generations to come, and do so in a very cost-effective and environmentally sound manner.

I urge my colleagues to join me in supporting this important legislation.

□ 1130

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

The SPEAKER pro tempore (Mr. EWING). The question is on the motion offered by the gentleman from Utah [Mr. HANSEN] that the House suspend the rules and pass the bill, H.R. 3907, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. HANSEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Utah?

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate has passed bills of the following titles in which the concurrence of the House is requested:

S. 84. An act to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement for the vessel BAGGER, and for other purposes.

S. 172. An act to authorize the Secretary of Transportation to issue a certificate of documentation for the vessel L.R. BEATTIE.

S. 212. An act to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel SHAMROCK V.

S. 213. An act to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel ENDEAVOUR.

S. 278. An act to authorize a certificate of documentation for the vessel SERENITY.

S. 279. An act to authorize a certificate of documentation for the vessel WHY KNOT.

S. 475. An act to authorize a certificate of documentation for the vessel LADY HAWK.

S. 480. An act to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel GLEAM.

S. 482. An act to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement for the vessel EMERALD AYES.

S. 492. An act to authorize the Secretary of Transportation to issue a certificate of documentation for the vessel INTREPID.

S. 493. An act to authorize the Secretary of Transportation to issue a certificate of documentation for the vessel CONSORTIUM.

S. 527. An act to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel EMPRESS.

S. 528. An act to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement for three vessels.

S. 535. An act to authorize the Secretary of Transportation to issue certificates of documentation with appropriate endorsement for employment in coastwise trade for each of 2 vessels named GALLANT LADY, subject to certain conditions, and for other purposes.

S. 561. An act to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel ISABELLE, and for other purposes.

S. 583. An act to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement for two vessels.

S. 653. An act to authorize the Secretary of Transportation to issue a certificate of documentation with the appropriate endorsement for employment in the coastwise trade for the vessel AURA.

S. 654. An act to authorize the Secretary of Transportation to issue a certificate of documentation with the appropriate endorsement for employment in the coastwise trade for the vessel SUNRISE.

S. 655. An act to authorize the Secretary of Transportation to issue a certificate of documentation with the appropriate endorsement for employment in the coastwise trade for the vessel MARANTHA.

S. 656. An act to authorize the Secretary of Transportation to issue a certificate of documentation with the appropriate endorsement for employment in the coastwise trade for the vessel QUIETLY.

S. 680. An act to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement vessel YES DEAR.

S. 739. An act to authorize the Secretary of Transportation to issue a certificate of documentation with the appropriate endorsement for employment in the coastwise trade for the vessel SISU, and for other purposes.

S. 763. An act to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement for the vessel EVENING STAR, and for other purposes.

S. 802. An act to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement for vessel ROYAL AFFAIRE.

S. 808. An act to extend the deadline for the conversion of the vessel M/V TWIN DRILL, and for other purposes.

S. 826. An act to authorize the Secretary of Transportation to issue a certificate of documentation with the appropriate endorsement for employment in the coastwise trade for the vessel PRIME TIME, and for other purposes.

S. 869. An act to authorize the Secretary of Transportation to issue a certificate of documentation with the appropriate endorsement for employment in the coastwise trade for the vessel DRAGONESSA, and for other purposes.

S. 889. An act to authorize the Secretary of Transportation to issue a certificate of documentation with the appropriate endorsement for employment in the coastwise trade for the vessel WOLF GANG II, and for other purposes.

S. 911. An Act to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade of the United States for the vessel SEA MISTRESS.

S. 975. An Act to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel JAJO, and for other purposes.

S. 1016. An Act to authorize the Secretary of Transportation to issue a certificate of

documentation with appropriate endorsement for employment in the coastwise trade for the vessel MAGIC CARPET.

S. 1017. An Act to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel CHRISSY.

S. 1040. An Act to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel ONRUST.

S. 1041. An Act to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel EXPLORER.

S. 1046. An Act to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade of the United States for fourteen former United States Army hovercraft.

S. 1047. An Act to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade endorsements for the vessels ENCHANTED ISLES and ENCHANTED SEAS.

S. 1149. An Act to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel BABS, and for other purposes.

S. 1272. An Act to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement for the vessel BILLY BUCK.

S. 1281. An Act to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel SARAH-CHRISTEN.

S. 1281. An Act to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel TRIAD.

S. 1319. An act to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel TOO MUCH FUN, and for other purposes.

S. 1347. An act to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for the vessel CAPTAIN DARYL, and for other purposes.

S. 1348. An act to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for the vessel ALPHA TANGO, and for other purposes.

S. 1349. An act to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for the vessel OLD HAT, and for other purposes.

S. 1358. An act to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel CAROLYN, and for other purposes.

S. 1362. An act to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel FOCUS.

S. 1383. An act to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement for the vessel WESTFJORD.

S. 1384. An act to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement for the vessel GOD'S GRACE II.

S. 1454. An act to authorize the Secretary of Transportation to issue a certification of documentation with appropriate endorsement for employment in the coastwise trade and fisheries for the vessel JOAN MARIE, and for other purposes.

S. 1455. An act to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel MOVIN ON, and for other purposes.

S. 1456. An act to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel PLAY HARD, and for other purposes.

S. 1457. An act to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel SHOGUN, and for other purposes.

S. 1545. An act to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel MOONRAKER, and for other purposes.

S. 1566. An act to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel MARSH GRASS TOO.

S. 1588. An act to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement for the vessel KALYPSO.

S. 1631. An act to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel EXTREME, and for other purposes.

S. 1648. An act to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement for the vessel HERCO TYME.

S. 1682. An act to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement for the vessel LIBERTY.

S. 1825. An act to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement for the vessel HALCYON.

S. 1826. An act to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement for the vessel COURIER SERVICE.

S. 1828. An act to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement for the vessel TOP GUN.

S. 1924. An act to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement for the vessel DAMN YANKEE.

S. 1933. To authorize a certificate of documentation for certain vessels, and for other purposes.

WATER RESOURCES DEVELOPMENT ACT OF 1996

Mr. SHUSTER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3592) to provide for conservation and development of water and related resources, to authorize the Secretary of the Army to construct various projects for improvements to rivers and harbors of the United States, and for other purposes, as amended.

The Clerk read as follows:

H.R. 3592

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Water Resources Development Act of 1996''.

(b) TABLE OF CONTENTS.—

Sec. 1. Short title; table of contents.
Sec. 2. Definition.

TITLE I—WATER RESOURCES PROJECTS

Sec. 101. Project authorizations.
Sec. 102. Small flood control projects.
Sec. 103. Small bank stabilization projects.
Sec. 104. Small navigation projects.
Sec. 105. Small shoreline protection projects.
Sec. 106. Small snagging and sediment removal project, Mississippi River, Little Falls, Minnesota.
Sec. 107. Small projects for improvement of the environment.
Sec. 108. Project to mitigate shore damage.

TITLE II—GENERALLY APPLICABLE PROVISIONS

Sec. 201. Cost sharing for dredged material disposal areas.
Sec. 202. Flood control policy.
Sec. 203. Feasibility study cost-sharing.
Sec. 204. Restoration of environmental quality.
Sec. 205. Environmental dredging.
Sec. 206. Aquatic ecosystem restoration.
Sec. 207. Beneficial uses of dredged material.
Sec. 208. Recreation policy and user fees.
Sec. 209. Recovery of costs.
Sec. 210. Cost sharing of environmental projects.
Sec. 211. Construction of flood control projects by non-Federal interests.
Sec. 212. Engineering and environmental innovations of national significance.
Sec. 213. Lease authority.
Sec. 214. Collaborative research and development.
Sec. 215. Dam safety program.
Sec. 216. Maintenance, rehabilitation, and modernization of facilities.
Sec. 217. Long-term sediment management strategies.
Sec. 218. Dredged material disposal facility partnerships.
Sec. 219. Obstruction removal requirement.
Sec. 220. Small project authorizations.
Sec. 221. Uneconomical cost-sharing requirements.
Sec. 222. Planning assistance to States.
Sec. 223. Corps of Engineers expenses.
Sec. 224. State and Federal agency review period.
Sec. 225. Limitation on reimbursement of non-Federal costs per project.
Sec. 226. Aquatic plant control.
Sec. 227. Sediments decontamination technology.
Sec. 228. Shore protection.
Sec. 229. Project deauthorizations.
Sec. 230. Support of Army Civil Works Program.
Sec. 231. Benefits to navigation.
Sec. 232. Loss of life prevention.
Sec. 233. Scenic and aesthetic considerations.
Sec. 234. Removal of study prohibitions.
Sec. 235. Sense of Congress; requirement regarding notice.
Sec. 236. Reservoir Management Technical Advisory Committee.
Sec. 237. Technical corrections.

TITLE III—PROJECT MODIFICATIONS

Sec. 301. Mobile Harbor, Alabama.
Sec. 302. Alamo Dam, Arizona.

Sec. 303. Nogales Wash and Tributaries, Arizona.
Sec. 304. Phoenix, Arizona.
Sec. 305. San Francisco River at Clifton, Arizona.
Sec. 306. Channel Islands Harbor, California
Sec. 307. Glenn-Colusa, California.
Sec. 308. Los Angeles and Long Beach Harbors, San Pedro Bay, California.
Sec. 309. Oakland Harbor, California.
Sec. 310. Queensway Bay, California.
Sec. 311. San Luis Rey, California.
Sec. 312. Thames River, Connecticut.
Sec. 313. Potomac River, Washington, District Of Columbia.
Sec. 314. Canaveral Harbor, Florida.
Sec. 315. Captiva Island, Florida.
Sec. 316. Central and southern Florida, Canal 51.
Sec. 317. Central and southern Florida, Canal 111 (C–111).
Sec. 318. Jacksonville Harbor (Mill Cove), Florida.
Sec. 319. Panama City Beaches, Florida.
Sec. 320. Tybee Island, Georgia.
Sec. 321. White River, Indiana.
Sec. 322. Chicago, Illinois.
Sec. 323. Chicago Lock and Thomas J. O'Brien Lock, Illinois.
Sec. 324. Kaskaskia River, Illinois.
Sec. 325. Locks and Dam 26, Alton, Illinois and Missouri.
Sec. 326. North Branch of Chicago River, Illinois.
Sec. 327. Illinois and Michigan Canal.
Sec. 328. Halstead, Kansas.
Sec. 329. Levisa and Tug Forks of the Big Sandy River and Cumberland River, Kentucky, West Virginia, and Virginia.
Sec. 330. Prestonburg, Kentucky.
Sec. 331. Comite River, Louisiana.
Sec. 332. Grand Isle and vicinity, Louisiana.
Sec. 333. Lake Pontchartrain, Louisiana.
Sec. 334. Mississippi Delta Region, Louisiana.
Sec. 335. Mississippi River Outlets, Venice, Louisiana.
Sec. 336. Red River Waterway, Louisiana.
Sec. 337. Westwego to Harvey Canal, Louisiana.
Sec. 338. Tolchester Channel, Maryland.
Sec. 339. Saginaw River, Michigan.
Sec. 340. Sault Sainte Marie, Chippewa County, Michigan.
Sec. 341. Stillwater, Minnesota.
Sec. 342. Cape Girardeau, Missouri.
Sec. 343. New Madrid Harbor, Missouri.
Sec. 344. St. John's Bayou—New Madrid Floodway, Missouri.
Sec. 345. Joseph G. Minish Passaic River Park, New Jersey.
Sec. 346. Molly Ann's Brook, New Jersey.
Sec. 347. Passaic River, New Jersey.
Sec. 348. Ramapo River at Oakland, New Jersey and New York.
Sec. 349. Raritan Bay and Sandy Hook Bay, New Jersey.
Sec. 350. Arthur Kill, New York and New Jersey.
Sec. 351. Jones Inlet, New York.
Sec. 352. Kill Van Kull, New York and New Jersey.
Sec. 353. Wilmington Harbor-Northeast Cape Fear River, North Carolina.
Sec. 354. Garrison Dam, North Dakota.
Sec. 355. Reno Beach-Howards Farm, Ohio.
Sec. 356. Wister Lake, Oklahoma.
Sec. 357. Bonneville Lock and Dam, Columbia River, Oregon and Washington.
Sec. 358. Columbia River dredging, Oregon and Washington.
Sec. 359. Grays Landing Lock and Dam, Monongahela River, Pennsylvania.
Sec. 360. Lackawanna River at Scranton, Pennsylvania.
Sec. 361. Mussers Dam, Middle Creek, Snyder County, Pennsylvania.
Sec. 362. Saw Mill Run, Pennsylvania.
Sec. 363. Schuylkill River, Pennsylvania.
Sec. 364. South Central Pennsylvania.
Sec. 365. Wyoming Valley, Pennsylvania.
Sec. 366. San Juan Harbor, Puerto Rico.
Sec. 367. Narragansett, Rhode Island.
Sec. 368. Charleston Harbor, South Carolina.
Sec. 369. Dallas Floodway Extension, Dallas, Texas.
Sec. 370. Upper Jordan River, Utah.
Sec. 371. Haysi Lake, Virginia.
Sec. 372. Rudee Inlet, Virginia Beach, Virginia.
Sec. 373. Virginia Beach, Virginia.
Sec. 374. East Waterway, Washington.
Sec. 375. Bluestone Lake, West Virginia.
Sec. 376. Moorefield, West Virginia.
Sec. 377. Southern West Virginia.
Sec. 378. West Virginia trail head facilities.
Sec. 379. Kickapoo River, Wisconsin.
Sec. 380. Teton County, Wyoming.

TITLE IV—STUDIES

Sec. 401. Corps capability study, Alaska.
Sec. 402. McDowell Mountain, Arizona.
Sec. 403. Nogales Wash and Tributaries, Arizona.
Sec. 404. Garden Grove, California.
Sec. 405. Mugu Lagoon, California.
Sec. 406. Santa Ynez, California.
Sec. 407. Southern California infrastructure.
Sec. 408. Yolo Bypass, Sacramento-San Joaquin Delta, California.
Sec. 409. Chain of Rocks Canal, Illinois.
Sec. 410. Quincy, Illinois.
Sec. 411. Springfield, Illinois.
Sec. 412. Beauty Creek Watershed, Valparaiso City, Porter County, Indiana.
Sec. 413. Grand Calumet River, Hammond, Indiana.
Sec. 414. Indiana Harbor Canal, East Chicago, Lake County, Indiana.
Sec. 415. Koontz Lake, Indiana.
Sec. 416. Little Calumet River, Indiana.
Sec. 417. Tippecanoe River Watershed, Indiana.
Sec. 418. Calcasieu Ship Channel, Hackberry, Louisiana.
Sec. 419. Huron River, Michigan.
Sec. 420. Saco River, New Hampshire.
Sec. 421. Buffalo River Greenway, New York.
Sec. 422. Port of Newburgh, New York.
Sec. 423. Port of New York-New Jersey sediment study.
Sec. 424. Port of New York-New Jersey navigation study.
Sec. 425. Chagrin River, Ohio.
Sec. 426. Cuyahoga River, Ohio.
Sec. 427. Charleston, South Carolina, estuary.
Sec. 428. Mustang Island, Corpus Christi, Texas.
Sec. 429. Prince William County, Virginia.
Sec. 430. Pacific region.
Sec. 431. Financing of infrastructure needs of small and medium ports.

TITLE V—MISCELLANEOUS PROVISIONS

Sec. 501. Project deauthorizations.
Sec. 502. Project reauthorizations.
Sec. 503. Continuation of authorization of certain projects.
Sec. 504. Land conveyances.
Sec. 505. Namings.
Sec. 506. Watershed management, restoration, and development.
Sec. 507. Lakes program.
Sec. 508. Maintenance of navigation channels.
Sec. 509. Great Lakes remedial action plans and sediment remediation.
Sec. 510. Great Lakes dredged material testing and evaluation manual.
Sec. 511. Great Lakes sediment reduction.
Sec. 512. Great Lakes confined disposal facilities.
Sec. 513. Chesapeake Bay restoration and protection program.
Sec. 514. Extension of jurisdiction of Mississippi River Commission.
Sec. 515. Alternative to annual passes.
Sec. 516. Recreation partnership initiative.
Sec. 517. Environmental infrastructure.
Sec. 518. Corps capability to conserve fish and wildlife.
Sec. 519. Periodic beach nourishment.
Sec. 520. Control of aquatic plants.
Sec. 521. Hopper dredges.
Sec. 522. Design and construction assistance.
Sec. 523. Field office headquarters facilities.
Sec. 524. Corps of Engineers restructuring plan.
Sec. 525. Lake Superior Center.
Sec. 526. Jackson County, Alabama.
Sec. 527. Earthquake Preparedness Center of Expertise Extension.
Sec. 528. Quarantine facility.
Sec. 529. Benton and Washington Counties, Arkansas.
Sec. 530. Calaveras County, California.
Sec. 531. Farmington Dam, California.
Sec. 532. Prado Dam safety improvements, California.
Sec. 533. Los Angeles County Drainage Area, California.
Sec. 534. Seven Oaks Dam, California.
Sec. 535. Manatee County, Florida.
Sec. 536. Tampa, Florida.
Sec. 537. Watershed management plan for Deep River Basin, Indiana.
Sec. 538. Southern and eastern Kentucky.
Sec. 539. Louisiana coastal wetlands restoration projects.
Sec. 540. Southeast Louisiana.
Sec. 541. Restoration projects for Maryland, Pennsylvania, and West Virginia.
Sec. 542. Cumberland, Maryland.
Sec. 543. Beneficial use of dredged material, Poplar Island, Maryland.
Sec. 544. Erosion control measures, Smith Island, Maryland.
Sec. 545. Duluth, Minnesota, alternative technology project.
Sec. 546. Redwood River Basin, Minnesota.
Sec. 547. Natchez Bluffs, Mississippi.
Sec. 548. Sardis Lake, Mississippi.
Sec. 549. Missouri River management.
Sec. 550. St. Charles County, Missouri, flood protection.
Sec. 551. Durham, New Hampshire.
Sec. 552. Hackensack Meadowlands area, New Jersey.
Sec. 553. Authorization of dredge material containment facility for Port of New York/New Jersey.
Sec. 554. Hudson River habitat restoration, New York.
Sec. 555. Queens County, New York.
Sec. 556. New York Bight and Harbor study.
Sec. 557. New York State Canal System.
Sec. 558. New York City Watershed.
Sec. 559. Ohio River Greenway.
Sec. 560. Northeastern Ohio.
Sec. 561. Grand Lake, Oklahoma.
Sec. 562. Broad Top region of Pennsylvania.
Sec. 563. Curwensville Lake, Pennsylvania.
Sec. 564. Hopper Dredge McFarland.
Sec. 565. Philadelphia, Pennsylvania.
Sec. 566. Upper Susquehanna River Basin, Pennsylvania and New York.
Sec. 567. Seven Points Visitors Center, Raystown Lake, Pennsylvania.
Sec. 568. Southeastern Pennsylvania.
Sec. 569. Wills Creek, Hyndman, Pennsylvania.
Sec. 570. Blackstone River Valley, Rhode Island and Massachusetts.
Sec. 571. East Ridge, Tennessee.
Sec. 572. Murfreesboro, Tennessee.
Sec. 573. Buffalo Bayou, Texas.
Sec. 574. Harris County, Texas.
Sec. 575. San Antonio River, Texas.
Sec. 576. Neabsco Creek, Virginia.

Sec. 577. Tangier Island, Virginia.
Sec. 578. Pierce County, Washington.
Sec. 579. Washington Aqueduct.
Sec. 580. Greenbrier River Basin, West Virginia, flood protection.
Sec. 581. Huntington, West Virginia.
Sec. 582. Lower Mud River, Milton, West Virginia.
Sec. 583. West Virginia and Pennsylvania flood control.
Sec. 584. Evaluation of beach material.
Sec. 585. National Center for Nanofabrication and Molecular Self-Assembly.
Sec. 586. Sense of Congress regarding St. Lawrence Seaway tolls.
Sec. 587. Prado Dam, California.
TITLE VI—EXTENSION OF EXPENDITURE AUTHORITY UNDER HARBOR MAINTENANCE TRUST FUND

SEC. 2. DEFINITION.

For purposes of this Act, the term ''Secretary'' means the Secretary of the Army.

TITLE I—WATER RESOURCES PROJECTS

SEC. 101. PROJECT AUTHORIZATIONS.

(a) PROJECTS WITH CHIEF'S REPORTS.—Except as provided in this section, the following projects for water resources development and conservation and other purposes are authorized to be carried out by the Secretary substantially in accordance with the plans, and subject to the conditions, described in the respective reports designated in this section:

(1) AMERICAN RIVER WATERSHED, CALIFORNIA.—

(A) IN GENERAL.—The project for flood damage reduction, American and Sacramento Rivers, California: Supplemental Information Report for the American River Watershed Project, California, dated March 1996, at a total cost of $57,300,000, with an estimated Federal cost of $42,975,000 and an estimated non-Federal cost of $14,325,000, consisting of the following:

(i) Approximately 24 miles of slurry wall in the existing levees along the lower American River.

(ii) Approximately 12 miles of levee modifications along the east bank of the Sacramento River downstream from the Natomas Cross Canal.

(iii) 3 telemeter streamflow gages upstream from the Folsom Reservoir.

(iv) Modifications to the existing flood warning system along the lower American River.

(B) CREDIT TOWARD NON-FEDERAL SHARE.—The non-Federal sponsor shall receive credit toward the non-Federal share of the cost of the project for expenses that the sponsor has incurred for design and construction of any of the features authorized pursuant to this paragraph prior to the date on which Federal funds are appropriated for construction of the project. The amount of the credit shall be determined by the Secretary.

(C) OPERATION OF FOLSOM DAM.—The Secretary of the Interior shall continue to operate the Folsom Dam and Reservoir to the variable 400,000/670,000 acre-feet of flood control storage capacity as an interim measure and extend the agreement between the Bureau of Reclamation and the Sacramento Area Flood Control Agency until such date as a comprehensive flood control plan for the American River Watershed has been implemented.

(D) RESPONSIBILITY OF NON-FEDERAL SPONSOR.—The non-Federal sponsor shall be responsible for all operation, maintenance, repair, replacement, and rehabilitation costs associated with the improvements undertaken pursuant to this paragraph, as well as for 25 percent of the costs for the variable flood control operation of the Folsom Dam and Reservoir (including any incremental power and water purchase costs incurred by the Western Area Power Administration or the Bureau of Reclamation and any direction, capital, and operation and maintenance costs borne by either of such agencies). Notwithstanding any contract or other agreement, the remaining 75 percent of the costs for the variable flood control operation of the Folsom Dam and Reservoir shall be the responsibility of the United States and shall be nonreimbursable.

(2) SAN LORENZO RIVER, SANTA CRUZ, CALIFORNIA.—The project for flood control, San Lorenzo River, Santa Cruz, California: Report of the Chief of Engineers, dated June 30, 1994, at a total cost of $21,800,000, with an estimated Federal cost of $10,900,000 and an estimated non-Federal cost of $10,900,000.

(3) SANTA BARBARA HARBOR, CALIFORNIA.—The project for navigation, Santa Barbara Harbor, California: Report of the Chief of Engineers, dated April 26, 1994, at a total cost of $5,840,000, with an estimated Federal cost of $4,670,000 and an estimated non-Federal cost of $1,170,000.

(4) SANTA MONICA BREAKWATER, CALIFORNIA.—The project for navigation and storm damage reduction, Santa Monica Breakwater, Santa Monica, California: Report of the Chief of Engineers, dated June 7, 1996, at a total cost of $6,440,000, with an estimated Federal cost of $4,220,000 and an estimated non-Federal cost of $2,220,000.

(5) MARIN COUNTY SHORELINE, SAN RAFAEL, CALIFORNIA.—The project for storm damage reduction, Marin County shoreline, San Rafael, California: Report of the Chief of Engineers, dated January 28, 1994, at a total cost of $28,300,000, with an estimated Federal cost of $18,400,000 and an estimated non-Federal cost of $9,900,000.

(6) HUMBOLDT HARBOR AND BAY, CALIFORNIA.—The project for navigation, Humboldt Harbor and Bay, California: Report of the Chief of Engineers, dated October 30, 1995, at a total cost of $15,180,000, with an estimated Federal cost of $10,000,000 and an estimated non-Federal cost of $5,180,000.

(7) ANACOSTIA RIVER AND TRIBUTARIES, DISTRICT OF COLUMBIA AND MARYLAND.—The project for environmental restoration, Anacostia River and Tributaries, District of Columbia and Maryland: Report of the Chief of Engineers, dated November 15, 1994, at a total cost of $17,144,000, with an estimated Federal cost of $12,858,000 and an estimated non-Federal cost of $4,286,000.

(8) ATLANTIC INTRACOASTAL WATERWAY, ST. JOHNS COUNTY, FLORIDA.—The project for navigation, Atlantic Intracoastal Waterway, St. Johns County, Florida: Report of the Chief of Engineers, dated June 24, 1994, at a total Federal cost of $15,881,000. Operation, maintenance, repair, replacement, and rehabilitation shall be a non-Federal responsibility and the non-Federal interest must assume ownership of the bridge.

(9) LAKE MICHIGAN, ILLINOIS.—The project for storm damage reduction and shoreline erosion protection, Lake Michigan, Illinois, from Wilmette, Illinois, to the Illinois-Indiana State line: Report of the Chief of Engineers, dated April 14, 1994, at a total cost of $204,000,000, with an estimated Federal cost of $110,000,000 and an estimated non-Federal cost of $94,000,000. The project shall include the breakwater near the South Water Filtration Plant described in the report as a separate element of the project, at a total cost of $11,470,000, with an estimated Federal cost of $7,460,000 and an estimated non-Federal cost of $4,010,000. The Secretary shall reimburse the non-Federal interest for the Federal share of any costs incurred by the non-Federal interest—

(A) in reconstructing the revetment structures protecting Solidarity Drive in Chicago, Illinois, if such work is determined by the Secretary to be a component of the project; and

(B) in constructing the breakwater near the South Water Filtration Plant in Chicago, Illinois.

(10) KENTUCKY LOCK AND DAM, TENNESSEE RIVER, KENTUCKY.—The project for navigation, Kentucky Lock and Dam, Tennessee River, Kentucky: Report of the Chief of Engineers, dated June 1, 1992, at a total cost of $393,200,000. The costs of construction of the project are to be paid ½ from amounts appropriated from the general fund of the Treasury and ½ from amounts appropriated from the Inland Waterways Trust Fund.

(11) POND CREEK, JEFFERSON COUNTY, KENTUCKY.—The project for flood control, Pond Creek, Jefferson County, Kentucky: Report of the Chief of Engineers, dated June 28, 1994, at a total cost of $16,080,000, with an estimated Federal cost of $10,993,000 and an estimated non-Federal cost of $5,087,000.

(12) WOLF CREEK DAM AND LAKE CUMBERLAND, KENTUCKY.—The project for hydropower, Wolf Creek Dam and Lake Cumberland, Kentucky: Report of the Chief of Engineers, dated June 28, 1994, at a total cost of $53,763,000, with an estimated non-Federal cost of $53,763,000. Funds derived by the Tennessee Valley Authority from its power program and funds derived from any private or public entity designated by the Southeastern Power Administration may be used to pay all or part of the costs of the project.

(13) PORT FOURCHON, LAFOURCHE PARISH, LOUISIANA.—A project for navigation, Belle Pass and Bayou Lafourche, Louisiana: Report of the Chief of Engineers, dated April 7, 1995, at a total cost of $4,440,000, with an estimated Federal cost of $2,300,000 and an estimated non-Federal cost of $2,140,000.

(14) WEST BANK OF THE MISSISSIPPI RIVER, NEW ORLEANS (EAST OF HARVEY CANAL), LOUISIANA.—The project for hurricane damage reduction, West Bank of the Mississippi River in the vicinity of New Orleans (East of Harvey Canal), Louisiana: Report of the Chief of Engineers, dated May 1, 1995, at a total cost of $126,000,000, with an estimated Federal cost of $82,200,000 and an estimated non-Federal cost of $43,800,000.

(15) WOOD RIVER, GRAND ISLAND, NEBRASKA.—The project for flood control, Wood River, Grand Island, Nebraska: Report of the Chief of Engineers, dated May 3, 1994, at a total cost of $11,800,000, with an estimated Federal cost of $6,040,000 and an estimated non-Federal cost of $5,760,000.

(16) LAS CRUCES, NEW MEXICO.—The project for flood control, Las Cruces, New Mexico: Report of the Chief of Engineers, dated June 24, 1996, at a total cost of $8,278,000, with an estimated Federal cost of $5,494,000 and an estimated non-Federal cost of $2,784,000.

(17) LONG BEACH ISLAND, NEW YORK.—The project for storm damage reduction, Long Beach Island, New York: Report of the Chief of Engineers, dated April 5, 1996, at a total cost of $72,090,000, with an estimated Federal cost of $46,858,000 and an estimated non-Federal cost of $25,232,000.

(18) WILMINGTON HARBOR, CAPE FEAR RIVER, NORTH CAROLINA.—The project for navigation, Wilmington Harbor, Cape Fear and Northeast Cape Fear Rivers, North Carolina: Report of the Chief of Engineers, dated June 24, 1994, at a total cost of $23,953,000, with an estimated Federal cost of $15,032,000 and an estimated non-Federal cost of $8,921,000.

(19) DUCK CREEK, CINCINNATI, OHIO.—The project for flood control, Duck Creek, Cincinnati, Ohio: Report of the Chief of Engineers, dated June 28, 1994, at a total cost of $15,947,000, with an estimated Federal cost of $11,960,000 and an estimated non-Federal cost of $3,987,000.

(20) WILLAMETTE RIVER TEMPERATURE CONTROL, MCKENZIE SUBBASIN, OREGON.—The project for environmental restoration, Willamette River Temperature Control, McKenzie Subbasin, Oregon: Report of the Chief of Engineers, dated February 1, 1996, at a total cost of $38,000,000, with an estimated Federal cost of $38,000,000.

(21) RIO GRANDE DE ARECIBO, PUERTO RICO.—The project for flood control, Rio Grande de Arecibo, Puerto Rico: Report of the Chief of Engineers, dated April 5, 1994, at a total cost of $19,951,000, with an estimated Federal cost of $10,557,000 and an estimated non-Federal cost of $9,394,000.

(22) CHARLESTON HARBOR, SOUTH CAROLINA.—The project for navigation, Charleston Harbor Deepening and Widening, South Carolina: Report of the Chief of Engineers, dated July 18, 1996, at a total cost of $116,639,000, with an estimated Federal cost of $72,798,000 and an estimated non-Federal cost of $43,841,000.

(23) BIG SIOUX RIVER AND SKUNK CREEK, SIOUX FALLS, SOUTH DAKOTA.—The project for flood control, Big Sioux River and Skunk Creek, Sioux Falls, South Dakota: Report of the Chief of Engineers, dated June 30, 1994, at a total cost of $34,600,000, with an estimated Federal cost of $25,900,000 and an estimated non-Federal cost of $8,700,000.

(24) WATERTOWN, SOUTH DAKOTA.—The project for flood control, Watertown and Vicinity, South Dakota: Report of the Chief of Engineers, dated August 31, 1994, at a total cost of $18,000,000, with an estimated Federal cost of $13,200,000 and an estimated non-Federal cost of $4,800,000.

(25) GULF INTRACOASTAL WATERWAY, ARANSAS NATIONAL WILDLIFE REFUGE, TEXAS.—The project for navigation and environmental preservation, Gulf Intracoastal Waterway, Aransas National Wildlife Refuge, Texas: Report of the Chief of Engineers, dated May 28, 1996, at a total cost of $18,283,000, with an estimated Federal cost of $18,283,000.

(26) HOUSTON-GALVESTON NAVIGATION CHANNELS, TEXAS.—The project for navigation and environmental restoration, Houston-Galveston Navigation Channels, Texas: Report of the Chief of Engineers, dated May 9, 1996, at a total initial construction cost of $292,797,000, with an estimated Federal cost of $210,891,000 and an estimated non-Federal cost of $81,906,000. The project shall include deferred construction of additional environmental restoration features over the life of the project, at a total average annual cost of $786,000, with an estimated Federal cost of $590,000 and an estimated non-Federal cost of $196,000. The construction of berthing areas and the removal of pipelines and other obstructions that are necessary for the project shall be accomplished at non-Federal expense. Non-Federal interests shall receive credit toward cash contributions required during construction and subsequent to construction for design and construction management work that is performed by non-Federal interests and that the Secretary determines is necessary to implement the project.

(27) MARMET LOCK, KANAWHA RIVER, WEST VIRGINIA.—The project for navigation, Marmet Lock, Kanawha River, West Virginia: Report of the Chief of Engineers, dated June 24, 1994, at a total cost of $229,581,000. The costs of construction of the project are to be paid ½ from amounts appropriated from the general fund of the Treasury and ½ from amounts appropriated from the Inland Waterways Trust Fund. In conducting any real estate acquisition activities with respect to the project, the Secretary shall give priority consideration to those individuals who would be directly affected by any physical displacement due to project design and shall consider the financial circumstances of such individuals. The Secretary shall proceed with real estate acquisition in connection with the project expeditiously.

(b) PROJECTS WITH PENDING CHIEF'S REPORTS.—The following projects are authorized to be carried out by the Secretary substantially in accordance with a final report of the Chief of Engineers if such report is completed not later than December 31, 1996:

(1) CHIGNIK, ALASKA.—The project for navigation, Chignik, Alaska, at a total cost of $10,365,000, with an estimated Federal cost of $4,344,000 and an estimated non-Federal cost of $6,021,000.

(2) COOK INLET, ALASKA.—The project for navigation, Cook Inlet, Alaska, at a total cost of $5,342,000, with an estimated Federal cost of $4,006,000 and an estimated non-Federal cost of $1,336,000.

(3) ST. PAUL ISLAND HARBOR, ST. PAUL, ALASKA.—The project for navigation, St. Paul Harbor, St. Paul, Alaska, with an estimated total cost of $18,981,000, with an estimated Federal cost of $12,188,000 and an estimated non-Federal cost of $6,793,000.

(4) NORCO BLUFFS, RIVERSIDE COUNTY, CALIFORNIA.—A project for bluff stabilization, Norco Bluffs, Riverside County, California, with an estimated total cost of $8,600,000, with an estimated Federal cost of $6,450,000 and an estimated non-Federal cost of $2,150,000.

(5) PORT OF LONG BEACH (DEEPENING), CALIFORNIA.—The project for navigation, Port of Long Beach (Deepening), California, at a total cost of $37,288,000, with an estimated Federal cost of $14,318,000 and an estimated non-Federal cost of $22,970,000.

(6) TERMINUS DAM, KAWEAH RIVER, CALIFORNIA.—The project for flood damage reduction and water supply, Terminus Dam, Kaweah River, California, at a total estimated cost of $34,500,000, with an estimated Federal cost of $20,200,000 and an estimated non-Federal cost of $14,300,000.

(7) REHOBOTH BEACH AND DEWEY BEACH, DELAWARE.—A project for storm damage reduction and shoreline protection, Rehoboth Beach and Dewey Beach, Delaware, at a total cost of $9,423,000, with an estimated first Federal cost of $6,125,000, and an estimated first non-Federal cost of $3,298,000, and an average annual cost of $282,000 for periodic nourishment over the 50-year life of the project, with an estimated annual Federal cost of $183,000 and an estimated annual non-Federal cost of $99,000.

(8) BREVARD COUNTY, FLORIDA.—The project for shoreline protection, Brevard County, Florida, at a total first cost of $76,620,000, with an estimated first Federal cost of $36,006,000, and an estimated first non-Federal cost of $40,614,000, and an average annual cost of $2,341,000 for periodic nourishment over the 50-year life of the project, with an estimated annual Federal cost of $1,109,000 and an estimated annual non-Federal cost of $1,232,000.

(9) MIAMI HARBOR CHANNEL, FLORIDA.—The project for navigation, Miami Harbor Channel, Miami, Florida, with an estimated total cost of $3,221,000, with an estimated Federal cost of $1,800,000 and an estimated non-Federal cost of $1,421,000.

(10) NORTH WORTH INLET, FLORIDA.—The project for navigation and shoreline protection, Lake Worth Inlet, Palm Beach Harbor, Florida, at a total cost of $3,915,000, with an estimated Federal cost of $1,762,000 and an estimated non-Federal cost of $2,153,000.

(11) LOWER SAVANNAH RIVER BASIN, SAVANNAH RIVER, GEORGIA AND SOUTH CAROLINA.—The project for navigation and related purposes, Lower Savannah River Basin, Savannah River, Georgia and South Carolina, at a total cost of $3,419,000, with an estimated Federal cost of $2,551,000, and an estimated non-Federal cost of $868,000.

(12) ABSECON ISLAND, NEW JERSEY.—The project for storm damage reduction and shoreline protection, Brigantine Inlet to Great Egg Harbor Inlet, Absecon Island, New Jersey, at a total cost of $52,000,000, with an estimated Federal cost of $34,000,000 and an estimated non-Federal cost of $18,000,000.

(13) CAPE FEAR RIVER, NORTH CAROLINA.—The project for navigation, Cape Fear River deepening, North Carolina, at a total cost of $210,264,000, with an estimated Federal cost of $130,159,000, and an estimated non-Federal cost of $80,105,000.

SEC. 102. SMALL FLOOD CONTROL PROJECTS.

(a) PROJECT DESCRIPTIONS.—The Secretary shall conduct a study for each of the following projects and, if the Secretary determines that the project is feasible, shall carry out the project under section 205 of the Flood Control Act of 1948 (33 U.S.C. 701s):

(1) SOUTH UPLAND, SAN BERNADINO COUNTY, CALIFORNIA.—Project for flood control, South Upland, San Bernadino County, California.

(2) BIRDS, LAWRENCE COUNTY, ILLINOIS.—Project for flood control, Birds, Lawrence County, Illinois.

(3) BRIDGEPORT, LAWRENCE COUNTY, ILLINOIS.—Project for flood control, Bridgeport, Lawrence County, Illinois.

(4) EMBARRAS RIVER, VILLA GROVE, ILLINOIS.—Project for flood control, Embarras River, Villa Grove, Illinois.

(5) FRANKFORT, WILL COUNTY, ILLINOIS.—Project for flood control, Frankfort, Will County, Illinois.

(6) SUMNER, LAWRENCE COUNTY, ILLINOIS.—Project for flood control, Sumner, Lawrence County, Illinois.

(7) VERMILLION RIVER, DEMANADE PARK, LAFAYETTE, LOUISIANA.—Project for nonstructural flood control, Vermillion River, Demanade Park, Lafayette, Louisiana. In carrying out the study and the project (if any) under this paragraph, the Secretary shall use relevant information from the Lafayette Parish feasibility study and expedite completion of the study under this paragraph.

(8) VERMILLION RIVER, QUAIL HOLLOW SUBDIVISION, LAFAYETTE, LOUISIANA.—Project for nonstructural flood control, Vermillion River, Quail Hollow Subdivision, Lafayette, Louisiana. In carrying out the study and the project (if any) under this paragraph, the Secretary shall use relevant information from the Lafayette Parish feasibility study and expedite completion of the study under this paragraph.

(9) KAWKAWLIN RIVER, BAY COUNTY, MICHIGAN.—Project for flood control, Kawkawlin River, Bay County, Michigan.

(10) WHITNEY DRAIN, ARENAC COUNTY, MICHIGAN.—Project for flood control, Whitney Drain, Arenac County, Michigan.

(11) FESTUS AND CRYSTAL CITY, MISSOURI.—Project for flood control, Festus and Crystal City, Missouri. In carrying out the study and the project (if any) under this paragraph, the Secretary shall use relevant information from the existing reconnaissance study and shall expedite completion of the study under this paragraph.

(12) KIMMSWICK, MISSOURI.—Project for flood control, Kimmswick, Missouri. In carrying out the study and the project (if any) under this paragraph, the Secretary shall use relevant information from the existing reconnaissance study and shall expedite completion of the study under this paragraph.

(13) RIVER DES PERES, ST. LOUIS COUNTY, MISSOURI.—Project for flood control, River Des Peres, St. Louis County, Missouri. In carrying out the study and the project (if any), the Secretary shall determine the feasibility of potential flood control measures, consider potential storm water runoff and related improvements, and cooperate with the Metropolitan St. Louis Sewer District.

(14) BUFFALO CREEK, ERIE COUNTY, NEW YORK.—Project for flood control, Buffalo Creek, Erie County, New York.

(15) CAZENOVIA CREEK, ERIE COUNTY, NEW YORK.—Project for flood control, Cazenovia Creek, Erie County, New York.

(16) CHEEKTOWAGA, ERIE COUNTY, NEW YORK.—Project for flood control, Cheektowaga, Erie County, New York.

(17) FULMER CREEK, VILLAGE OF MOHAWK, NEW YORK.—Project for flood control, Fulmer Creek, Village of Mohawk, New York.

(18) MOYER CREEK, VILLAGE OF FRANKFORT, NEW YORK.—Project for flood control, Moyer Creek, Village of Frankfort, New York.

(19) SAUQUOIT CREEK, WHITESBORO, NEW YORK.—Project for flood control, Sauquoit Creek, Whitesboro, New York.

(20) STEELE CREEK, VILLAGE OF ILION, NEW YORK.—Project for flood control, Steele Creek, Village of Ilion, New York.

(21) WILLAMETTE RIVER, OREGON.—Project for nonstructural flood control, Willamette River, Oregon, including floodplain and ecosystem restoration.

(22) GREENBRIER RIVER BASIN, WEST VIRGINIA.—Project for flood control, consisting of an early flood warning system, Greenbrier River Basin, West Virginia.

(b) COST ALLOCATIONS.—

(1) LAKE ELSINORE, CALIFORNIA.—The maximum amount of Federal funds that may be allotted under section 205 of the Flood Control Act of 1948 (33 U.S.C. 701s) for the project for flood control, Lake Elsinore, Riverside County, California, shall be $7,500,000.

(2) LOST CREEK, COLUMBUS, NEBRASKA.—The maximum amount of Federal funds that may be allotted under such section 205 for the project for flood control, Lost Creek, Columbus, Nebraska, shall be $5,500,000.

(3) REVISION OF PROJECT COOPERATION AGREEMENT.—The Secretary shall revise the project cooperation agreement for the projects referred to in paragraphs (1) and (2) in order to take into account the change in the Federal participation in such projects pursuant to such paragraphs.

(4) COST SHARING.—Nothing in this subsection shall be construed to affect any cost-sharing requirement applicable to the project referred to in paragraph (1) under the Water Resources Development Act of 1986.

SEC. 103. SMALL BANK STABILIZATION PROJECTS.

The Secretary shall conduct a study for each of the following projects and, if the Secretary determines that the project is feasible, shall carry out the project under section 14 of the Flood Control Act of 1946 (33 U.S.C. 701r):

(1) ST. JOSEPH RIVER, INDIANA.—Project for bank stabilization, St. Joseph River, South Bend, Indiana, including recreation and pedestrian access features.

(2) ALLEGHENY RIVER AT OIL CITY, PENNSYLVANIA.—Project for bank stabilization to address erosion problems affecting the pipeline crossing the Allegheny River at Oil City, Pennsylvania, including measures to address erosion affecting the pipeline in the bed of the Allegheny River and its adjacent banks.

(3) CUMBERLAND RIVER, NASHVILLE, TENNESSEE.—Project for bank stabilization, Cumberland River, Nashville, Tennessee.

(4) TENNESSEE RIVER, HAMILTON COUNTY, TENNESSEE.—Project for bank stabilization, Tennessee River, Hamilton County, Tennessee; except that the maximum amount of Federal funds that may be allotted for the project shall be $7,500,000.

SEC. 104. SMALL NAVIGATION PROJECTS.

The Secretary shall conduct a study for each of the following projects and, if the Secretary determines that the project is feasible, shall carry out the project under section 107 of the River and Harbor Act of 1960 (33 U.S.C. 577):

(1) AKUTAN, ALASKA.—Project for navigation, Akutan, Alaska, consisting of a bulkhead and a wave barrier, including application of innovative technology involving use of a permeable breakwater.

(2) GRAND MARAIS HARBOR BREAKWATER, MICHIGAN.—Project for navigation, Grand Marais Harbor breakwater, Michigan.

(3) DULUTH, MINNESOTA.—Project for navigation, Duluth, Minnesota.

(4) TACONITE, MINNESOTA.—Project for navigation, Taconite, Minnesota.

(5) TWO HARBORS, MINNESOTA.—Project for navigation, Two Harbors, Minnesota.

(6) CARUTHERSVILLE HARBOR, PEMISCOT COUNTY, MISSOURI.—Project for navigation, Caruthersville Harbor, Pemiscot County, Missouri, including enlargement of the existing harbor and bank stabilization measures.

(7) NEW MADRID COUNTY HARBOR, MISSOURI.—Project for navigation, New Madrid County Harbor, Missouri, including enlargement of the existing harbor and bank stabilization measures.

(8) BROOKLYN, NEW YORK.—Project for navigation, Brooklyn, New York, including restoration of the pier and related navigation support structures, at the Sixty-Ninth Street Pier.

(9) BUFFALO INNER HARBOR, BUFFALO, NEW YORK.—Project for navigation, Buffalo Inner Harbor, Buffalo, New York.

(10) GLENN COVE CREEK, NEW YORK.—Project for navigation, Glenn Cove Creek, New York, including bulkheading.

(11) UNION SHIP CANAL, BUFFALO AND LACKAWANNA, NEW YORK.—Project for navigation, Union Ship Canal, Buffalo and Lackawanna, New York.

SEC. 105. SMALL SHORELINE PROTECTION PROJECTS.

(a) PROJECT AUTHORIZATIONS.—The Secretary shall conduct a study for each of the following projects, and if the Secretary determines that the project is feasible, shall carry out the project under section 3 of the Shoreline Protection Act of August 13, 1946 (33 U.S.C. 426g):

(1) FAULKNER'S ISLAND, CONNECTICUT.—Project for shoreline protection, Faulkner's Island, Connecticut; except that the maximum amount of Federal funds that may be allotted for the project shall be $4,500,000.

(2) FORT PIERCE, FLORIDA.—Project for 1 mile of additional shoreline protection, Fort Pierce, Florida.

(3) ORCHARD BEACH, BRONX, NEW YORK.—Project for shoreline protection, Orchard Beach, Bronx, New York, New York; except that the maximum amount of Federal funds that may be allotted for the project shall be $5,200,000.

(4) SYLVAN BEACH BREAKWATER, VERONA, ONEIDA COUNTY, NEW YORK.—Project for shoreline protection, Sylvan Beach breakwater, Verona, Oneida County, New York.

(b) COST SHARING AGREEMENT.—In carrying out the project authorized by subsection (a)(1), the Secretary shall enter into an agreement with the property owner to determine the allocation of the project costs.

SEC. 106. SMALL SNAGGING AND SEDIMENT REMOVAL PROJECT, MISSISSIPPI RIVER, LITTLE FALLS, MINNESOTA.

The Secretary shall conduct a study for a project for clearing, snagging, and sediment removal, East Bank of the Mississippi River, Little Falls, Minnesota, including removal of sediment from culverts. The study shall include a determination of the adequacy of culverts to maintain flows through the channel. If the Secretary determines that the project is feasible, the Secretary shall carry out the project under section 3 of the River and Harbor Act of March 2, 1945 (33 U.S.C. 603a; 59 Stat. 23).

SEC. 107. SMALL PROJECTS FOR IMPROVEMENT OF THE ENVIRONMENT.

The Secretary shall conduct a study for each of the following projects and, if the Secretary determines that the project is appropriate, shall carry out the project under section 1135(a) of the Water Resources Development Act of 1986 (33 U.S.C. 2309(a)):

(1) UPPER TRUCKEE RIVER, EL DORADO COUNTY, CALIFORNIA.—Project for environmental restoration, Upper Truckee River, El Dorado County, California, including measures for restoration of degraded wetlands and wildlife enhancement.

(2) SAN LORENZO RIVER, CALIFORNIA.—Project for habitat restoration, San Lorenzo River, California.

(3) WHITTIER NARROWS DAM, CALIFORNIA.—Project for environmental restoration and remediation of contaminated water sources, Whittier Narrows Dam, California.

(4) UPPER JORDAN RIVER, SALT LAKE COUNTY, UTAH.—Project for channel restoration and environmental improvement, Upper Jordan River, Salt Lake County, Utah.

SEC. 108. PROJECT TO MITIGATE SHORE DAMAGE.

The Secretary shall expedite the Assateague Island restoration feature of the Ocean City, Maryland, and vicinity study and, if the Secretary determines that the Federal navigation project has contributed to degradation of the shoreline, the Secretary shall carry out the project for shoreline restoration under section 111 of the River and Harbor Act of 1968 (82 Stat. 735); except that the maximum amount of Federal funds that may be allotted by the Secretary for the project shall be $35,000,000. In carrying out the project, the Secretary shall coordinate with affected Federal and State agencies and shall enter into an agreement with the Federal property owner to determine the allocation of the project costs.

TITLE II—GENERALLY APPLICABLE PROVISIONS

SEC. 201. COST SHARING FOR DREDGED MATERIAL DISPOSAL AREAS.

(a) CONSTRUCTION.—Section 101(a) of the Water Resources Development Act of 1986 (33 U.S.C. 2211(a); 100 Stat. 4082–4083) is amended—

(1) by striking the last sentence of paragraph (2) and inserting the following: ''The value of lands, easements, rights-of-way, and relocations provided under paragraph (3) and the costs of relocations borne by the non-Federal interests under paragraph (4) shall be credited toward the payment required under this paragraph.'';

(2) in paragraph (3)—

(A) by inserting ''and'' after ''rights-of-way,'';

(B) by striking '', and dredged material disposal areas''; and

(C) by inserting '', including any lands, easements, rights-of-way, and relocations (other than utility relocations accomplished under paragraph (4)) that are necessary for dredged material disposal facilities'' before the period at the end of such paragraph; and

(3) by adding at the end the following:

''(5) DREDGED MATERIAL DISPOSAL FACILITIES FOR PROJECT CONSTRUCTION.—For purposes of this subsection, the term 'general navigation features' includes constructed land-based and aquatic dredged material disposal facilities that are necessary for the disposal of dredged material required for project construction and for which a contract for construction has not been awarded on or before the date of the enactment of this paragraph.''.

(b) OPERATION AND MAINTENANCE.—Section 101(b) of such Act (33 U.S.C. 2211(b); 100 Stat. 4083) is amended—

(1) by inserting ''(1) IN GENERAL.—'' before ''The Federal'';

(2) by indenting and moving paragraph (1), as designated by paragraph (1) of this subsection, 2 ems to the right;

(3) by striking ''pursuant to this Act'' and inserting ''by the Secretary pursuant to this Act or any other law approved after the date of the enactment of this Act''; and

(4) by adding at the end thereof the following:

''(2) DREDGED MATERIAL DISPOSAL FACILITIES.—The Federal share of the cost of constructing land-based and aquatic dredged material disposal facilities that are necessary for the disposal of dredged material required for the operation and maintenance of a project and for which a contract for construction has not been awarded on or before the date of the enactment of this paragraph shall be determined in accordance with subsection (a). The Federal share of operating and maintaining such facilities shall be determined in accordance with paragraph (1).''.

(c) AGREEMENT.—Section 101(e)(1) of such Act (33 U.S.C. 2211(e)(1); 100 Stat. 4083) is amended by striking ''and to provide dredged material disposal areas and perform'' and inserting ''including those necessary for dredged material disposal facilities, and to perform''.

(d) CONSIDERATION OF FUNDING REQUIREMENTS AND EQUITABLE APPORTIONMENT.—Section 101 of such Act (33 U.S.C. 2211; 100 Stat. 4082–4084) is further amended by adding at the end the following:

''(f) CONSIDERATION OF FUNDING REQUIREMENTS AND EQUITABLE APPORTIONMENT.—The Secretary shall ensure, to the extent practicable, that—

''(1) funding necessary for operation and maintenance dredging of commercial navigation harbors is provided before Federal funds are obligated for payment of the Federal share of costs associated with construction of dredged material disposal facilities in accordance with subsections (a) and (b);

''(2) funds expended for such construction are equitably apportioned in accordance with regional needs; and

''(3) the Secretary's participation in the construction of dredged material disposal facilities does not result in unfair competition with potential private sector providers of such facilities.''.

(e) ELIGIBLE OPERATIONS AND MAINTENANCE DEFINED.—Section 214(2) of such Act (33 U.S.C. 2241; 100 Stat. 4108) is amended—

(1) in subparagraph (A)—

(A) by inserting ''Federal'' after ''means all'';

(B) by inserting ''(i)'' after ''including''; and

(C) by inserting before the period at the end the following: ''; (ii) the construction of dredged material disposal facilities that are necessary for the operation and maintenance of any harbor or inland harbor; (iii) dredging and disposing of contaminated sediments which are in or which affect the maintenance of Federal navigation channels; (iv) mitigating for impacts resulting from Federal navigation operation and maintenance activities; and (v) operating and maintaining dredged material disposal facilities''; and

(2) in subparagraph (C) by striking ''rights-of-way, or dredged material disposal areas,'' and inserting ''or rights-of-way,''.

(f) AMENDMENT OF COOPERATION AGREEMENT.—If requested by the non-Federal interest, the Secretary shall amend a project cooperation agreement executed on or before the date of the enactment of this Act to reflect the application of the amendments made by this section to any project for which a contract for construction has not been awarded on or before such date of enactment.

(g) SAVINGS CLAUSE.—Nothing in this section (including the amendments made by this section) shall increase, or result in the increase of, the non-Federal share of the costs of—

(1) any dredged material disposal facility authorized before the date of the enactment of this Act, including any facility authorized by section 123 of the River and Harbor Act of 1970 (84 Stat. 1823); or

(2) any dredged material disposal facility that is necessary for the construction or maintenance of a project authorized before the date of the enactment of this Act.

SEC. 202. FLOOD CONTROL POLICY.

(a) FLOOD CONTROL COST SHARING.—

(1) INCREASED NON-FEDERAL CONTRIBUTIONS.—Subsections (a) and (b) of section 103 of the Water Resources Development Act of 1986 (33 U.S.C. 2213(a) and (b)) are each amended by striking ''25 percent'' each place it appears and inserting ''35 percent''.

(2) APPLICABILITY.—The amendments made by paragraph (1) shall apply to any project authorized after the date of the enactment of this Act and to any flood control project which is not specifically authorized by Congress for which a Detailed Project Report is approved after such date of enactment or, in the case of a project for which no Detailed Project Report is prepared, construction is initiated after such date of enactment.

(b) ABILITY TO PAY.—

(1) IN GENERAL.—Section 103(m) of such Act (33 U.S.C. 2213(m)) is amended to read as follows:

''(m) ABILITY TO PAY.—

''(1) IN GENERAL.—Any cost-sharing agreement under this section for flood control or agricultural water supply shall be subject to the ability of a non-Federal interest to pay.

''(2) CRITERIA AND PROCEDURES.—The ability of any non-Federal interest to pay shall be determined by the Secretary in accordance with criteria and procedures in effect on the day before the date of the enactment of the Water Resources Development Act of 1996; except that such criteria and procedures shall be revised within 6 months after the date of such enactment to reflect the requirements of paragraph (3).

''(3) REVISION OF PROCEDURES.—In revising procedures pursuant to paragraph (1), the Secretary—

''(A) shall consider—

''(i) per capita income data for the county or counties in which the project is to be located; and

''(ii) the per capita non-Federal cost of construction of the project for the county or counties in which the project is to be located;

''(B) shall not consider criteria (other than criteria described in subparagraph (A)) in effect on the day before the date of the enactment of the Water Resources Development Act of 1996; and

''(C) may consider additional criteria relating to the non-Federal interest's financial ability to carry out its cost-sharing responsibilities, to the extent that the application of such criteria does not eliminate areas from eligibility for a reduction in the non-Federal share as determined under subparagraph (A).

''(4) NON-FEDERAL SHARE.—Notwithstanding subsection (a), the Secretary shall reduce or eliminate the requirement that a non-Federal interest make a cash contribution for any project that is determined to be eligible for a reduction in the non-Federal share under procedures in effect under paragraphs (1), (2), and (3).''.

(2) APPLICABILITY.—

(A) GENERALLY.—Subject to subparagraph (C), the amendment made by paragraph (1) shall apply to any project, or separable element thereof, with respect to which the Secretary and the non-Federal interest have not entered into a project cooperation agreement on or before the date of the enactment of this Act.

(B) AMENDMENT OF COOPERATION AGREEMENT.—If requested by the non-Federal interest, the Secretary shall amend a project cooperation agreement executed on or before the date of the enactment of this Act to reflect the application of the amendment made by paragraph (1) to any project for which a contract for construction has not been awarded on or before such date of enactment.

(C) NON-FEDERAL OPTION.—If requested by the non-Federal interest, the Secretary shall apply the criteria and procedures established pursuant to section 103(m) of the Water Resources Development Act of 1986 as in effect on the day before the date of the enactment of this Act for projects that are authorized before the date of the enactment of this Act.

(c) FLOOD PLAIN MANAGEMENT PLANS.—

(1) IN GENERAL.—Section 402 of such Act (33 U.S.C. 701b–12; 100 Stat. 4133) is amended to read as follows:

''SEC. 402. FLOOD PLAIN MANAGEMENT REQUIREMENTS.

''(a) COMPLIANCE WITH FLOOD PLAIN MANAGEMENT AND INSURANCE PROGRAMS.—Before construction of any project for local flood protection or any project for hurricane or storm damage reduction and involving Federal assistance from the Secretary, the non-Federal interest shall agree to participate in and comply with applicable Federal flood plain management and flood insurance programs.

''(b) FLOOD PLAIN MANAGEMENT PLANS.—Within 1 year after the date of signing a project cooperation agreement for construction of a project to which subsection (a) applies, the non-Federal interest shall prepare a flood plain management plan designed to reduce the impacts of future flood events in the project area. Such plan shall be implemented by the non-Federal interest not later than 1 year after completion of construction of the project.

''(c) GUIDELINES.—

''(1) IN GENERAL.—Within 6 months after the date of the enactment of this subsection, the Secretary shall develop guidelines for preparation of flood plain management plans by non-Federal interests under subsection (b). Such guidelines shall address potential measures, practices and policies to reduce loss of life, injuries, damages to property and facilities, public expenditures, and other adverse impacts associated with flooding and to preserve and enhance natural flood plain values.

''(2) LIMITATION ON STATUTORY CONSTRUCTION.—Nothing in this subsection shall be construed to confer any regulatory authority upon the Secretary.

''(d) TECHNICAL SUPPORT.—The Secretary is authorized to provide technical support to a non-Federal interest for a project to which subsection (a) applies for the development and implementation of plans prepared under subsection (b).''.

(2) APPLICABILITY.—The amendment made by paragraph (1) shall apply to any project or separable element thereof with respect to which the Secretary and the non-Federal interest have not entered into a project cooperation agreement on or before the date of the enactment of this Act.

(d) NON-STRUCTURAL FLOOD CONTROL POLICY.—

(1) REVIEW.—The Secretary shall conduct a review of policies, procedures, and techniques relating to the evaluation and development of flood control measures with a view toward identifying impediments that may exist to justifying non-structural flood control measures as alternatives to structural measures.

(2) REPORT.—Not later than 1 year after the date of the enactment of this Act, the

Secretary shall transmit to Congress a report on the findings on the review conducted under this subsection, together with any recommendations for modifying existing law to remove any impediments identified under such review.

(e) EMERGENCY RESPONSE.—Section 5(a)(1) of the Act entitled ''An Act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes'', approved August 18, 1941 (33 U.S.C. 701n(a)(1)), is amended by inserting before the first semicolon the following: '', or in implementation of nonstructural alternatives to the repair or restoration of such flood control work if requested by the non-Federal sponsor''.

(f) NONSTRUCTURAL ALTERNATIVES.—Section 73 of the Water Resources Development Act of 1974 (33 U.S.C. 701b–11; 88 Stat. 32) is amended by striking subsection (a) and inserting the following:

''(a) In the survey, planning, or design by any Federal agency of any project involving flood protection, such agency, with a view toward formulating the most economically, socially, and environmentally acceptable means of reducing or preventing flood damages, shall consider and address in adequate detail nonstructural alternatives, including measures that may be implemented by others, to prevent or reduce flood damages. Such alternatives may include watershed management, wetlands restoration, elevation or flood proofing of structures, floodplain regulation, relocation, and acquisition of floodplain lands for recreational, fish and wildlife, and other public purposes.''.

SEC. 203. FEASIBILITY STUDY COST-SHARING.

(a) NON-FEDERAL SHARE.—Section 105(a)(1) of the Water Resources Development Act of 1986 (33 U.S.C. 2215(a)(1)) is amended—

(1) in the first sentence, by striking ''during the period of such study'';

(2) by inserting after the first sentence the following: ''During the period of the study, the non-Federal share of the cost of the study shall be not more than 50 percent of the estimate of the cost of the study as contained in the feasibility cost-sharing agreement. The cost estimate may be amended only by mutual agreement of the Secretary and the non-Federal interests. The non-Federal share of any costs in excess of the cost estimate shall, except as otherwise mutually agreed by the Secretary and the non-Federal interests, be payable after the project has been authorized for construction and on the date on which the Secretary and non-Federal interests enter into an agreement pursuant to section 101(e) or 103(j). In the event the project which is the subject of the study is not authorized within the earlier of 5 years of the date of the final report of the Chief of Engineers concerning such study or 2 years of the date of termination of the study, the non-Federal share of any such excess costs shall be paid to the United States on the last day of such period.''; and

(3) in the second sentence, by striking ''such non-Federal contribution'' and inserting ''the non-Federal share required under this paragraph''.

(b) APPLICABILITY.—The amendments made by subsection (a) shall apply notwithstanding any feasibility cost-sharing agreement entered into by the Secretary and non-Federal interests. Upon request of the non-Federal interest, the Secretary shall amend any feasibility cost-sharing agreements in effect on the date of enactment of this Act so as to conform the agreements with the amendments.

(c) LIMITATION ON STATUTORY CONSTRUCTION.—Nothing in this section or any amendment made by this section shall require the Secretary to reimburse the non-Federal interests for funds previously contributed for a study.

SEC. 204. RESTORATION OF ENVIRONMENTAL QUALITY.

(a) REVIEW OF PROJECTS.—Section 1135(a) of the Water Resources Development Act of 1986 (33 U.S.C. 2309a(a)) is amended—

(1) by striking ''the operation of''; and

(2) by inserting before the period at the end the following: ''and to determine if the operation of such projects has contributed to the degradation of the quality of the environment''.

(b) PROGRAM OF PROJECTS.—Section 1135(b) of such Act is amended by striking the last 2 sentences of subsection (b).

(c) RESTORATION OF ENVIRONMENTAL QUALITY.—Section 1135 of such Act is further amended—

(1) by redesignating subsections (c), (d), and (e) as subsections (e), (f), and (g), respectively;

(2) by inserting after subsection (b) the following new subsections:

''(c) RESTORATION OF ENVIRONMENTAL QUALITY.—If the Secretary determines that construction of a water resource project by the Secretary or operation of a water resources project constructed by the Secretary has contributed to the degradation of the quality of the environment, the Secretary may undertake measures for restoration of environmental quality and measures for enhancement of environmental quality that are associated with the restoration, either through modifications at the project site or at other locations that have been affected by the construction or operation of the project, if such measures do not conflict with the authorized project purposes.

''(d) NON-FEDERAL SHARE; LIMITATION ON MAXIMUM FEDERAL EXPENDITURE.—The non-Federal share of the cost of any modifications or measures carried out or undertaken pursuant to subsection (b) or (c) of this section shall be 25 percent. Not more than 80 percent of the non-Federal share may be in kind, including a facility, supply, or service that is necessary to carry out the modification. No more than $5,000,000 in Federal funds may be expended on any single modification or measure carried out or undertaken pursuant to this section.''; and

(3) in subsection (f), as so redesignated, by striking ''program conducted under subsection (b)'' and inserting ''programs conducted under subsections (b) and (c)''.

(d) DEFINITION.—Section 1135 of such Act is further amended by adding at the end the following:

''(h) DEFINITION.—In this section the term 'water resources project constructed by the Secretary' includes a water resources project constructed or funded jointly by the Secretary and the head of any other Federal agency (including the Natural Resources Conservation Service).''.

SEC. 205. ENVIRONMENTAL DREDGING.

Section 312 of the Water Resources Development Act of 1990 (104 Stat. 4639–4640) is amended—

(1) in each of subsections (a), (b), and (c) by inserting ''and remediate'' after ''remove'' each place it appears;

(2) in subsection (b)(1) by inserting ''and remediation'' after ''removal'' each place it appears;

(3) in subsection (b)(2) by striking ''$10,000,000'' and inserting ''$30,000,000''; and

(4) by striking subsection (f) and inserting the following:

''(f) In carrying out this section, the Secretary shall give priority to work in the following areas:

''(1) Brooklyn Waterfront, New York.

''(2) Buffalo Harbor and River, New York.

''(3) Ashtabula River, Ohio.

''(4) Mahoning River, Ohio.

''(5) Lower Fox River, Wisconsin.''.

SEC. 206. AQUATIC ECOSYSTEM RESTORATION.

(a) GENERAL AUTHORITY.—The Secretary is authorized to carry out aquatic ecosystem restoration and protection projects when the Secretary determines that such projects will improve the quality of the environment and are in the public interest and that the environmental and economic benefits, both monetary and nonmonetary, of the project to be undertaken pursuant to this section justify the cost.

(b) COST SHARING.—Non-Federal interests shall provide 50 percent of the cost of construction of any project carried out under this section, including provision of all lands, easements, rights-of-way, and necessary relocations.

(c) AGREEMENTS.—Construction of a project under this section shall be initiated only after a non-Federal interest has entered into a binding agreement with the Secretary to pay the non-Federal share of the costs of construction required by this section and to pay 100 percent of any operation, maintenance, and replacement and rehabilitation costs with respect to the project in accordance with regulations prescribed by the Secretary.

(d) COST LIMITATION.—Not more than $5,000,000 in Federal funds may be allotted under this section for a project at any single locality.

(e) FUNDING.—There is authorized to be appropriated not to exceed $25,000,000 annually to carry out this section.

SEC. 207. BENEFICIAL USES OF DREDGED MATERIAL.

Section 204 of the Water Resources Development Act of 1992 (106 Stat. 4826) is amended—

(1) by redesignating subsection (e) as subsection (f); and

(2) by inserting after subsection (d) the following:

''(e) SELECTION OF DREDGED MATERIAL DISPOSAL METHOD.—In developing and carrying out a project for navigation involving the disposal of dredged material, the Secretary may select, with the consent of the non-Federal interest, a disposal method that is not the least-cost option if the Secretary determines that the incremental costs of such disposal method are minimal and that the benefits to the aquatic environment to be derived from such disposal method, including the creation of wetlands and control of shoreline erosion, justify its selection. The Federal share of such incremental costs shall be determined in accordance with subsection (c).''.

SEC. 208. RECREATION POLICY AND USER FEES.

(a) RECREATION POLICIES.—

(1) IN GENERAL.—The Secretary shall provide increased emphasis on and opportunities for recreation at water resources projects operated, maintained, or constructed by the Corps of Engineers.

(2) REPORT.—Not later than 2 years after the date of the enactment of this Act, the Secretary shall transmit to Congress a report on specific measures taken to implement this subsection.

(b) RECREATION USER FEES.—Section 210(b) of the Flood Control Act of 1968 (16 U.S.C. 460d–3(b)) is amended by adding at the end the following:

''(5) USE OF FEES COLLECTED AT FACILITY.—Subject to advance appropriations, the Secretary of the Army shall ensure that at least an amount equal to the total amount of fees collected at any project under this subsection in a fiscal year beginning after September 30, 1996, are expended in the succeeding fiscal year at such project for operation and maintenance of recreational facilities at such project.''.

SEC. 209. RECOVERY OF COSTS.

Amounts recovered under section 107 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9607) for any response action taken by the Secretary in support of the Army Civil Works program and any other amounts recovered by the Secretary from a contractor, insurer, surety, or other person to reimburse the Army for any expenditure for environmental response activities in support of the Army civil works program shall be credited to the appropriate trust fund account from which the cost of such response action has been paid or will be charged.

SEC. 210. COST SHARING OF ENVIRONMENTAL PROJECTS.

(a) IN GENERAL.—Section 103(c) of the Water Resources Development Act of 1986 (33 U.S.C. 2213(c)) is amended—

(1) by striking ''and'' at the end of paragraph (5);

(2) by striking the period at the end of paragraph (6) and inserting ''; and''; and

(3) by inserting after paragraph (6) the following new paragraph:

''(7) subject to section 906 of this Act, environmental protection and restoration: 50 percent.''.

(b) APPLICABILITY.—The amendments made by subsection (a) apply only to projects authorized after the date of the enactment of this Act.

SEC. 211. CONSTRUCTION OF FLOOD CONTROL PROJECTS BY NON-FEDERAL INTERESTS.

(a) AUTHORITY.—Non-Federal interests are authorized to undertake flood control projects in the United States, subject to obtaining any permits required pursuant to Federal and State laws in advance of actual construction.

(b) STUDIES AND DESIGN ACTIVITIES.—

(1) BY NON-FEDERAL INTERESTS.—A non-Federal interest may prepare, for review and approval by the Secretary, the necessary studies and design documents for any construction to be undertaken pursuant to subsection (a).

(2) BY SECRETARY.—Upon request of an appropriate non-Federal interest, the Secretary may undertake all necessary studies and design activities for any construction to be undertaken pursuant to subsection (a) and provide technical assistance in obtaining all necessary permits for such construction if the non-Federal interest contracts with the Secretary to furnish the United States funds for the studies and design activities during the period that the studies and design activities will be conducted.

(c) COMPLETION OF STUDIES AND DESIGN ACTIVITIES.—In the case of any study or design documents for a flood control project that were initiated before the date of the enactment of this Act, the Secretary is authorized to complete and transmit to the appropriate non-Federal interests the study or design documents or, upon the request of such non-Federal interests, to terminate the study or design activities and transmit the partially completed study or design documents to such non-Federal interests for completion. Studies and design documents subject to this subsection shall be completed without regard to the requirements of subsection (b).

(d) AUTHORITY TO CARRY OUT IMPROVEMENT.—

(1) IN GENERAL.—Any non-Federal interest which has received from the Secretary pursuant to subsection (b) or (c) a favorable recommendation to carry out a flood control project or separable element thereof based on the results of completed studies and design documents for the project or element, may carry out the project or element if a final environmental impact statement has been filed for the project or element.

(2) PERMITS.—Any plan of improvement proposed to be implemented in accordance with this subsection shall be deemed to satisfy the requirements for obtaining the appropriate permits required under the Secretary's authority and such permits shall be granted subject to the non-Federal interest's acceptance of the terms and conditions of such permits if the Secretary determines that the applicable regulatory criteria and procedures have been satisfied.

(3) MONITORING.—The Secretary shall monitor any project for which a permit is granted under this subsection in order to ensure that such project is constructed, operated, and maintained in accordance with the terms and conditions of such permit.

(e) REIMBURSEMENT.—

(1) GENERAL RULE.—Subject to appropriation Acts, the Secretary is authorized to reimburse any non-Federal interest an amount equal to the estimate of the Federal share, without interest, of the cost of any authorized flood control project, or separable element thereof, constructed pursuant to this section—

(A) if, after authorization and before initiation of construction of the project or separable element, the Secretary approves the plans for construction of such project by the non-Federal interest; and

(B) if the Secretary finds, after a review of studies and design documents prepared pursuant to this section, that construction of the project or separable element is economically justified and environmentally acceptable.

(2) SPECIAL RULES.—

(A) REIMBURSEMENT.—For work (including work associated with studies, planning, design, and construction) carried out by a non-Federal interest with respect to a project described in subsection (f), the Secretary shall, subject to amounts being made available in advance in appropriations Acts, reimburse, without interest, the non-Federal interest an amount equal to the estimated Federal share of the cost of such work if such work is later recommended by the Chief of Engineers and approved by the Secretary.

(B) CREDIT.—If the non-Federal interest for a project described in subsection (f) carries out work before completion of a reconnaissance study by the Secretary and if such work is determined by the Secretary to be compatible with the project later recommended by the Secretary, the Secretary shall credit the non-Federal interest for its share of the cost of the project for such work.

(3) MATTERS TO BE CONSIDERED IN REVIEWING PLANS.—In reviewing plans under this subsection, the Secretary shall consider budgetary and programmatic priorities and other factors that the Secretary deems appropriate.

(4) MONITORING.—The Secretary shall regularly monitor and audit any project for flood control approved for construction under this section by a non-Federal interest in order to ensure that such construction is in compliance with the plans approved by the Secretary and that the costs are reasonable.

(5) LIMITATION ON REIMBURSEMENTS.—No reimbursement shall be made under this section unless and until the Secretary has certified that the work for which reimbursement is requested has been performed in accordance with applicable permits and approved plans.

(f) SPECIFIC PROJECTS.—For the purpose of demonstrating the potential advantages and effectiveness of non-Federal implementation of flood control projects, the Secretary shall enter into agreements pursuant to this section with non-Federal interests for development of the following flood control projects by such interests:

(1) BERRYESSA CREEK, CALIFORNIA.—The Berryessa Creek element of the project for flood control, Coyote and Berryessa Creeks, California, authorized by section 101(a)(5) of the Water Resources Development Act of 1990 (104 Stat. 4606); except that, subject to the approval of the Secretary as provided by this section, the non-Federal interest may design and construct an alternative to such element.

(2) LOS ANGELES COUNTY DRAINAGE AREA, CALIFORNIA.—The project for flood control, Los Angeles County Drainage Area, California, authorized by section 101(b) of the Water Resources Development Act of 1990 (104 Stat. 4611).

(3) STOCKTON METROPOLITAN AREA, CALIFORNIA.—The project for flood control, Stockton Metropolitan Area, California.

(4) UPPER GUADALUPE RIVER, CALIFORNIA.—The project for flood control, Upper Guadalupe River, California.

(5) BRAYS BAYOU, TEXAS.—Flood control components comprising the Brays Bayou element of the project for flood control, Buffalo Bayou and Tributaries, Texas, authorized by section 101(a)(21) of the Water Resources Development Act of 1990 (104 Stat. 4610); except that, subject to the approval of the Secretary as provided by this section, the non-Federal interest may design and construct an alternative to the diversion component of such element.

(6) HUNTING BAYOU, TEXAS.—The Hunting Bayou element of the project for flood control, Buffalo Bayou and Tributaries, Texas, authorized by such section; except that, subject to the approval of the Secretary as provided by this section, the non-Federal interest may design and construct an alternative to such element.

(7) WHITE OAK BAYOU, TEXAS.—The project for flood control, White Oak Bayou watershed, Texas.

(g) TREATMENT OF FLOOD DAMAGE PREVENTION MEASURES.—For the purposes of this section, flood damage prevention measures at or in the vicinity of Morgan City and Berwick, Louisiana, shall be treated as an authorized element of the Atchafalaya Basin feature of the project for flood control, Mississippi River and Tributaries.

SEC. 212. ENGINEERING AND ENVIRONMENTAL INNOVATIONS OF NATIONAL SIGNIFICANCE.

(a) SURVEYS, PLANS, AND STUDIES.—To encourage innovative and environmentally sound engineering solutions and innovative environmental solutions to problems of national significance, the Secretary may undertake surveys, plans, and studies and prepare reports which may lead to work under existing civil works authorities or to recommendations for authorizations.

(b) FUNDING.—

(1) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $3,000,000 for each fiscal year beginning after September 30, 1996.

(2) FUNDING FROM OTHER SOURCES.—The Secretary may accept and expend additional funds from other Federal agencies, States, or non-Federal entities for purposes of carrying out this section.

SEC. 213. LEASE AUTHORITY.

Notwithstanding any other provision of law, the Secretary may lease space available in buildings for which funding for construction or purchase was provided from the revolving fund established by the 1st section of the Civil Functions Appropriations Act, 1954 (33 U.S.C. 576; 67 Stat. 199) under such terms and conditions as are acceptable to the Secretary. The proceeds from such leases shall be credited to the revolving fund for the purposes set forth in such Act.

SEC. 214. COLLABORATIVE RESEARCH AND DEVELOPMENT.

(a) FUNDING FROM OTHER FEDERAL SOURCES.—Section 7 of the Water Resources Development Act of 1988 (102 Stat. 4022–4023) is amended—

(1) in subsection (a) by inserting ''civil works'' before ''mission''; and

(2) by striking subsection (e) and inserting the following:

''(e) FUNDING FROM OTHER FEDERAL SOURCES.—The Secretary may accept and expend additional funds from other Federal programs, including other Department of Defense programs, to carry out the purposes of this section.''.

(b) PRE-AGREEMENT TEMPORARY PROTECTION OF TECHNOLOGY.—Such section 7 is further amended—

(1) by redesignating subsections (b), (c), (d), and (e) as subsections (c), (d), (e), and (f), respectively;

(2) by inserting after subsection (a) the following new subsection:

''(b) PRE-AGREEMENT TEMPORARY PROTECTION OF TECHNOLOGY.—

''(1) IN GENERAL.—If the Secretary determines that information developed as a result of research and development activities conducted by the Corps of Engineers is likely to be subject to a cooperative research and development agreement within 2 years of its development and that such information would be a trade secret or commercial or financial information that would be privileged or confidential if the information had been obtained from a non-Federal party participating in a cooperative research and development agreement under section 12 of the Stevenson-Wydler Technology Innovation Act of 1980, the Secretary may provide appropriate protection against the dissemination of such information, including exemption from subchapter II of chapter 5 of title 5, United States Code, until the earlier of the date the Secretary enters into such an agreement with respect to such technology or the last day of the 2-year period beginning on the date of such determination.

''(2) TREATMENT.—Any technology covered by this section which becomes the subject of a cooperative research and development agreement shall be accorded the protection provided under section 12(c)(7)(B) of such Act (15 U.S.C. 3710a(c)(7)(B)) as if such technology had been developed under a cooperative research and development agreement.''; and

(3) in subsection (d), as so redesignated, by striking ''(b)'' and inserting ''(c)''.

SEC. 215. DAM SAFETY PROGRAM.

(a) SHORT TITLE.—This section may be cited as the ''National Dam Safety Program Act of 1996''.

(b) FINDINGS.—Congress finds the following:

(1) Dams are an essential part of the national infrastructure. Dams fail from time to time with catastrophic results; thus, dam safety is a vital public concern.

(2) Dam failures have caused, and can cause in the future, enormous loss of life, injury, destruction of property, and economic and social disruption.

(3) Some dams are at or near the end of their structural, useful, or operational life. With respect to future dam failures, the loss, destruction, and disruption can be substantially reduced through the development and implementation of dam safety hazard reduction measures, including—

(A) improved design and construction standards and practices supported by a national dam performance resource bank;

(B) safe operations and maintenance procedures;

(C) early warning systems;

(D) coordinated emergency preparedness plans; and

(E) public awareness and involvement programs.

(4) Dam safety problems persist nationwide. The diversity in Federal and State dam safety programs calls for national leadership in a cooperative effort involving Federal and State governments and the private sector. An expertly staffed and adequately financed dam safety hazard reduction program, based on Federal, State, local, and private research, planning, decisionmaking, and contributions, would reduce the risk of such loss, destruction, and disruption from dam failure by an amount far greater than the cost of such program.

(5) There is a fundamental need for a national dam safety program and the need will continue. An effective national program in dam safety hazards reduction will require input from and review by Federal and non-Federal experts in dams design, construction, operation, and maintenance and in the practical application of dam failure hazards reduction measures. At the present time, there is no national dam safety program.

(6) The coordinating authority for national leadership is provided through the Federal Emergency Management Agency's (hereinafter in this section referred to as ''FEMA'') dam safety program through Executive Order 12148 in coordination with appropriate Federal agencies and the States.

(7) While FEMA's dam safety program shall continue as a proper Federal undertaking and shall provide the foundation for a National Dam Safety Program, statutory authority to meet increasing needs and to discharge Federal responsibilities in national dam safety is needed.

(8) Statutory authority will strengthen FEMA's leadership role, will codify the national dam safety program, and will authorize the Director of FEMA (hereinafter in this section referred to as the ''Director'') to communicate directly with Congress on authorizations and appropriations and to build upon the hazard reduction aspects of national dam safety.

(c) PURPOSE.—It is the purpose of this section to reduce the risks to life and property from dam failure in the United States through the establishment and maintenance of an effective national dam safety program which will bring together the Federal and non-Federal communities' expertise and resources to achieve national dam safety hazard reduction. It is not the intent of this section to preempt any other Federal or State authorities nor is the intent of this section to mandate State participation in the grant assistance program to be established under this section.

(d) DEFINITIONS.—In this section, the following definitions apply:

(1) FEDERAL AGENCY.—The term ''Federal agency'' means any Federal agency that designs, finances, constructs, owns, operates, maintains, or regulates the construction, operation, or maintenance of any dam.

(2) NON-FEDERAL AGENCY.—The term ''non-Federal agency'' means any State agency that has regulatory authority over the safety of non-Federal dams.

(3) FEDERAL GUIDELINES FOR DAM SAFETY.—The term ''Federal Guidelines for Dam Safety'' refers to a FEMA publication number 93, dated June 1979, which defines management practices for dam safety at all Federal agencies.

(4) PROGRAM.—The term ''program'' means the national dam safety program established under subsection (e).

(5) DAM.—The term ''dam'' means any artificial barrier with the ability to impound water, wastewater, or liquid-borne materials for the purpose of storage or control of water which is—

(A) 25 feet or more in height from (i) the natural bed of the stream or watercourse measured at the downstream toe of the barrier, or (ii) from the lowest elevation of the outside limit of the barrier if the barrier is not across a stream channel or watercourse, to the maximum water storage elevation; or

(B) has an impounding capacity for maximum storage elevation of 50 acre-feet or more.

Such term does not include any such barrier which is not greater than 6 feet in height regardless of storage capacity or which has a storage capacity at maximum water storage elevation not greater than 15 acre-feet regardless of height, unless such barrier, due to its location or other physical characteristics, is likely to pose a significant threat to human life or property in the event of its failure. Such term does not include a levee.

(6) HAZARD REDUCTION.—The term ''hazard reduction'' means those efforts utilized to reduce the potential consequences of dam failure to life and property.

(7) STATE.—The term ''State'' means each of the 50 States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and any other territory or possession of the United States.

(8) PARTICIPATING STATE.—The term ''participating State'' means any State that elects to participate in the grant assistance program established under this Act.

(9) UNITED STATES.—The term ''United States'' means, when used in a geographical sense, all of the States.

(10) MODEL STATE DAM SAFETY PROGRAM.—The term ''Model State Dam Safety Program'' refers to a document, published by FEMA (No. 123, dated April 1987) and its amendments, developed by State dam safety officials, which acts as a guideline to State dam safety agencies for establishing a dam safety regulatory program or improving an already-established program.

(e) NATIONAL DAM SAFETY PROGRAM.—

(1) AUTHORITY.—The Director, in consultation with appropriate Federal agencies, State dam safety agencies, and the National Dam Safety Review Board established by paragraph (5)(C), shall establish and maintain, in accordance with the provisions and policies of this Act, a coordinated national dam safety program. This program shall—

(A) be administered by FEMA to achieve the objectives set forth in paragraph (3);

(B) involve, where appropriate, the Departments of Agriculture, Defense, Energy, Interior, and Labor, the Federal Energy Regulatory Commission, the Nuclear Regulatory Commission, the International Boundaries Commission (United States section), the Tennessee Valley Authority, and FEMA; and

(C) include each of the components described in paragraph (4), the implementation plan described in paragraph (5), and the assistance for State dam safety programs to be provided under this section.

(2) DUTIES.—The Director—

(A) within 270 days after the date of the enactment of this Act, shall develop the implementation plan described in paragraph (5);

(B) within 300 days after such date of enactment, shall submit to the appropriate authorizing committees of Congress the implementation plan described in paragraph (5); and

(C) by rule within 360 days after such date of enactment—

(i) shall develop and implement the national dam safety program under this section;

(ii) shall establish goals, priorities, and target dates for implementation of the program; and

(iii) shall provide a method for cooperation and coordination with, and assistance to (as feasible), interested governmental entities in all States.

(3) OBJECTIVES.—The objectives of the national dam safety program are as follows:

(A) To ensure that new and existing dams are safe through the development of technologically and economically feasible programs and procedures for national dam safety hazard reduction.

(B) To encourage acceptable engineering policies and procedures used for dam site investigation, design, construction, operation and maintenance, and emergency preparedness.

(C) To encourage establishment and implementation of effective dam safety programs in each participating State based on State standards.

(D) To develop and encourage public awareness projects to increase public acceptance and support of State dam safety programs.

(E) To develop technical assistance materials for Federal and non-Federal dam safety programs.

(F) To develop mechanisms with which to provide Federal technical assistance for dam safety to the non-Federal sector.

(4) COMPONENTS.—

(A) IN GENERAL.—The national dam safety program shall consist of a Federal element and a non-Federal element and 3 functional activities: leadership, technical assistance, and public awareness.

(B) ELEMENTS.—

(i) FEDERAL ELEMENT.—The Federal element of the program incorporates all the activities and practices undertaken by Federal agencies to implement the Federal Guidelines for Dam Safety.

(ii) NON-FEDERAL ELEMENT.—The non-Federal element of the program involves the activities and practices undertaken by participating States, local governments, and the private sector to safely build, regulate, operate, and maintain dams and Federal activities which foster State efforts to develop and implement effective programs for the safety of dams.

(C) ACTIVITIES.—

(i) LEADERSHIP ACTIVITY.—The leadership activity of the program shall be the responsibility of FEMA. FEMA shall coordinate Federal efforts in cooperation with appropriate Federal agencies and State dam safety agencies.

(ii) TECHNICAL ASSISTANCE ACTIVITY.—The technical assistance activity of the program involves the transfer of knowledge and technical information among the Federal and non-Federal elements.

(iii) PUBLIC AWARENESS ACTIVITY.—The public awareness activity provides for the education of the public, including State and local officials, to the hazards of dam failure and ways to reduce the adverse consequences of dam failure and related matters.

(5) GRANT ASSISTANCE PROGRAM.—The Director shall develop an implementation plan which shall demonstrate dam safety improvements through fiscal year 2001 and shall recommend appropriate roles for Federal agencies and for State and local units of government, individuals, and private organizations. The implementation plan shall provide, at a minimum, for the following:

(A) ASSISTANCE PROGRAM.—In order to encourage the establishment and maintenance of effective programs intended to ensure dam safety to protect human life and property and to improve such existing programs, the Director shall provide, from amounts made available under subsection (g) of this section, assistance to participating States to establish and maintain dam safety programs, first, according to the basic provisions for a dam safety program listed below and, second, according to more advanced requirements and standards authorized by the review board under subparagraph (C) and the Director with the assistance of established criteria such as the Model State Dam Safety Program. Participating State dam safety programs must be working toward meeting the following primary criteria to be eligible for primary assistance or must meet the following primary criteria prior to working toward advanced assistance:

(i) STATE LEGISLATION.—A dam safety program must be authorized by State legislation to include, at a minimum, the following:

(I) PLAN REVIEW AND APPROVAL.—Authority to review and approve plans and specifications to construct, enlarge, modify, remove, or abandon dams.

(II) PERIODIC INSPECTIONS DURING CONSTRUCTION.—Authority to perform periodic inspections during construction for the purpose of ensuring compliance with approved plans and specifications.

(III) STATE APPROVAL.—Upon completion of construction, a requirement that, before operation of the structure, State approval is received.

(IV) SAFETY INSPECTIONS.—Authority to require or perform the inspection of all dams and reservoirs that pose a significant threat to human life and property in the event of failure at least every 5 years to determine their continued safety and a procedure for more detailed and frequent safety inspections.

(V) PROFESSIONAL ENGINEER.—A requirement that all inspections be performed under the supervision of a registered professional engineer with related experience in dam design and construction.

(VI) ORDERS.—Authority to issue orders, when appropriate, to require owners of dams to perform necessary maintenance or remedial work, revise operating procedures, or take other actions, including breaching dams when deemed necessary.

(VII) REGULATIONS.—Rules and regulations for carrying out the provisions of the State's legislative authority.

(VIII) EMERGENCY FUNDS.—Necessary emergency funds to assure timely repairs or other changes to, or removal of, a dam in order to protect human life and property and, if the owner does not take action, to take appropriate action as expeditiously as possible.

(IX) EMERGENCY PROCEDURES.—A system of emergency procedures that would be utilized in the event a dam fails or in the event a dam's failure is imminent, together with an identification of those dams where failure could be reasonably expected to endanger human life and of the maximum area that could be inundated in the event of a failure of the dam, as well as identification of those necessary public facilities that would be affected by such inundation.

(ii) STATE APPROPRIATIONS.—State appropriations must be budgeted to carry out the provisions of the State legislation.

(B) WORK PLAN CONTRACTS.—The Director shall enter into contracts with each participating State to determine a work plan necessary for a particular State dam safety program to reach a level of program performance previously agreed upon in the contract. Federal assistance under this section shall be provided to aid the State dam safety program in achieving its goal.

(C) NATIONAL DAM SAFETY REVIEW BOARD.—

(i) IN GENERAL.—There is authorized to be established a National Dam Safety Review Board (hereinafter in this section referred to as the ''Board''), which shall be responsible for monitoring participating State implementation of the requirements of the assistance program. The Board is authorized to utilize the expertise of other agencies of the United States and to enter into contracts for necessary studies to carry out the requirements of this section. The Board shall consist of 11 members selected for their expertise in dam safety as follows:

(I) 5 to represent FEMA, the Federal Energy Regulatory Commission, and the Departments of Agriculture, Defense, and Interior.

(II) 5 members selected by the Director who are dam safety officials of States.

(III) 1 member selected by the Director to represent the United States Committee on Large Dams.

(ii) NO COMPENSATION OF MEMBERS.—Each member of the Board who is an officer or employee of the United States shall serve without compensation in addition to compensation received for the services of the member as an officer or employee of the United States. Each member of the Board who is not an officer or employee of the United States shall serve without compensation.

(iii) TRAVEL EXPENSES.—Each member of the Board shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for an employee of an agency under subchapter I of chapter 57 of title 5, United States Code, while away from home or regular place of business of the member in the performance of services for the Board.

(iv) NONAPPLICABILITY OF FEDERAL ADVISORY COMMITTEE ACT.—The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Board.

(D) MAINTENANCE OF EFFORT.—No grant may be made to a participating State under this subsection in any fiscal year unless the State enters into such agreement with the Director as the Director may require to ensure that the participating State will maintain its aggregate expenditures from all other sources for programs to assure dam safety for the protection of human life and property at or above the average level of such expenditures in its 2 fiscal years preceding the date of the enactment of this Act.

(E) PROCEDURE FOR APPROVAL OF STATE PARTICIPATION.—Any program which is submitted to the Director for participation in the assistance program under this subsection shall be deemed approved 120 days following its receipt by the Director unless the Director determines within such 120-day period that the submitted program fails to reasonably meet the requirements of subparagraphs (A) and (B). If the Director determines the submitted program cannot be approved for participation, the Director shall immediately notify the State in writing, together with his or her reasons and those changes needed to enable the submitted program to be approved.

(F) REVIEW OF STATE PROGRAMS.—Utilizing the expertise of the Board, the Director shall periodically review the approved State dam safety programs. In the event the Board finds that a program of a participating State has proven inadequate to reasonably protect human life and property and the Director agrees, the Director shall revoke approval of the State's participation in the assistance program and withhold assistance under this section, until the State program has been reapproved.

(G) COOPERATION OF FEDERAL AGENCIES.—The head of any Federal agency, when requested by any State dam safety agency, shall provide information on the construction, operation, or maintenance of any dam or allow officials of the State agency to participate in any Federal inspection of any dam.

(H) DAM INSURANCE REPORT.—Within 180 days after the date of the enactment of this Act, the Director shall report to the Congress on the availability of dam insurance and make recommendations.

(f) BIENNIAL REPORT.—Within 90 days after the last day of each odd-numbered fiscal year, the Director shall submit a biennial report to Congress describing the status of the program being implemented under this section and describing the progress achieved by the Federal agencies during the 2 previous years in implementing the Federal Guidelines for Dam Safety. Each such report shall include any recommendations for legislative and other action deemed necessary and appropriate. The report shall also include a summary of the progress being made in improving dam safety by participating States.

(g) AUTHORIZING OF APPROPRIATIONS.—

(1) GENERAL PROGRAM.—

(A) FUNDING.—There are authorized to be appropriated to the Director to carry out the provisions of subsections (e) and (f) (in addition to any authorizations for similar purposes included in other Acts and the authorizations set forth in paragraphs (2) through (5) of this subsection)—

(i) $1,000,000 for fiscal year 1997;

(ii) $2,000,000 for fiscal year 1998;

(iii) $4,000,000 for fiscal year 1999;

(iv) $4,000,000 for fiscal year 2000; and

(v) $4,000,000 for fiscal year 2001.

(B) APPORTIONMENT FORMULA.—

(i) IN GENERAL.—Subject to clause (ii), sums appropriated under this paragraph shall be distributed annually among participating States on the following basis: One-third among those States determined in subsection (e) as qualifying for funding, and two-thirds in proportion to the number of dams and appearing as State-regulated dams on the National Dam Inventory in each participating State that has been determined in subsection (e)(5)(A) as qualifying for funding, to the number of dams in all participating States.

(ii) LIMITATION TO 50 PERCENT OF COST.—In no event shall funds distributed to any State under this paragraph exceed 50 percent of the reasonable cost of implementing an approved dam safety program in such State.

(iii) ALLOCATION BETWEEN PRIMARY AND ADVANCED ASSISTANCE PROGRAMS.— The Director and Review Board shall determine how much of funds appropriated under this paragraph is allotted to participating States needing primary funding and those needing advanced funding.

(2) TRAINING.—

(A) IN GENERAL.—The Director shall, at the request of any State that has or intends to develop a dam safety program under subsection (e)(5)(A), provide training for State dam safety staff and inspectors.

(B) FUNDING.—There is authorized to be appropriated to carry out this paragraph $500,000 for each of fiscal years 1997 through 2001.

(3) RESEARCH.—

(A) IN GENERAL.—The Director shall undertake a program of technical and archival research in order to develop improved techniques, historical experience, and equipment for rapid and effective dam construction, rehabilitation, and inspection, together with devices for the continued monitoring, of dams for safety purposes.

(B) STATE PARTICIPATION; REPORTS.—The Director shall provide for State participation in the research under this paragraph and periodically advise all States and Congress of the results of such research.

(C) FUNDING.—There is authorized to be appropriated to carry out this paragraph $1,000,000 for each of fiscal years 1997 through 2001.

(4) DAM INVENTORY.—

(A) MAINTENANCE AND PUBLICATION.—The Secretary is authorized to maintain and periodically publish updated information on the inventory of dams.

(B) FUNDING.—There is authorized to be appropriated to carry out this paragraph $500,000 for each of fiscal years 1997 through 2001.

(5) PERSONNEL.—

(A) EMPLOYMENT.—The Director is authorized to employ additional staff personnel in numbers sufficient to carry out the provisions of this section.

(B) FUNDING.—There is authorized to be appropriated to carry out this paragraph $400,000 for each of fiscal years 1997 through 2001.

(6) LIMITATION.—No funds authorized by this section shall be used to construct or repair any Federal or non-Federal dams.

(h) CONFORMING AMENDMENTS.—The Act entitled ''An Act to authorize the Secretary of the Army to undertake a national program of inspection of dams'', approved August 8, 1972 (33 U.S.C 467–467m; Public Law 92–367), is amended—

(1) in the first section by striking ''means any artificial barrier'' and all that follows through the period at the end and inserting ''has the meaning such term has under subsection (d) of the National Dam Safety Program Act of 1996.'';

(2) by striking the 2d sentence of section 3;

(3) by striking section 5 and sections 7 through 14; and

(4) by redesignating section 6 as section 5.

SEC. 216. MAINTENANCE, REHABILITATION, AND MODERNIZATION OF FACILITIES.

In accomplishing the maintenance, rehabilitation, and modernization of hydroelectric power generating facilities at water resources projects under the jurisdiction of the Department of the Army, the Secretary is authorized to increase the efficiency of energy production and the capacity of these facilities if, after consulting with other appropriate Federal and State agencies, the Secretary determines that such uprating—

(1) is economically justified and financially feasible;

(2) will not result in significant adverse effects on the other purposes for which the project is authorized;

(3) will not result in significant adverse environmental impacts; and

(4) will not involve major structural or operation changes in the project.

SEC. 217. LONG-TERM SEDIMENT MANAGEMENT STRATEGIES.

(a) DEVELOPMENT.—The Secretary shall enter into cooperative agreements with non-Federal sponsors of navigation projects for development of long-term management strategies for controlling sediments in such projects.

(b) CONTENTS OF STRATEGIES.—Each strategy developed under this section for a navigation project—

(1) shall include assessments of the following with respect to the project: sediment rates and composition, sediment reduction options, dredging practices, long-term management of any dredged material disposal facilities, remediation of such facilities, and alternative disposal and reuse options;

(2) shall include a timetable for implementation of the strategy; and

(3) shall incorporate, as much as possible, relevant ongoing planning efforts, including remedial action planning, dredged material management planning, harbor and waterfront development planning, and watershed management planning.

(c) CONSULTATION.—In developing strategies under this section, the Secretary shall consult with interested Federal agencies, States, and Indian tribes and provide an opportunity for public comment.

SEC. 218. DREDGED MATERIAL DISPOSAL FACILITY PARTNERSHIPS.

(a) ADDITIONAL CAPACITY.—

(1) PROVIDED BY SECRETARY.—At the request of a non-Federal project sponsor, the Secretary may provide additional capacity at a dredged material disposal facility constructed by the Secretary beyond that which would be required for project purposes if the non-Federal project sponsor agrees to pay, during the period of construction, all costs associated with the construction of the additional capacity.

(2) COST RECOVERY AUTHORITY.—The non-Federal project sponsor may recover the costs assigned to the additional capacity through fees assessed on 3rd parties whose dredged material is deposited in the facility and who enter into agreements with the non-Federal sponsor for the use of such facility. The amount of such fees may be determined by the non-Federal sponsor.

(b) NON-FEDERAL USE OF DISPOSAL FACILITIES.—

(1) IN GENERAL.—The Secretary—

(A) may permit the use of any dredged material disposal facility under the jurisdiction of, or managed by, the Secretary by a non-Federal interest if the Secretary determines that such use will not reduce the availability of the facility for project purposes; and

(B) may impose fees to recover capital, operation, and maintenance costs associated with such use.

(2) USE OF FEES.—Notwithstanding section 401(c) of the Federal Water Pollution Control Act but subject to advance appropriations, any monies received through collection of fees under this subsection shall be available to the Secretary, and shall be used by the Secretary, for the operation and maintenance of the disposal facility from which they were collected.

(c) PUBLIC-PRIVATE PARTNERSHIPS.—

(1) IN GENERAL.—The Secretary may carry out a program to evaluate and implement opportunities for public-private partnerships in the design, construction, management, or operation of dredged material disposal facilties in connection with construction or maintenance of Federal navigation projects.

(2) PRIVATE FINANCING.—

(A) AGREEMENTS.—In carrying out this subsection, the Secretary may enter into an agreement with a project sponsor, a private entity, or both for the acquisition, design, construction, management, or operation of a dredged material disposal facility (including any facility used to demonstrate potential beneficial uses of dredged material) using funds provided in whole or in part by the private entity.

(B) REIMBURSEMENT.—If any funds provided by a private entity are used to carry out a project under this subsection, the Secretary may reimburse the private entity over a period of time agreed to by the parties to the agreement through the payment of subsequent user fees. Such fees may include the payment of a disposal or tipping fee for placement of suitable dredged material at the facility.

(C) AMOUNT OF FEES.—User fees paid pursuant to subparagraph (B) shall be sufficient to repay funds contributed by the private entity plus a reasonable return on investment approved by the Secretary in cooperation with the project sponsor and the private entity.

(D) FEDERAL SHARE.—The Federal share of such fee shall be equal to the percentage of the total cost which would otherwise be borne by the Federal Government as required pursuant to existing cost sharing requirements, including section 103 of the Water Resources Development Act of 1986 (33 U.S.C. 2213) and section 204 of the Water Resources Development Act of 1992 (33 U.S.C. 2325).

(E) BUDGET ACT COMPLIANCE.—Any spending authority (as defined in section 401(c)(2)

of the Congressional Budget Act of 1974 (2 U.S.C. 651(c)(2)) authorized by this section shall be effective only to such extent and in such amounts as are provided in appropriation Acts.

SEC. 219. OBSTRUCTION REMOVAL REQUIREMENT.

(a) PENALTY.—Section 16 of the Act of March 3, 1899 (33 U.S.C. 411; 30 Stat. 1153), is amended—

(1) by striking ''thirteen, fourteen, and fifteen'' each place it appears and inserting ''13, 14, 15, 19, and 20''; and

(2) by striking ''not exceeding twenty-five hundred dollars nor less than five hundred dollars'' and inserting ''of up to $25,000 per day''.

(b) GENERAL AUTHORITY.—Section 20 of the Act of March 3, 1899 (33 U.S.C. 415; 30 Stat. 1154), is amended—

(1) by striking ''expense'' the first place it appears in subsection (a) and inserting ''actual expense, including administrative expenses,'';

(2) in subsection (b) by striking ''cost'' and inserting ''actual cost, including administrative costs,'';

(3) by redesignating subsection (b) as subsection (c); and

(4) by inserting after subsection (a) the following new subsection:

''(b) REMOVAL REQUIREMENT.—Within 24 hours after the Secretary of the Department in which the Coast Guard is operating issues an order to stop or delay navigation in any navigable waters of the United States because of conditions related to the sinking or grounding of a vessel, the owner or operator of the vessel, with the approval of the Secretary of the Army, shall begin removal of the vessel using the most expeditious removal method available or, if appropriate, secure the vessel pending removal to allow navigation to resume. If the owner or operator fails to begin removal or to secure the vessel pending removal or fails to complete removal as soon as possible, the Secretary of the Army shall remove or destroy the vessel using the summary removal procedures under subsection (a) of this section.''.

SEC. 220. SMALL PROJECT AUTHORIZATIONS.

Section 14 of the Flood Control Act of 1946 (33 U.S.C. 701r) is amended—

(1) by striking ''$12,500,000'' and inserting ''$15,000,000''; and

(2) by striking ''$500,000'' and inserting ''$1,500,000''.

SEC. 221. UNECONOMICAL COST-SHARING REQUIREMENTS.

Section 221(a) of the Flood Control Act of 1970 (42 U.S.C. 1962d–5b) is amended by striking the period at the end of the first sentence and inserting the following: ''; except that no such agreement shall be required if the Secretary determines that the administrative costs associated with negotiating, executing, or administering the agreement would exceed the amount of the contribution required from the non-Federal interest and are less than $25,000.''.

SEC. 222. PLANNING ASSISTANCE TO STATES.

Section 22 of the Water Resources Development Act of 1974 (42 U.S.C. 1962d–16) is amended—

(1) in subsection (a) by inserting '', watersheds, or ecosystems'' after ''basins'';

(2) in subsection (b)—

(A) by striking paragraph (2); and

(B) by redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively; and

(3) in subsection (c)—

(A) by striking ''$6,000,000'' and inserting ''$10,000,000''; and

(B) by striking ''$300,000'' and inserting ''$500,000''.

SEC. 223. CORPS OF ENGINEERS EXPENSES.

Section 211 of the Flood Control Act of 1950 (33 U.S.C. 701u; 64 Stat. 183) is amended—

(1) by striking ''continental limits of the''; and

(2) by striking the 2d colon and all that follows through ''for this purpose''.

SEC. 224. STATE AND FEDERAL AGENCY REVIEW PERIOD.

The 1st section of the Act entitled ''An Act authorizing the construction of certain public works on rivers and harbors for flood control, and other purposes'', approved December 22, 1944 (33 U.S.C. 701–1(a); 58 Stat. 888), is amended—

(1) by striking ''Within ninety'' and inserting ''Within 30''; and

(2) by striking ''ninety-day period.'' and inserting ''30-day period.''.

SEC. 225. LIMITATION ON REIMBURSEMENT OF NON-FEDERAL COSTS PER PROJECT.

Section 215(a) of the Flood Control Act of 1968 (42 U.S.C. 1962d–5a(a)) is amended—

(1) by striking ''$3,000,000'' and inserting ''$5,000,000''; and

(2) by striking the final period.

SEC. 226. AQUATIC PLANT CONTROL.

(a) ADDITIONAL CONTROLLED PLANTS.—Section 104(a) of the River and Harbor Act of 1958 (33 U.S.C. 610(a)) is amended by inserting after ''alligatorweed,'' the following: ''melaleuca,''.

(b) AUTHORIZATION.—Section 104(b) of such Act (33 U.S.C. 610(b)) is amended by striking ''$12,000,000'' and inserting ''$15,000,000''.

SEC. 227. SEDIMENTS DECONTAMINATION TECHNOLOGY.

(a) PROJECT PURPOSE.—Section 405(a) of the Water Resources Development Act of 1992 (33 U.S.C. 2239 note; 106 Stat. 4863) is amended by adding at the end the following:

''(3) PROJECT PURPOSE.—The purpose of the project to be carried out under this section is to provide for the development of 1 or more sediment decontamination technologies on a pilot scale demonstrating a capacity of at least 500,000 cubic yards per year.''.

(b) AUTHORIZATION OF APPROPRIATIONS.—The first sentence of section 405(c) of such Act is amended to read as follows: ''There is authorized to be appropriated to carry out this section $10,000,000 for fiscal years beginning after September 30, 1996.''.

(c) REPORTS.—Section 405 of such Act is amended by adding at the end the following:

''(d) REPORTS.—Not later than September 30, 1998, and periodically thereafter, the Administrator and the Secretary shall transmit to Congress a report on the results of the project to be carried out under this section, including an assessment of the progress made in achieving the intent of the program set forth in subsection (a)(3).''.

SEC. 228. SHORE PROTECTION.

(a) DECLARATION OF POLICY.—Subsection (a) of the first section of the Act entitled ''An Act authorizing Federal participation in the cost of protecting the shores of publicly owned property'', approved August 13, 1946 (33 U.S.C. 426e; 60 Stat. 1056), is amended—

(1) by striking ''damage to the shores'' and inserting ''damage to the shores and beaches''; and

(2) by striking ''the following provisions'' and all that follows through the period at the end of subsection (a) and inserting the following: ''this Act, to promote shore protection projects and related research that encourage the protection, restoration, and enhancement of sandy beaches, including beach restoration and periodic beach nourishment, on a comprehensive and coordinated basis by the Federal Government, States, localities, and private enterprises. In carrying out this policy, preference shall be given to areas in which there has been a Federal investment of funds and areas with respect to which the need for prevention or mitigation of damage to shores and beaches is attributable to Federal navigation projects or other Federal activities.''.

(b) NONPUBLIC SHORES.—Subsection (d) of such section is amended by striking ''or from the protection of nearby public property or'' and inserting '', if there are sufficient benefits, including benefits to local and regional economic development and to the local and regional ecology (as determined under subsection (e)(2)(B)), or''; and

(c) AUTHORIZATION OF PROJECTS.—Subsection (e) of such section is amended—

(1) by striking ''(e) No'' and inserting the following:

''(e) AUTHORIZATION OF PROJECTS.—

''(1) IN GENERAL.—No'';

(2) by moving the remainder of the text of paragraph (1) (as designated by paragraph (1) of this subsection) 2 ems to the right; and

(3) by adding at the end the following:

''(2) STUDIES.—

''(A) IN GENERAL.—The Secretary shall—

''(i) recommend to Congress studies concerning shore protection projects that meet the criteria established under this Act (including subparagraph (B)(iii)) and other applicable law;

''(ii) conduct such studies as Congress requires under applicable laws; and

''(iii) report the results of the studies to the appropriate committees of Congress.

''(B) RECOMMENDATIONS FOR SHORE PROTECTION PROJECTS.—

''(i) IN GENERAL.—The Secretary shall recommend to Congress the authorization or reauthorization of shore protection projects based on the studies conducted under subparagraph (A).

''(ii) CONSIDERATIONS.—In making recommendations, the Secretary shall consider the economic and ecological benefits of a shore protection project and the ability of the non-Federal interest to participate in the project.

''(iii) CONSIDERATION OF LOCAL AND REGIONAL BENEFITS.—In analyzing the economic and ecological benefits of a shore protection project, or a flood control or other water resource project the purpose of which includes shore protection, the Secretary shall consider benefits to local and regional economic development, and to the local and regional ecology, in calculating the full economic and ecological justifications for the project.

''(C) COORDINATION OF PROJECTS.—In conducting studies and making recommendations for a shore protection project under this paragraph, the Secretary shall—

''(i) determine whether there is any other project being carried out by the Secretary or the head of another Federal agency that may be complementary to the shore protection project; and

''(ii) if there is such a complementary project, describe the efforts that will be made to coordinate the projects.

''(3) SHORE PROTECTION PROJECTS.—

''(A) IN GENERAL.—The Secretary shall construct, or cause to be constructed, any shore protection project authorized by Congress, or separable element of such a project, for which funds have been appropriated by Congress.

''(B) AGREEMENTS.—

''(i) REQUIREMENT.—After authorization by Congress, and before commencement of construction, of a shore protection project or separable element, the Secretary shall enter into a written agreement with a non-Federal interest with respect to the project or separable element.

''(ii) TERMS.—The agreement shall—

''(I) specify the life of the project; and

''(II) ensure that the Federal Government and the non-Federal interest will cooperate in carrying out the project or separable element.

''(C) COORDINATION OF PROJECTS.—In constructing a shore protection project or separable element under this paragraph, the Secretary shall, to the extent practicable, coordinate the project or element with any complementary project identified under paragraph (2)(C).

''(4) REPORT TO CONGRESS.—The Secretary shall report biennially to the appropriate committees of Congress on the status of all ongoing shore protection studies and shore protection projects carried out under the jurisdiction of the Secretary.''.

(d) REQUIREMENT OF AGREEMENTS PRIOR TO REIMBURSEMENTS.—

(1) SMALL SHORE PROTECTION PROJECTS.—Section 2 of the Act entitled ''An Act authorizing Federal participation in the cost of protecting the shores of publicly owned property'', approved August 13, 1946 (33 U.S.C. 426f; 60 Stat. 1056), is amended—

(A) by striking ''SEC. 2. The Secretary of the Army'' and inserting the following:

''SEC. 2. REIMBURSEMENTS.

''(a) IN GENERAL.—The Secretary'';

(B) in subsection (a) (as so designated)—

(i) by striking ''local interests'' and inserting ''non-Federal interests'';

(ii) by inserting ''or separable element of the project'' after ''project''; and

(iii) by inserting ''or separable elements'' after ''projects'' each place it appears; and

(C) by adding at the end the following:

''(b) AGREEMENTS.—

''(1) REQUIREMENT.—After authorization of reimbursement by the Secretary under this section, and before commencement of construction, of a shore protection project, the Secretary shall enter into a written agreement with the non-Federal interest with respect to the project or separable element.

''(2) TERMS.—The agreement shall—

''(A) specify the life of the project; and

''(B) ensure that the Federal Government and the non-Federal interest will cooperate in carrying out the project or separable element.''.

(2) OTHER SHORELINE PROTECTION PROJECTS.—Section 206(e)(1)(A) of the Water Resources Development Act of 1992 (33 U.S.C. 426i–1(e)(1)(A); 106 Stat. 4829) is amended by inserting before the semicolon the following: ''and enters into a written agreement with the non-Federal interest with respect to the project or separable element (including the terms of cooperation)''.

(e) STATE AND REGIONAL PLANS.—The Act entitled ''An Act authorizing Federal participation in the cost of protecting the shores of publicly owned property'', approved August 13, 1946, is further amended—

(1) by redesignating section 4 (33 U.S.C. 426h) as section 5; and

(2) by inserting after section 3 (33 U.S.C. 426g) the following:

''SEC. 4. STATE AND REGIONAL PLANS.

''The Secretary may—

''(1) cooperate with any State in the preparation of a comprehensive State or regional plan for the conservation of coastal resources located within the boundaries of the State;

''(2) encourage State participation in the implementation of the plan; and

''(3) submit to Congress reports and recommendations with respect to appropriate Federal participation in carrying out the plan.''.

(f) DEFINITIONS.—

(1) IN GENERAL.—Section 5 of the Act entitled ''An Act authorizing Federal participation in the cost of protecting the shores of publicly owned property'', approved August 13, 1946 (33 U.S.C. 426h), (as redesignated by subsection (e)(1)) is amended to read as follows:

''SEC. 5. DEFINITIONS.

''In this Act, the following definitions apply:

''(1) SECRETARY.—The term 'Secretary' means the Secretary of the Army, acting through the Chief of Engineers.

''(2) SEPARABLE ELEMENT.—The term 'separable element' has the meaning provided by section 103(f) of the Water Resources Development Act of 1986 (33 U.S.C. 2213(f)).

''(3) SHORE.—The term 'shore' includes each shoreline of the Atlantic and Pacific Oceans, the Gulf of Mexico, the Great Lakes, and lakes, estuaries, and bays directly connected therewith.

''(4) SHORE PROTECTION PROJECT.—The term 'shore protection project' includes a project for beach nourishment, including the replacement of sand.''.

(2) CONFORMING AMENDMENTS.—The Act entitled ''An Act authorizing Federal participation in the cost of protecting the shores of publicly owned property'', approved August 13, 1946, is amended—

(A) in subsection (b)(3) of the first section (33 U.S.C. 426e(b)(3)) by striking ''of the Army, acting through the Chief of Engineers,'' and by striking the final period; and

(B) in section 3 (33 U.S.C. 426g) by striking ''Secretary of the Army'' and inserting ''Secretary''.

(g) OBJECTIVES OF PROJECTS.—Section 209 of the Flood Control Act of 1970 (42 U.S.C. 1962–2; 84 Stat. 1829) is amended by inserting ''(including shore protection projects such as projects for beach nourishment, including the replacement of sand)'' after ''water resource projects''.

SEC. 229. PROJECT DEAUTHORIZATIONS.

(a) IN GENERAL.—Section 1001(b)(2) of the Water Resources Development Act of 1986 (33 U.S.C. 579a(b)(2)) is amended—

(1) by striking ''Before'' at the beginning of the second sentence and inserting ''Upon''; and

(2) by inserting ''planning, designing, or'' before ''construction'' in the last sentence.

(b) TECHNICAL AMENDMENT.—Section 52 of the Water Resources Development Act of 1988 (33 U.S.C. 579a note; 102 Stat. 4044) is amended—

(1) by striking subsection (a); and

(2) by redesignating subsections (b), (c), (d), and (e) as subsections (a), (b), (c), and (d), respectively.

SEC. 230. SUPPORT OF ARMY CIVIL WORKS PROGRAM.

(a) GENERAL AUTHORITY.—In carrying out research and development in support of the civil works program of the Department of the Army, the Secretary may utilize contracts, cooperative research and development agreements, cooperative agreements, and grants with non-Federal entities, including State and local governments, colleges and universities, consortia, professional and technical societies, public and private scientific and technical foundations, research institutions, educational organizations, and nonprofit organizations.

(b) SPECIAL RULES.—With respect to contracts for research and development, the Secretary may include requirements that have potential commercial application and may also use such potential application as an evaluation factor where appropriate.

SEC. 231. BENEFITS TO NAVIGATION.

In evaluating potential improvements to navigation and the maintenance of navigation projects, the Secretary shall consider, and include for purposes of project justification, economic benefits generated by cruise ships as commercial navigation benefits.

SEC. 232. LOSS OF LIFE PREVENTION.

Section 904 of the Water Resources Development Act of 1986 (33 U.S.C. 2281) is amended by inserting ''including the loss of life which may be associated with flooding and coastal storm events,'' after ''costs,''.

SEC. 233. SCENIC AND AESTHETIC CONSIDERATIONS.

In conducting studies of potential water resources projects, the Secretary shall consider measures to preserve and enhance scenic and aesthetic qualities in the vicinity of such projects.

SEC. 234. REMOVAL OF STUDY PROHIBITIONS.

Nothing in section 208 of the Urgent Supplemental Appropriations Act, 1986 (100 Stat. 749), section 505 of the Energy and Water Development Appropriations Act, 1993 (106 Stat. 1343), or any other provision of law shall be deemed to limit the authority of the Secretary to undertake studies for the purpose of investigating alternative modes of financing hydroelectric power facilities under the jurisdiction of the Department of the Army with funds appropriated after the date of the enactment of this Act.

SEC. 235. SENSE OF CONGRESS; REQUIREMENT REGARDING NOTICE.

(a) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—It is the sense of Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available under this Act should be American-made.

(b) NOTICE TO RECIPIENTS OF ASSISTANCE.—In providing financial assistance under this Act, the Secretary, to the greatest extent practicable, shall provide to each recipient of the assistance a notice describing the statement made in subsection (a).

SEC. 236. RESERVOIR MANAGEMENT TECHNICAL ADVISORY COMMITTEE.

Section 310 of the Water Resources Development Act of 1990 (33 U.S.C. 2319; 104 Stat. 4639) is amended—

(1) by striking subsection (a); and

(2) by striking ''(b) PUBLIC PARTICIPATION.—''.

SEC. 237. TECHNICAL CORRECTIONS.

(a) SECTION 203 OF 1992 ACT.—Section 203(b) of the Water Resources Development Act of 1992 (106 Stat. 4826) is amended by striking ''(8662)'' and inserting ''(8862)''.

(b) SECTION 225 OF 1992 ACT.—Section 225(c) of the Water Resources Development Act of 1992 (106 Stat. 4838) is amended by striking ''(8662)'' in the second sentence and inserting ''(8862)''.

TITLE III—PROJECT MODIFICATIONS

SEC. 301. MOBILE HARBOR, ALABAMA.

The undesignated paragraph under the heading ''MOBILE HARBOR, ALABAMA'' in section 201(a) of the Water Resources Development Act of 1986 (100 Stat. 4090) is amended by striking the first semicolon and all that follows and inserting a period and the following: ''In disposing of dredged material from such project, the Secretary, after compliance with applicable laws and after opportunity for public review and comment, may consider alternatives to disposal of such material in the Gulf of Mexico, including environmentally acceptable alternatives for beneficial uses of dredged material and environmental restoration.''.

SEC. 302. ALAMO DAM, ARIZONA.

The project for flood control and other purposes, Alamo Dam and Lake, Arizona, authorized by section 10 of the River and Harbor Act of December 22, 1944, (58 Stat. 900), is modified to authorize the Secretary to operate the Alamo Dam to provide fish and wildlife benefits both upstream and downstream of the Dam. Such operation shall not reduce flood control and recreation benefits provided by the project.

SEC. 303. NOGALES WASH AND TRIBUTARIES, ARIZONA.

The project for flood control, Nogales Wash and tributaries, Arizona, authorized by section 101(a)(4) of the Water Resources Development Act of 1990 (104 Stat. 4606), is modified to direct the Secretary to permit the non-Federal contribution for the project to be determined in accordance with sections 103(k) and 103(m) of the Water Resources Development Act of 1986 and to direct the Secretary to enter into negotiations with non-Federal interests pursuant to section 103(l) of such Act concerning the timing of the initial payment of the non-Federal contribution.

SEC. 304. PHOENIX, ARIZONA.

Section 321 of the Water Resources Development Act of 1992 (106 Stat. 4848) is amended—

(1) by striking ''control'' and inserting ''control, ecosystem restoration,''; and

(2) by striking ''$6,500,000.'' and inserting ''$17,500,000.''.

SEC. 305. SAN FRANCISCO RIVER AT CLIFTON, ARIZONA.

The project for flood control, San Francisco River, Clifton, Arizona, authorized by section 101(a)(3) of the Water Resources Development Act of 1990 (104 Stat. 4606), is modified to authorize the Secretary to construct the project at a total cost of $21,100,000, with an estimated Federal cost of $13,800,000 and an estimated non-Federal cost of $7,300,000.

SEC. 306. CHANNEL ISLANDS HARBOR, CALIFORNIA.

The project for navigation, Channel Islands Harbor, Port of Hueneme, California, authorized by section 101 of the River and Harbor Act of 1954 (68 Stat. 1252) is modified to direct the Secretary to pay 100 percent of the costs of dredging the Channel Islands Harbor sand trap.

SEC. 307. GLENN-COLUSA, CALIFORNIA.

The project for flood control, Sacramento River, California, authorized by section 2 of the Act entitled ''An Act to provide for the control of the floods of the Mississippi River and the Sacramento River, California, and for other purposes'', approved March 1, 1917 (39 Stat. 948), and as modified by section 102 of the Energy and Water Development Appropriations Act, 1990 (103 Stat. 649), is further modified to authorize the Secretary to carry out the portion of the project at Glenn-Colusa, California, at a total cost of $14,200,000.

SEC. 308. LOS ANGELES AND LONG BEACH HARBORS, SAN PEDRO BAY, CALIFORNIA.

The navigation project for Los Angeles and Long Beach Harbors, San Pedro Bay, California, authorized by section 201(b) of the Water Resources Development Act of 1986 (100 Stat. 4091), is modified to provide that, notwithstanding section 101(a)(4) of such Act, the cost of the relocation of the sewer outfall by the Port of Los Angeles shall be credited toward the payment required from the non-Federal interest by section 101(a)(2) of such Act.

SEC. 309. OAKLAND HARBOR, CALIFORNIA.

The projects for navigation, Oakland Outer Harbor, California, and Oakland Inner Harbor, California, authorized by section 202 of the Water Resources Development Act of 1986 (100 Stat. 4092), are modified by combining the 2 projects into 1 project, to be designated as the Oakland Harbor, California, project. The Oakland Harbor, California, project shall be prosecuted by the Secretary substantially in accordance with the plans and subject to the conditions recommended in the reports designated in such section 202, at a total cost of $90,850,000, with an estimated Federal cost of $59,150,000 and an estimated non-Federal cost of $31,700,000. The non-Federal share of project costs and any available credits toward the non-Federal share shall be calculated on the basis of the total cost of the combined project.

SEC. 310. QUEENSWAY BAY, CALIFORNIA.

Section 4(e) of the Water Resources Development Act of 1988 (102 Stat. 4016) is amended by adding at the end the following sentence: ''In addition, the Secretary shall perform advance maintenance dredging in the Queensway Bay Channel, California, at a total cost of $5,000,000.''.

SEC. 311. SAN LUIS REY, CALIFORNIA.

The project for flood control of the San Luis Rey River, California, authorized pursuant to section 201 of the Flood Control Act of 1965 (42 U.S.C. 1962d–5; 79 Stat. 1073–1074), is modified to authorize the Secretary to construct the project at a total cost not to exceed $81,600,000 with an estimated Federal cost of $61,100,000 and an estimated non-Federal cost of $20,500,000.

SEC. 312. THAMES RIVER, CONNECTICUT.

(a) RECONFIGURATION OF TURNING BASIN.—The project for navigation, Thames River, Connecticut, authorized by the first section of the Act entitled ''An Act authorizing construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes'', approved August 30, 1935 (49 Stat. 1029), is modified to make the turning basin have the following alignment: Starting at a point on the eastern limit of the existing project, N251052.93, E783934.59, thence running north 5 degrees 25 minutes 21.3 seconds east 341.06 feet to a point, N251392.46, E783966.82, thence running north 47 degrees 24 minutes 14.0 seconds west 268.72 feet to a point, N251574.34, E783769.00, thence running north 88 degrees 41 minutes 52.2 seconds west 249.06 feet to a point, N251580.00, E783520.00, thence running south 46 degrees 16 minutes 22.9 seconds west 318.28 feet to a point, N251360.00, E783290.00, thence running south 19 degrees 01 minute 32.2 seconds east 306.76 feet to a point, N251070.00, E783390.00, thence running south 45 degrees 00 minutes 00 seconds east 155.56 feet to a point, N250960.00, E783500.00 on the existing western limit.

(b) NON-FEDERAL RESPONSIBILITY FOR INITIAL DREDGING.—Any required initial dredging of the widened portions of the turning basin identified in subsection (a) shall be accomplished at non-Federal expense.

(c) CONFORMING DEAUTHORIZATION.—Those portions of the existing turning basin which are not included in the reconfigured turning basin as described in subsection (a) shall no longer be authorized after the date of the enactment of this Act.

SEC. 313. POTOMAC RIVER, WASHINGTON, DISTRICT OF COLUMBIA.

The project for flood protection, Potomac River, Washington, District of Columbia, authorized by section 5 of the Flood Control Act of June 22, 1936 (74 Stat. 1574), is modified to authorize the Secretary to construct the project substantially in accordance with the General Design Memorandum dated May 1992 at a Federal cost of $1,800,000; except that a temporary closure may be used instead of a permanent structure at 17th Street. Operation and maintenance of the project shall be a Federal responsibility.

SEC. 314. CANAVERAL HARBOR, FLORIDA.

The project for navigation, Canaveral Harbor, Florida, authorized by section 101(7) of the Water Resources Development Act of 1992 (106 Stat. 4802), is modified to authorize the Secretary to reclassify the removal and replacement of stone protection on both sides of the channel as general navigation features. The Secretary shall reimburse any costs that are incurred by the non-Federal sponsor in connection with the reclassified work and that the Secretary determines to be in excess of the non-Federal share of costs for general navigation features. The Federal and non-Federal shares of the cost of the reclassified work shall be determined in accordance with section 101 of the Water Resources Development Act of 1986.

SEC. 315. CAPTIVA ISLAND, FLORIDA.

The project for shoreline protection, Captiva Island, Lee County, Florida, authorized pursuant to section 201 of the Flood Control Act of 1965 (79 Stat. 1073), is modified to direct the Secretary to reimburse the non-Federal interest for beach renourishment work accomplished by such interest as if such work occurred after execution of the agreement entered into pursuant to section 215 of the Flood Control Act of 1968 (42 U.S.C. 1962d–5) with respect to such project.

SEC. 316. CENTRAL AND SOUTHERN FLORIDA, CANAL 51.

The project for flood protection of West Palm Beach, Florida (C–51), authorized by section 203 of the Flood Control Act of 1962 (76 Stat. 1183), is modified to provide for the construction of an enlarged stormwater detention area, Storm Water Treatment Area 1 East, generally in accordance with the plan of improvements described in the February 15, 1994, report entitled ''Everglades Protection Project, Palm Beach County, Florida, Conceptual Design'', with such modifications as are approved by the Secretary. The additional work authorized by this subsection shall be accomplished at Federal expense. Operation and maintenance of the stormwater detention area shall be consistent with regulations prescribed by the Secretary for the Central and Southern Florida project, and all costs of such operation and maintenance shall be provided by non-Federal interests.

SEC. 317. CENTRAL AND SOUTHERN FLORIDA, CANAL 111 (C–111).

(a) IN GENERAL.—The project for Central and Southern Florida, authorized by section 203 of the Flood Control Act of 1948 (62 Stat. 1176) and modified by section 203 of the Flood Control Act of 1968 (82 Stat. 740–741), is modified to authorize the Secretary to implement the recommended plan of improvement contained in a report entitled ''Central and Southern Florida Project, Final Integrated General Reevaluation Report and Environmental Impact Statement, Canal 111 (C–111), South Dade County, Florida'', dated May 1994, including acquisition by non-Federal interests of such portions of the Frog Pond and Rocky Glades areas as are needed for the project.

(b) COST SHARING.—

(1) FEDERAL SHARE.—The Federal share of the cost of implementing the plan of improvement shall be 50 percent.

(2) DEPARTMENT OF INTERIOR RESPONSIBILITY.—The Department of the Interior shall pay 25 percent of the cost of acquiring such portions of the Frog Pond and Rocky Glades areas as are needed for the project. The amount paid by the Department of the Interior shall be included as part of the Federal share of the cost of implementing the plan.

(3) OPERATION AND MAINTENANCE.—The non-Federal share of operation and maintenance costs of the improvements undertaken pursuant to this subsection shall be 100 percent; except that the Federal Government shall reimburse the non-Federal project sponsor 60 percent of the costs of operating and maintaining pump stations that pump water into Taylor Slough in the Everglades National Park.

SEC. 318. JACKSONVILLE HARBOR (MILL COVE), FLORIDA.

The project for navigation, Jacksonville Harbor (Mill Cove), Florida, authorized by section 601(a) of the Water Resources Development Act of 1986 (100 Stat. 4139–4140), is modified to direct the Secretary to carry out

a project for flow and circulation improvement within Mill Cove, at a total cost of $2,000,000, with an estimated Federal cost of $2,000,000.

SEC. 319. PANAMA CITY BEACHES, FLORIDA.

(a) IN GENERAL.—The project for shoreline protection, Panama City Beaches, Florida, authorized by section 501(a) of the Water Resources Development Act of 1986 (100 Stat. 4133), is modified to direct the Secretary to enter into an agreement with the non-Federal interest for carrying out such project in accordance with section 206 of the Water Resources Development Act of 1992 (106 Stat. 4828).

(b) REPORT.—Not later than 6 months after the date of the enactment of this Act, the Secretary shall transmit to Congress a report on the progress made in carrying out this section.

SEC. 320. TYBEE ISLAND, GEORGIA.

The project for beach erosion control, Tybee Island, Georgia, authorized pursuant to section 201 of the Flood Control Act of 1968 (42 U.S.C. 1962d–5), is modified to include as an integral part of the project the portion of the ocean shore of Tybee Island located south of the existing south terminal groin between 18th and 19th Streets.

SEC. 321. WHITE RIVER, INDIANA.

The project for flood control, Indianapolis on West Fork of the White River, Indiana, authorized by section 5 of the Flood Control Act of June 22, 1936 (49 Stat. 1586), is modified to authorize the Secretary to undertake riverfront alterations as described in the Central Indianapolis Waterfront Concept Master Plan, dated February 1994, at a total cost of $85,975,000, with an estimated first Federal cost of $39,975,000 and an estimated first non-Federal cost of $46,000,000. The cost of work, including relocations undertaken by the non-Federal interest after February 15, 1994, on features identified in the Master Plan shall be credited toward the non-Federal share of project costs.

SEC. 322. CHICAGO, ILLINOIS.

The project for flood control, Chicagoland Underflow Plan, Illinois, authorized by section 3(a)(5) of the Water Resources Development Act of 1988 (102 Stat. 4013), is modified to limit the capacity of the reservoir project not to exceed 11,000,000,000 gallons or 32,000 acre-feet, to provide that the reservoir project may not be located north of 55th Street or west of East Avenue in the vicinity of McCook, Illinois, and to provide that the reservoir project may only be constructed on the basis of a specific plan that has been evaluated by the Secretary under the provisions of the National Environmental Policy Act of 1969.

SEC. 323. CHICAGO LOCK AND THOMAS J. O'BRIEN LOCK, ILLINOIS.

The project for navigation, Chicago Harbor, Lake Michigan, Illinois, for which operation and maintenance responsibility was transferred to the Secretary under chapter IV of title I of the Supplemental Appropriations Act, 1983 (97 Stat. 311) and section 107 of the Energy and Water Development Appropriation Act, 1982 (95 Stat. 1137) is modified to direct the Secretary to conduct a study to determine the feasibility of making such structural repairs as are necessary to prevent leakage through the Chicago Lock and the Thomas J. O'Brien Lock, Illinois, and to determine the need for installing permanent flow measurement equipment at such locks to measure any leakage. The Secretary is authorized to carry out such repairs and installations as are necessary following completion of the study.

SEC. 324. KASKASKIA RIVER, ILLINOIS.

The project for navigation, Kaskaskia River, Illinois, authorized by section 101 of the River and Harbor Act of 1962 (76 Stat. 1175), is modified to add fish and wildlife and habitat restoration as project purposes.

SEC. 325. LOCKS AND DAM 26, ALTON, ILLINOIS AND MISSOURI.

Section 102(l) of the Water Resources Development Act of 1990 (104 Stat. 4613) is amended—

(1) by striking '', that requires no separable project lands and'' and inserting ''on project lands and other contiguous nonproject lands, including those lands referred to as the Alton Commons. The recreational development'';

(2) by inserting ''shall be'' before ''at a Federal construction''; and

(3) by striking ''. The recreational development'' and inserting '', and''.

SEC. 326. NORTH BRANCH OF CHICAGO RIVER, ILLINOIS.

The project for flood protection, North Branch of the Chicago River, Illinois, authorized by section 401(a) of the Water Resources Development Act of 1986 (100 Stat. 4115), is modified to authorize the Secretary to carry out the project in accordance with the report of the Corps of Engineers dated March 1994, at a total cost of $34,228,000, with an estimated Federal cost of $20,905,000 and an estimated non-Federal cost of $13,323,000.

SEC. 327. ILLINOIS AND MICHIGAN CANAL.

Section 314(a) of the Water Resources Development Act of 1992 (106 Stat. 4847) is amended by adding at the end the following: ''Such improvements shall include marina development at Lock 14, to be carried out in consultation with the Illinois Department of Natural Resources, at a total cost of $6,374,000.''.

SEC. 328. HALSTEAD, KANSAS.

The project for flood control, Halstead, Kansas, authorized by section 401(a) of the Water Resources Development Act of 1986 (100 Stat. 4116), is modified to authorize the Secretary to carry out the project in accordance with the report of the Corps of Engineers dated March 19, 1993, at a total cost of $11,100,000, with an estimated Federal cost of $8,325,000 and an estimated non-Federal cost of $2,775,000.

SEC. 329. LEVISA AND TUG FORKS OF THE BIG SANDY RIVER AND CUMBERLAND RIVER, KENTUCKY, WEST VIRGINIA, AND VIRGINIA.

The project for flood control, Levisa and Tug Forks of the Big Sandy River and Cumberland River, Kentucky, West Virginia, and Virginia, authorized by section 202(a) of the Energy and Water Development Appropriation Act, 1981 (94 Stat. 1339), is modified to provide that the minimum level of flood protection to be afforded by the project shall be the level required to provide protection from a 100-year flood or from the flood of April 1977, whichever level of protection is greater.

SEC. 330. PRESTONBURG, KENTUCKY.

Section 109(a) of Public Law 104–46 (109 Stat. 408) is amended by striking ''Modification No. 2'' and inserting ''Modification No. 3''.

SEC. 331. COMITE RIVER, LOUISIANA.

The Comite River Diversion project for flood control, authorized as part of the project for flood control, Amite River and Tributaries, Louisiana, by section 101(11) of the Water Resource Development Act of 1992 (106 Stat. 4802–4803), is modified to authorize the Secretary to construct the project at a total cost of $121,600,000, with an estimated Federal cost of $70,577,000 and an estimated non-Federal cost of $51,023,000.

SEC. 332. GRAND ISLE AND VICINITY, LOUISIANA.

The project for hurricane damage prevention, flood control, and beach erosion along Grand Isle and Vicinity, Louisiana, authorized by section 204 of the Flood Control Act of 1965 (79 Stat. 1077), is modified to authorize the Secretary to construct a permanent breakwater and levee system at a total cost of $17,000,000.

SEC. 333. LAKE PONTCHARTRAIN, LOUISIANA.

The project for hurricane damage prevention and flood control, Lake Pontchartrain, Louisiana, authorized by section 204 of the Flood Control Act of 1965 (79 Stat. 1077), is modified to provide that St. Bernard Parish, Louisiana, and the Lake Borgne Basin Levee District, Louisiana, shall not be required to pay the unpaid balance, including interest, of the non-Federal cost-share of the project.

SEC. 334. MISSISSIPPI DELTA REGION, LOUISIANA.

The Mississippi Delta Region project, Louisiana, authorized as part of the project for hurricane-flood protection project on Lake Pontchartrain, Louisiana, by section 204 of the Flood Control Act of 1965 (79 Stat. 1077), is modified to direct the Secretary to provide a credit to the State of Louisiana toward its non-Federal share of the cost of the project. The credit shall be for the cost incurred by the State in developing and relocating oyster beds to offset the adverse impacts on active and productive oyster beds in the Davis Pond project area but shall not exceed $7,500,000.

SEC. 335. MISSISSIPPI RIVER OUTLETS, VENICE, LOUISIANA.

The project for navigation, Mississippi River Outlets, Venice, Louisiana, authorized by section 101 of the River and Harbor Act of 1968 (82 Stat. 731), is modified to provide for the extension of the 16-foot deep by 250-foot wide Baptiste Collette Bayou entrance channel to approximately Mile 8 of the Mississippi River-Gulf Outlet navigation channel, at a total estimated Federal cost of $80,000.

SEC. 336. RED RIVER WATERWAY, LOUISIANA.

The project for mitigation of fish and wildlife losses, Red River Waterway, Louisiana, authorized by section 601(a) of the Water Resources and Development Act of 1986 (100 Stat. 4142) and modified by section 102(p) of the Water Resources and Development Act of 1990 (104 Stat. 4613), is further modified—

(1) to authorize the Secretary to carry out the project at a total cost of $10,500,000; and

(2) to provide that lands that are purchased adjacent to the Loggy Bayou Wildlife Management Area may be located in Caddo Parish or Red River Parish.

SEC. 337. WESTWEGO TO HARVEY CANAL, LOUISIANA.

The project West Bank Hurricane Protection Levee, Jefferson Parish, Louisiana, authorized by section 401(f) of the Water Resources Development Act of 1986 (100 Stat. 4128), is modified to include the Lake Cataouatche Area Levee as part of the authorized project, at a total cost of $14,375,000, with an estimated Federal cost of $9,344,000 and an estimated non-Federal cost of $5,031,000.

SEC. 338. TOLCHESTER CHANNEL, MARYLAND.

The project for navigation, Baltimore Harbor and Channels, Maryland, authorized by section 101 of the River and Harbor Act of 1958 (72 Stat. 297) is modified to direct the Secretary—

(1) to expedite review of potential straightening of the channel at the Tolchester Channel S-Turn; and

(2) if determined to be feasible and necessary for safe and efficient navigation, to implement such straightening as part of project maintenance.

SEC. 339. SAGINAW RIVER, MICHIGAN.

The project for flood protection, Saginaw River, Michigan, authorized by section 203 of the Flood Control Act of 1958 (72 Stat. 311) is modified to include as part of the project the

design and construction of an inflatable dam on the Flint River, Michigan, at a total cost of $500,000.

SEC. 340. SAULT SAINTE MARIE, CHIPPEWA COUNTY, MICHIGAN.

(a) IN GENERAL.—The project for navigation, Sault Sainte Marie, Chippewa County, Michigan, authorized by section 1149 of the Water Resources Development Act of 1986 (100 Stat. 4254–4255), is modified as provided by this subsection.

(b) PAYMENT OF NON-FEDERAL SHARE.—The non-Federal share of the cost of the project referred to in subsection (a) shall be paid as follows:

(1) That portion of the non-Federal share which the Secretary determines is attributable to use of the lock by vessels calling at Canadian ports shall be paid by the United States.

(2) The remaining portion of the non-Federal share shall be paid by the Great Lakes States pursuant to an agreement entered into by such States.

(c) PAYMENT TERM OF ADDITIONAL PERCENTAGE.—The amount to be paid by non-Federal interests pursuant to section 101(a) of the Water Resources Development Act of 1986 (33 U.S.C. 2211(a)) and this subsection with respect to the project referred to in subsection (a) may be paid over a period of 50 years or the expected life of the project, whichever is shorter.

(d) GREAT LAKES STATES DEFINED.—For the purposes of this section, the term ''Great Lakes States'' means the States of Illinois, Indiana, Michigan, Minnesota, New York, Ohio, Pennsylvania, and Wisconsin.

SEC. 341. STILLWATER, MINNESOTA.

Section 363 of the Water Resources Development Act of 1992 (106 Stat. 4861–4862) is amended—

(1) by inserting after ''riverfront,'' the following: ''and expansion of such system if the Secretary determines that the expansion is feasible,'';

(2) by striking ''$3,200,000'' and inserting ''$11,600,000'';

(3) by striking ''$2,400,000'' and inserting ''$8,700,000''; and

(4) by striking ''$800,000'' and inserting ''$2,900,000''.

SEC. 342. CAPE GIRARDEAU, MISSOURI.

The project for flood control, Cape Girardeau, Jackson Metropolitan Area, Missouri, authorized by section 401(a) of the Water Resources Development Act of 1986 (100 Stat. 4118–4119), is modified to authorize the Secretary to construct the project, including implementation of nonstructural measures, at a total cost of $45,414,000, with an estimated Federal cost of $33,030,000 and an estimated non-Federal cost of $12,384,000.

SEC. 343. NEW MADRID HARBOR, MISSOURI.

The project for navigation, New Madrid Harbor, Missouri, authorized pursuant to section 107 of the River and Harbor Act of 1960 (33 U.S.C. 577) and modified by section 102(n) of the Water Resources Development Act of 1992 (106 Stat. 4807), is further modified to direct the Secretary to assume responsibility for maintenance of the existing Federal channel referred to in such section 102(n) in addition to maintaining New Madrid County Harbor.

SEC. 344. ST. JOHN'S BAYOU—NEW MADRID FLOODWAY, MISSOURI.

Notwithstanding any other provision of law, Federal assistance made available under the rural enterprise zone program of the Department of Agriculture may be used toward payment of the non-Federal share of the costs of the project for flood control, St. John's Bayou and New Madrid Floodway, Missouri, authorized by section 401(a) of the Water Resources Development Act of 1986 (100 Stat. 4118).

SEC. 345. JOSEPH G. MINISH PASSAIC RIVER PARK, NEW JERSEY.

Section 101(a)(18)(B) of the Water Resources Development Act of 1990 (104 Stat. 4608) is amended by striking ''$25,000,000'' and inserting ''$75,000,000''.

SEC. 346. MOLLY ANN'S BROOK, NEW JERSEY.

The project for flood control, Molly Ann's Brook, New Jersey, authorized by section 401(a) of the Water Resources Development Act of 1986 (100 Stat. 4119), is modified to authorize the Secretary to carry out the project in accordance with the report of the Corps of Engineers dated April 3, 1996, at a total cost of $40,100,000, with an estimated Federal cost of $22,600,000 and an estimated non-Federal cost of $17,500,000.

SEC. 347. PASSAIC RIVER, NEW JERSEY.

Section 1148 of the Water Resources Development Act of 1986 (100 Stat. 4254) is amended to read as follows:

''SEC. 1148. PASSAIC RIVER BASIN.

''(a) ACQUISITION OF LANDS.—The Secretary is authorized to acquire from willing sellers lands on which residential structures are located and which are subject to frequent and recurring flood damage, as identified in the supplemental floodway report of the Corps of Engineers, Passaic River Buyout Study, September 1995, at an estimated total cost of $194,000,000.

''(b) RETENTION OF LANDS FOR FLOOD PROTECTION.—Lands acquired by the Secretary under this section shall be retained by the Secretary for future use in conjunction with flood protection and flood management in the Passaic River Basin.

''(c) COST SHARING.—The non-Federal share of the cost of carrying out this section shall be 25 percent plus any amount that might result from application of the requirements of subsection (d).

''(d) APPLICABILITY OF BENEFIT-COST RATIO WAIVER AUTHORITY.—In evaluating and implementing the project under this section, the Secretary shall allow the non-Federal interest to participate in the financing of the project in accordance with section 903(c) of this Act, to the extent that the Secretary's evaluation indicates that applying such section is necessary to implement the project.''.

SEC. 348. RAMAPO RIVER AT OAKLAND, NEW JERSEY AND NEW YORK.

The project for flood control, Ramapo River at Oakland, New Jersey and New York, authorized by section 401(a) of the Water Resources Development Act of 1986 (100 Stat. 4120), is modified to authorize the Secretary to carry out the project in accordance with the report of the Corps of Engineers dated May 1994, at a total cost of $11,300,000, with an estimated Federal cost of $8,500,000 and an estimated non-Federal cost of $2,800,000.

SEC. 349. RARITAN BAY AND SANDY HOOK BAY, NEW JERSEY.

Section 102(q) of the Water Resources Development Act of 1992 (106 Stat. 4808) is amended by striking ''for Cliffwood Beach''.

SEC. 350. ARTHUR KILL, NEW YORK AND NEW JERSEY.

The project for navigation, Arthur Kill, New York and New Jersey, authorized by section 202(b) of the Water Resources Development Act of 1986 (100 Stat. 4098), is modified to authorize the Secretary to carry out the project to a depth of not to exceed 45 feet if determined to be feasible by the Secretary at a total cost of $83,000,000.

SEC. 351. JONES INLET, NEW YORK.

The project for navigation, Jones Inlet, New York, authorized by section 2 of the Act entitled ''An Act authorizing construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes'', approved March 2, 1945 (59 Stat. 13), is modified to direct the Secretary to place uncontaminated dredged material on beach areas downdrift from the federally maintained channel for the purpose of mitigating the interruption of littoral system natural processes caused by the jetty and continued dredging of the federally maintained channel.

SEC. 352. KILL VAN KULL, NEW YORK AND NEW JERSEY.

The project for navigation, Kill Van Kull, New York and New Jersey, authorized by section 202(a) of the Water Resources Development Act of 1986 (100 Stat. 4095), is modified to authorize the Secretary to carry out the project at a total cost of $750,000,000.

SEC. 353. WILMINGTON HARBOR-NORTHEAST CAPE FEAR RIVER, NORTH CAROLINA.

The project for navigation, Wilmington Harbor-Northeast Cape Fear River, North Carolina, authorized by section 202(a) of the Water Resources Development Act of 1986 (100 Stat. 4095), is modified to authorize the Secretary to construct the project substantially in accordance with the General Design Memorandum dated April 1990 and the General Design Memorandum Supplement dated February 1994, at a total cost of $52,041,000, with an estimated Federal cost of $25,729,000 and an estimated non-Federal cost of $26,312,000.

SEC. 354. GARRISON DAM, NORTH DAKOTA.

The project for flood control, Garrison Dam, North Dakota, authorized by section 9 of the Flood Control Act of December 22, 1944 (58 Stat. 891), is modified to authorize the Secretary to acquire permanent flowage and saturation easements over the lands in Williams County, North Dakota, extending from the riverward margin of the Buford-Trenton Irrigation District main canal to the north bank of the Missouri River, beginning at the Buford-Trenton Irrigation District pumping station located in the northeast quarter of section 17, township 152 north, range 104 west, and continuing northeasterly downstream to the land referred to as the East Bottom, and any other lands outside of the boundaries of the Buford-Trenton Irrigation District which have been adversely affected by rising ground water and surface flooding. Any easement acquired by the Secretary pursuant to this subsection shall include the right, power, and privilege of the Government to submerge, overflow, percolate, and saturate the surface and subsurface of the land. The cost of acquiring such easements shall not exceed 90 percent, or be less than 75 percent, of the unaffected fee value of the lands. The project is further modified to authorize the Secretary to provide a lump sum payment of $60,000 to the Buford-Trenton Irrigation District for power requirements associated with operation of the drainage pumps and to relinquish all right, title, and interest of the United States to the drainage pumps located within the boundaries of the Irrigation District.

SEC. 355. RENO BEACH-HOWARDS FARM, OHIO.

The project for flood protection, Reno Beach-Howards Farm, Ohio, authorized by section 203 of the Flood Control Act, 1948 (62 Stat. 1178), is modified to provide that the value of lands, easements, rights-of-way, and disposal areas that are necessary to carry out the project and are provided by the non-Federal interest shall be determined on the basis of the appraisal performed by the Corps of Engineers and dated April 4, 1985.

SEC. 356. WISTER LAKE, OKLAHOMA.

The flood control project for Wister Lake, LeFlore County, Oklahoma, authorized by section 4 of the Flood Control Act of June 28, 1938 (52 Stat. 1218), is modified to increase the elevation of the conservation pool to 478 feet and to adjust the seasonal pool operation to accommodate the change in the conservation pool elevation.

SEC. 357. BONNEVILLE LOCK AND DAM, COLUMBIA RIVER, OREGON AND WASHINGTON.

(a) IN GENERAL.—The project for Bonneville Lock and Dam, Columbia River, Oregon and Washington, authorized by the Act of August 20, 1937 (50 Stat. 731), and modified by section 83 of the Water Resources Development Act of 1974 (88 Stat. 35), is further modified to authorize the Secretary to convey to the city of North Bonneville, Washington, at no further cost to the city, all right, title and interest of the United States in and to the following:

(1) Any municipal facilities, utilities fixtures, and equipment for the relocated city, and any remaining lands designated as open spaces or municipal lots not previously conveyed to the city, specifically, Lots M1 through M15, M16 (the ''community center lot''), M18, M19, M22, M24, S42 through S45, and S52 through S60.

(2) The ''school lot'' described as Lot 2, block 5, on the plat of relocated North Bonneville.

(3) Parcels 2 and C, but only upon the completion of any environmental response actions required under applicable law.

(4) That portion of Parcel B lying south of the existing city boundary, west of the sewage treatment plant, and north of the drainage ditch that is located adjacent to the northerly limit of the Hamilton Island landfill, provided the Secretary determines, at the time of the proposed conveyance, that the Army has taken all action necessary to protect human health and the environment.

(5) Such portions of Parcel H which can be conveyed without a requirement for further investigation, inventory or other action by the Department of the Army under the provisions of the National Historic Preservation Act.

(6) Such easements as the Secretary deems necessary for—

(A) sewer and water line crossings of relocated Washington State Highway 14; and

(B) reasonable public access to the Columbia River across those portions of Hamilton Island that remain under the ownership of the United States.

(b) TIME PERIOD FOR CONVEYANCES.—The conveyances referred to in subsections (a)(1), (a)(2), (a)(5), and (a)(6)(A) shall be completed within 180 days after the United States receives the release referred to in subsection (d). All other conveyances shall be completed expeditiously, subject to any conditions specified in the applicable subsection.

(c) PURPOSE.—The purpose of the conveyances authorized by subsection (a) is to resolve all outstanding issues between the United States and the city of North Bonneville.

(d) ACKNOWLEDGEMENT OF PAYMENT; RELEASE OF CLAIMS RELATING TO RELOCATION OF CITY.—As a prerequisite to the conveyances authorized by subsection (a), the city of North Bonneville shall execute an acknowledgement of payment of just compensation and shall execute a release of any and all claims for relief of any kind against the United States growing out of the relocation of the city of North Bonneville, or any prior Federal legislation relating thereto, and shall dismiss, with prejudice, any pending litigation, if any, involving such matters.

(e) RELEASE BY ATTORNEY GENERAL.—Upon receipt of the city's acknowledgment and release referred to in subsection (d), the Attorney General of the United States shall dismiss any pending litigation, if any, arising out of the relocation of the city of North Bonneville, and execute a release of any and all rights to damages of any kind under the February 20, 1987, judgment of the United States Claims Court, including any interest thereon.

(f) ACKNOWLEDGMENT OF ENTITLEMENTS; RELEASE BY CITY OF CLAIMS.—Within 60 days after the conveyances authorized by subsection (a) (other than paragraph (6)(B)) have been completed, the city shall execute an acknowledgement that all entitlements under such paragraph have been completed and shall execute a release of any and all claims for relief of any kind against the United States arising out of this subsection.

(g) EFFECTS ON CITY.—Beginning on the date of the enactment of this Act, the city of North Bonneville, or any successor in interest thereto, shall—

(1) be precluded from exercising any jurisdiction over any lands owned in whole or in part by the United States and administered by the United States Army Corps of Engineers in connection with the Bonneville project; and

(2) be authorized to change the zoning designations of, sell, or resell Parcels S35 and S56, which are presently designated as open spaces.

SEC. 358. COLUMBIA RIVER DREDGING, OREGON AND WASHINGTON.

The project for navigation, Lower Willamette and Columbia Rivers below Vancouver, Washington and Portland, Oregon, authorized by the first section of the River and Harbor Appropriations Act of June 18, 1878 (20 Stat. 152), is modified to direct the Secretary—

(1) to conduct channel simulation and to carry out improvements to the existing deep draft channel between the mouth of the river and river mile 34 at a cost not to exceed $2,400,000; and

(2) to conduct overdepth and advance maintenance dredging that is necessary to maintain authorized channel dimensions.

SEC. 359. GRAYS LANDING LOCK AND DAM, MONONGAHELA RIVER, PENNSYLVANIA.

The project for navigation Grays Landing Lock and Dam, Monongahela River, Pennsylvania, authorized by section 301(a) of the Water Resources Development Act of 1986 (100 Stat. 4110), is modified to authorize the Secretary to construct the project at a total cost of $181,000,000. The costs of construction of the project are to be paid ½ from amounts appropriated from the general fund of the Treasury and ½ from amounts appropriated from the Inland Waterways Trust Fund.

SEC. 360. LACKAWANNA RIVER AT SCRANTON, PENNSYLVANIA.

The project for flood control, Lackawanna River at Scranton, Pennsylvania, authorized by section 101(16) of the Water Resources Development Act of 1992 (106 Stat. 4803), is modified to direct the Secretary to carry out the project for flood control for the Plot and Green Ridge sections of the project.

SEC. 361. MUSSERS DAM, MIDDLE CREEK, SNYDER COUNTY, PENNSYLVANIA.

Section 209(e)(5) of the Water Resources Development Act of 1992 (106 Stat. 4830) is amended by striking ''$3,000,000'' and inserting ''$5,000,000''.

SEC. 362. SAW MILL RUN, PENNSYLVANIA.

The project for flood control, Saw Mill Run, Pittsburgh, Pennsylvania, authorized by section 401(a) of the Water Resources Development Act of 1986 (100 Stat. 4124), is modified to authorize the Secretary to carry out the project in accordance with the report of the Corps of Engineers dated April 8, 1994, at a total cost of $12,780,000, with an estimated Federal cost of $9,585,000 and an estimated non-Federal cost of $3,195,000.

SEC. 363. SCHUYLKILL RIVER, PENNSYLVANIA.

The navigation project for the Schuylkill River, Pennsylvania, authorized by the first section of the River and Harbor Appropriations Act of August 8, 1917 (40 Stat. 252), is modified to provide for the periodic removal and disposal of sediment to a depth of 6 feet detained within portions of the Fairmount pool between the Fairmount Dam and the Columbia Bridge, generally within the limits of the channel alignments referred to as the Schuylkill River Racecourse and return lane, and the Belmont Water Works intakes and Boathouse Row.

SEC. 364. SOUTH CENTRAL PENNSYLVANIA.

(a) COST SHARING.—Section 313(d)(3)(A) of the Water Resources Development Act of 1992 (106 Stat. 4846; 109 Stat. 407) is amended to read as follows:

''(A) IN GENERAL.—Total project costs under each local cooperation agreement entered into under this subsection shall be shared at 75 percent Federal and 25 percent non-Federal. The non-Federal interest shall receive credit for design and construction services and other in-kind work, whether occurring subsequent to, or within 6 years prior to, entering into an agreement with the Secretary. The Federal share may be provided in the form of grants or reimbursements of project costs. Non-Federal interests shall also receive credit for grants and the value of work performed on behalf of such interests by State and local agencies.''.

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 313(g)(1) of such Act (106 Stat. 4846; 109 Stat. 407) is amended by striking ''$50,000,000'' and inserting ''$90,000,000''.

SEC. 365. WYOMING VALLEY, PENNSYLVANIA.

The project for flood control, Wyoming Valley, Pennsylvania, authorized by section 401(a) of the Water Resources Development Act of 1986 (100 Stat. 4124), is modified to authorize the Secretary to undertake as part of the construction of the project mechanical and electrical upgrades to existing stormwater pumping stations in the Wyoming Valley and to undertake mitigation measures.

SEC. 366. SAN JUAN HARBOR, PUERTO RICO.

The project for navigation, San Juan Harbor, Puerto Rico, authorized by section 202(a) of the Water Resources Development Act of 1986 (100 Stat. 4097), is modified to authorize the Secretary to deepen the bar channel to depths varying from 49 feet to 56 feet below mean low water with other modifications to authorized interior channels as generally described in the General Reevaluation Report and Environmental Assessment, dated March 1994, at a total cost of $43,993,000, with an estimated Federal cost of $27,341,000 and an estimated non-Federal cost of $16,652,000.

SEC. 367. NARRAGANSETT, RHODE ISLAND.

Section 361(a) of the Water Resources Development Act of 1992 (106 Stat. 4861) is amended—

(1) by striking ''$200,000'' and inserting ''$1,900,000'';

(2) by striking ''$150,000'' and inserting ''$1,425,000''; and

(3) by striking ''$50,000'' and inserting ''$475,000''.

SEC. 368. CHARLESTON HARBOR, SOUTH CAROLINA.

The project for navigation, Charleston Harbor, South Carolina, authorized by section 202(a) of the Water Resources Development Act of 1986 (100 Stat. 4096), is modified to direct the Secretary to undertake ditching, clearing, spillway replacement, and dike reconstruction of the Clouter Creek Disposal Area, as a part of the operation and maintenance of the Charleston Harbor project.

SEC. 369. DALLAS FLOODWAY EXTENSION, DALLAS, TEXAS.

(a) IN GENERAL.—The project for flood control, Dallas Floodway Extension, Dallas, Texas, authorized by section 301 of the River and Harbor Act of 1965 (79 Stat. 1091), is modified to provide that flood protection

works constructed by the non-Federal interests along the Trinity River in Dallas, Texas, for Rochester Park and the Central Wastewater Treatment Plant shall be included as a part of the project and the cost of such works shall be credited against the non-Federal share of project costs but shall not be included in calculating benefits of the project.

(b) DETERMINATION OF AMOUNT.—The amount to be credited under subsection (a) shall be determined by the Secretary. In determining such amount, the Secretary may permit crediting only for that portion of the work performed by the non-Federal interests which is compatible with the project referred to in subsection (a), including any modification thereof, and which is required for construction of such project.

(c) CASH CONTRIBUTION.—Nothing in this section shall be construed to limit the applicability of the requirement contained in section 103(a)(1)(A) of the Water Resources Development Act of 1986 to the project referred to in subsection (a).

SEC. 370. UPPER JORDAN RIVER, UTAH.

The project for flood control, Upper Jordan River, Utah, authorized by section 101(a)(23) of the Water Resources Development Act of 1990 (104 Stat. 4610), is modified to authorize the Secretary to construct the project at a total cost of $12,870,000, with an estimated Federal cost of $8,580,000 and an estimated non-Federal cost of $4,290,000.

SEC. 371. HAYSI LAKE, VIRGINIA.

The Haysi Lake, Virginia, feature of the project for flood control, Tug Fork of the Big Sandy River, Kentucky, West Virginia, and Virginia, authorized by section 202(a) of the Energy and Water Development Appropriation Act, 1981 (94 Stat. 1339), is modified—

(1) to add recreation and fish and wildlife enhancement as project purposes;

(2) to direct the Secretary to construct the Haysi Dam feature of the project substantially in accordance with Plan A as set forth in the Draft General Plan Supplement Report for the Levisa Fork Basin, Virginia and Kentucky, dated May 1995;

(3) to direct the Secretary to apply section 103(m) of the Water Resources Development Act of 1986 (100 Stat. 4087) to the construction of such feature in the same manner as that section is applied to other projects or project features construed pursuant to such section 202(a); and

(4) to provide for operation and maintenance of recreational facilities on a reimbursable basis.

SEC. 372. RUDEE INLET, VIRGINIA BEACH, VIRGINIA.

The project for navigation and shoreline protection, Rudee Inlet, Virginia Beach, Virginia, authorized by section 601(a) of the Water Resources Development Act of 1986 (100 Stat. 4148), is modified to authorize the Secretary to continue maintenance of the project for 50 years beginning on the date of initial construction of the project. The Federal share of the cost of such maintenance shall be determined in accordance with title I of the Water Resources Development Act of 1986.

SEC. 373. VIRGINIA BEACH, VIRGINIA.

The non-Federal share of the costs of the project for beach erosion control and hurricane protection, Virginia Beach, Virginia, authorized by section 501(a) of the Water Resources Development Act of 1986 (100 Stat. 4136), shall be reduced by $3,120,803, or by such amount as is determined by an audit carried out by the Secretary to be due to the city of Virginia Beach as reimbursement for the Federal share of beach nourishment activities carried out by the city between October 1, 1986, and September 30, 1993, if the Federal Government has not reimbursed the city for the activities prior to the date on which a project cooperative agreement is executed for the project.

SEC. 374. EAST WATERWAY, WASHINGTON.

The project for navigation, East and West waterways, Seattle Harbor, Washington, authorized by the first section of the River and Harbor Appropriations Act of March 2, 1919 (40 Stat. 1275), is modified to direct the Secretary—

(1) to expedite review of potential deepening of the channel in the East waterway from Elliott Bay to Terminal 25 to a depth of up to 51 feet; and

(2) if determined to be feasible, to implement such deepening as part of project maintenance.

In carrying out work authorized by this section, the Secretary shall coordinate with the Port of Seattle regarding use of Slip 27 as a dredged material disposal area.

SEC. 375. BLUESTONE LAKE, WEST VIRGINIA.

Section 102(ff) of the Water Resources Development Act of 1992 (106 Stat. 4810) is amended by inserting ''except for that organic matter necessary to maintain and enhance the biological resources of such waters and such nonobtrusive items of debris as may not be economically feasible to prevent being released through such project,'' after ''project,'' the first place it appears.

SEC. 376. MOOREFIELD, WEST VIRGINIA.

The project for flood control, Moorefield, West Virginia, authorized by section 101(a)(25) of the Water Resources Development Act of 1990 (104 Stat. 4610–4611), is modified to authorize the Secretary to construct the project at a total cost of $22,000,000, with an estimated Federal cost of $17,100,000 and an estimated non-Federal cost of $4,900,000.

SEC. 377. SOUTHERN WEST VIRGINIA.

(a) COST SHARING.—Section 340(c)(3) of the Water Resources Development Act of 1992 (106 Stat. 4856) is amended to read as follows:

''(3) COST SHARING.—

''(A) IN GENERAL.—Total project costs under each local cooperation agreement entered into under this subsection shall be shared at 75 percent Federal and 25 percent non-Federal. The non-Federal interest shall receive credit for the reasonable costs of design work completed by such interest prior to entering into a local cooperation agreement with the Secretary for a project. The credit for such design work shall not exceed 6 percent of the total construction costs of the project. The Federal share may be in the form of grants or reimbursements of project costs.

''(B) INTEREST.—In the event of delays in the funding of the non-Federal share of a project that is the subject of an agreement under this section, the non-Federal interest shall receive credit for reasonable interest incurred in providing the non-Federal share of a project's cost.

''(C) LANDS, EASEMENTS, AND RIGHTS-OF-WAY CREDIT.—The non-Federal interest shall receive credit for lands, easements, rights-of-way, and relocations toward its share of project costs, including all reasonable costs associated with obtaining permits necessary for the construction, operation, and maintenance of such project on publicly owned or controlled lands, but not to exceed 25 percent of total project costs.

''(D) OPERATION AND MAINTENANCE.—Operation and maintenance costs for projects constructed with assistance provided under this section shall be 100 percent non-Federal.''.

(b) FUNDING.—Section 340(g) of the Water Resources Development Act of 1992 (106 Stat. 4856) is amended by striking ''$5,000,000'' and inserting ''$25,000,000''.

SEC. 378. WEST VIRGINIA TRAIL HEAD FACILITIES.

Section 306 of the Water Resources Development Act of 1992 (106 Stat. 4840–4841) is amended by adding at the end the following: ''The Secretary shall enter into an interagency agreement with the Federal entity which provided assistance in the preparation of the study for the purposes of providing ongoing technical assistance and oversight for the trail facilities envisioned by the master plan developed under this section. The Federal entity shall provide such assistance and oversight.''.

SEC. 379. KICKAPOO RIVER, WISCONSIN.

(a) IN GENERAL.—The project for flood control and allied purposes, Kickapoo River, Wisconsin, authorized by section 203 of the Flood Control Act of 1962 (76 Stat. 1190) and modified by section 814 of the Water Resources Development Act of 1986 (100 Stat. 4169), is further modified as provided by this section.

(b) TRANSFER OF PROPERTY.—

(1) IN GENERAL.—Subject to the requirements of this subsection, the Secretary shall transfer to the State of Wisconsin, without consideration, all right, title, and interest of the United States to the lands described in paragraph (3), including all works, structures, and other improvements to such lands.

(2) TRANSFER TO SECRETARY OF THE INTERIOR.—Subject to the requirements of this subsection, on the date of the transfer under paragraph (1), the Secretary shall transfer to the Secretary of the Interior, without consideration, all right, title, and interest of the United States in and to lands that are culturally and religiously significant sites of the Ho-Chunk Nation (a federally recognized Indian tribe) and are located within the lands described in paragraph (3). Such lands shall be specified in accordance with paragraph (4)(C) and may not exceed a total of 1,200 acres.

(3) LAND DESCRIPTION.—The lands to be transferred pursuant to paragraphs (1) and (2) are the approximately 8,569 acres of land associated with the LaFarge Dam and Lake portion of the project referred to in subsection (a) in Vernon County, Wisconsin, in the following sections:

(A) Section 31, Township 14 North, Range 1 West of the 4th Principal Meridian.

(B) Sections 2 through 11, and 16, 17, 20, and 21, Township 13 North, Range 2 West of the 4th Principal Meridian.

(C) Sections 15, 16, 21 through 24, 26, 27, 31, and 33 through 36, Township 14 North, Range 2 West of the 4th Principal Meridian.

(4) TERMS AND CONDITIONS.—

(A) HOLD HARMLESS; REIMBURSEMENT OF UNITED STATES.—The transfer under paragraph (1) shall be made on the condition that the State of Wisconsin enters into a written agreement with the Secretary to hold the United States harmless from all claims arising from or through the operation of the lands and improvements subject to the transfer. If title to the lands described in paragraph (3) is sold or transferred by the State, then the State shall reimburse the United States for the price originally paid by the United States for purchasing such lands.

(B) IN GENERAL.—The Secretary shall make the transfers under paragraphs (1) and (2) only if on or before October 31, 1997, the State of Wisconsin enters into and submits to the Secretary a memorandum of understanding, as specified in subparagraph (C), with the tribal organization (as defined by section 4(l) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(l))) of the Ho-Chunk Nation.

(C) MEMORANDUM OF UNDERSTANDING.—The memorandum of understanding referred to in subparagraph (B) shall contain, at a minimum, the following:

(i) A description of sites and associated lands to be transferred to the Secretary of the Interior under paragraph (2).

(ii) An agreement specifying that the lands transferred under paragraphs (1) and (2) shall be preserved in a natural state and developed only to the extent necessary to enhance outdoor recreational and educational opportunities.

(iii) An agreement specifying the terms and conditions of a plan for the management of the lands to be transferred under paragraphs (1) and (2).

(iv) A provision requiring a review of the plan referred to in clause (iii) to be conducted every 10 years under which the State of Wisconsin, acting through the Kickapoo Valley Governing Board, and the Ho-Chunk Nation may agree to revisions of the plan in order to address changed circumstances on the lands transferred under paragraph (2). Such provision may include a plan for the transfer by the State to the Secretary of the Interior of any additional site discovered to be culturally and religiously significant to the Ho-Chunk Nation.

(5) ADMINISTRATION OF LANDS.—The lands transferred to the Secretary of the Interior under paragraph (2), and any lands transferred to the Secretary of the Interior pursuant to the memorandum of understanding entered into under paragraph (3), shall be held in trust for, and added to and administered as part of the reservation of, the Ho-Chunk Nation.

(6) TRANSFER OF FLOWAGE EASEMENTS.—The Secretary shall transfer to the owner of the servient estate, without consideration, all right, title, and interest of the United States in and to each flowage easement acquired as part of the project referred to in subsection (a) within Township 14 North, Range 2 West of the 4th Principal Meridian, Vernon County, Wisconsin.

(7) DEAUTHORIZATION.—Except as provided in subsection (c), the LaFarge Dam and Lake portion of the project referred to in subsection (a) is not authorized after the date of the transfer under this subsection.

(8) INTERIM MANAGEMENT AND MAINTENANCE.—The Secretary shall continue to manage and maintain the LaFarge Dam and Lake portion of the project referred to in subsection (a) until the date of the transfer under this section.

(c) COMPLETION OF PROJECT FEATURES.—

(1) REQUIREMENT.—The Secretary shall undertake the completion of the following features of the project referred to in subsection (a):

(A) The continued relocation of State highway route 131 and county highway routes P and F substantially in accordance with plans contained in Design Memorandum No. 6, Relocation-LaFarge Reservoir, dated June 1970; except that the relocation shall generally follow the existing road rights-of-way through the Kickapoo Valley.

(B) Environmental cleanup and site restoration of abandoned wells, farm sites, and safety modifications to the water control structures.

(C) Cultural resource activities to meet the requirements of Federal law.

(2) PARTICIPATION BY STATE OF WISCONSIN.—In undertaking the completion of the features described in paragraph (1), the Secretary shall determine the requirements of the State of Wisconsin on the location and design of each such feature.

(d) FUNDING.—There is authorized to be appropriated to carry out this section for fiscal years beginning after September 30, 1996, $17,000,000.

SEC. 380. TETON COUNTY, WYOMING.

Section 840 of the Water Resources Development Act of 1986 (100 Stat. 4176) is amended—

(1) by striking ''; Provided, That'' and inserting ''; except that'';

(2) by striking ''in cash or materials'' and inserting '', through providing in-kind services or cash or materials,''; and

(3) by adding at the end the following: ''In carrying out this section, the Secretary may enter into agreements with the non-Federal sponsor permitting the non-Federal sponsor to perform operation and maintenance for the project on a cost-reimbursable basis.''.

TITLE IV—STUDIES

SEC. 401. CORPS CAPABILITY STUDY, ALASKA.

The Secretary shall review the capability of the Corps of Engineers to plan, design, construct, operate, and maintain rural sanitation projects for rural and Native villages in Alaska. Not later than 18 months after the date of the enactment of this Act, the Secretary shall transmit findings and recommendations on the agency's capability, together with recommendations on the advisability of assuming such a mission.

SEC. 402. MCDOWELL MOUNTAIN, ARIZONA.

The Secretary shall credit the non-Federal share of the cost of the feasibility study on the McDowell Mountain project an amount equivalent to the cost of work performed by the city of Scottsdale, Arizona, and accomplished prior to the city's entering into an agreement with the Secretary if the Secretary determines that the work is necessary for the study.

SEC. 403. NOGALES WASH AND TRIBUTARIES, ARIZONA.

(a) STUDY.—The Secretary shall conduct a study of the relationship of flooding in Nogales, Arizona, and floodflows emanating from Mexico.

(b) REPORT.—The Secretary shall transmit to Congress a report on the results of the study conducted under subsection (a), together with recommendations concerning the appropriate level of non-Federal participation in the project for flood control, Nogales Wash and tributaries, Arizona, authorized by section 101(a)(4) of the Water Resources Development Act of 1990 (104 Stat. 4606).

SEC. 404. GARDEN GROVE, CALIFORNIA.

The Secretary shall conduct a study to assess the feasibility of implementing improvements in the regional flood control system within Garden Grove, California.

SEC. 405. MUGU LAGOON, CALIFORNIA.

(a) STUDY.—The Secretary shall conduct a study of the environmental impacts associated with sediment transport, flood flows, and upstream watershed land use practices on Mugu Lagoon, California. The study shall include an evaluation of alternatives for the restoration of the estuarine ecosystem functions and values associated with Mugu Lagoon and the endangered and threatened species inhabiting the area.

(b) CONSULTATION AND COORDINATION.—In conducting the study, the Secretary shall consult with the Secretary of the Navy and shall coordinate with State and local resource agencies to assure that the study is compatible with restoration efforts for the Calleguas Creek watershed.

(c) REPORT.—Not later than 24 months after the date of the enactment of this Act, the Secretary shall transmit to Congress a report on the results of the study.

SEC. 406. SANTA YNEZ, CALIFORNIA.

(a) PLANNING.—Not later than 1 year after the date of the enactment of this Act, the Secretary shall prepare a comprehensive river basin management plan addressing the long term ecological, economic, and flood control needs of the Santa Ynez River basin, California. In preparing such plan, the Secretary shall consult the Santa Barbara Flood Control District and other affected local governmental entities.

(b) TECHNICAL ASSISTANCE.—The Secretary shall provide technical assistance to the Santa Barbara Flood Control District with respect to implementation of the plan to be prepared under subsection (a).

SEC. 407. SOUTHERN CALIFORNIA INFRASTRUCTURE.

(a) ASSISTANCE.—Section 116(d)(1) of the Water Resources Development Act of 1990 (104 Stat. 4624) is amended—

(1) in the heading of paragraph (1) by inserting ''AND ASSISTANCE'' after ''STUDY''; and

(2) by adding at the end the following: ''In addition, the Secretary shall provide technical, design, and planning assistance to non-Federal interests in developing potential infrastructure projects.''.

(b) FUNDING.—Section 116(d)(3) of such Act is amended by striking ''$1,500,000'' and inserting ''$7,500,000''.

SEC. 408. YOLO BYPASS, SACRAMENTO-SAN JOAQUIN DELTA, CALIFORNIA.

The Secretary shall study the advisability of acquiring land in the vicinity of the Yolo Bypass in the Sacramento-San Joaquin Delta, California, for the purpose of environmental mitigation for the flood control project for Sacramento, California, and other water resources projects in the area.

SEC. 409. CHAIN OF ROCKS CANAL, ILLINOIS.

The Secretary shall complete a limited reevaluation of the authorized St. Louis Harbor Project in the vicinity of the Chain of Rocks Canal, Illinois, and consistent with the authorized purposes of that project, to include evacuation of waters interior to the Chain of Rocks Canal East Levee.

SEC. 410. QUINCY, ILLINOIS.

(a) STUDY.—The Secretary shall study and evaluate the critical infrastructure of the Fabius River Drainage District, the South Quincy Drainage and Levee District, the Sny Island Levee Drainage District, and the city of Quincy, Illinois—

(1) to determine if additional flood protection needs of such infrastructure should be identified or implemented;

(2) to produce a definition of critical infrastructure;

(3) to develop evaluation criteria; and

(4) to enhance existing geographic information system databases to encompass relevant data that identify critical infrastructure for use in emergencies and in routine operation and maintenance activities.

(b) CONSIDERATION OF OTHER STUDIES.—In conducting the study under this section, the Secretary shall consider the recommendations of the Interagency Floodplain Management Committee Report, the findings of the Floodplain Management Assessment of the Upper Mississippi River and Lower Missouri Rivers and Tributaries, and other relevant studies and findings.

(c) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Secretary shall transmit to Congress a report on the results of the study, together with recommendations regarding each of the purposes of the study described in paragraphs (1) through (4) of subsection (a).

SEC. 411. SPRINGFIELD, ILLINOIS.

The Secretary shall provide technical, planning, and design assistance to the city of Springfield, Illinois, in developing—

(1) an environmental impact statement for the proposed development of a water supply reservoir, including the preparation of necessary documentation in support of the environmental impact statement; and

(2) an evaluation of technical, economic, and environmental impacts of such development.

SEC. 412. BEAUTY CREEK WATERSHED, VALPARAISO CITY, PORTER COUNTY, INDIANA.

The Secretary shall conduct a study to assess the feasibility of implementing

streambank erosion control measures and flood control measures within the Beauty Creek watershed, Valparaiso City, Porter County, Indiana.

SEC. 413. GRAND CALUMET RIVER, HAMMOND, INDIANA.

(a) STUDY.—The Secretary shall conduct a study to establish a methodology and schedule to restore the wetlands at Wolf Lake and George Lake in Hammond, Indiana.

(b) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Secretary shall transmit to Congress a report on the results of the study conducted under subsection (a).

SEC. 414. INDIANA HARBOR CANAL, EAST CHICAGO, LAKE COUNTY, INDIANA.

The Secretary shall conduct a study of the feasibility of including environmental and recreational features, including a vegetation buffer, as part of the project for navigation, Indiana Harbor Canal, East Chicago, Lake County, Indiana, authorized by the first section of the Rivers and Harbors Appropriations Act of June 25, 1910 (36 Stat. 657).

SEC. 415. KOONTZ LAKE, INDIANA.

The Secretary shall conduct a study of the feasibility of implementing measures to restore Koontz Lake, Indiana, including measures to remove silt, sediment, nutrients, aquatic growth, and other noxious materials from Koontz Lake, measures to improve public access facilities to Koontz Lake, and measures to prevent or abate the deposit of sediments and nutrients in Koontz Lake.

SEC. 416. LITTLE CALUMET RIVER, INDIANA.

(a) STUDY.—The Secretary shall conduct a study of the impact of the project for flood control, Little Calumet River, Indiana, authorized by section 401(a) of the Water Resources Development Act of 1986 (100 Stat. 4115), on flooding and water quality in the vicinity of the Black Oak area of Gary, Indiana.

(b) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Secretary shall transmit to Congress a report on the results of the study conducted under subsection (a), together with recommendations for cost-effective remediation of impacts described in subsection (a).

(c) FEDERAL SHARE.—The Federal share of the cost of the study to be conducted under subsection (a) shall be 100 percent.

SEC. 417. TIPPECANOE RIVER WATERSHED, INDIANA.

(a) STUDY.—The Secretary shall conduct a study of water quality and environmental restoration needs in the Tippecanoe River watershed, Indiana, including measures necessary to reduce siltation in Lake Shafer and Lake Freeman.

(b) ASSISTANCE.—The Secretary shall provide technical, planning, and design assistance to the Shafer Freeman Lakes Environmental Conservation Corporation in addressing potential environmental restoration activities determined as a result of the study conducted under subsection (a).

SEC. 418. CALCASIEU SHIP CHANNEL, HACKBERRY, LOUISIANA.

The Secretary shall conduct a study to determine the need for improved navigation and related support service structures in the vicinity of the Calcasieu Ship Channel, Hackberry, Louisiana.

SEC. 419. HURON RIVER, MICHIGAN.

The Secretary shall conduct a study to determine the need for channel improvements and associated modifications for the purpose of providing a harbor of refuge at Huron River, Michigan.

SEC. 420. SACO RIVER, NEW HAMPSHIRE.

The Secretary shall conduct a study of flood control problems along the Saco River in Hart's Location, New Hampshire, for the purpose of evaluating retaining walls, berms, and other structures with a view to potential solutions involving repair or replacement of existing structures and shall consider other alternatives for flood damage reduction.

SEC. 421. BUFFALO RIVER GREENWAY, NEW YORK.

The Secretary shall conduct a study of a potential greenway trail project along the Buffalo River between the park system of the city of Buffalo, New York, and Lake Erie. Such study shall include preparation of an integrated plan of development that takes into consideration the adjacent parks, nature preserves, bikeways, and related recreational facilities.

SEC. 422. PORT OF NEWBURGH, NEW YORK.

The Secretary shall conduct a study of the feasibility of carrying out improvements for navigation at the port of Newburgh, New York.

SEC. 423. PORT OF NEW YORK-NEW JERSEY SEDIMENT STUDY.

(a) STUDY OF MEASURES TO REDUCE SEDIMENT DEPOSITION.—The Secretary shall conduct a study of measures that could reduce sediment deposition in the vicinity of the Port of New York-New Jersey for the purpose of reducing the volumes to be dredged for navigation projects in the Port.

(b) DREDGED MATERIAL DISPOSAL STUDY.—The Secretary shall conduct a study to determine the feasibility of constructing and operating an underwater confined dredged material disposal site in the Port of New York-New Jersey which could accommodate as much as 250,000 cubic yards of dredged materials for the purpose of demonstrating the feasibility of an underwater confined disposal pit as an environmentally suitable method of containing certain sediments.

(c) REPORT.—The Secretary shall transmit to Congress a report on the results of the studies conducted under this section, together with any recommendations of the Secretary concerning reduction of sediment deposition referred to in subsection (a).

SEC. 424. PORT OF NEW YORK-NEW JERSEY NAVIGATION STUDY.

The Secretary shall conduct a comprehensive study of navigation needs at the Port of New York-New Jersey (including the South Brooklyn Marine and Red Hook Container Terminals, Staten Island, and adjacent areas) to address improvements, including deepening of existing channels to depths of 50 feet or greater, that are required to provide economically efficient and environmentally sound navigation to meet current and future requirements.

SEC. 425. CHAGRIN RIVER, OHIO.

The Secretary shall conduct a study of flooding problems along the Chagrin River in Eastlake, Ohio. In conducting such study, the Secretary shall evaluate potential solutions to flooding from all sources, including that resulting from ice jams, and shall evaluate the feasibility of a sedimentation collection pit and other potential measures to reduce flooding.

SEC. 426. CUYAHOGA RIVER, OHIO.

The Secretary shall conduct a study to evaluate the integrity of the bulkhead system located on the Federal channel along the Cuyahoga River in the vicinity of Cleveland, Ohio, and shall provide to the non-Federal interest an analysis of costs and repairs of the bulkhead system.

SEC. 427. CHARLESTON, SOUTH CAROLINA, ESTUARY.

The Secretary is authorized to conduct a study of the Charleston estuary area located in Charleston, Berkeley, and Dorchester Counties, South Carolina, for the purpose of evaluating environmental conditions in the tidal reaches of the Ashley, Cooper, Stono, and Wando Rivers and the lower portions of Charleston Harbor.

SEC. 428. MUSTANG ISLAND, CORPUS CHRISTI, TEXAS.

The Secretary shall conduct a study of navigation along the south-central coast of Texas near Corpus Christi for the purpose of determining the feasibility of constructing and maintaining the Packery Channel on the southern portion of Mustang Island.

SEC. 429. PRINCE WILLIAM COUNTY, VIRGINIA.

The Secretary shall conduct a study of flooding, erosion, and other water resources problems in Prince William County, Virginia, including an assessment of wetlands protection, erosion control, and flood damage reduction needs of the County.

SEC. 430. PACIFIC REGION.

(a) STUDY.—The Secretary is authorized to conduct studies in the interest of navigation in that part of the Pacific region that includes American Samoa, Guam, and the Commonwealth of the Northern Mariana Islands.

(b) COST SHARING.—The cost sharing provisions of section 105 of the Water Resources Development Act of 1986 (33 U.S.C. 2215; 100 Stat. 4088–4089) shall apply to studies under this section.

SEC. 431. FINANCING OF INFRASTRUCTURE NEEDS OF SMALL AND MEDIUM PORTS.

(a) STUDY.—The Secretary shall conduct a study of alternative financing mechanisms for ensuring adequate funding for the infrastructure needs of small and medium ports.

(b) MECHANISMS TO BE STUDIED.—Mechanisms to be studied under subsection (a) shall include the establishment of revolving loan funds.

(c) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall transmit to Congress a report containing the results of the study conducted under subsection (a).

TITLE V—MISCELLANEOUS PROVISIONS

SEC. 501. PROJECT DEAUTHORIZATIONS.

The following projects are not authorized after the date of the enactment of this Act:

(1) BRANFORD HARBOR, CONNECTICUT.—The following portion of the project for navigation, Branford River, Connecticut, authorized by the first section of the Rivers and Harbors Appropriations Act of June 13, 1902 (32 Stat. 333): Starting at a point on the Federal channel line whose coordinates are N156181.32, E581572.38, running south 70 degrees 11 minutes 8 seconds west a distance of 171.58 feet to another point on the Federal channel line whose coordinates are N156123.18, E581410.96.

(2) BRIDGEPORT HARBOR, CONNECTICUT.—The following portion of the project for navigation, Bridgeport Harbor, Connecticut, authorized by section 101 of the River and Harbor Act of 1958 (72 Stat. 297): A 2.4-acre anchorage area, 9 feet deep, and an adjacent 0.6-acre anchorage, 6 feet deep, located on the west side of Johnsons River.

(3) GUILFORD HARBOR, CONNECTICUT.—The following portion of the project for navigation, Guilford Harbor, Connecticut, authorized by section 2 of the Act entitled ''An Act authorizing construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes'', approved March 2, 1945 (50 Stat. 13): Starting at a point where the Sluice Creek Channel intersects with the main entrance channel, N159194.63, E623201.07, thence running north 24 degrees 58 minutes 15.2 seconds west 478.40 feet to a point N159628.31, E622999.11, thence running north 20 degrees 18 minutes 31.7 seconds west 351.53 feet to a point N159957.99, E622877.10, thence running north 69 degrees 41 minutes 37.9 seconds east 55.000 feet to a point

N159977.08, E622928.69, thence turning and running south 20 degrees 18 minutes 31.0 seconds east 349.35 feet to a point N159649.45, E623049.94, thence turning and running south 24 degrees 58 minutes 11.1 seconds east 341.36 feet to a point N159340.00, E623194.04, thence turning and running south 90 degrees 0 minutes 0 seconds east 78.86 feet to a point N159340.00, E623272.90.

(4) JOHNSONS RIVER CHANNEL, BRIDGEPORT HARBOR, CONNECTICUT.—The following portion of the project for navigation, Johnsons River Channel, Bridgeport Harbor, Connecticut, authorized by the first section of the Rivers and Harbors Act of July 24, 1946 (60 Stat. 634): Northerly of a line across the Federal channel. The coordinates of such line are N 123318.35, E 486301.68 and N 123257.15, E 486380.77.

(5) MYSTIC RIVER, CONNECTICUT.—The following portion of the project for improving the Mystic River, Connecticut, authorized by the River and Harbor Act approved March 4, 1913 (37 Stat. 802):

Beginning in the 15-foot deep channel at coordinates north 190860.82, east 814416.20, thence running southeast about 52.01 feet to the coordinates north 190809.47, east 814424.49, thence running southwest about 34.02 feet to coordinates north 190780.46, east 814406.70, thence running north about 80.91 feet to the point of beginning.

(6) NORWALK HARBOR, CONNECTICUT.—

(A) DEAUTHORIZATION.—The portion of the project for navigation, Norwalk Harbor, Connecticut, authorized by the River and Harbor Act of March 2, 1919 (40 Stat. 1276), that lies northerly of a line across the Federal channel having coordinates N104199.72, E417774.12 and N104155.59, E417628.96, and those portions of the 6-foot deep East Norwalk Channel and Anchorage, authorized by section 2 of the Act entitled ''An Act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes'', approved March 2, 1945 (59 Stat. 13), not included in the description of the realignment of the project contained in subparagraph (B).

(B) REALIGNMENT DESCRIPTION.—The realigned 6-foot deep East Norwalk Channel and Anchorage is described as follows: starting at a point on the East Norwalk Channel, N95743.02, E419581.37, thence running northwesterly about 463.96 feet to a point N96197.93, E419490.18, thence running northwesterly about 549.32 feet to a point N96608.49, E419125.23, thence running northwesterly about 384.06 feet to a point N96965.94, E418984.75, thence running northwesterly about 407.26 feet to a point N97353.87, E418860.78, thence running westerly about 58.26 feet to a point N97336.26, E418805.24, thence running northwesterly about 70.99 feet to a point N97390.30, E418759.21, thence running westerly about 71.78 feet to a point on the anchorage limit N97405.26, E418689.01, thence running southerly along the western limits of the existing Federal anchorage until reaching a point N95893.74, E419449.17, thence running in a southwesterly direction about 78.74 feet to a point on the East Norwalk Channel N95815.62, E419439.33.

(C) REDESIGNATION.—All of the realigned channel shall be redesignated as anchorage, with the exception of that portion of the channel which narrows to a width of 100 feet and terminates at a line whose coordinates are N96456.81, E419260.06, and N96390.37, E419185.32, which shall remain as a channel.

(7) SOUTHPORT HARBOR, CONNECTICUT.—

(A) DEAUTHORIZATION PORTION OF PROJECT.—The following portions of the project for navigation, Southport Harbor, Connecticut, authorized by the first section of the Rivers and Harbors Act of August 30, 1935 (49 Stat. 1029):

(i) The 6-foot deep anchorage located at the head of the project.

(ii) The portion of the 9-foot deep channel beginning at a bend in the channel whose coordinates are north 109131.16, east 452653.32 running thence in a northeasterly direction about 943.01 feet to a point whose coordinates are north 109635.22, east 453450.31 running thence in a southeasterly direction about 22.66 feet to a point whose coordinates are north 109617.15, east 453463.98 running thence in a southwesterly direction about 945.18 feet to the point of beginning.

(B) REMAINDER.—The remaining portion of the project referred to in subparagraph (A) northerly of a line whose coordinates are north 108699.15, east 452768.36 and north 108655.66, east 452858.73 shall be redesignated as an anchorage.

(8) STONY CREEK, BRANFORD, CONNECTICUT.—The following portion of the project for navigation, Stony Creek, Connecticut, authorized under section 107 of the River and Harbor Act of 1960 (33 U.S.C. 577): The 6-foot maneuvering basin starting at a point N157031.91, E599030.79, thence running northeasterly about 221.16 feet to a point N157191.06, E599184.37, thence running northerly about 162.60 feet to a point N157353.56, E599189.99, thence running southwesterly about 358.90 feet to the point of origin.

(9) KENNEBUNK RIVER, MAINE.—That portion of the project for navigation, Kennebunk River, Maine, authorized by section 101 of the River and Harbor Act of 1962 (76 Stat. 1173) and consisting of a 6-foot deep channel that lies northerly of a line whose coordinates are N191412.53, E417265.28 and N191445.83, E417332.48.

(10) YORK HARBOR, MAINE.—That portion of the project for navigation, York Harbor, Maine, authorized by section 101 of the River and Harbor Act of 1960 (74 Stat. 480), located in the 8-foot deep anchorage area beginning at coordinates N 109340.19, E 372066.93, thence running north 65 degrees 12 minutes 10.5 seconds E 423.27 feet to a point N 109517.71, E372451.17, thence running north 28 degrees 42 minutes 58.3 seconds west 11.68 feet to a point N 109527.95, E 372445.56, thence running south 63 degrees 37 minutes 24.6 seconds west 422.63 feet returning to the point of beginning and that portion in the 8-foot deep anchorage area beginning at coordinates N 108557.24, E 371645.88, thence running south 60 degrees 41 minutes 17.2 seconds east 484.51 feet to a point N 108320.04, E 372068.36, thence running north 29 degrees 12 minutes 53.3 seconds east 15.28 feet to a point N 108333.38, E 372075.82, thence running north 62 degrees 29 minutes 42.1 seconds west 484.73 feet returning to the point of beginning.

(11) CHELSEA RIVER, BOSTON HARBOR, MASSACHUSETTS.—The following portion of the project for navigation, Boston Harbor, Massachusetts, authorized by section 101 of the River and Harbor Act of 1962 (76 Stat. 1173), consisting of a 35-foot deep channel in the Chelsea River: Beginning at a point on the northern limit of the existing project N505357.84, E724519.19, thence running northeasterly about 384.19 feet along the northern limit of the existing project to a bend on the northern limit of the existing project N505526.87, E724864.20, thence running southeasterly about 368.00 feet along the northern limit of the existing project to another point N505404.77, E725211.35, thence running westerly about 594.53 feet to a point N505376.12, E724617.51, thence running southwesterly about 100.00 feet to the point of origin.

(12) COHASSET HARBOR, COHASSET, MASSACHUSETTS.—The following portions of the project for navigation, Cohasset Harbor, Massachusetts, authorized under section 107 of the River and Harbor Act of 1960 (33 U.S.C. 577):

(A) The portion starting at a point N453510.15, E792664.63, thence running south 53 degrees 07 minutes 05.4 seconds west 307.00 feet to a point N453325.90, E792419.07, thence running north 57 degrees 56 minutes 36.8 seconds west 201.00 feet to a point N453432.58, E792248.72, thence running south 88 degrees 57 minutes 25.6 seconds west 50.00 feet to a point N453431.67, E792198.73, thence running north 01 degree 02 minutes 52.3 seconds west 66.71 feet to a point N453498.37, E792197.51, thence running north 69 degrees 12 minutes 52.3 seconds east 332.32 feet to a point N453616.30, E792508.20, thence running south 55 degrees 50 minutes 24.1 seconds east 189.05 feet to the point of origin.

(B) The portion starting at a point N452886.64, E791287.83, thence running south 00 degrees 00 minutes 00.0 seconds west 56.04 feet to a point N452830.60, E791287.83, thence running north 90 degrees 00 minutes 00.0 seconds west 101.92 feet to a point, N452830.60, E791185.91, thence running north 52 degrees 12 minutes 49.7 seconds east 89.42 feet to a point, N452885.39, E791256.58, thence running north 87 degrees 42 minutes 33.8 seconds east 31.28 feet to the point of origin.

(C) The portion starting at a point, N452261.08, E792040.24, thence running north 89 degrees 07 minutes 19.5 seconds east 118.78 feet to a point, N452262.90, E792159.01, thence running south 43 degrees 39 minutes 06.8 seconds west 40.27 feet to a point, N452233.76, E792131.21, thence running north 74 degrees 33 minutes 29.1 seconds west 94.42 feet to a point, N452258.90, E792040.20, thence running north 01 degree 03 minutes 04.3 seconds east 2.18 feet to the point of origin.

(13) FALMOUTH, MASSACHUSETTS.—

(A) DEAUTHORIZATIONS.—The following portions of the project for navigation, Falmouth Harbor, Massachusetts, authorized by section 101 of the River and Harbor Act of 1948 (62 Stat. 1172):

(i) The portion commencing at a point north 199286.37 east 844394.81 a line running north 73 degrees 09 minutes 29 seconds east 440.34 feet to a point north 199413.99 east 844816.36, thence turning and running north 43 degrees 09 minutes 34.5 seconds east 119.99 feet to a point north 199501.52 east 844898.44, thence turning and running south 66 degrees 52 minutes 03.5 seconds east 547.66 feet returning to a point north 199286.41 east 844394.91.

(ii) The portion commencing at a point north 199647.41 east 845035.25 a line running north 43 degrees 09 minutes 33.1 seconds east 767.15 feet to a point north 200207.01 east 845560.00, thence turning and running north 11 degrees 04 minutes 24.3 seconds west 380.08 feet to a point north 200580.01 east 845487.00, thence turning and running north 22 degrees 05 minutes 50.8 seconds east 1332.36 feet to a point north 201814.50 east 845988.21, thence turning and running north 02 degrees 54 minutes 15.7 seconds east 15.0 feet to a point north 201829.48 east 845988.97, thence turning and running south 24 degrees 56 minutes 42.3 seconds west 1410.29 feet returning to the point north 200550.75 east 845394.18.

(B) REDESIGNATION.—The portion of the project for navigation Falmouth, Massachusetts, referred to in subparagraph (A) upstream of a line designated by the 2 points north 199463.18 east 844496.40 and north 199350.36 east 844544.60 is redesignated as an anchorage area.

(14) MYSTIC RIVER, MASSACHUSETTS.—The following portion of the project for navigation, Mystic River, Massachusetts, authorized by section 101 of the River and Harbor Act of 1950 (64 Stat. 164): The 35–foot deep channel beginning at a point on the northern limit of the existing project, N506243.78, E717600.27, thence running easterly about 1000.00 feet along the northern limit of the existing project to a point, N506083.42,

E718587.33, thence running southerly about 40.00 feet to a point, N506043.94, E718580.91, thence running westerly about 1000.00 feet to a point, N506204.29, E717593.85, thence running northerly about 40.00 feet to the point of origin.

(15) RESERVED CHANNEL, BOSTON, MASSACHUSETTS.—That portion of the project for navigation, Reserved Channel, Boston, Massachusetts, authorized by section 101(a)(12) of the Water Resources Development Act of 1990 (104 Stat. 4607), that consists of a 40-foot deep channel beginning at a point along the southern limit of the authorized project, N489391.22, E728246.54, thence running northerly about 54 feet to a point, N489445.53, E728244.97, thence running easterly about 2,926 feet to a point, N489527.38, E731170.41, thence running southeasterly about 81 feet to a point, N489474.87, E731232.55, thence running westerly about 2,987 feet to the point of origin.

(16) WEYMOUTH-FORE AND TOWN RIVERS, MASSACHUSETTS.—The following portions of the project for navigation, Weymouth-Fore and Town Rivers, Boston Harbor, Massachusetts, authorized by section 301 of the River and Harbor Act of 1965 (79 Stat. 1089):

(A) The 35–foot deep channel beginning at a bend on the southern limit of the existing project, N457394.01, E741109.74, thence running westerly about 405.25 feet to a point, N457334.64, E740708.86, thence running southwesterly about 462.60 feet to another bend in the southern limit of the existing project, N457132.00, E740293.00, thence running northeasterly about 857.74 feet along the southern limit of the existing project to the point of origin.

(B) The 15 and 35-foot deep channels beginning at a point on the southern limit of the existing project, N457163.41, E739903.49, thence running northerly about 111.99 feet to a point, N457275.37, E739900.76, thence running westerly about 692.37 feet to a point N457303.40, E739208.96, thence running southwesterly about 190.01 feet to another point on the southern limit of the existing project, N457233.17, E739032.41, thence running easterly about 873.87 feet along the southern limit of the existing project to the point of origin.

(17) COCHECO RIVER, NEW HAMPSHIRE.—The portion of the project for navigation, Cocheco River, New Hampshire, authorized by the first section of the Act entitled ''An Act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes'', approved September 19, 1890 (26 Stat. 436), that consists of a 7-foot deep channel that lies northerly of a line the coordinates of which are N255292.31, E713095.36, and N255334.51, E713138.01.

(18) MORRISTOWN HARBOR, NEW YORK.—The following portion of the project for navigation, Morristown Harbor, New York, authorized by the first section of the Rivers and Harbors Act of January 21, 1927 (44 Stat. 1011): The portion that lies north of the north boundary of Morris Street extended.

(19) OSWEGATCHIE RIVER, OGDENSBURG NEW YORK.—The portion of the Federal channel of the project for navigation, Ogdensburg Harbor, New York, authorized by the first section of the Rivers and Harbors Appropriations Act of June 25, 1910 (36 Stat. 635), as modified by the first section of the Rivers and Harbors Act of August 30, 1935 (49 Stat. 1037), that is in the Oswegatchie River in Ogdensburg, New York, from the southernmost alignment of the Route 68 bridge upstream to the northernmost alignment of the Lake Street bridge.

(20) CONNEAUT HARBOR, OHIO.—The most southerly 300 feet of the 1,670-foot long Shore Arm of the project for navigation, Conneaut Harbor, Ohio, authorized by the first section of the Rivers and Harbors Appropriation Act of June 25, 1910 (36 Stat. 653).

(21) LORAIN SMALL BOAT BASIN, LAKE ERIE, OHIO.—The portion of the Federal navigation channel, Lorain Small Boat Basin, Lake Erie, Ohio, authorized pursuant to section 107 of the River and Harbor Act of 1960 (74 Stat. 486) that is situated in the State of Ohio, County of Lorain, Township of Black River and is a part of Original Black River Township Lot Number 1, Tract Number 1, further known as being submerged lands of Lake Erie owned by the State of Ohio and that is more definitely described as follows:

Commencing at a drill hole found on the centerline of Lakeside Avenue (60 feet in width) at the intersection of the centerline of the East Shorearm of Lorain Harbor, said point is known as United States Army Corps of Engineers Monument No. 203 (N658012.20, E208953.88).

Thence, in a line north 75 degrees 26 minutes 12 seconds west, a distance of 387.87 feet to a point (N658109.73, E2089163.47). This point is hereinafter in this paragraph referred to as the ''principal point of beginning''.

Thence, north 58 degrees 14 minutes 11 seconds west, a distance of 50.00 feet to a point (N658136.05, E2089120.96).

Thence, south 67 degrees 49 minutes 32 seconds west, a distance of 665.16 feet to a point (N657885.00, E2088505.00).

Thence, north 88 degrees 13 minutes 52 seconds west, a distance of 551.38 feet to a point (N657902.02, E2087953.88).

Thence, north 29 degrees 17 minutes 42 seconds east, a distance of 114.18 feet to point (N658001.60, E2088009.75).

Thence, south 88 degrees 11 minutes 40 seconds east, a distance of 477.00 feet to a point (N657986.57, E2088486.51).

Thence, north 68 degrees 11 minutes 06 seconds east, a distance of 601.95 feet to a point (N658210.26, E2089045.35).

Thence, north 35 degrees 11 minutes 34 seconds east, a distance of 89.58 feet to a point (N658283.47, E2089096.98).

Thence, south 20 degrees 56 minutes 30 seconds east, a distance of 186.03 feet to the principal point of beginning (N658109.73, E2089163.47) and containing within such bounds 2.81 acres, more or less, of submerged land.

(22) APPONAUG COVE, WARWICK, RHODE ISLAND.—The following portion of the project for navigation, Apponaug Cove, Rhode Island, authorized under section 101 of the River and Harbor Act of 1960 (74 Stat. 480): The 6-foot channel bounded by coordinates N223269.93, E513089.12; N223348.31, E512799.54; N223251.78, E512773.41; and N223178.0, E513046.0.

(23) PORT WASHINGTON HARBOR, WISCONSIN.—The following portion of the navigation project for Port Washington Harbor, Wisconsin, authorized by the Rivers and Harbors Appropriations Act of July 11, 1870 (16 Stat. 223): Beginning at the northwest corner of project at Channel Pt. No. 36, of the Federal Navigation Project, Port Washington Harbor, Ozaukee County, Wisconsin, at coordinates N513529.68, E2535215.64, thence 188 degrees 31 minutes 59 seconds, a distance of 178.32 feet, thence 196 degrees 47 minutes 17 seconds, a distance of 574.80 feet, thence 270 degrees 58 minutes 25 seconds, a distance of 465.50 feet, thence 178 degrees 56 minutes 17 seconds, a distance of 130.05 feet, thence 87 degrees 17 minutes 05 seconds, a distance of 510.22 feet, thence 104 degrees 58 minutes 31 seconds, a distance of 178.33 feet, thence 115 degrees 47 minutes 55 seconds, a distance of 244.15 feet, thence 25 degrees 12 minutes 08 seconds, a distance of 310.00 feet, thence 294 degrees 46 minutes 50 seconds, a distance of 390.20 feet, thence 16 degrees 56 minutes 16 seconds, a distance of 570.90 feet, thence 266 degrees 01 minutes 25 seconds, a distance of 190.78 feet to Channel Pt. No. 36, point of beginning.

SEC. 502. PROJECT REAUTHORIZATIONS.

(a) GRAND PRAIRIE REGION AND BAYOU METO BASIN, ARKANSAS.—The project for flood control, Grand Prairie Region and Bayou Meto Basin, Arkansas, authorized by section 204 of the Flood Control Act of 1950 (64 Stat. 174) and deauthorized pursuant to section 1001(b)(1) of the Water Resources Development Act of 1986 (33 U.S.C. 579a(b)(1)), is authorized to be carried out by the Secretary; except that the scope of the project includes ground water protection and conservation, agricultural water supply, and waterfowl management.

(b) WHITE RIVER, ARKANSAS.—The project for navigation, White River Navigation to Batesville, Arkansas, authorized by section 601(a) of the Water Resources Development Act of 1986 (100 Stat. 4139) and deauthorized by section 52(b) of the Water Resources Development Act of 1988 (102 Stat. 4045), is authorized to be carried out by the Secretary.

(c) DES PLAINES RIVER, ILLINOIS.—The project for wetlands research, Des Plaines River, Illinois, authorized by section 45 of the Water Resources Development Act of 1988 (102 Stat. 4041) and deauthorized pursuant to section 1001 of the Water Resources Development Act of 1986 (33 U.S.C. 579a(b)), is authorized to be carried out by the Secretary.

(d) ALPENA HARBOR, MICHIGAN.—The project for navigation, Alpena Harbor, Michigan, authorized by section 301 of the River and Harbor Act of 1965 (79 Stat. 1090) and deauthorized pursuant to section 1001 of the Water Resources Development Act of 1986 (33 U.S.C. 579a(b)), is authorized to be carried out by the Secretary.

(e) ONTONAGON HARBOR, ONTONAGON COUNTY, MICHIGAN.—The project for navigation, Ontonagon Harbor, Ontonagon County, Michigan, authorized by section 101 of the River and Harbor Act of 1962 (76 Stat. 1176) and deauthorized pursuant to section 1001 of the Water Resources Development Act of 1986 (33 U.S.C. 579a(b)), is authorized to be carried out by the Secretary.

(f) KNIFE RIVER HARBOR, MINNESOTA.—The project for navigation, Knife River Harbor, Minnesota, authorized by section 100 of the Water Resources Development Act of 1974 (88 Stat. 41) and deauthorized pursuant to section 1001 of the Water Resources Development Act of 1986 (33 U.S.C. 579a(b)), is authorized to be carried out by the Secretary.

(g) CLIFFWOOD BEACH, NEW JERSEY.—The project for hurricane-flood protection and beach erosion control on Raritan Bay and Sandy Hook Bay, New Jersey, authorized by section 203 of the Flood Control Act of 1962 (76 Stat. 118) and deauthorized pursuant to section 1001 of the Water Resources Development Act of 1986 (33 U.S.C. 579a(b)), is authorized to be carried out by the Secretary.

SEC. 503. CONTINUATION OF AUTHORIZATION OF CERTAIN PROJECTS.

(a) GENERAL RULE.—Notwithstanding section 1001 of the Water Resources Development Act of 1986 (33 U.S.C. 579a), the following projects shall remain authorized to be carried out by the Secretary:

(1) CEDAR RIVER HARBOR, MICHIGAN.—The project for navigation, Cedar River Harbor, Michigan, authorized by section 301 of the River and Harbor Act of 1965 (79 Stat. 1090).

(2) CROSS VILLAGE HARBOR, MICHIGAN.—The project for navigation, Cross Village Harbor, Michigan, authorized by section 101 of the River and Harbor Act of 1966 (80 Stat. 1405).

(b) LIMITATION.—A project described in subsection (a) shall not be authorized for construction after the last day of the 5-year period that begins on the date of the enactment of this Act unless, during such period,

funds have been obligated for the construction (including planning and design) of the project.

SEC. 504. LAND CONVEYANCES.

(a) OAKLAND INNER HARBOR TIDAL CANAL PROPERTY, CALIFORNIA.—Section 205 of the Water Resources Development Act of 1990 (104 Stat. 4633) is amended—

(1) by inserting after paragraph (2) the following new paragraph:

''(3) To adjacent land owners, the United States title to all or portions of that part of the Oakland Inner Harbor Tidal Canal which are located within the boundaries of the city in which such land rests. Such conveyance shall be at fair market value.'';

(2) by inserting after ''right-of-way'' the following: ''or other rights deemed necessary by the Secretary''; and

(3) by adding at the end the following: ''The conveyances and processes involved will be at no cost to the United States.''.

(b) MARIEMONT, OHIO.—

(1) IN GENERAL.—The Secretary shall convey to the village of Mariemont, Ohio, for a sum of $85,000 all right, title, and interest of the United States in and to a parcel of land (including improvements thereto) under the jurisdiction of the Corps of Engineers and known as the ''Ohio River Division Laboratory'', as such parcel is described in paragraph (4).

(2) TERMS AND CONDITIONS.—The conveyance under paragraph (1) shall be subject to such terms and conditions as the Secretary considers necessary and appropriate to protect the interests of the United States.

(3) PROCEEDS.—All proceeds from the conveyance under paragraph (1) shall be deposited in the general fund of the Treasury of the United States and credited as miscellaneous receipts.

(4) PROPERTY DESCRIPTION.—The parcel of land referred to in paragraph (1) is the parcel situated in the State of Ohio, County of Hamilton, Township 4, Fractional Range 2, Miami Purchase, Columbia Township, Section 15, being parts of Lots 5 and 6 of the subdivision of the dower tract of the estate of Joseph Ferris as recorded in Plat Book 4, Page 112, of the Plat Records of Hamilton County, Ohio, Recorder's Office, and more particularly described as follows:

Beginning at an iron pin set to mark the intersection of the easterly line of Lot 5 of said subdivision of said dower tract with the northerly line of the right-of-way of the Norfolk and Western Railway Company as shown in Plat Book 27, Page 182, Hamilton County, Ohio, Surveyor's Office, thence with said northerly right-of-way line;

South 70 degrees 10 minutes 13 seconds west 258.52 feet to a point; thence leaving the northerly right-of-way of the Norfolk and Western Railway Company;

North 18 degrees 22 minutes 02 seconds west 302.31 feet to a point in the south line of Mariemont Avenue; thence along said south line;

North 72 degrees 34 minutes 35 seconds east 167.50 feet to a point; thence leaving the south line of Mariemont Avenue;

North 17 degrees 25 minutes 25 seconds west 49.00 feet to a point; thence

North 72 degrees 34 minutes 35 seconds east 100.00 feet to a point; thence

South 17 degrees 25 minutes 25 seconds east 49.00 feet to a point; thence

North 72 degrees 34 minutes 35 seconds east 238.90 feet to a point; thence

South 00 degrees 52 minutes 07 seconds east 297.02 feet to a point in the northerly line of the Norfolk and Western Railway Company; thence with said northerly right-of-way;

South 70 degrees 10 minutes 13 seconds west 159.63 feet to a point of beginning, containing 3.22 acres, more or less.

(c) EUFAULA LAKE, OKLAHOMA.—

(1) IN GENERAL.—The Secretary shall convey to the city of Eufaula, Oklahoma, all right, title, and interest of the United States in and to a parcel of land consisting of approximately 12.5 acres located at the Eufaula Lake project.

(2) CONSIDERATION.—Consideration for the conveyance under paragraph (1) shall be the fair market value of the parcel (as determined by the Secretary) and payment of all costs of the United States in making the conveyance, including the costs of—

(A) the survey required under paragraph (4);

(B) any other necessary survey or survey monumentation;

(C) compliance with the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.); and

(D) any coordination necessary with respect to requirements relating to endangered species, cultural resources, and clean air (including the costs of agency consultation and public hearings).

(3) LAND SURVEYS.—The exact acreage and description of the parcel to be conveyed under paragraph (1) shall be determined by such surveys as the Secretary considers necessary, which shall be carried out to the satisfaction of the Secretary.

(4) ENVIRONMENTAL BASELINE SURVEY.—Prior to making the conveyance under paragraph (1), the Secretary shall conduct an environmental baseline survey to determine the levels of any contamination (as of the date of the survey) for which the United States would be responsible under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.) and any other applicable law.

(5) CONDITIONS CONCERNING RIGHTS AND EASEMENT.—The conveyance under paragraph (1) shall be subject to existing rights and to retention by the United States of a flowage easement over all portions of the parcel that lie at or below the flowage easement contour for the Eufaula Lake project.

(6) OTHER TERMS AND CONDITIONS.—The conveyance under paragraph (1) shall be subject to such other terms and conditions as the Secretary considers necessary and appropriate to protect the interests of the United States.

(d) BOARDMAN, OREGON.—

(1) IN GENERAL.—The Secretary shall convey to the city of Boardman, Oregon, all right, title, and interest of the United States in and to a parcel of land consisting of approximately 141 acres acquired as part of the John Day Lock and Dam project in the vicinity of such city currently under lease to the Boardman Park and Recreation District.

(2) CONSIDERATION.—

(A) PARK AND RECREATION PROPERTIES.—Properties to be conveyed under this subsection that will be retained in public ownership and used for public park and recreation purposes shall be conveyed without consideration. If any such property is no longer used for public park and recreation purposes, then title to such property shall revert to the Secretary.

(B) OTHER PROPERTIES.—Properties to be conveyed under this subsection and not described in subparagraph (A) shall be conveyed at fair market value.

(3) CONDITIONS CONCERNING RIGHTS AND EASEMENT.—The conveyance of properties under this subsection shall be subject to existing first rights of refusal regarding acquisition of such properties and to retention of a flowage easement over portions of the properties that the Secretary determines to be necessary for operation of the project.

(4) OTHER TERMS AND CONDITIONS.—The conveyance of properties under this subsection shall be subject to such other terms and conditions as the Secretary considers necessary and appropriate to protect the interests of the United States.

(e) TRI-CITIES AREA, WASHINGTON.—

(1) GENERAL AUTHORITY.—As soon as practicable after the date of the enactment of this Act, the Secretary shall make the conveyances to the local governments referred to in paragraph (2) of all right, title, and interest of the United States in and to the property described in paragraph (2).

(2) PROPERTY DESCRIPTIONS.—

(A) BENTON COUNTY.—The property to be conveyed pursuant to paragraph (1) to Benton County, Washington, is the property in such county which is designated ''Area D'' on Exhibit A to Army Lease No. DACW–68–1–81–43.

(B) FRANKLIN COUNTY, WASHINGTON.—The property to be conveyed pursuant to paragraph (1) to Franklin County, Washington, is—

(i) the 105.01 acres of property leased pursuant to Army Lease No. DACW–68–1–77–20 as executed by Franklin County, Washington, on April 7, 1977;

(ii) the 35 acres of property leased pursuant to Supplemental Agreement No. 1 to Army Lease No. DACW–68–1–77–20;

(iii) the 20 acres of property commonly known as ''Richland Bend'' which is designated by the shaded portion of Lot 1, Section 11, and the shaded portion of Lot 1, Section 12, Township 9 North, Range 28 East, W.M. on Exhibit D to Supplemental Agreement No. 2 to Army Lease No. DACW–68–1–77–20;

(iv) the 7.05 acres of property commonly known as ''Taylor Flat'' which is designated by the shaded portion of Lot 1, Section 13, Township 11 North, Range 28 East, W.M. on Exhibit D to Supplemental Agreement No. 2 to Army Lease No. DACW–68–1–77–20;

(v) the 14.69 acres of property commonly known as ''Byers Landing'' which is designated by the shaded portion of Lots 2 and 3, Section 2, Township 10 North, Range 28 East, W.M. on Exhibit D to Supplemental Agreement No. 2 to Army Lease No. DACW–68–1–77–20; and

(vi) all levees within Franklin County, Washington, as of the date of the enactment of this Act, and the property upon which the levees are situated.

(C) CITY OF KENNEWICK, WASHINGTON.—The property to be conveyed pursuant to paragraph (1) to the city of Kennewick, Washington, is the property within the city which is subject to the Municipal Sublease Agreement entered into on April 6, 1989, between Benton County, Washington, and the cities of Kennewick and Richland, Washington.

(D) CITY OF RICHLAND, WASHINGTON.—The property to be conveyed pursuant to paragraph (1), to the city of Richland, Washington, is the property within the city which is subject to the Municipal Sublease Agreement entered into on April 6, 1989, between Benton County, Washington, and the Cities of Kennewick and Richland, Washington.

(E) CITY OF PASCO, WASHINGTON.—The property to be conveyed pursuant to paragraph (1), to the city of Pasco, Washington, is—

(i) the property within the city of Pasco, Washington, which is leased pursuant to Army Lease No. DACW–68–1–77–10; and

(ii) all levees within such city, as of the date of the enactment of this Act, and the property upon which the levees are situated.

(F) PORT OF PASCO, WASHINGTON.—The property to be conveyed pursuant to paragraph (1) to the Port of Pasco, Washington, is—

(i) the property owned by the United States which is south of the Burlington Northern Railroad tracks in Lots 1 and 2, Section 20, Township 9 North, Range 31 East, W.M.; and

(ii) the property owned by the United States which is south of the Burlington Northern Railroad tracks in Lots 1, 2, 3, and 4, in each of Sections 21, 22, and 23, Township 9 North, Range 31 East, W.M.

(G) ADDITIONAL PROPERTIES.—In addition to properties described in subparagraphs (A) through (F), the Secretary may convey to a local government referred to in subparagraphs (A) through (F) such properties under the jurisdiction of the Secretary in the Tri-Cities area as the Secretary and the local government agree are appropriate for conveyance.

(3) TERMS AND CONDITIONS.—

(A) IN GENERAL.—The conveyances under paragraph (1) shall be subject to such terms and conditions as the Secretary considers necessary and appropriate to protect the interests of the United States.

(B) SPECIAL RULES FOR FRANKLIN COUNTY.—The property described in paragraph (2)(B)(vi) shall be conveyed only after Franklin County, Washington, has entered into a written agreement with the Secretary which provides that the United States shall continue to operate and maintain the flood control drainage areas and pump stations on the property conveyed and that the United States shall be provided all easements and rights necessary to carry out that agreement.

(C) SPECIAL RULE FOR CITY OF PASCO.—The property described in paragraph (2)(E)(ii) shall be conveyed only after the city of Pasco, Washington, has entered into a written agreement with the Secretary which provides that the United States shall continue to operate and maintain the flood control drainage areas and pump stations on the property conveyed and that the United States shall be provided all easements and rights necessary to carry out that agreement.

(D) CONSIDERATION.—

(i) PARK AND RECREATION PROPERTIES.—Properties to be conveyed under this subsection that will be retained in public ownership and used for public park and recreation purposes shall be conveyed without consideration. If any such property is no longer used for public park and recreation purposes, then title to such property shall revert to the Secretary.

(ii) OTHER PROPERTIES.—Properties to be conveyed under this subsection and not described in clause (i) shall be conveyed at fair market value.

(4) LAKE WALLULA LEVEES.—

(A) DETERMINATION OF MINIMUM SAFE HEIGHT.—

(i) CONTRACT.—Within 30 days after the date of the enactment of this Act, the Secretary shall contract with a private entity agreed to under clause (ii) to determine, within 6 months after such date of enactment, the minimum safe height for the levees of the project for flood control, Lake Wallula, Washington. The Secretary shall have final approval of the minimum safe height.

(ii) AGREEMENT OF LOCAL OFFICIALS.—A contract shall be entered into under clause (i) only with a private entity agreed to by the Secretary, appropriate representatives of Franklin County, Washington, and appropriate representatives of the city of Pasco, Washington.

(B) AUTHORITY.—A local government may reduce, at its cost, the height of any levee of the project for flood control, Lake Wallula, Washington, within the boundaries of such local government to a height not lower than the minimum safe height determined pursuant to subparagraph (A).

(f) APPLICABILITY OF OTHER LAWS.—Any contract for sale, deed, or other transfer of real property under this section shall be carried out in compliance with all applicable provisions of section 120(h) of the Comprehensive Environmental Response, Compensation, and Liability Act and other environmental laws.

SEC. 505. NAMINGS.

(a) MILT BRANDT VISITORS CENTER, CALIFORNIA.—

(1) DESIGNATION.—The visitors center at Warm Springs Dam, California, authorized by section 203 of the Flood Control Act of 1962 (76 Stat. 1192), shall be known and designated as the ''Milt Brandt Visitors Center''.

(2) LEGAL REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the visitors center referred to in paragraph (1) shall be deemed to be a reference to the ''Milt Brandt Visitors Center''.

(b) CARR CREEK LAKE, KENTUCKY.—

(1) DESIGNATION.—Carr Fork Lake in Knott County, Kentucky, authorized by section 203 of the Flood Control Act of 1962 (76 Stat. 1188), shall be known and designated as the ''Carr Creek Lake''.

(2) LEGAL REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the lake referred to in paragraph (1) shall be deemed to be a reference to the ''Carr Creek Lake''.

(c) WILLIAM H. NATCHER BRIDGE, MACEO, KENTUCKY, AND ROCKPORT, INDIANA.—

(1) DESIGNATION.—The bridge on United States Route 231 which crosses the Ohio River between Maceo, Kentucky, and Rockport, Indiana, shall be known and designated as the ''William H. Natcher Bridge''.

(2) LEGAL REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the bridge referred to in paragraph (1) shall be deemed to be a reference to the ''William H. Natcher Bridge''.

(d) JOHN T. MYERS LOCK AND DAM, INDIANA AND KENTUCKY.—

(1) DESIGNATION.—Uniontown Lock and Dam, on the Ohio River, Indiana and Kentucky, shall be known and designated as the ''John T. Myers Lock and Dam''.

(2) LEGAL REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the lock and dam referred to in paragraph (1) shall be deemed to be a reference to the ''John T. Myers Lock and Dam''.

(e) J. EDWARD ROUSH LAKE, INDIANA.—

(1) REDESIGNATION.—The lake on the Wabash River in Huntington and Wells Counties, Indiana, authorized by section 203 of the Flood Control Act of 1958 (72 Stat. 312), and known as Huntington Lake, shall be known and designated as the ''J. Edward Roush Lake''.

(2) LEGAL REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the lake referred to in paragraph (1) shall be deemed to be a reference to the ''J. Edward Roush Lake''.

(f) RUSSELL B. LONG LOCK AND DAM, RED RIVER WATERWAY, LOUISIANA.—

(1) DESIGNATION.—Lock and Dam 4 of the Red River Waterway, Louisiana, shall be known and designated as the ''Russell B. Long Lock and Dam''.

(2) LEGAL REFERENCES.—A reference in any law, map, regulation, document, paper, or other record of the United States to the lock and dam referred to in paragraph (1) shall be deemed to be a reference to the ''Russell B. Long Lock and Dam''.

(g) WILLIAM L. JESS DAM AND INTAKE STRUCTURE, OREGON.—

(1) DESIGNATION.—The dam located at mile 153.6 on the Rogue River in Jackson County, Oregon, and commonly known as the Lost Creek Dam Lake Project, shall be known and designated as the ''William L. Jess Dam and Intake Structure''.

(2) LEGAL REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the dam referred to in section 1 shall be deemed to be a reference to the ''William L. Jess Dam and Intake Structure''.

(h) ABERDEEN LOCK AND DAM, TENNESSEE-TOMBIGBEE WATERWAY.—

(1) DESIGNATION.—The lock and dam at Mile 358 of the Tennessee-Tombigbee Waterway is designated as the ''Aberdeen Lock and Dam''.

(2) LEGAL REFERENCE.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the lock and dam referred to in paragraph (1) is deemed to be a reference to the ''Aberdeen Lock and Dam''.

(i) AMORY LOCK, TENNESSEE-TOMBIGBEE WATERWAY.—

(1) DESIGNATION.—Lock A at Mile 371 of the Tennessee-Tombigbee Waterway is designated as the ''Amory Lock''.

(2) LEGAL REFERENCE.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the lock referred to in paragraph (1) is deemed to be a reference to the ''Amory Lock''.

(j) FULTON LOCK, TENNESSEE-TOMBIGBEE WATERWAY.—

(1) DESIGNATION.—Lock C at Mile 391 of the Tennessee-Tombigbee Waterway is designated as the ''Fulton Lock''.

(2) LEGAL REFERENCE.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the lock referred to in paragraph (1) is deemed to be a reference to the ''Fulton Lock''.

(k) HOWELL HEFLIN LOCK AND DAM, TENNESSEE-TOMBIGBEE WATERWAY.—

(1) REDESIGNATION.—The lock and dam at Mile 266 of the Tennessee-Tombigbee Waterway, known as the Gainesville Lock and Dam, is redesignated as the ''Howell Heflin Lock and Dam''.

(2) LEGAL REFERENCE.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the lock and dam referred to in paragraph (1) is deemed to be a reference to the ''Howell Heflin Lock and Dam''.

(l) G.V. ''SONNY'' MONTGOMERY LOCK, TENNESSEE-TOMBIGBEE WATERWAY.—

(1) DESIGNATION.—Lock E at Mile 407 of the Tennessee-Tombigbee Waterway is designated as the ''G.V. 'Sonny' Montgomery Lock''.

(2) LEGAL REFERENCE.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the lock referred to in paragraph (1) is deemed to be a reference to the ''G.V. 'Sonny' Montgomery Lock''.

(m) JOHN RANKIN LOCK, TENNESSEE-TOMBIGBEE WATERWAY.—

(1) DESIGNATION.—Lock D at Mile 398 of the Tennessee-Tombigbee Waterway is designated as the ''John Rankin Lock''.

(2) LEGAL REFERENCE.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the lock referred to in paragraph (1) is deemed to be a reference to the ''John Rankin Lock''.

(n) JOHN C. STENNIS LOCK AND DAM, TENNESSEE-TOMBIGBEE WATERWAY.—

(1) REDESIGNATION.—The lock and dam at Mile 335 of the Tennessee-Tombigbee Waterway, known as the Columbus Lock and Dam, is redesignated as the ''John C. Stennis Lock and Dam''.

(2) LEGAL REFERENCE.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the lock and dam referred to in paragraph (1) is deemed to be a reference to the ''John C. Stennis Lock and Dam''.

(o) JAMIE WHITTEN LOCK AND DAM, TENNESSEE-TOMBIGBEE WATERWAY.—

(1) REDESIGNATION.—The lock and dam at Mile 412 of the Tennessee-Tombigbee Waterway, known as the Bay Springs Lock and Dam, is redesignated as the ''Jamie Whitten Lock and Dam''.

(2) LEGAL REFERENCE.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the lock and dam referred to in paragraph (1) is deemed to be a reference to the ''Jamie Whitten Lock and Dam''.

(p) GLOVER WILKINS LOCK, TENNESSEE-TOMBIGBEE WATERWAY.—

(1) DESIGNATION.—Lock B at Mile 376 of the Tennessee-Tombigbee Waterway is designated as the ''Glover Wilkins Lock''.

(2) LEGAL REFERENCE.—Any reference in a law, map, regulation, document, paper, or other record to the lock referred to in paragraph (1) is deemed to be a reference to the ''Glover Wilkins Lock''.

SEC. 506. WATERSHED MANAGEMENT, RESTORATION, AND DEVELOPMENT.

(a) IN GENERAL.—The Secretary is authorized to provide technical, planning, and design assistance to non-Federal interests for carrying out watershed management, restoration, and development projects at the locations described in subsection (d).

(b) SPECIFIC MEASURES.—Assistance provided pursuant to subsection (a) may be in support of non-Federal projects for the following purposes:

(1) Management and restoration of water quality.

(2) Control and remediation of toxic sediments.

(3) Restoration of degraded streams, rivers, wetlands, and other waterbodies to their natural condition as a means to control flooding, excessive erosion, and sedimentation.

(4) Protection and restoration of watersheds, including urban watersheds.

(5) Demonstration of technologies for nonstructural measures to reduce destructive impact of flooding.

(c) NON-FEDERAL SHARE.—The non-Federal share of the cost of assistance provided under this section shall be 50 percent.

(d) PROJECT LOCATIONS.—The Secretary may provide assistance under subsection (a) for projects at the following locations:

(1) Gila River and Tributaries, Santa Cruz River, Arizona.

(2) Rio Salado, Salt River, Phoenix and Tempe, Arizona.

(3) Colusa basin, California.

(4) Los Angeles River watershed, California.

(5) Russian River watershed, California.

(6) Sacramento River watershed, California.

(7) San Pablo Bay watershed, California.

(8) Nancy Creek, Utoy Creek, and North Peachtree Creek and South Peachtree Creek basin, Georgia.

(9) Lower Platte River watershed, Nebraska.

(10) Juniata River watershed, Pennsylvania, including Raystown Lake.

(11) Upper Potomac River watershed, Grant and Mineral Counties, West Virginia.

(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $25,000,000 for fiscal years beginning after September 30, 1996.

SEC. 507. LAKES PROGRAM.

Section 602(a) of the Water Resources Development Act of 1986 (100 Stat. 4148–4149) is amended—

(1) by striking ''and'' at the end of paragraph (10);

(2) by striking the period at the end of paragraph (11) and inserting a semicolon; and

(3) by adding at the end the following:

''(12) Goodyear Lake, Otsego County, New York, removal of silt and aquatic growth;

''(13) Otsego Lake, Otsego County, New York, removal of silt and aquatic growth and measures to address high nutrient concentration;

''(14) Oneida Lake, Oneida County, New York, removal of silt and aquatic growth;

''(15) Skaneateles and Owasco Lakes, New York, removal of silt and aquatic growth and prevention of sediment deposit; and

''(16) Twin Lakes, Paris, Illinois, removal of silt and excess aquatic vegetation, including measures to address excessive sedimentation, high nutrient concentration, and shoreline erosion.''.

SEC. 508. MAINTENANCE OF NAVIGATION CHANNELS.

(a) IN GENERAL.—Upon request of the non-Federal interest, the Secretary shall be responsible for maintenance of the following navigation channels constructed or improved by non-Federal interests if the Secretary determines that such maintenance is economically justified and environmentally acceptable and that the channel was constructed in accordance with applicable permits and appropriate engineering and design standards:

(1) Humboldt Harbor and Bay, Fields Landing Channel, California.

(2) Mare Island Strait, California; except that, for purposes of this section, the navigation channel shall be deemed to have been constructed or improved by non-Federal interests.

(3) Mississippi River Ship Channel, Chalmette Slip, Louisiana.

(4) Greenville Inner Harbor Channel, Mississippi.

(5) Providence Harbor Shipping Channel, Rhode Island.

(6) Matagorda Ship Channel, Point Comfort Turning Basin, Texas.

(7) Corpus Christi Ship Channel, Rincon Canal System, Texas.

(8) Brazos Island Harbor, Texas, connecting channel to Mexico.

(9) Blair Waterway, Tacoma Harbor, Washington.

(b) COMPLETION OF ASSESSMENT.—Within 6 months of receipt of a request from the non-Federal interest for Federal assumption of maintenance of a channel listed in subsection (a), the Secretary shall make a determination as provided in subsection (a) and advise the non-Federal interest of the Secretary's determination.

SEC. 509. GREAT LAKES REMEDIAL ACTION PLANS AND SEDIMENT REMEDIATION.

Section 401 of the Water Resources Development Act of 1990 (104 Stat. 4644) is amended to read as follows:

''SEC. 401. GREAT LAKES REMEDIAL ACTION PLANS AND SEDIMENT REMEDIATION.

''(a) GREAT LAKES REMEDIAL ACTION PLANS.—

''(1) IN GENERAL.—The Secretary is authorized to provide technical, planning, and engineering assistance to State and local governments and nongovernmental entities designated by the State or local government in the development and implementation of remedial action plans for areas of concern in the Great Lakes identified under the Great Lakes Water Quality Agreement of 1978.

''(2) NON-FEDERAL SHARE.—Non-Federal interests shall contribute, in cash or by providing in-kind contributions, 50 percent of costs of activities for which assistance is provided under paragraph (1).

''(b) SEDIMENT REMEDIATION DEMONSTRATION PROJECTS.—

''(1) IN GENERAL.—The Secretary, in consultation with the Administrator of the Environmental Protection Agency (acting through the Great Lakes National Program Office), may conduct pilot- and full-scale demonstration projects of promising techniques to remediate contaminated sediments in freshwater coastal regions in the Great Lakes basin. The Secretary must conduct no fewer than 3 full-scale demonstration projects under this subsection.

''(2) SITE SELECTION FOR DEMONSTRATION PROJECTS.—In selecting the sites for the technology demonstration projects, the Secretary shall give priority consideration to Saginaw Bay, Michigan, Sheboygan Harbor, Wisconsin, Grand Calumet River, Indiana, Ashtabula River, Ohio, Buffalo River, New York, and Duluth/Superior Harbor, Minnesota.

''(3) DEADLINE FOR IDENTIFICATIONS.—Within 18 months after the date of the enactment of this subsection, the Secretary shall identify the sites and technologies to be demonstrated and complete each such full-scale demonstration project within 3 years after such date of enactment.

''(4) NON-FEDERAL SHARE.—Non-Federal interests shall contribute 50 percent of costs of projects under this subsection. Such costs may be paid in cash or by providing in-kind contributions.

''(5) AUTHORIZATIONS.—There is authorized to be appropriated to the Secretary to carry out this section $5,000,000 for each of fiscal years 1997 through 2000.''.

SEC. 510. GREAT LAKES DREDGED MATERIAL TESTING AND EVALUATION MANUAL.

The Secretary, in cooperation with the Administrator of the Environmental Protection Agency, shall provide technical assistance to non-Federal interests on testing procedures contained in the Great Lakes Dredged Material Testing and Evaluation Manual developed pursuant to section 230.2(c) of title 40, Code of Federal Regulations.

SEC. 511. GREAT LAKES SEDIMENT REDUCTION.

(a) GREAT LAKES TRIBUTARY SEDIMENT TRANSPORT MODEL.—For each major river system or set of major river systems depositing sediment into a Great Lakes federally authorized commercial harbor, channel maintenance project site, or Area of Concern identified under the Great Lakes Water Quality Agreement of 1978, the Secretary, in consultation and coordination with the Great Lakes States, shall develop a tributary sediment transport model.

(b) REQUIREMENTS FOR MODELS.—In developing a tributary sediment transport model under this section, the Secretary shall—

(1) build upon data and monitoring information generated in earlier studies and programs of the Great Lakes and their tributaries; and

(2) complete models for 30 major river systems, either individually or in combination as part of a set, within the 5-year period beginning on the date of the enactment of this Act.

SEC. 512. GREAT LAKES CONFINED DISPOSAL FACILITIES.

(a) ASSESSMENT.—The Secretary shall conduct an assessment of the general conditions of confined disposal facilities in the Great Lakes.

(b) REPORT.—Not later than 3 years after the date of the enactment of this Act, the Secretary shall transmit to Congress a report on the results of the assessment conducted under subsection (a), including the following:

(1) A description of the cumulative effects of confined disposal facilities in the Great Lakes.

(2) Recommendations for specific remediation actions for each confined disposal facility in the Great Lakes.

(3) An evaluation of, and recommendations for, confined disposal facility management

practices and technologies to conserve capacity at such facilities and to minimize adverse environmental effects at such facilities throughout the Great Lakes system.

SEC. 513. CHESAPEAKE BAY RESTORATION AND PROTECTION PROGRAM.

(a) ESTABLISHMENT.—The Secretary shall establish a pilot program to provide to non-Federal interests in the Chesapeake Bay watershed technical, planning, design, and construction assistance for water-related environmental infrastructure and resource protection and development projects affecting the Chesapeake Bay, including projects for sediment and erosion control, protection of eroding shorelines, protection of essential public works, wastewater treatment and related facilities, water supply and related facilities, and beneficial uses of dredged material, and other related projects.

(b) PUBLIC OWNERSHIP REQUIREMENT.—The Secretary may provide assistance for a project under this section only if the project is publicly owned and will be publicly operated and maintained.

(c) COOPERATION AGREEMENT.—

(1) IN GENERAL.—Before providing assistance under this section, the Secretary shall enter into a project cooperation agreement pursuant to section 221 of the Flood Control Act of 1970 (84 Stat. 1818) with a non-Federal interest to provide for technical, planning, design, and construction assistance for the project.

(2) REQUIREMENTS.—Each agreement entered into pursuant to this subsection shall provide for the following:

(A) PLAN.—Development by the Secretary, in consultation with appropriate Federal, State, and local officials, of a plan, including appropriate engineering plans and specifications and an estimate of expected benefits.

(B) LEGAL AND INSTITUTIONAL STRUCTURES.—Establishment of such legal and institutional structures as are necessary to ensure the effective long-term operation and maintenance of the project by the non-Federal interest.

(d) COST SHARING.—

(1) FEDERAL SHARE.—Except as provided in paragraph (2)(B), the Federal share of the total project costs of each local cooperation agreement entered into under this section shall be 75 percent.

(2) NON-FEDERAL SHARE.—

(A) PROVISION OF LANDS, EASEMENTS, RIGHTS-OF-WAY, AND RELOCATIONS.—The non-Federal interests for a project to which this section applies shall provide the lands, easements, rights-of-way, relocations, and dredged material disposal areas necessary for the project.

(B) VALUE OF LANDS, EASEMENTS, RIGHTS-OF-WAY, AND RELOCATIONS.—In determining the non-Federal contribution toward carrying out a local cooperation agreement entered into under this section, the Secretary shall provide credit to a non-Federal interest for the value of lands, easements, rights-of-way, relocations, and dredged material disposal areas provided by the non-Federal interest, except that the amount of credit provided for a project under this paragraph may not exceed 25 percent of total project costs.

(C) OPERATION AND MAINTENANCE COSTS.—The non-Federal share of the costs of operation and maintenance of carrying out the agreement under this section shall be 100 percent.

(e) APPLICABILITY OF OTHER FEDERAL AND STATE LAWS AND AGREEMENTS.—

(1) IN GENERAL.—Nothing in this section waives, limits, or otherwise affects the applicability of any provision of Federal or State law that would otherwise apply to a project carried out with assistance provided under this section.

(2) COOPERATION.—In carrying out this section, the Secretary shall cooperate with the heads of appropriate Federal agencies.

(f) REPORT.—Not later than December 31, 1998, the Secretary shall transmit to Congress a report on the results of the program carried out under this section, together with a recommendation concerning whether or not the program should be implemented on a national basis.

(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $15,000,000.

SEC. 514. EXTENSION OF JURISDICTION OF MISSISSIPPI RIVER COMMISSION.

The jurisdiction of the Mississippi River Commission, established by the first section of the Act of June 28, 1879 (33 U.S.C. 641; 21 Stat. 37), is extended to include—

(1) all of the area between the eastern side of the Bayou Lafourche Ridge from Donaldsonville, Louisiana, to the Gulf of Mexico and the west guide levee of the Mississippi River from Donaldsonville, Louisiana, to the Gulf of Mexico;

(2) Alexander County, Illinois; and

(3) the area in the State of Illinois from the confluence of the Mississippi and Ohio Rivers northward to the vicinity of Mississippi River mile 39.5, including the Len Small Drainage and Levee District, insofar as such area is affected by the flood waters of the Mississippi River.

SEC. 515. ALTERNATIVE TO ANNUAL PASSES.

(a) IN GENERAL.—The Secretary shall evaluate the feasibility of implementing an alternative to the $25 annual pass that the Secretary currently offers to users of recreation facilities at water resources projects of the Corps of Engineers.

(b) ANNUAL PASS.—The evaluation under subsection (a) shall include the establishment of an annual pass which costs $10 or less for the use of recreation facilities at Raystown Lake, Pennsylvania.

(c) REPORT.—Not later than December 31, 1998, the Secretary shall transmit to Congress a report on the results of the project carried out under this section, together with recommendations concerning whether annual passes for individual projects should be offered on a nationwide basis.

SEC. 516. RECREATION PARTNERSHIP INITIATIVE.

(a) IN GENERAL.—The Secretary shall promote Federal, non-Federal, and private sector cooperation in creating public recreation opportunities and developing the necessary supporting infrastructure at water resources projects of the Corps of Engineers.

(b) INFRASTRUCTURE IMPROVEMENTS.—

(1) RECREATION INFRASTRUCTURE IMPROVEMENTS.—In demonstrating the feasibility of the public-private cooperative, the Secretary shall provide, at Federal expense, such infrastructure improvements as are necessary to support a potential private recreational development at the Raystown Lake Project, Pennsylvania, generally in accordance with the Master Plan Update (1994) for the project.

(2) AGREEMENT.—The Secretary shall enter into an agreement with an appropriate non-Federal public entity to ensure that the infrastructure improvements constructed by the Secretary on non-project lands pursuant to paragraph (1) are transferred to and operated and maintained by the non-Federal public entity.

(3) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection $4,500,000 for fiscal years beginning after September 30, 1996.

(c) REPORT.—Not later than December 31, 1998, the Secretary shall transmit to Congress a report on the results of the cooperative efforts carried out under this section, including the improvements required by subsection (b).

SEC. 517. ENVIRONMENTAL INFRASTRUCTURE.

Section 219 of the Water Resources Development Act of 1992 (106 Stat. 4836–4837) is amended by adding at the end the following new subsection:

''(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for providing construction assistance under this section—

''(1) $10,000,000 for the project described in subsection (c)(5);

''(2) $2,000,000 for the project described in subsection (c)(6);

''(3) $10,000,000 for the project described in subsection (c)(7);

''(4) $11,000,000 for the project described in subsection (c)(8);

''(5) $20,000,000 for the project described in subsection (c)(16); and

''(6) $20,000,000 for the project described in subsection (c)(17).''.

SEC. 518. CORPS CAPABILITY TO CONSERVE FISH AND WILDLIFE.

Section 704(b) of the Water Resources Development Act of 1986 (33 U.S.C. 2263(b); 100 Stat. 4157) is amended—

(1) by striking ''$5,000,000''; and inserting ''$10,000,000''; and

(2) in paragraph (4) by inserting ''and Virginia'' after ''Maryland''.

SEC. 519. PERIODIC BEACH NOURISHMENT.

The Secretary shall carry out periodic beach nourishment for each of the following projects for a period of 50 years beginning on the date of initiation of construction of such project:

(1) BROWARD COUNTY, FLORIDA.—Project for shoreline protection, segments II and III, Broward County, Florida.

(2) FORT PIERCE, FLORIDA.—Project for shoreline protection, Fort Pierce, Florida.

(3) LEE COUNTY, FLORIDA.—Project for shoreline protection, Lee County, Captiva Island segment, Florida.

(4) PALM BEACH COUNTY, FLORIDA.—Project for shoreline protection, Jupiter/Carlin, Ocean Ridge, and Boca Raton North Beach segments, Palm Beach County, Florida.

(5) PANAMA CITY BEACHES, FLORIDA.—Project for shoreline protection, Panama City Beaches, Florida.

(6) TYBEE ISLAND, GEORGIA.—Project for beach erosion control, Tybee Island, Georgia.

SEC. 520. CONTROL OF AQUATIC PLANTS.

The Secretary shall carry out under section 104(b) of the River and Harbor Act of 1958 (33 U.S.C. 610(b))—

(1) a program to control aquatic plants in Lake St. Clair, Michigan; and

(2) program to control aquatic plants in the Schuylkill River, Philadelphia, Pennsylvania.

SEC. 521. HOPPER DREDGES.

Section 3 of the Act of August 11, 1888 (33 U.S.C. 622; 25 Stat. 423), is amended by adding at the end the following:

''(c) PROGRAM TO INCREASE USE OF PRIVATE HOPPER DREDGES.—

''(1) INITIATION.—The Secretary shall initiate a program to increase the use of private industry hopper dredges for the construction and maintenance of Federal navigation channels.

''(2) READY RESERVE STATUS FOR HOPPER DREDGE WHEELER.—In order to carry out the requirements of this subsection, the Secretary shall, not later than the earlier of 90 days after the date of completion of the rehabilitation of the hopper dredge McFarland pursuant to section 564 of the Water Resources Development Act of 1996 or October 1, 1997, place the Federal hopper dredge Wheeler in a ready reserve status.

''(3) TESTING AND USE OF READY RESERVE HOPPER DREDGE.—The Secretary may periodically perform routine tests of the equipment

of the vessel placed in a ready reserve status under this subsection to ensure the vessel's ability to perform emergency work. The Secretary shall not assign any scheduled hopper dredging work to such vessel but shall perform any repairs needed to maintain the vessel in a fully operational condition. The Secretary may place the vessel in active status in order to perform any dredging work only in the event the Secretary determines that private industry has failed to submit a responsive and responsible bid for work advertised by the Secretary or to carry out the project as required pursuant to a contract with the Secretary.

''(4) REPAIR AND REHABILITATION.—The Secretary may undertake any repair and rehabilitation of any Federal hopper dredge, including the vessel placed in ready reserve status under paragraph (2) to allow the vessel to be placed into active status as provided in paragraph (3).

''(5) PROCEDURES.—The Secretary shall develop and implement procedures to ensure that, to the maximum extent practicable, private industry hopper dredge capacity is available to meet both routine and time-sensitive dredging needs. Such procedures shall include—

''(A) scheduling of contract solicitations to effectively distribute dredging work throughout the dredging season; and

''(B) use of expedited contracting procedures to allow dredges performing routine work to be made available to meet time-sensitive, urgent, or emergency dredging needs.

''(6) REPORT.—Not later than 2 years after the date of the enactment of this subsection, the Secretary shall report to Congress on whether the vessel placed in ready reserve status pursuant to paragraph (2) is needed to be returned to active status or continued in a ready reserve status or whether another Federal hopper dredge should be placed in a ready reserve status.

''(7) LIMITATIONS.—

''(A) REDUCTIONS IN STATUS.—The Secretary may not further reduce the readiness status of any Federal hopper dredge below a ready reserve status except any vessel placed in such status for not less than 5 years which the Secretary determines has not been used sufficiently to justify retaining the vessel in such status.

''(B) INCREASE IN ASSIGNMENTS OF DREDGING WORK.—For each fiscal year beginning after the date of the enactment of this subsection, the Secretary shall not assign any greater quantity of dredging work to any Federal hopper dredge in an active status than was assigned to that vessel in the average of the 3 prior fiscal years.

''(8) CONTRACTS; PAYMENT OF CAPITAL COSTS.—The Secretary may enter into a contract for the maintenance and crewing of any vessel retained in a ready reserve status. The capital costs (including depreciation costs) of any vessel retained in such status shall be paid for out of funds made available from the Harbor Maintenance Trust Fund and shall not be charged against the Corps of Engineers' Revolving Fund Account or any individual project cost unless the vessel is specifically used in connection with that project.''.

SEC. 522. DESIGN AND CONSTRUCTION ASSISTANCE.

The Secretary shall provide design and construction assistance to non-Federal interests for the following projects:

(1) Repair and rehabilitation of the Lower Girard Lake Dam, Girard, Ohio, at an estimated total cost of $2,500,000.

(2) Construction of a multi-purpose dam and reservoir, Bear Valley Dam, Franklin County, Pennsylvania, at an estimated total cost of $15,000,000.

(3) Repair and upgrade of the dam and appurtenant features at Lake Merriweather, Little Calfpasture River, Virginia, at an estimated total cost of $6,000,000.

SEC. 523. FIELD OFFICE HEADQUARTERS FACILITIES.

Subject to amounts being made available in advance in appropriations Acts, the Secretary may use Plant Replacement and Improvement Program funds to design and construct a new headquarters facility for—

(1) the New England Division, Waltham, Massachusetts; and

(2) the Jacksonville District, Jacksonville, Florida.

SEC. 524. CORPS OF ENGINEERS RESTRUCTURING PLAN.

(a) DIVISION OFFICE, CHICAGO, ILLINOIS.—The Secretary shall continue to maintain a division office of the Corps of Engineers in Chicago, Illinois, notwithstanding any plan developed pursuant to title I of the Energy and Water Development Appropriations Act, 1996 (109 Stat. 405) to reduce the number of division offices. Such division office shall be responsible for the 5 district offices for which the division office was responsible on June 1, 1996.

(b) DISTRICT OFFICE, ST. LOUIS, MISSOURI.—The Secretary shall not reassign the St. Louis District of the Corps of Engineers from the operational control of the Lower Mississippi Valley Division.

SEC. 525. LAKE SUPERIOR CENTER.

(a) CONSTRUCTION.—The Secretary, shall assist the Minnesota Lake Superior Center authority in the construction of an educational facility to be used in connection with efforts to educate the public in the economic, recreational, biological, aesthetic, and spiritual worth of Lake Superior and other large bodies of fresh water.

(b) PUBLIC OWNERSHIP.—Prior to providing any assistance under subsection (a), the Secretary shall verify that the facility to be constructed under subsection (a) will be owned by the public authority established by the State of Minnesota to develop, operate, and maintain the Lake Superior Center.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for fiscal years beginning after September 30, 1996, $10,000,000 for the construction of the facility under subsection (a).

SEC. 526. JACKSON COUNTY, ALABAMA.

The Secretary shall provide technical, planning, and design assistance to non-Federal interests for wastewater treatment and related facilities, remediation of point and nonpoint sources of pollution and contaminated riverbed sediments, and related activities in Jackson County, Alabama, including the city of Stevenson. The Federal cost of such assistance may not exceed $5,000,000.

SEC. 527. EARTHQUAKE PREPAREDNESS CENTER OF EXPERTISE EXTENSION.

The Secretary shall establish an extension of the Earthquake Preparedness Center of Expertise for the central United States at an existing district office of the Corps of Engineers near the New Madrid fault.

SEC. 528. QUARANTINE FACILITY.

Section 108(c) of the Water Resources Development Act of 1992 (106 Stat. 4816) is amended by striking ''$1,000,000'' and inserting ''$4,000,000''.

SEC. 529. BENTON AND WASHINGTON COUNTIES, ARKANSAS.

Section 220 of the Water Resources Development Act of 1992 (106 Stat. 4836–4837) is amended by adding at the end the following new subsection:

''(c) USE OF FEDERAL FUNDS.—The Secretary may make available to the non-Federal interests funds not to exceed an amount equal to the Federal share of the total project cost to be used by the non-Federal interests to undertake the work directly or by contract.''.

SEC. 530. CALAVERAS COUNTY, CALIFORNIA.

(a) COOPERATION AGREEMENTS.—The Secretary shall enter into cooperation agreements with non-Federal interests to develop and carry out, in cooperation with Federal and State agencies, reclamation and protection projects for the purpose of abating and mitigating surface water quality degradation caused by abandoned mines in the watershed of the lower Mokelume River in Calaveras County, California.

(b) CONSULTATION WITH FEDERAL ENTITIES.—Any project under subsection (a) that is located on lands owned by the United States shall be undertaken in consultation with the Federal entity with administrative jurisdiction over such lands.

(c) FEDERAL SHARE.—The Federal share of the cost of the activities conducted under cooperation agreements entered into under subsection (a) shall be 75 percent; except that, with respect to projects located on lands owned by the United States, the Federal share shall be 100 percent. The non-Federal share of project costs may be provided in the form of design and construction services. Non-Federal interests shall receive credit for the reasonable costs of such services completed by such interests prior to entering an agreement with the Secretary for a project.

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $5,000,000 for projects undertaken under this section.

SEC. 531. FARMINGTON DAM, CALIFORNIA.

(a) CONJUNCTIVE USE STUDY.—The Secretary is directed to continue participation in the Stockton, California Metropolitan Area Flood Control study to include the evaluation of the feasibility of storage of water at Farmington Dam to implement a conjunctive use plan. In conducting the study, the Secretary shall consult with the Stockton East Water District concerning joint operation or potential transfer of Farmington Dam. The Secretary shall make recommendations on facility transfers and operational alternatives as part of the Secretary's report to Congress.

(b) REPORT.—The Secretary shall report to Congress, no later than 1 year after the date of the enactment of this Act, on the feasibility of a conjunctive use plan using Farmington Dam for water storage.

SEC. 532. LOS ANGELES COUNTY DRAINAGE AREA, CALIFORNIA.

The non-Federal share for a project to add water conservation to the existing Los Angeles County Drainage Area, California, project shall be 100 percent of separable first costs and separable operation, maintenance, and replacement costs associated with the water conservation purpose.

SEC. 533. PRADO DAM SAFETY IMPROVEMENTS, CALIFORNIA.

The Secretary, in coordination with the State of California, shall provide technical assistance to Orange County, California, in developing appropriate public safety and access improvements associated with that portion of California State Route 71 being relocated for the Prado Dam feature of the project authorized as part of the project for flood control, Santa Ana River Mainstem, California, by section 401(a) of the Water Resources Development Act of 1986 (100 Stat. 4113).

SEC. 534. SEVEN OAKS DAM, CALIFORNIA.

The non-Federal share for a project to add water conservation to the Seven Oaks Dam, Santa Ana River Mainstem, California, project shall be 100 percent of separable first costs and separable operation, maintenance,

and replacement costs associated with the water conservation purpose.

SEC. 535. MANATEE COUNTY, FLORIDA.

The project for flood control, Cedar Hammock (Wares Creek), Florida, is authorized to be carried out by the Secretary substantially in accordance with the Final Detailed Project Report and Environmental Assessment, dated April 1995, at a total cost of $13,846,000, with an estimated first Federal cost of $8,783,000 and an estimated non-Federal cost of $5,063,000.

SEC. 536. TAMPA, FLORIDA.

The Secretary may enter into a cooperative agreement under section 230 of this Act with the Museum of Science and Industry, Tampa, Florida, to provide technical, planning, and design assistance to demonstrate the water quality functions found in wetlands, at an estimated total Federal cost of $500,000.

SEC. 537. WATERSHED MANAGEMENT PLAN FOR DEEP RIVER BASIN, INDIANA.

(a) DEVELOPMENT.—The Secretary, in consultation with the Natural Resources Conservation Service of the Department of Agriculture, shall develop a watershed management plan for the Deep River Basin, Indiana, which includes Deep River, Lake George, Turkey Creek, and other related tributaries in Indiana.

(b) CONTENTS.—The plan to be developed by the Secretary under subsection (a) shall address specific concerns related to the Deep River Basin area, including sediment flow into Deep River, Turkey Creek, and other tributaries; control of sediment quality in Lake George; flooding problems; the safety of the Lake George Dam; and watershed management.

SEC. 538. SOUTHERN AND EASTERN KENTUCKY.

(a) ESTABLISHMENT OF PROGRAM.—The Secretary shall establish a program for providing environmental assistance to non-Federal interests in southern and eastern Kentucky. Such assistance may be in the form of design and construction assistance for water-related environmental infrastructure and resource protection and development projects in southern and eastern Kentucky, including projects for wastewater treatment and related facilities, water supply, storage, treatment, and distribution facilities, and surface water resource protection and development.

(b) PUBLIC OWNERSHIP REQUIREMENT.—The Secretary may provide assistance for a project under this section only if the project is publicly owned.

(c) PROJECT COOPERATION AGREEMENTS.—

(1) IN GENERAL.—Before providing assistance under this section, the Secretary shall enter into a project cooperation agreement with a non-Federal interest to provide for design and construction of the project to be carried out with such assistance.

(2) REQUIREMENTS.—Each agreement entered into under this subsection shall provide for the following:

(A) PLAN.—Development by the Secretary, in consultation with appropriate Federal and State officials, of a facilities development plan or resource protection plan, including appropriate plans and specifications.

(B) LEGAL AND INSTITUTIONAL STRUCTURES.—Establishment of each such legal and institutional structures as are necessary to assure the effective long-term operation of the project by the non-Federal interest.

(3) COST SHARING.—

(A) IN GENERAL.—Total project costs under each agreement entered into under this subsection shall be shared at 75 percent Federal and 25 percent non-Federal, except that the non-Federal interest shall receive credit for the reasonable costs of design work completed by such interest before entry into the agreement with the Secretary. The Federal share may be in the form of grants or reimbursements of project costs.

(B) CREDIT FOR CERTAIN FINANCING COSTS.—In the event of delays in the reimbursement of the non-Federal share of a project, the non-Federal interest shall receive credit for reasonable interest and other associated financing costs necessary for such non-Federal interest to provide the non-Federal share of the project's cost.

(C) LANDS, EASEMENTS, AND RIGHTS-OF-WAY.—The non-Federal interest shall receive credit for lands, easements, rights-of-way, and relocations provided by the non-Federal interest toward its share of project costs, including for costs associated with obtaining permits necessary for the placement of such project on publicly owned or controlled lands, but not to exceed 25 percent of total project costs.

(D) OPERATION AND MAINTENANCE.—Operation and maintenance costs shall be 100 percent non-Federal.

(d) APPLICABILITY OF OTHER FEDERAL AND STATE LAWS.—Nothing in this section shall be construed as waiving, limiting, or otherwise affecting the applicability of any provision of Federal or State law which would otherwise apply to a project to be carried out with assistance provided under this section.

(e) REPORT.—Not later than December 31, 1999, the Secretary shall transmit to Congress a report on the results of the program carried out under this section, together with recommendations concerning whether or not such program should be implemented on a national basis.

(f) SOUTHERN AND EASTERN KENTUCKY DEFINED.—For purposes of this section, the term ''southern and eastern Kentucky'' means Morgan, Floyd, Pulaski, Wayne, Laurel, Knox, Pike, Menifee, Perry, Harlan, Breathitt, Martin, Jackson, Wolfe, Clay, Magoffin, Owsley, Johnson, Leslie, Lawrence, Knott, Bell, McCreary, Rockcastle, Whitley, Lee, and Letcher Counties, Kentucky.

(g) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $10,000,000.

SEC. 539. LOUISIANA COASTAL WETLANDS RESTORATION PROJECTS.

Section 303(f) of the Coastal Wetlands Planning, Protection and Restoration Act (16 U.S.C. 3952(f); 104 Stat. 4782–4783) is amended—

(1) in paragraph (4) by striking ''and (3)'' and inserting ''(3), and (5)''; and

(2) by adding at the end the following:

''(5) FEDERAL SHARE IN CALENDAR YEARS 1996 AND 1997.—Notwithstanding paragraphs (1) and (2), amounts made available in accordance with section 306 of this title to carry out coastal wetlands restoration projects under this section in calendar years 1996 and 1997 shall provide 90 percent of the cost of such projects.''.

SEC. 540. SOUTHEAST LOUISIANA.

(a) FLOOD CONTROL.—The Secretary is directed to proceed with engineering, design, and construction of projects to provide for flood control and improvements to rainfall drainage systems in Jefferson, Orleans, and St. Tammany Parishes, Louisiana, in accordance with the following reports of the New Orleans District Engineer: Jefferson and Orleans Parishes, Louisiana, Urban Flood Control and Water Quality Management, July 1992; Tangipahoa, Techefuncte, and Tickfaw Rivers, Louisiana, June 1991; St. Tammany Parish, Louisiana, July 1996; and Schneider Canal, Slidell, Louisiana, Hurricane Protection, May 1990.

(b) COST SHARING.—The cost of any work performed by the non-Federal interests subsequent to the reports referred to in subsection (a) and determined by the Secretary to be a compatible and integral part of the projects shall be credited toward the non-Federal share of the projects.

(c) FUNDING.—There is authorized to be appropriated $100,000,000 for the initiation and partial accomplishment of projects described in the reports referred to in subsection (a).

SEC. 541. RESTORATION PROJECTS FOR MARYLAND, PENNSYLVANIA, AND WEST VIRGINIA.

(a) IN GENERAL.—

(1) COOPERATION AGREEMENTS.—The Secretary shall enter into cooperation agreements with non-Federal interests to develop and carry out, in cooperation with Federal and State agencies, reclamation and protection projects for the purpose of abating and mitigating surface water quality degradation caused by abandoned mines along—

(A) the North Branch of the Potomac River, Maryland, Pennsylvania, and West Virginia; and

(B) the New River, West Virginia, watershed.

(2) ADDITIONAL MEASURES.—Projects under paragraph (1) may also include measures for the abatement and mitigation of surface water quality degradation caused by the lack of sanitary wastewater treatment facilities or the need to enhance such facilities.

(3) CONSULTATION WITH FEDERAL ENTITIES.—Any project under paragraph (1) that is located on lands owned by the United States shall be undertaken in consultation with the Federal entity with administrative jurisdiction over such lands.

(b) FEDERAL SHARE.—The Federal share of the cost of the activities conducted under cooperation agreements entered into under subsection (a)(1) shall be 75 percent; except that, with respect to projects located on lands owned by the United States, the Federal share shall be 100 percent. The non-Federal share of project costs may be provided in the form of design and construction services. Non-Federal interests shall receive credit for the reasonable costs of such services completed by such interests prior to entering an agreement with the Secretary for a project.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $5,000,000 for projects undertaken under subsection (a)(1)(A) and $5,000,000 for projects undertaken under subsection (a)(1)(B).

SEC. 542. CUMBERLAND, MARYLAND.

The Secretary is directed to provide technical, planning, and design assistance to State, local, and other Federal entities for the restoration of the Chesapeake and Ohio Canal, in the vicinity of Cumberland, Maryland.

SEC. 543. BENEFICIAL USE OF DREDGED MATERIAL, POPLAR ISLAND, MARYLAND.

The Secretary shall carry out a project for the beneficial use of dredged material at Poplar Island, Maryland, pursuant to section 204 of the Water Resources Development Act of 1992; except that, notwithstanding the limitation contained in subsection (e) of such section, the initial cost of constructing dikes for the project shall be $78,000,000, with an estimated Federal cost of $58,500,000 and an estimated non-Federal cost of $19,500,000.

SEC. 544. EROSION CONTROL MEASURES, SMITH ISLAND, MARYLAND.

(a) IN GENERAL.—The Secretary shall implement erosion control measures in the vicinity of Rhodes Point, Smith Island, Maryland, at an estimated total Federal cost of $450,000.

(b) IMPLEMENTATION ON EMERGENCY BASIS.—The project under subsection (a) shall be carried out on an emergency basis in view of the national, historic, and cultural value of the island and in order to protect

the Federal investment in infrastructure facilities.

(c) COST SHARING.—Cost sharing applicable to hurricane and storm damage reduction shall be applicable to the project to be carried out under subsection (a).

SEC. 545. DULUTH, MINNESOTA, ALTERNATIVE TECHNOLOGY PROJECT.

(a) PROJECT AUTHORIZATION.—The Secretary shall develop and implement alternative methods for decontamination and disposal of contaminated dredged material at the Port of Duluth, Minnesota.

(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for fiscal years beginning after September 30, 1996, to carry out this section $1,000,000. Such sums shall remain available until expended.

SEC. 546. REDWOOD RIVER BASIN, MINNESOTA.

(a) STUDY AND STRATEGY DEVELOPMENT.—The Secretary, in cooperation with the Secretary of Agriculture and the State of Minnesota, shall conduct a study, and develop a strategy, for using wetland restoration, soil and water conservation practices, and nonstructural measures to reduce flood damages, improve water quality, and create wildlife habitat in the Redwood River basin and the subbasins draining into the Minnesota River, at an estimated Federal cost of $4,000,000.

(b) NON-FEDERAL SHARE.—The non-Federal share of the cost of the study and development of the strategy shall be 25 percent and may be provided through in-kind services and materials.

(c) COOPERATION AGREEMENT.—In conducting the study and developing the strategy under this section, the Secretary shall enter into cooperation agreements to provide financial assistance to appropriate Federal, State, and local government agencies, including activities for the implementation of wetland restoration projects and soil and water conservation measures.

(d) IMPLEMENTATION.—The Secretary shall undertake development and implementation of the strategy authorized by this section in cooperation with local landowners and local government officials.

SEC. 547. NATCHEZ BLUFFS, MISSISSIPPI.

(a) IN GENERAL.—The Secretary shall carry out the project for bluff stabilization, Natchez Bluffs, Natchez, Mississippi, substantially in accordance with (1) the Natchez Bluffs Study, dated September 1985, (2) the Natchez Bluffs Study: Supplement I, dated June 1990, and (3) the Natchez Bluffs Study: Supplement II, dated December 1993, in the portions of the bluffs described in subsection (b), at a total cost of $17,200,000, with an estimated Federal cost of $12,900,000 and an estimated non-Federal cost of $4,300,000.

(b) DESCRIPTION OF PROJECT LOCATION.—The portions of the Natchez Bluffs where the project is to be carried out under subsection (a) are described in the studies referred to in subsection (a) as—

(1) Clifton Avenue, area 3;

(2) the bluff above Silver Street, area 6;

(3) the bluff above Natchez Under-the-Hill, area 7; and

(4) Madison Street to State Street, area 4.

SEC. 548. SARDIS LAKE, MISSISSIPPI.

(a) MANAGEMENT.—The Secretary shall work cooperatively with the State of Mississippi and the city of Sardis, Mississippi, to the maximum extent practicable, in the management of existing and proposed leases of land consistent with the Sardis Lake Recreation and Tourism Master Plan prepared by the city for the economic development of the Sardis Lake area.

(b) FLOOD CONTROL STORAGE.—The Secretary shall review the study conducted by the city of Sardis, Mississippi, regarding the impact of the Sardis Lake Recreation and Tourism Master Plan prepared by the city on flood control storage in Sardis Lake. The city shall not be required to reimburse the Secretary for the cost of such storage, or the cost of the Secretary's review, if the Secretary finds that the loss of flood control storage resulting from implementation of the master plan is not significant.

SEC. 549. MISSOURI RIVER MANAGEMENT.

(a) NAVIGATION SEASON EXTENSION.—

(1) INCREASES.—The Secretary, working with the Secretary of Agriculture and the Secretary of the Interior, shall incrementally increase the length of each navigation season for the Missouri River by 15 days from the length of the previous navigation season and those seasons thereafter, until such time as the navigation season for the Missouri River is increased by 1 month from the length of the navigation season on April 1, 1996.

(2) APPLICATION OF INCREASES.—Increases in the length of the navigation season under paragraph (1) shall be applied in calendar year 1996 so that the navigation season in such calendar year for the Missouri River begins on April 1, 1996, and ends on December 15, 1996.

(3) ADJUSTMENT OF NAVIGATION LEVELS.—Scheduled full navigation levels shall be incrementally increased to coincide with increases in the navigation season under paragraph (1).

(b) WATER CONTROL POLICIES AFFECTING NAVIGATION CHANNELS.—The Secretary may not take any action which is inconsistent with a water control policy of the Corps of Engineers in effect on January 1, 1995, if such action would result in—

(1) a reduction of 10 days or more in the total number of days in a year during which vessels are able to use navigation channels; or

(2) a substantial increase in flood damage to lands adjacent to a navigation channel, unless such action is specifically authorized by a law enacted after the date of the enactment of this Act.

(c) ECONOMIC AND ENVIRONMENTAL IMPACT EVALUATION.—Whenever a Federal department, agency, or instrumentality conducts an environmental impact statement with respect to management of the Missouri River system, the head of such department, agency, or instrumentality shall also conduct a cost benefit analysis on any changes proposed in the management of the Missouri River.

SEC. 550. ST. CHARLES COUNTY, MISSOURI, FLOOD PROTECTION.

(a) IN GENERAL.—Notwithstanding any other provision of law or regulation, no county located at the confluence of the Missouri and Mississippi Rivers or community located in any county located at the confluence of the Missouri and Mississippi Rivers shall have its participation in any Federal program suspended, revoked, or otherwise affected solely due to that county or community permitting the raising of levees by any public-sponsored levee district, along an alignment approved by the circuit court of such county, to a level sufficient to contain a 20-year flood.

(b) TREATMENT OF EXISTING PERMITS.—If any public-sponsored levee district has received a Federal permit valid during the Great Flood of 1993 to improve or modify its levee system before the date of the enactment of this Act, such permit shall be considered adequate to allow the raising of the height of levees in such system under subsection (a).

SEC. 551. DURHAM, NEW HAMPSHIRE.

The Secretary may enter into a cooperative agreement under section 230 of this Act with the University of New Hampshire to provide technical assistance for a water treatment technology center addressing the needs of small communities.

SEC. 552. HACKENSACK MEADOWLANDS AREA, NEW JERSEY.

Section 324(b)(1) of the Water Resources Development Act of 1992 (106 Stat. 4849) is amended to read as follows:

''(1) Mitigation, enhancement, and acquisition of significant wetlands that contribute to the Meadowlands ecosystem.''.

SEC. 553. AUTHORIZATION OF DREDGE MATERIAL CONTAINMENT FACILITY FOR PORT OF NEW YORK/NEW JERSEY.

(a) IN GENERAL.—The Secretary is authorized to construct, operate, and maintain a dredged material containment facility with a capacity commensurate with the long-term dredged material disposal needs of port facilities under the jurisdiction of the Port of New York/New Jersey. Such facility may be a near-shore dredged material disposal facility along the Brooklyn waterfront. The costs associated with feasibility studies, design, engineering, and construction shall be shared with the local sponsor in accordance with the provisions of section 101 of the Water Resources Development Act of 1986.

(b) BENEFICIAL USE.—After the facility to be constructed under subsection (a) has been filled to capacity with dredged material, the Secretary shall maintain the facility for the public benefit.

SEC. 554. HUDSON RIVER HABITAT RESTORATION, NEW YORK.

(a) HABITAT RESTORATION PROJECT.—The Secretary shall expedite the feasibility study of the Hudson River Habitat Restoration, Hudson River Basin, New York, and shall carry out no fewer than 4 projects for habitat restoration, to the extent the Secretary determines such work to be technically feasible. Such projects shall be designed to—

(1) provide a pilot project to assess and improve habitat value and environmental outputs of recommended projects;

(2) provide a demonstration project to evaluate various restoration techniques for effectiveness and cost;

(3) fill an important local habitat need within a specific portion of the study area; and

(4) take advantage of ongoing or planned actions by other agencies, local municipalities, or environmental groups that would increase the effectiveness or decrease the overall cost of implementing one of the recommended restoration project sites.

(b) NON-FEDERAL SHARE.—Non-Federal interests shall provide 25 percent of the cost on each project undertaken under subsection (a). The non-Federal share may be in the form of cash or in-kind contributions.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $11,000,000.

SEC. 555. QUEENS COUNTY, NEW YORK.

(a) DESCRIPTION OF NONNAVIGABLE AREA.—Subject to subsections (b) and (c), the area of Long Island City, Queens County, New York, that—

(1) is not submerged;

(2) lies between the southerly high water line (as of the date of enactment of this Act) of Anable Basin (also known as the ''11th Street Basin'') and the northerly high water line (as of the date of enactment of this Act) of Newtown Creek; and

(3) extends from the high water line (as of the date of enactment of this Act) of the East River to the original high water line of the East River;

is declared to be nonnavigable waters of the United States.

(b) REQUIREMENT THAT AREA BE IMPROVED.—

(1) IN GENERAL.—The declaration of nonnavigability under subsection (a) shall apply

only to those portions of the area described in subsection (a) that are, or will be, bulkheaded, filled, or otherwise occupied by permanent structures or other permanent physical improvements (including parkland).

(2) APPLICABILITY OF FEDERAL LAW.—Improvements described in paragraph (1) shall be subject to applicable Federal laws, including—

(A) sections 9 and 10 of the Act entitled ''An Act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes'', approved March 3, 1899 (33 U.S.C. 401 and 403);

(B) section 404 of the Federal Water Pollution Control Act (33 U.S.C. 1344); and

(C) the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(c) EXPIRATION DATE.—The declaration of nonnavigability under subsection (a) shall expire with respect to a portion of the area described in subsection (a), if the portion—

(1) is not bulkheaded, filled, or otherwise occupied by a permanent structure or other permanent physical improvement (including parkland) in accordance with subsection (b) by the date that is 20 years after the date of the enactment of this Act; or

(2) requires an improvement described in subsection (b)(2) that is subject to a permit under an applicable Federal law and the improvement is not commenced by the date that is 5 years after the date of issuance of the permit.

SEC. 556. NEW YORK BIGHT AND HARBOR STUDY.

Section 326(f) of the Water Resources Development Act of 1992 (106 Stat. 4851) is amended by striking ''$1,000,000'' and inserting ''$5,000,000''.

SEC. 557. NEW YORK STATE CANAL SYSTEM.

(a) IN GENERAL.—The Secretary is authorized to make capital improvements to the New York State Canal System.

(b) AGREEMENTS.—The Secretary shall, with the consent of appropriate local and State entities, enter into such arrangements, contracts, and leases with public and private entities as may be necessary for the purposes of rehabilitation, renovation, preservation, and maintenance of the New York State Canal System and its related facilities, including trailside facilities and other recreational projects along the waterways of the canal system.

(c) NEW YORK STATE CANAL SYSTEM DEFINED.—In this section, the term ''New York State Canal System'' means the Erie, Oswego, Champlain, and Cayuga-Seneca Canals.

(d) FEDERAL SHARE.—The Federal share of the cost of capital improvements under this section shall be 50 percent.

(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $10,000,000.

SEC. 558. NEW YORK CITY WATERSHED.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—The Secretary shall establish a program for providing environmental assistance to non-Federal interests in the New York City Watershed.

(2) FORM.—Assistance provided under this section may be in the form of design and construction assistance for water-related environmental infrastructure and resource protection and development projects in the New York City Watershed, including projects for water supply, storage, treatment, and distribution facilities, and surface water resource protection and development.

(b) PUBLIC OWNERSHIP REQUIREMENT.—The Secretary may provide assistance for a project under this section only if the project is publicly owned.

(c) ELIGIBLE PROJECTS.—

(1) CERTIFICATION.—A project shall be eligible for financial assistance under this section only if the State director for the project certifies to the Secretary that the project will contribute to the protection and enhancement of the quality or quantity of the New York City water supply.

(2) SPECIAL CONSIDERATION.—In certifying projects to the Secretary, the State director shall give special consideration to those projects implementing plans, agreements, and measures which preserve and enhance the economic and social character of the watershed communities.

(3) PROJECT DESCRIPTIONS.—Projects eligible for assistance under this section shall include the following:

(A) Implementation of intergovernmental agreements for coordinating regulatory and management responsibilities.

(B) Acceleration of whole farm planning to implement best management practices to maintain or enhance water quality and to promote agricultural land use.

(C) Acceleration of whole community planning to promote intergovernmental cooperation in the regulation and management of activities consistent with the goal of maintaining or enhancing water quality.

(D) Natural resources stewardship on public and private lands to promote land uses that preserve and enhance the economic and social character of the watershed communities and protect and enhance water quality.

(d) COOPERATION AGREEMENTS.—Before providing assistance under this section, the Secretary shall enter into a project cooperation agreement with the State director for the project to be carried out with such assistance.

(e) COST SHARING.—

(1) IN GENERAL.—Total project costs under each agreement entered into under this section shall be shared at 75 percent Federal and 25 percent non-Federal. The non-Federal interest shall receive credit for the reasonable costs of design work completed by such interest prior to entering into the agreement with the Secretary for a project. The Federal share may be in the form of grants or reimbursements of project costs.

(2) INTEREST.—In the event of delays in the reimbursement of the non-Federal share of a project, the non-Federal interest shall receive credit for reasonable interest costs incurred to provide the non-Federal share of a project's cost.

(3) LANDS, EASEMENTS, AND RIGHTS-OF-WAY CREDIT.—The non-Federal interest shall receive credit for lands, easements, rights-of-way, and relocations provided by the non-Federal interest toward its share of project costs, including direct costs associated with obtaining permits necessary for the placement of such project on public owned or controlled lands, but not to exceed 25 percent of total project costs.

(4) OPERATION AND MAINTENANCE.—Operation and maintenance costs for projects constructed with assistance provided under this section shall be 100 percent non-Federal.

(f) APPLICABILITY OF OTHER FEDERAL AND STATE LAWS.—Nothing in this section shall be construed to waive, limit, or otherwise affect the applicability of any provision of Federal or State law that would otherwise apply to a project carried out with assistance provided under this section.

(g) REPORT.—Not later than December 31, 2000, the Secretary shall transmit to Congress a report on the results of the program carried out under this section, together with recommendations concerning whether such program should be implemented on a national basis.

(h) NEW YORK CITY WATERSHED DEFINED.—For purposes of this section, the term ''New York City Watershed'' means the land area within the counties of Delaware, Greene, Schoharie, Ulster, Sullivan, Westchester, Putnam, and Duchess which contributes water to the water supply system of New York City.

(i) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $25,000,000.

SEC. 559. OHIO RIVER GREENWAY.

(a) EXPEDITED COMPLETION OF STUDY.—The Secretary is directed to expedite the completion of the study for the Ohio River Greenway, Jeffersonville, Clarksville, and New Albany, Indiana.

(b) CONSTRUCTION.—Upon completion of the study, if the Secretary determines that the project is feasible, the Secretary shall participate with the non-Federal interests in the construction of the project.

(c) COST SHARING.—Total project costs under this section shall be shared at 50 percent Federal and 50 percent non-Federal.

(d) LANDS, EASEMENTS, AND RIGHTS-OF-WAY.—Non-Federal interests shall be responsible for providing all lands, easements, rights-of-way, relocations, and dredged material disposal areas necessary for the project.

(e) CREDIT.—The non-Federal interests shall receive credit for those costs incurred by the non-Federal interests that the Secretary determines are compatible with the study, design, and implementation of the project.

SEC. 560. NORTHEASTERN OHIO.

The Secretary is authorized to provide technical assistance to local interests for planning the establishment of a regional water authority in northeastern Ohio to address the water problems of the region. The Federal share of the costs of such planning shall not exceed 75 percent.

SEC. 561. GRAND LAKE, OKLAHOMA.

(a) STUDY.—Not later than 1 year after the date of the enactment of this Act, the Secretary of the Army shall carry out and complete a study of flood control in Grand/Neosho Basin and tributaries in the vicinity of Pensacola Dam in northeastern Oklahoma to determine the scope of the backwater effects of operation of the dam and to identify any lands which the Secretary determines have been adversely impacted by such operation or should have been originally purchased as flowage easement for the project.

(b) ACQUISITION OF REAL PROPERTY.—Upon completion of the study and subject to advance appropriations, the Secretary shall acquire from willing sellers such real property interests in any lands identified in the study as the Secretary determines are necessary to reduce the adverse impacts identified in the study conducted under subsection (a).

(c) IMPLEMENTATION REPORTS.—The Secretary shall transmit to Congress reports on the operation of the Pensacola Dam, including data on and a description of releases in anticipation of flooding (referred to as preoccupancy releases), and the implementation of this section. The first of such reports shall be transmitted not later than 2 years after the date of the enactment of this Act.

(d) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There is authorized to be appropriated to carry out this section $25,000,000 for fiscal years beginning after September 30, 1996.

(2) MAXIMUM FUNDING FOR STUDY.—Of amounts appropriated to carry out this section, not to exceed $1,500,000 shall be available for carrying out the study under subsection (a).

SEC. 562. BROAD TOP REGION OF PENNSYLVANIA.

Section 304 of the Water Resources Development Act of 1992 (106 Stat. 4840) is amended—

(1) by striking subsection (b) and inserting the following:

''(b) COST SHARING.—The Federal share of the cost of the activities conducted under the cooperative agreement entered into under subsection (a) shall be 75 percent. The non-Federal share of project costs may be provided in the form of design and construction services and other in-kind work provided by the non-Federal interests, whether occurring subsequent to, or within 6 years prior to, entering into an agreement with the Secretary. Non-Federal interests shall receive credit for grants and the value of work performed on behalf of such interests by State and local agencies.''; and

(2) in subsection (c) by striking ''$5,500,000'' and inserting ''$11,000,000''.

SEC. 563. CURWENSVILLE LAKE, PENNSYLVANIA.

The Secretary shall modify the allocation of costs for the water reallocation project at Curwensville Lake, Pennsylvania, to the extent that the Secretary determines that such reallocation will provide environmental restoration benefits in meeting in-stream flow needs in the Susquehanna River basin.

SEC. 564. HOPPER DREDGE MCFARLAND.

(a) PROJECT AUTHORIZATION.—The Secretary is authorized to carry out a project at the Philadelphia Naval Shipyard, Pennsylvania, to make modernization and efficiency improvements to the hopper dredge McFarland.

(b) REQUIREMENTS.—In carrying out the project under subsection (a), the Secretary shall—

(1) determine whether the McFarland should be returned to active service or the reserve fleet after the project is completed; and

(2) establish minimum standards of dredging service to be met in areas served by the McFarland while the drydocking is taking place.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $20,000,000 for fiscal years beginning after September 30, 1996.

SEC. 565. PHILADELPHIA, PENNSYLVANIA.

(a) WATER WORKS RESTORATION.—

(1)) IN GENERAL.—The Secretary shall provide planning, design, and construction assistance for the protection and restoration of the Philadelphia, Pennsylvania Water Works.

(2) COORDINATION.—In providing assistance under this subsection, the Secretary shall coordinate with the Fairmount Park Commission and the Secretary of the Interior.

(3) FUNDING.—There is authorized to be appropriated to carry out this subsection $1,000,000 for fiscal years beginning after September 30, 1996.

(b) COOPERATION AGREEMENT FOR SCHUYLKILL NAVIGATION CANAL.—

(1) IN GENERAL.—The Secretary shall enter into a cooperation agreement with the city of Philadelphia, Pennsylvania, to participate in the operation, maintenance, and rehabilitation of the Schuylkill Navigation Canal at Manayunk.

(2) LIMITATION ON FEDERAL SHARE.—The Federal share of the cost of the operation, maintenance, and rehabilitation under paragraph (1) shall not exceed $300,000 annually.

(3) AREA INCLUDED.—For purposes of this subsection, the Schuylkill Navigation Canal includes the section approximately 10,000 feet long extending between Lock and Fountain Streets, Philadelphia, Pennsylvania.

(c) SCHUYLKILL RIVER PARK.—

(1) ASSISTANCE.—The Secretary is authorized to provide technical, planning, design, and construction assistance for the Schuylkill River Park, Philadelphia, Pennsylvania.

(2) FUNDING.—There is authorized to be appropriated $2,700,000 to carry out this subsection.

(d) PENNYPACK PARK.—

(1) ASSISTANCE.—The Secretary is authorized to provide technical, design, construction, and financial assistance for measures for the improvement and restoration of aquatic habitats and aquatic resources at Pennypack Park, Philadelphia, Pennsylvania.

(2) COOPERATION AGREEMENTS.—In providing assistance under this subsection, the Secretary shall enter into cooperation agreements with the city of Philadelphia, acting through the Fairmount Park Commission.

(3) FUNDING.—There is authorized to be appropriated for fiscal years beginning after September 30, 1996, $15,000,000 to carry out this subsection.

(e) FRANKFORD DAM.—

(1) COOPERATION AGREEMENTS.—The Secretary shall enter into cooperation agreements with the city of Philadelphia, Pennsylvania, acting through the Fairmount Park Commission, to provide assistance for the elimination of the Frankford Dam, the replacement of the Rhawn Street Dam, and modifications to the Roosevelt Dam and the Verree Road Dam.

(2) FUNDING.—There is authorized to be appropriated for fiscal years beginning after September 30, 1996, $900,000, to carry out this subsection.

SEC. 566. UPPER SUSQUEHANNA RIVER BASIN, PENNSYLVANIA AND NEW YORK.

(a) STUDY AND STRATEGY DEVELOPMENT.—The Secretary, in cooperation with the Secretary of Agriculture, the State of Pennsylvania, and the State of New York, shall conduct a study, and develop a strategy, for using wetland restoration, soil and water conservation practices, and nonstructural measures to reduce flood damages, improve water quality, and create wildlife habitat in the following portions of the Upper Susquehanna River basin:

(1) the Juniata River watershed, Pennsylvania, at an estimated Federal cost of $15,000,000; and

(2) the Susquehanna River watershed upstream of the Chemung River, New York, at an estimated Federal cost of $10,000,000.

(b) NON-FEDERAL SHARE.—The non-Federal share of the cost of the study and development of the strategy shall be 25 percent and may be provided through in-kind services and materials.

(c) COOPERATION AGREEMENTS.—In conducting the study and developing the strategy under this section, the Secretary shall enter into cooperation agreements to provide financial assistance to appropriate Federal, State, and local government agencies, including activities for the implementation of wetland restoration projects and soil and water conservation measures.

(d) IMPLEMENTATION.—The Secretary shall undertake development and implementation of the strategy authorized by this section in cooperation with local landowners and local government officials.

SEC. 567. SEVEN POINTS VISITORS CENTER, RAYSTOWN LAKE, PENNSYLVANIA.

(a) IN GENERAL.—The Secretary shall construct a visitors center and related public use facilities at the Seven Points Recreation Area at Raystown Lake, Pennsylvania, generally in accordance with the Master Plan Update (1994) for the Raystown Lake Project.

(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $2,500,000.

SEC. 568. SOUTHEASTERN PENNSYLVANIA.

(a) ESTABLISHMENT OF PROGRAM.—The Secretary shall establish a pilot program for providing environmental assistance to non-Federal interests in southeastern Pennsylvania. Such assistance may be in the form of design and construction assistance for water-related environmental infrastructure and resource protection and development projects in southeastern Pennsylvania, including projects for waste water treatment and related facilities, water supply, storage, treatment, and distribution facilities, and surface water resource protection and development.

(b) PUBLIC OWNERSHIP REQUIREMENT.—The Secretary may provide assistance for a project under this section only if the project is publicly owned.

(c) LOCAL COOPERATION AGREEMENTS.—

(1) IN GENERAL.—Before providing assistance under this section, the Secretary shall enter into a local cooperation agreement with a non-Federal interest to provide for design and construction of the project to be carried out with such assistance.

(2) REQUIREMENTS.—Each local cooperation agreement entered into under this subsection shall provide for the following:

(A) PLAN.—Development by the Secretary, in consultation with appropriate Federal and State officials, of a facilities or resource protection and development plan, including appropriate engineering plans and specifications.

(B) LEGAL AND INSTITUTIONAL STRUCTURES.—Establishment of each such legal and institutional structures as are necessary to assure the effective long-term operation of the project by the non-Federal interest.

(3) COST SHARING.—

(A) IN GENERAL.—Total project costs under each local cooperation agreement entered into under this subsection shall be shared at 75 percent Federal and 25 percent non-Federal. The non-Federal interest shall receive credit for the reasonable costs of design work completed by such interest prior to entering into a local cooperation agreement with the Secretary for a project. The credit for such design work shall not exceed 6 percent of the total construction costs of the project. The Federal share may be in the form of grants or reimbursements of project costs.

(B) INTEREST.—In the event of delays in the funding of the non-Federal share of a project that is the subject of an agreement under this section, the non-Federal interest shall receive credit for reasonable interest incurred in providing the non-Federal share of a project's cost.

(C) LANDS, EASEMENTS, AND RIGHTS-OF-WAY CREDIT.—The non-Federal interest shall receive credit for lands, easements, rights-of-way, and relocations toward its share of project costs, including all reasonable costs associated with obtaining permits necessary for the construction, operation, and maintenance of such project on publicly owned or controlled lands, but not to exceed 25 percent of total project costs.

(D) OPERATION AND MAINTENANCE.—Operation and maintenance costs for projects constructed with assistance provided under this section shall be 100 percent non-Federal.

(d) APPLICABILITY OF OTHER FEDERAL AND STATE LAWS.—Nothing in this section shall be construed as waiving, limiting, or otherwise affecting the applicability of any provision of Federal or State law which would otherwise apply to a project to be carried out with assistance provided under this section.

(e) REPORT.—Not later than December 31, 1998, the Secretary shall transmit to Congress a report on the results of the pilot program carried out under this section, together with recommendations concerning whether or not such program should be implemented on a national basis.

(f) SOUTHEASTERN PENNSYLVANIA DEFINED.—For purposes of this section, the term ''Southeastern Pennsylvania'' means Philadelphia, Bucks, Chester, Delaware, and Montgomery Counties, Pennsylvania.

(g) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to

carry out this section $25,000,000 for fiscal years beginning after September 30, 1996. Such sums shall remain available until expended.

SEC. 569. WILLS CREEK, HYNDMAN, PENNSYLVANIA.

The Secretary shall carry out a project for flood control, Wills Creek, Borough of Hyndman, Pennsylvania, at an estimated total cost of $5,000,000. For purposes of section 209 of the Flood Control Act of 1970 (84 Stat. 1829), benefits attributable to the national economic development objectives set forth in such section shall include all primary, secondary, and tertiary benefits attributable to the flood control project authorized by this section regardless of to whom such benefits may accrue.

SEC. 570. BLACKSTONE RIVER VALLEY, RHODE ISLAND AND MASSACHUSETTS.

(a) IN GENERAL.—The Secretary, in coordination with Federal, State, and local interests, shall provide technical, planning, and design assistance in the development and restoration of the Blackstone River Valley National Heritage Corridor, Rhode Island, and Massachusetts.

(b) FEDERAL SHARE.—Funds made available under this section for planning and design of a project may not exceed 75 percent of the total cost of such planning and design.

SEC. 571. EAST RIDGE, TENNESSEE.

The Secretary shall review the flood management study for the East Ridge and Hamilton County area undertaken by the Tennessee Valley Authority and shall carry out the project at an estimated total cost of $25,000,000.

SEC. 572. MURFREESBORO, TENNESSEE.

The Secretary shall carry out a project for environmental enhancement, Murfreesboro, Tennessee, in accordance with the Report and Environmental Assessment, Black Fox, Murfree and Oaklands Spring Wetlands, Murfreesboro, Rutherford County, Tennessee, dated August 1994.

SEC. 573. BUFFALO BAYOU, TEXAS.

The non-Federal interest for the projects for flood control, Buffalo Bayou Basin, Texas, authorized by section 203 of the Flood Control Act of 1954 (68 Stat. 1258), and Buffalo Bayou and tributaries, Texas, authorized by section 101 of the Water Resources Development Act of 1990 (104 Stat. 4610), may be reimbursed by up to $5,000,000 or may receive a credit of up to $5,000,000 against required non-Federal project cost-sharing contributions for work performed by the non-Federal interest at each of the following locations if such work is compatible with the following authorized projects: White Oak Bayou, Brays Bayou, Hunting Bayou, Garners Bayou, and the Upper Reach on Greens Bayou.

SEC. 574. SAN ANTONIO RIVER, TEXAS.

Notwithstanding the last sentence of section 215(a) of the Flood Control Act of 1968 (42 U.S.C. 1962d–5(a)) and the agreement executed on November 7, 1992, by the Secretary and the San Antonio River Authority, Texas, the Secretary shall reimburse the San Antonio River Authority an amount not to exceed $5,000,000 for the work carried out by the Authority under the agreement, including any amounts paid to the Authority under the terms of the agreement before the date of the enactment of this Act.

SEC. 575. NEABSCO CREEK, VIRGINIA.

The Secretary shall carry out a project for flood control, Neabsco Creek Watershed, Prince William County, Virginia, at an estimated total cost of $1,500,000.

SEC. 576. TANGIER ISLAND, VIRGINIA.

The Secretary is directed to design and construct a breakwater at the North Channel on Tangier Island, Virginia, at a total cost of $1,200,000, with an estimated Federal cost of $900,000 and an estimated non-Federal cost of $300,000. Congress finds that in view of the historic preservation benefits resulting from the project authorized by this section, the overall benefits of the project exceed the costs of the project.

SEC. 577. HARRIS COUNTY, TEXAS.

(a) IN GENERAL.—During any evaluation of economic benefits and costs for projects set forth in subsection (b) that occurs after the date of the enactment of this Act, the Secretary shall not consider flood control works constructed by non-Federal interests within the drainage area of such projects prior to the date of such evaluation in the determination of conditions existing prior to construction of the project.

(b) SPECIFIC PROJECTS.—The projects to which subsection (a) apply are—

(1) the project for flood control, Buffalo Bayou and Tributaries, Texas, authorized by section 101(a) of the Water Resources Development Act of 1990 (104 Stat. 4610);

(2) the project for flood control, Cypress Creek, Texas, authorized by section 3(a)(13) of the Water Resources Development Act of 1988 (102 Stat. 4014); and

(3) the project for flood control, Buffalo Bayou Basin, authorized by section 203 of the Flood Control Act of 1954 (68 Stat. 1258).

SEC. 578. PIERCE COUNTY, WASHINGTON.

(a) TECHNICAL ASSISTANCE.—The Secretary shall provide technical assistance to Pierce County, Washington, to address measures that are necessary to assure that non-Federal levees are adequately maintained and satisfy eligibility criteria for rehabilitation assistance under section 5 of the Act entitled ''An Act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes'', approved August 18, 1941 (33 U.S.C. 701n; 55 Stat. 650). Such assistance shall include a review of the requirements of the Puyallup Tribe of Indians Settlement Act of 1989 (Public Law 101–41) and standards for project maintenance and vegetation management used by the Secretary to determine eligibility for levee rehabilitation assistance with a view toward amending such standards as needed to make non-Federal levees eligible for assistance that may be necessary as a result of future flooding.

(b) LEVEE REHABILITATION.—The Secretary shall expedite a review to determine the extent to which requirements of the Puyallup Tribe of Indians Settlement Act of 1989 limited the ability of non-Federal interests to adequately maintain existing non-Federal levees that were damaged by flooding in 1995 and 1996 and, to the extent that such ability was limited by such Act, the Secretary shall carry out the rehabilitation of such levees.

SEC. 579. WASHINGTON AQUEDUCT.

(a) REGIONAL ENTITY.—

(1) IN GENERAL.—Congress encourages the non-Federal public water supply customers of the Washington Aqueduct to establish a non-Federal public or private entity, or to enter into an agreement with an existing non-Federal public or private entity, to receive title to the Washington Aqueduct and to operate, maintain, and manage the Washington Aqueduct in a manner that adequately represents all interests of such customers.

(2) CONSENT OF CONGRESS.—Congress grants consent to the jurisdictions which are customers of the Washington Aqueduct to establish a non-Federal entity to receive title to the Washington Aqueduct and to operate, maintain, and manage the Washington Aqueduct.

(3) LIMITATION ON STATUTORY CONSTRUCTION.—Nothing in this subsection shall preclude the jurisdictions referred to in this subsection from pursuing alternative options regarding ownership, operation, maintenance, and management of the Washington Aqueduct.

(b) PROGRESS REPORT AND PLAN.—Not later than 1 year after the date of the enactment of this Act, the Secretary shall transmit to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a report on the progress in achieving the objectives of subsection (a) and a plan for the transfer of ownership, operation, maintenance, and management of the Washington Aqueduct to a non-Federal public or private entity. Such plan shall include a transfer of ownership, operation, maintenance, and management of the Washington Aqueduct that is consistent with the provisions of this section and a detailed consideration of any proposal to transfer such ownership or operation, maintenance, or management to a private entity.

(c) TRANSFER.—

(1) IN GENERAL.—Not later than 2 years after the date of the enactment of this Act, the Secretary shall transfer, without consideration but subject to such terms and conditions as the Secretary considers appropriate to protect the interests of the United States and the non-Federal public water supply customers, all right, title, and interest of the United States in the Washington Aqueduct, its real property, facilities, equipment, supplies, and personalty—

(A) to a non-Federal public or private entity established pursuant to subsection (a); or

(B) in the event no entity is established pursuant to subsection (a), a non-Federal public or private entity selected by the Secretary which reflects, to the extent possible, a consensus among the non-Federal public water supply customers.

(2) TRANSFEREE SELECTION CRITERIA.—The selection of a non-Federal public or private entity under paragraph (1)(B) shall be based on technical, managerial, and financial capabilities and on consultation with the non-Federal public water supply customers and after opportunity for public input.

(3) ASSUMPTION OF RESPONSIBILITIES.—The entity to whom transfer under paragraph (1) is made shall assume full responsibility for performing and financing the operation, maintenance, repair, replacement, rehabilitation, and necessary capital improvements of the Washington Aqueduct so as to ensure the continued operation of the Washington Aqueduct consistent with its intended purpose of providing an uninterrupted supply of potable water sufficient to meet the current and future needs of the Washington Aqueduct service area.

(4) EXTENSION.—Notwithstanding the 2-year deadline established in paragraph (1), the Secretary may provide a 1-time 6-month extension of such deadline if the Secretary determines that the non-Federal public water supply customers are making progress in establishing an entity pursuant to subsection (a) and that such an extension would likely result in the establishment of such an entity.

(d) INTERIM BORROWING AUTHORITY.—

(1) IN GENERAL.—Subject to paragraph (2), there is authorized to be appropriated to the Secretary for fiscal years 1997 and 1998 borrowing authority in amounts sufficient to cover those obligations which the Army Corps of Engineers is required to incur in carrying out capital improvements during such fiscal years for the Washington Aqueduct to assure its continued operation until such time as the transfer under subsection (c) has taken place, provided that such amounts do not exceed $16,000,000 for fiscal year 1997 and $54,000,000 for fiscal year 1998.

(2) TERMS AND CONDITIONS.—The borrowing authority under paragraph (1) shall be provided to the Secretary by the Secretary of the Treasury under such terms and conditions as the Secretary of the Treasury determines to be necessary in the public interest and may be provided only after each of the non-Federal public water supply customers of the Washington Aqueduct has entered into a contractual agreement with the Secretary to pay its pro rata share of the costs associated with such borrowing.

(3) IMPACT ON IMPROVEMENT PROGRAM.—Not later than 6 months after the date of the enactment of this Act, the Secretary, in consultation with other Federal agencies, shall transmit to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a report that assesses the impact of the borrowing authority provided under this subsection on near-term improvement projects under the Washington Aqueduct Improvement Program, work scheduled during fiscal years 1997 and 1998, and the financial liability to be incurred.

(e) DEFINITIONS.—For purposes of this section, the following definitions apply:

(1) WASHINGTON AQUEDUCT.—The term ''Washington Aqueduct'' means the Washington Aqueduct facilities and related facilities owned by the Federal Government as of the date of the enactment of this Act, including the dams, intake works, conduits, and pump stations that capture and transport raw water from the Potomac River to the Dalecarlia Reservoir, the infrastructure and appurtenances used to treat water taken from the Potomac River by such facilities to potable standards, and related water distributions facilities.

(2) NON-FEDERAL PUBLIC WATER SUPPLY CUSTOMERS.—The term ''non-Federal public water supply customers'' means the District of Columbia, Arlington County, Virginia, and the city of Falls Church, Virginia.

SEC. 580. GREENBRIER RIVER BASIN, WEST VIRGINIA, FLOOD PROTECTION.

(a) IN GENERAL.—The Secretary is directed to design and implement a flood damage reduction program for the Greenbrier River Basin, West Virginia, in the vicinity of Durbin, Cass, Marlinton, Renick, Ronceverte, and Alderson as generally presented in the District Engineer's draft Greenbrier River Basin Study Evaluation Report, dated July 1994, to the extent provided under subsection (b) to afford those communities a level of protection against flooding sufficient to reduce future losses to these communities from the likelihood of flooding such as occurred in November 1985, January 1996, and May 1996.

(b) FLOOD PROTECTION MEASURES.—The flood damage reduction program referred to in subsection (a) may include the following as the Chief of Engineers determines necessary and advisable in consultation with the communities referred to in subsection (a)—

(1) local protection projects such as levees, floodwalls, channelization, small tributary stream impoundments, and nonstructural measures such as individual flood proofing; and

(2) floodplain relocations and resettlement site developments, floodplain evacuations, and a comprehensive river corridor and watershed management plan generally in accordance with the District Engineer's draft Greenbrier River Corridor Management Plan, Concept Study, dated April 1996.

(c) CONSIDERATIONS.—For purposes of section 209 of the Flood Control Act of 1970 (84 Stat. 1829), benefits attributable to the national economic development objectives set forth therein shall include all primary, secondary, and tertiary benefits attributable to the flood damage reduction program authorized by this section regardless to whomever they might accrue.

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $20,000,000 for fiscal years beginning after September 30, 1996.

SEC. 581. HUNTINGTON, WEST VIRGINIA.

The Secretary may enter into a cooperative agreement with Marshall University, Huntington, West Virginia, to provide technical assistance to the Center for Environmental, Geotechnical and Applied Sciences.

SEC. 582. LOWER MUD RIVER, MILTON, WEST VIRGINIA.

The Secretary shall review the watershed plan and the environmental impact statement prepared for the Lower Mud River, Milton, West Virginia by the Natural Resources Conservation Service pursuant to the Watershed Protection and Flood Prevention Act (16 U.S.C. 1001 et seq.) and shall carry out the project.

SEC. 583. WEST VIRGINIA AND PENNSYLVANIA FLOOD CONTROL.

(a) IN GENERAL.—The Secretary shall design and construct flood control measures in the Cheat and Tygart River Basins, West Virginia, and the Lower Allegheny, Lower Monongahela, West Branch Susquehana, and Juanita River Basins, Pennsylvania, at a level of protection sufficient to prevent any future losses to these communities from flooding such as occurred in January 1996, but no less than 100 year level of protection.

(b) PRIORITY COMMUNITIES.— In implementing this section, the Secretary shall give priority to the communities of Parsons and Rowlesburg, West Virginia, in the Cheat River Basin and Bellington and Phillipi, West Virginia, in the Tygart River Basin, and Connellsville, Pennsylvania, in the Lower Monongahela River Basin, and Benson, Hooversville, Clymer, and New Bethlehem, Pennsylvania, in the Lower Allegheny River Basin, and Patton, Barnesboro, Coalport and Spangler, Pennsylvania, in the West Branch Susquehanna River Basin, and Bedford, Linds Crossings, and Logan Township in the Juniata River Basin.

(c) CONSIDERATIONS.—For purposes of section 209 of the Flood Control Act of 1970, benefits attributable to the national economic development objectives set forth in such section shall include all primary, secondary, and tertiary benefits attributable to the flood control measures authorized by this section regardless of to whom such benefits may accrue.

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $20,000,000 for fiscal years beginning after September 30, 1996.

SEC. 584. EVALUATION OF BEACH MATERIAL.

(a) IN GENERAL.—The Secretary and the Secretary of the Interior shall evaluate procedures and requirements used in the selection and approval of materials to be used in the restoration and nourishment of beaches. Such evaluation shall address the potential effects of changing existing procedures and requirements on the implementation of beach restoration and nourishment projects and on the aquatic environment.

(b) CONSULTATION.—In conducting the evaluation under this section, the Secretaries shall consult with appropriate State agencies.

(c) REPORT.—Not later than 6 months after the date of the enactment of this Act, the Secretaries shall transmit a report to Congress on their findings under this section.

SEC. 585. NATIONAL CENTER FOR NANOFABRICATION AND MOLECULAR SELF-ASSEMBLY.

(a) IN GENERAL.—The Secretary is authorized to provide financial assistance for not to exceed 50 percent of the costs of the necessary fixed and movable equipment for a National Center for Nanofabrication and Molecular Self-Assembly to be located in Evansville, Illinois.

(b) TERMS AND CONDITIONS.—No financial assistance may be provided under this section unless an application is made to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may require.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $7,000,000 for fiscal years beginning after September 30, 1996 .

SEC. 586. SENSE OF CONGRESS REGARDING ST. LAWRENCE SEAWAY TOLLS.

It is the sense of Congress that the President should engage in negotiations with the Government of Canada for the purposes of—

(1) eliminating tolls along the St. Lawrence Seaway system; and

(2) identifying ways to maximize the movement of goods and commerce through the St. Lawrence Seaway.

SEC. 587. PRADO DAM, CALIFORNIA.

(a) SEPARABLE ELEMENT REVIEW.—

(1) REVIEW.—Not later than 6 months after the date of the enactment of this Act, the Secretary shall review, in cooperation with the non-Federal interest, the Prado Dam feature of the project for flood control, Santa Ana River Mainstem, California, authorized by section 401(a) of the Water Resources Development Act of 1986 (100 Stat. 4113), with a view toward determining whether the feature may be considered a separable element, as that term is defined in section 103(f) of such Act.

(2) MODIFICATION OF COST-SHARING REQUIREMENT.—If the Prado Dam feature is determined to be a separable element under paragraph (1), the Secretary shall reduce the non-Federal cost-sharing requirement for such feature in accordance with section 103(a)(3) of the Water Resources Development Act of 1986 (33 U.S.C. 2213(a)(3)) and shall enter into a project cooperation agreement with the non-Federal interest to reflect the modified cost-sharing requirement and to carry out construction.

(b) DAM SAFETY ADJUSTMENT.—Not later than 6 months after the date of the enactment of this Act, the Secretary shall determine the estimated costs associated with dam safety improvements that would have been required in the absence of flood control improvements authorized for the Santa Ana River Mainstem project referred to in subsection (a) and shall reduce the non-Federal share for the Prado Dam feature of such project by an amount equal to the Federal share of such dam safety improvements, updated to current price levels.

TITLE VI—EXTENSION OF EXPENDITURE AUTHORITY UNDER HARBOR MAINTENANCE TRUST FUND

SEC. 601. EXTENSION OF EXPENDITURE AUTHORITY UNDER HARBOR MAINTENANCE TRUST FUND.

Paragraph (1) of section 9505(c) of the Internal Revenue Code of 1986 (relating to expenditures from Harbor Maintenance Trust Fund) is amended to read as follows:

''(1) to carry out section 210 of the Water Resources Development Act of 1986 (as in effect on the date of the enactment of the Water Resources Development Act of 1996),''.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Pennsylvania [Mr. SHUSTER] and the gentleman from Pennsylvania [Mr. BORSKI] will each be recognized for 20 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. SHUSTER].

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

(Mr. SHUSTER asked and was given permission to speak out of order.)

BIPARTISAN COOPERATION CONTRIBUTED TO AVERSION OF NATIONAL RAILROAD STRIKE

Mr. SHUSTER. Mr. Speaker, with the Speaker's permission I will first inform the House of another matter of great importance to the country and to the Congress.

With regard to the potential national railroad strikes, as of early this morning, labor and management have reached agreement on all the outstanding disputes, thereby averting the possibility of a shutdown and averting the need for congressional intervention. We are extremely pleased about this.

The parties reached a voluntary agreement. The House and Senate, the White House, and the Department of Transportation made it very clear that labor and management should work out their differences on their own. They did that. Labor and management deserve great credit for having done it.

Here in the House, certainly the gentlewoman from New York, Ms. MOLINARI, the gentleman from Minnesota, Mr. OBERSTAR, and the gentleman from West Virginia, Mr. WISE, worked diligently with us; in the Senate, Senators KASSEBAUM and KENNEDY; with the White House working very closely, Mr. Panetta and Mr. Ickes, and indeed, the Secretary of Transportation, Mr. Peña.

So we all worked together 6to present a united front. The bipartisan effort created an environment in which this agreement could be reached and a national rail strike averted. I thank the chairman for being able to make these comments on my time before we move to the legislation before us today, the Water Resources Development Act of 1996.

Mr. Speaker, H.R. 3592, the Water Resources Development Act of 1996, is a comprehensive authorization of the water resources programs of the Army Corps of Engineers. It represents 4 years of bipartisan effort to preserve and develop the water infrastructure that is so vital to the Nation's safety and economic well-being.

First, let me thank and congratulate my colleagues on the Committee on Transportation and Infrastructure for their vision and tireless efforts in helping move this legislation. I want to give special thanks to Committee Ranking Member JIM OBERSTAR, Subcommittee Chairman SHERRY BOEHLERT, and Subcommittee Ranking Member BOB BORSKI. Their leadership and contributions have been outstanding.

H.R. 3592 is the end result of 4 years of review and preparation. In the 103d Congress, the House overwhelmingly passed H.R. 4460, a bill that should have become the Water Resources Development Act of 1994. Unfortunately, that bill did not become law, and for the first time since 1986, Congress was unable to enact WRDA legislation.

During the 104th Congress, we committed to restoring certainty to the process and fulfilling our commitment to non-Federal project sponsors, most of whom had already committed substantial funds to projects.

We conducted 4 days of hearings, receiving testimony from over 90 witnesses, including numerous members of congress, the administration, project sponsors, national water resources and environmental organizations, and State and local officials.

The bill we bring to the floor today truly represents a fair and balanced proposal.

Mr. Speaker, H.R. 3592 accomplishes three important objectives:

First, it reflects the committee's continued commitment to improving the Nation's water infrastructure.

Second, it responds to policy initiatives to modernize Corps of Engineers activities and to achieve programmatic reforms.

Third, and this is very important, it takes advantage of Corps capabilities and recognizes evolving national priorities by expanding and creating new authorities for protecting and enhancing the environment.

In developing this bill, we have tried hard to be responsive to Members' requests; however, in today's tight fiscal climate, we simply had to establish and adhere to reasonable criteria. For example, we adhered to the cost-sharing rules established in 1986.

In fact, in the area of flood control, we have actually increased the non-Federal share for future projects. In another area, dredging for navigation projects, we have revised the rules to assure consistency and fairness in selecting methods for the disposal of dredged material.

Another criteria used in preparing this legislation was the availability of a Corps report. We have adhered to the requirement that new projects have a final Corps of Engineers report, or will have one within the next few months. This assures that projects that have undergone the Corps review process receive top priority.

Is the bill perfect? Probably not. We have heard concern about a handful of provisions and intend to address those as the bill progresses. There are some differences between H.R. 3592 and its Senate counterpart that must be resolved. In addition, I understand that the administration, while generally supportive of our approach, will suggest some changes to the bill.

Therefore, as we move forward with this important legislation, I intend to work with all parties to assure that the final product reflects a balance of all interests.

H.R. 3592 is a strong bipartisan bill. It reflects balance in every sense of the word and a responsible approach to developing water infrastructure, preserving and enhancing the environment, and strengthening Federal, State, and local partnerships.

Mr. Speaker, I strongly urge my colleagues to support the bill, and I reserve the balance of my time.

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

(Mr. BORSKI asked and was given permission to revise and extend his remarks.)

Mr. BORSKI. Mr. Speaker, it is a pleasure to join with Chairman SHUSTER, Chairman BOEHLERT, and ranking member OBERSTAR in support of the Water Resources Act of 1996.

I want to compliment Chairman SHUSTER and Chairman BOEHLERT for the totally fair and bipartisan manner in which this bill was drafted.

The Transportation and Infrastructure Committee works best when we work together.

I am pleased that this bill marks a return to the bipartisan spirit that existed in the past.

The bill also demonstrates the Transportation and Infrastructure Committee's continuing strong commitment to investment in the Nation's infrastructure.

Harbor deepening, inland waterway improvements and flood control are vital cornerstones of our Nation's economic vitality.

The ports of America are the doors that link our Nation to billions of dollars of international trade.

In the Philadelphia area, our port supports 50,000 jobs—making a vital contribution to our regional economy.

The 11,000 mile inland waterway system provides vital transportation for bulk farm products and coal.

It is essential that we continue to provide funding for port and inland waterway projects.

We are also proposing to continue the expansion of the mission of the Corps of Engineers to improvement of environmental infrastructure.

We should be aggressive in using the talents and abilities of the Corps of Engineers to meet our huge infrastructure needs.

We should also redirect the corps' program to address the infrastructure needs of our Nation's metropolitan areas.

In flood control, this bill makes important changes that I strongly support.

We have proposed to increase the requirements for mitigation planning before structural flood control projects are built.

An upgraded mitigation program will save us money from start to finish. We will be able to reduce the cost of project construction and it is likely that we will reduce disaster relief costs.

We are also proposing an increase in the non-Federal cost sharing for flood control projects from the current minimum of 25 percent to 35 percent.

This increase is a simple recognition of our Federal budget situation.

We have dwindling resources available for these programs.

An increase in the local share will help spread Federal dollars to more projects and will help FOCUS resources on more worthy projects.

The administration proposed a 50 percent non-Federal share which would have done even more to spread scarce Federal dollars and weed out poor quality projects.

The 50 percent cost-share is something to consider in the future.

At a hearing last year, I pointed out that we should be prepared for cuts in the Corps of Engineers programs as part of general spending reductions. Unfortunately, my prediction has become a reality.

The inadequate 602(b) allocation for energy and water development appropriations shows the clear impact of the balanced budget.

We risk lasting, negative impacts on our infrastructure investment programs in the future.

We must work together on a bipartisan basis to ensure that while we are getting our Federal fiscal house in order, programs to invest in critical infrastructure needs are protected.

I hope to work with Chairman SHUSTER, Chairman BOEHLERT, and ranking member OBERSTAR in that effort in the same bipartisan manner in which we drafted the Water Resources Development Act of 1996.

I urge support for the bill.

Mr. Speaker, I want to express my thanks to the people who really made this Bill Happen—Ken Kopocis, Art, Chan, Barbara Rogers, and Pam Keller of the Democratic staff of the Water Resources and Environment Subcommittee, and Mike Strachn and the Republican staff of the subcommittee.

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

Mr. SHUSTER. Mr. Speaker, I am pleased to yield 2 minutes to the distinguished gentleman from Texas [Mr. DELAY], the majority whip.

Mr. DELAY. Mr. Speaker, I rise in strong support of this legislation. While this bill authorizes a number of much needed projects to address infrastructure needs and environmental restoration throughout the Nation, I am particularly pleased with two provisions in this bill.

One of these is the authorization of funding to deepen and widen the Houston ship channel. These improvements are essential to the economic development not only of the region, but of the country generally.

The Houston ship channel is a critical economic lifeline between our Nation and the rest of the world. The Port of Houston draws cargo from every State in the Nation. It is the No. 1 U.S. port in foreign tonnage and the second busiest in total tonnage.

To remain competitive, however, the ship channel must be improved to permit faster, safer handling of cargo vessels.

The improvements authorized are also consistent with the port's and my enduring commitment to the environment.

By working with 13 Federal and State agencies, the port and the Corps of Engineers arrived at a plan that will use the dredged material from the ship channel project to create over 4,000 acres of additional marsh land to be used in developing bird islands, boater destinations, and shoreline erosion projects.

These beneficial uses have received the very strong support of several key environmental groups in the Galveston Bay area.

The second provision allows certain flood control districts to carry out flood control projects with far greater flexibility than ever before. The Harris County Flood Control District will demonstrate to the Corps of Engineers that it can design and construct flood projects faster and cheaper when it is not burdened by Federal redtape.

For too long, excessive Federal regulation has slowed the design and construction of flood projects. Many Harris County flood control projects currently in the design stage were first authorized for study in the 1940's.

Bringing these projects to the local level has the potential to save the Federal Government hundreds of millions of dollars. Without the unnecessary redtape, there can be greater efficiency and greater input from the affected community. The result will be taxpayer savings and projects being completed much more quickly.

Again, I strongly support this legislation and urge my colleagues to support it, as well.

Mr. BORSKI. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from New Jersey [Mr. PALLONE].

Mr. PALLONE. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise in today in support of the Water Resources Development Act of 1996 for very important reasons: Shore protection and responsible disposal of contaminated dredged materials. I would like to thank Chairman SHUSTER Ranking Member JIM OBERSTAR, Subcommittee Chairman SHERRY BOEHLERT, and Ranking Member BOB BORSKI for their support on these critical issues—issues that are particularly important for my State, New Jersey.

Included as part of this bill is the Shore Protection Act, a bill sponsored by CLAY SHAW and myself as the co-chairs of the Congressional Coastal Caucus. This bill will clarify and reaffirm the role of the Federal Government in shore protection, and—in particular—beach nourishment activities. Congress has repeatedly rejected the administration policy to end Army Corps participation inshore protection projects. By passing this bill, we are taking the additional step of actually mandating the Federal Government's role in shore protection. And for that reason, I am pleased to support this bill.

In addition, WRDA 1996 contains provisions that are greatly significant to the responsible disposal of contaminated dredged material, and by that I mean disposal that does not include ocean dumping. These provisions will allow our ports to be dredged without threatening our ocean environment or our coastal economy. I would like to thank my colleagues from new Jersey who are on the committee—and in particular, BOB FRANKS and BOB MENENDEZ—for their hard work and support on this issue.

The port provisions in this bill will take us a long way to getting out of the ocean for dredged material disposal by providing for Federal/non-federal cost-sharing of confined disposal facilities, it will open up the Harbor Maintenance Trust Fund for use on these disposal facilities, it will allow for tipping fees to be levied for use of these facilities, it authorizes a much needed confined disposal facility for the Port of New York and New Jersey, and it reauthorizes the ongoing sediment decontamination technology demonstration project for the Port of New York and New Jersey.

Mr. Speaker, I really do again want to thank the committee, and the ranking members and the chairman of both the full committee and subcommittee, for their support. This is a very important bill for the State of New Jersey, and does a lot and goes a long way towards protecting our ocean environment.

Mr. SHUSTER. Mr. Speaker, I am pleased to yield 1 minute to the distinguished gentleman from Illinois [Mr. WELLER].

Mr. WELLER. I thank the chairman of the committee for yielding time to me, Mr. Speaker.

Mr. Speaker, I rise in support of the Water Resources Development Act, 1996, which I note passed unanimously with strong bipartisan support on the Committee on Transportation and Infrastructure. This legislation is essential if we want to improve our Nation's infrastructure by improving and protecting our communities from flood problems and improve water infrastructure. This bipartisan bill will create jobs, protect property, lives, and protect the environment.

I do want to note that approximately one-fourth of the funding authorized in this bill is directly related to preserving and protecting the environment.

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Mr. Speaker, I would like to speak very briefly about two provisions in this bill that are very important to my home State of Illinois and also to my congressional district, two provisions that will create jobs, protect property from flooding, and preserve the environment.

First, this bill authorizes a much needed stormwater retention facility in the village of Frankfort. The village experiences constant flooding of the intersections of two strategic regional arterial highways following any significant rain. Construction of this water retention facility will greatly reduce the flow rate during heavy rainfall.

The second provision I would like to touch on would provide for improvements near lock 14 for future development of a marina on the north side of the Illinois River, will bring jobs, promote tourism, and promote recreation. Both projects have bipartisan support locally.

Mr. Speaker, I thank the chairman for his help, and I ask for bipartisan support for this important legislation.

Mr. BORSKI. 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 thank the gentleman from Pennsylvania [Mr. SHUSTER], the chairman of the Committee on Transportation and Infrastructure, the gentleman from Minnesota [Mr. OBERSTAR], ranking member, the gentleman from New York [Mr. BOEHLERT], subcommittee chairman, and the gentleman from Pennsylvania [Mr. BORSKI] for the opportunity to speak on this important legislation.

Mr. Speaker, the Water Resources Development Act is vital to thousands of Americans that live along our Nation's shores including those in my district. There are two important parts of this bill I would like to recognize. The first is the Houston Ship Channel widening and dredging project which will expand the capabilities of the Port of Houston to meet the challenges of expanding global trade and maintain its competitive edge as a major international port.

This port brings $5 billion annually to our area, providing 200,000 jobs and will be important as it continues to expand. It also is important because of its environmental impact, which my colleague the gentleman from Texas [Mr. DELAY] spoke of which affects Galveston Bay which part of is also in my district.

This legislation also constructively addresses the issue of Federal flood control polity reform. As Congress seeks to balance the budget, the scarcity of Federal dollars for watershed management threatens hundreds of projects in southeast Texas and around the country.

I greatly appreciate that the committee adopted legislative language proposed by myself and the gentleman from Texas [Mr. DELAY], my fellow Texan, the distinguished majority whip, which will give local agencies more control.

Giving these agencies more control, such as the Harris County Flood Control District, with the ability to construct these projects will save precious time and thus lives and property, cut Federal costs, better protect the environment, and reduce Federal disaster assistance needed to bail out communities in times of floods.

This legislation is important because it designates three test sites in Harris County providing for local control over project design, implementation, and construction. Under this plan the Federal Government would remain a partner in flood control but local governments would gain the authority to respond more quickly and innovatively to their community's flood control needs. Federal flood control policy must adapt to increasing budgetary constraints without sacrificing public safety and environmental protection. The bottom line will be safer communities and savings for the taxpayers.

I thank my colleagues for including this in the bill, and I strongly urge all my colleagues to support the bill.

Mr. SHUSTER. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Illinois [Mr. FLANAGAN].

Mr. FLANAGAN. Mr. Speaker, this is a great day for America as well as a great day for the residents and businesses of the Chicagoland area. After nearly a decade of fruitless effort, both Houses of Congress are finally approving a plan to preserve and protect the Chicago lakefront which is in serious jeopardy of being washed away due to the severe erosion of its protective seawall.

Included in this WRDA bill is an authorization for the Illinois Erosion Protection Project which will direct the U.S. Army Corps of Engineers to assist the city of Chicago in restoring 8 miles of Lake Michigan shoreline.

The existing shoreline protection system was built between 1910 and 1930, and has outlived its design life by more than 30 years. Significant deterioration of the existing shore structures is obvious to those who live and work in that area or drive alone Chicago's magnificent Lake Shore Drive.

Mr. Speaker, Lake Shore Drive, a Federal highway—US 41—as well as a major local expressway carrying traffic to and from the center of the city, was a victim of the deteriorating seawall this past spring.

On March 19th, high winds caused Lake Michigan waters to overtop the current deteriorated structures, flooding the drive and hurling chunks of the seawall onto the roadway. If the protection project is not authorized, the Army Corps predicts partial failure of the structure supporting the shorelines by 1998.

According to a Chicago Tribune editorial from this past April; ''The seawall project, in which Chicago would shoulder a third of the $200 million cost, has nothing to do with pork. It has everything to do with government's responsibility to maintain public-works infrastructure that is crucial to the well-being of its citizens.''

I am happy to report that today the Federal Government will not shrink from its responsibility.

Before I close, I want to take a moment to express my appreciation to Chairman SHUSTER and Water Resources Subcommittee Chairman BOEHLERT for their help and leadership in guiding this bill to the floor. My Chicago colleague, BILL LIPINSKI, a member of the Tramsportation and Infrastructure Committee, was instrumental in authorizing the shoreline protection project, and I thank him as well.

Mr. BORSKI. Mr. Speaker, I yield 2 minutes to the gentleman from West Virginia [Mr. WISE], the distinguished ranking member of the Subcommittee on Railroads.

Mr. WISE. Mr. Speaker, I particularly want to thank Chairman SHUSTER, ranking Member OBERSTAR, Chairman BOEHLERT, and ranking Member BORSKI for getting this bill to the floor and impressively getting it to the floor in this fashion where it can move without controversy and move. That is the important thing.

Mr. Speaker, this bill is about investment. It is about moving coal and chemicals and commerce along our Nation's inland waterway system and through our ports. It is about providing flood protection and preventing soil erosion.

Most important for West Virginia, this bill provides the authorization to build the important Marmet locks, which are at the top of the priority list for the Army Corps of Engineers. It is about ending uncertainty for the almost 200 families in that area that have been waiting and waiting to see whether or not real estate acquisition and appraisal would begin. Not everyone supports the locks in the area but most understand that it is going to happen and the question is when.

Mr. Speaker, this bill is about giving the go to the Huntington District Corps of Engineers to get under way and to get those engineers working now and to get the real estate acquisition project started as soon as possible. It was only last week that this House was not able to fund the real estate acquisition because of the policy that the Committee on Appropriations had of not funding new starts, that is, construction starts that had not been authorized. This bill is the authorization. With this bill, that then gives the ability to begin to seek the funding that is necessary.

Mr. Speaker, with this authorization bill that passes the House today, we now have to go and conference with the Senate and work out differences in that bill. Hopefully in September, we can conference with the Senate and we can also then bring that bill back, get it approved and sent to the President and make it law before the Congress adjourns in October, and then we can begin the process of seeking the funding.

Mr. Speaker, this is an important bill, and I certainly appreciate those that have made it possible. I know a lot of people in the Marmet and Belle areas of West Virginia appreciate it, also.

Mr. SHUSTER. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from New Jersey [Mr. MARTINI].

(Mr. MARTINI asked and was given permission to revise and extend his remarks.)

Mr. MARTINI. I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in strong support for the Water Resources Development Act of 1996. I want to thank the gentleman from Pennsylvania, Chairman SHUSTER, as well as the gentleman from New York, Mr. BOEHLERT, chairman of the Subcommittee on Water Resources and Environment, who worked tirelessly to put together a fair and economically responsible bill.

This bill has carefully balanced the interests of environmentalists with those in the business community and provided the language that will enable our ports to once again flourish, our citizens to be protected from flooding; our environment to be protected and our taxpayers' dollars to be wisely and not frivolously spent.

Mr. Speaker, I am also pleased to state that this bill includes authorized funds for a buyout alternative to the Passaic River Flood Tunnel. In 1994 when I ran for Congress I recognized the importance of flood protection to the citizens of my district. In addition, I recognized that there must be a more economical and environmentally sound flood control alternative to a $1.9 billion proposed flood tunnel with potential negative effects on area wetlands and the existing ecosystems.

By authorizing $194 million for the buyout alternative, we are taking great strides toward both flood protection for our citizens and environmental protection for the Passaic River, while saving taxpayers money.

The bill also includes authorization for the Molly Ann's Brook flood protection project and I am pleased that the committee treated this project with the urgency and priority that it deserves.

Once again, Mr. Speaker, I extend my thanks to the chairman for his vigorous activity in making this bill a good bill to come to the floor in a bipartisan manner and urge my colleagues to support its passage.

Mr. BORSKI. Mr. Speaker, I yield 3 minutes to the gentleman from South Dakota [Mr. JOHNSON].

(Mr. JOHNSON of South Dakota asked and was given permission to revise and extend his remarks.)

Mr. JOHNSON of South Dakota. Mr. Speaker, there is a great deal about the Water Resources Development Act of 1996 which is excellent, which is a very positive constructive piece of legislation. I have to join my colleagues, however, the gentleman from Montana [Mr. WILLIAMS] and the gentleman from North Dakota [Mr. POMEROY] in expressing my very strong opposition to one particular provision within this bill which frankly makes a mockery of the Missouri River management process that is currently taking place by the Corps of Engineers.

Currently, Mr. Speaker, we are in the midst of a 6-year, $23 million process in rewriting the Master Manual for the management of the Missouri River. Despite that, however, there is a provision within this legislation which gives priority to navigation, despite the fact that navigation accounts only for 1 percent of the economic benefit that flows from the uses of the Missouri River. It disregards flood control, recreation, drinking water, power production and wildlife, and our opposition is shared not just by the Northern Plains Members but by this administration, by the American Rivers Group, by the National Audubon Society, by the National Wildlife Federation, by the Environmental Defense Fund, by the Sierra Club, by Friends of the Earth, by the Bass Angler Sportsmens Society, the Western Association of Fish and Wildlife Agencies and other recreation, wildlife and conservation organizations.

There is no doubt that this provision, if it remains in place, would threaten water supply by mandating yearly extra releases of water from upstream reservoirs, drawing down water reserves needed in times of drought. It would increase flood risks by mandating releases of water in December after the Missouri River is frozen. It will increase power rates to western area power administration users by lowering water levels, especially during the winter, thus in turn lowering generating capacity. It will be an environmental disaster drawing down reservoir levels, pose a threat to endangered and threatened species of native fisheries, and, frankly, it will waste Federal resources already devoted to the Master Manual design.

This Congress would be better served by allowing the Corps of Engineers to pursue their Master Manual, redesign a $23 million project rather than intervening legislative with no hearings, with no public input on this major change in the management of the Missouri River.

If this bill were not on this calendar, I would be offering an amendment with my colleagues. Since it is not, and no amendments are permitted, I want to share with my colleagues that we will be working with the conference committee very carefully to see to it that this particular provision of this needed legislation is in fact stricken and that the Missouri River management can be conducted on the basis of science and proper management processes rather than by arbitrary legislative effort.

Mr. SHUSTER. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Washington [Mrs. SMITH].

(Mrs. SMITH of Washington asked and was given permission to revise and extend her remarks.)

Mrs. SMITH of Washington. Mr. Speaker, I rise in strong support of this legislation because it's going to create new jobs and economic opportunity in Washington State's Third Congressional District.

This bill includes a proposal that settles 20 years of controversy between the city of North Bonneville and the Federal Government. This conflict started after the town was literally moved so that the Government could build a powerhouse at the Bonneville Dam.

A key part of this settlement will free up parcels of land that the city can use for economic development.

This bill will give community leaders a chance to bring in family wage jobs and give the people of Skamania County more hope.

In addition to creating new jobs, this bill will help keep the thousands of jobs supported by international trade on the Columbia River.

This bill ensures that the Corps of Engineers will maintain safe passage on the Columbia by calling for aggressive maintenance work in the channel.

If ports in cities like Vancouver, Kalama, and Longview, are going to remain competitive internationally, they need the certainty that larger shipping vessels will be able to navigate the Columbia River safely and efficiently.

I commend Chairman BOEHLERT and Chairman SHUSTER for their hard work on this bill and I urge my colleagues to support this legislation.

Mr. SHUSTER. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Louisiana [Mr. TAUZIN].

Mr. TAUZIN. Mr. Speaker, I thank Chairman SHUSTER and his committee for the excellent work they have done on this bill. I want to particularly call to the chairman's attention language in the bill that is extremely vital for safety, health, hurricane protection, and environmental protection matters dealing with the Parish of Terrebonne in the heart of the Third District of Louisiana. Terrebonne in French means good Earth. Yet it is threatened more and more every day by saltwater intrusion. Parish residents' safe drinking water has been threatened by rising levels of salinity. Hurricane threats to the community have been largely accumulating as a result of damage and erosion to its coastal barriers and to its coastal marshlands. One particular problem involves the Houma Navigation Canal which is a direct outlet to the Gulf of Mexico. As salinity levels rush into this canal, some 200,000 acres of sensitive marshlands are being destroyed and salinity levels are increasingly putting at risk the drinking water of the communities.

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My understanding is that this bill will allow the corps to separate from its 3-to-5-year work on the entire Morganza, LA, to the Gulf of Mexico feasibility study the central issue of a lock structure, which the corps has already identified, under its reconnaissance and feasibility studies, as a necessary feature in its overall plans; that will permit the independent study of this lock structure in the hopes of hastening its authorization and completion; and that this particular project has been recommended not only by the State of Louisiana but by the Federal task force of the Coastal Wetlands Planning and Protection Restoration Act, the Federal act designed to protect those sensitive coastal wetlands.

It is my understanding that that language is included. Yet because the corps may not finish this independent study by December, the bill does not

yet contain an authorization to proceed with this lock structure; is that correct, Mr. Chairman?

Mr. SHUSTER. Mr. Speaker, will the gentleman yield?

Mr. TAUZIN. I yield to the gentleman from Pennsylvania.

Mr. SHUSTER. Mr. Speaker, I would say to the gentleman that that is correct. Certainly it is our intention to pursue this vigorously to get the job done as quickly as possible.

Mr. TAUZIN. I would also assume that, if and when this independent study is completed, as we expect it will be, that we will have the full cooperation of the chairman of the committee in hastening the completion of this?

Mr. SHUSTER. That would certainly be my intention.

Mr. TAUZIN. I thank the chairman and appreciate his help on this.

Mr. BORSKI. Mr. Speaker, I yield 3 minutes to the gentleman from North Dakota [Mr. POMEROY].

Mr. POMEROY. Mr. Speaker, I thank the gentleman for yielding me this time.

As we have heard throughout this debate, this is an important bill. It accomplishes a lot of good for many parts of the country. Unfortunately, this bill contains a poison pill relative to my part of the country, and that is the provision in this legislation that would direct the Corps of Engineers to extend navigation on the Missouri River by 1 month.

The management of our Nation's rivers is a complex thing. The more expertise we get on this issue, the more we begin to understand just how complex it is. The Corps of Engineers, in fact, are looking at the management issues attendant to the management of the Missouri River and will end up investing nearly 10 years in a revision manual effort, an effort that will cost up to $24.5 million. By exhaustive hearings and research, they will weigh and come out with a product that ultimately directs the management of this river.

Now, we are all frustrated that this process has taken so long. Upstream is frustrated, downstream is frustrated. But the way the downstream interests are reacting to their frustration is just to direct with legislative language a management priority for navigation and extend it 1 month while we are at it. It is not that simple.

That directive would shortchange and injure a variety of upstream interests, including irrigation, hydropower, municipal water supply, and flood control. The economic interests in comparison do not even compare, $1 billion of economic activity from the collection of upstream interests compared to the $10 million directly related to downstream navigation.

It is not simply an upstream-downstream deal. In fact, downstream interests are injured as well by this provision. The fact is when we extend navigation on the Missouri through the month of December, we get freeze-up, and freeze-up causes ice jams, and ice jams cause flooding ironically to the areas of the very proponents of this measure. Missouri, Iowa, Nebraska, all would be hit with floods as a result of this provision.

We need to work collectively and collaboratively in developing a plan for the Missouri River, and that effort is underway locally right now. I have a clipping quoting the Governor of Iowa opposing extending the navigation season, even though he is a downstream interest, saying, ''I hate to see this become a legislative football. I think there is enough other important issues for Congress to address.''

They are working and trying to resolve locally these competing interests. We should not be preempting the upstream interests with a show of legislative clout from downstream interests. That is simply not the way to manage our Nation's precious water issues.

Finally, and of great concern, is the fact that this poison pill does more than cause me heartburn. This poison pill threatens enactment of this legislation. We have assurances from the Senate that this provision will never pass and, if it is insisted in the bill, the bill will never pass. Let us pull this provision out in conference committee and enact this comprehensive very important water bill.

Mr. SHUSTER. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Ohio [Mr. LATOURETTE].

Mr. LATOURETTE. Mr. Speaker, I thank the gentleman for yielding me this time.

I rise today in the strongest support of the Water Resources Development Act of 1996. On behalf of the people that I represent back in Ohio, I want to commend the gentleman from Pennsylvania, Chairman SHUSTER, and chairman of our subcommittee, the gentleman from New York, Congressman BOEHLERT, and also the ranking members of our fine committee, the gentleman from Minnesota, Congressman OBERSTAR, and the gentleman from Pennsylvania, Mr. BORSKI, for making this a truly bipartisan bill that we can all be proud of.

This bill is good for the water resources of the Nation, it is good for the environment, and for the Great Lakes it is great. Many of the ports and harbors within the Great Lakes are suffering from light loading problems, where because of our inability to open late, dispose of dredge spoils, contaminated and otherwise, we have a situation that makes our ports and harbors noncompetitive.

The environmental dredging section of this particular bill will again allow the Great Lakes' ports and harbors to be competitive for areas like Eastlake and Ashtabula and also the City of Cleveland, OH.

I thank the chair and committee for bringing this bill forward today in this manner, and I would urge every Member of this House to vote in favor of its passage.

Mr. BORSKI. Mr. Speaker, I yield 2 minutes to the gentleman from Montana [Mr. WILLIAMS].

Mr. WILLIAMS. Mr. Speaker, I thank the ranking member for yielding me this time.

My colleagues, recognizing the importance of enacting a good Water Resources Development Act and, sadly, recalling that this bill failed to pass into law in the last Congress, and I want to see it pass this Congress, I nonetheless take this opportunity early on here to rely my objection to language in this bill which would create an entirely inappropriate mandated intervention into the proper management of the Missouri-Mississippi system.

I join my colleagues, the gentleman from South Dakota [Mr. JOHNSON] and the gentleman from North Dakota [Mr. POMEROY]. My objection as an upstream Representative is very similar to theirs.

This bill, we have been told, contains congressional directive to the Army Corps of Engineers concerning the regulation of the Missouri's main stem. The Corps of Engineers is, as we have heard, in the process of completing their plan for managing the main flow of the Missouri. This is a 10-year plan. They are in about their 6th year of it. They are very carefully developing that plan by balancing the needs of all the users along the main stem of the Missouri. Now along comes this legislation and, through a kind of a midnight slam dunk of language, we insert the mandate that upsets what the Corps of Engineers has spent all this time and money trying to do, and that is balance the uses of the Missouri.

If this bill became law as is, it would mandate, against the objections of the Corps, a late release of water downstream from the upstream reservoirs, which is greater than the Corps now things should be done.

If that late release of water goes forward, it will threaten water supply in the upstream States in a drought year. It will increase flood risks in the very critical downstream States. It is likely to raise the power rates of consumers who use WAPA. And finally, it will threaten species and native fisheries. That is probably why most of the major conservation groups in this country are opposing this language in this bill.

I urge my colleagues to agree in conference with the Senate to take this language out.

Mr. SHUSTER. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Tennessee [Mr. WAMP], vice chairman of the subcommittee.

(Mr. WAMP asked and was given permission to revise and extend his remarks.)

Mr. WAMP. Mr. Speaker, I thank the chairman and all those involved from both sides of the aisle on a job well done.

As the vice chairman of the Subcommittee on Water Resources and Environment, I strongly encourage our

colleagues to support the Water Resources Development Act and remind our colleagues that behind the national defense of our country, as our ranking member, the gentleman from Minnesota [Mr. OBERSTAR] so eloquently reminds us on the Committee on Transportation and Infrastructure, this was the second function of the Federal Government, to meet the basic infrastructure needs of a thankful nation. The natural disasters that we have, flooding, bank stabilization along our riverways and waterways. Very essential function of our Federal Government.

Many of these needs are met by the Army Corps of Engineers. Ladies and gentlemen, my father wore the castles of the Army Corps of Engineers on his lapels. They do good work and we are grateful for their service. The Water Resources Development Act meets real needs in real people's lives all across the country.

Earlier this year I held a field hearing in northeastern Oklahoma, where Kansas and Oklahoma and Missouri all meet. This bill meets real needs in that part of the world, in my part of the world, in the Southeastern United States. This is one of those critical functions that we are here to deliver to the people and they are waiting for this bill. Many people.

Let us come together today with an overwhelming show of support. This bill will save money. I encourage my colleagues to have an impact on the people that we are elected to represent. Vote yes enthusiastically for WRDA.

Mr. BORSKI. Mr. Speaker, I yield myself 30 seconds.

Mr. Speaker, I rise to discuss with the chairman of the committee an issue of great importance concerning a provision in this bill to extend the navigation season on the Missouri River. As my three preceding colleagues on this side of the aisle have said, extending navigation and drawing down the reservoirs in the upper Mississippi basin have the potential to negatively impact irrigation, drinking water, recreation, and hydropower uses of the river.

I am concerned this particular provision was inserted in the bill without the benefit of a hearing or comment with upstream Missouri River interests. I seek the assurances of the chairman that as we work through the conference he will be open to the concerns of the upper basin States.

Mr. SHUSTER. Mr. Speaker, will the gentleman yield?

Mr. BORSKI. I yield to the gentleman from Pennsylvania.

Mr. SHUSTER. Mr. Speaker, it is certainly not the intent of the committee to harm any of the Missouri River interests with this language.

While the provision was put in response to concerns to several of our committee members, clearly all Missouri River interests must be addressed before making significant changes to the management of the Missouri River system.

I certainly will work with all Missouri River interests to bring this matter to resolution.

Mr. BORSKI. Mr. Speaker, I appreciate the assurances of the chairman. This is an important bill to many Members of the body. Many of us were disappointed when the 1994 Water Resources Development Act stalled in the Senate, in part over disputes between upstream and downstream Missouri River interests.

The Senate bill contains no provision to extend Missouri River navigation. It is my sincere desire that such disputes do not prevent passage of the 1996 water resources bill.

Mr. SHUSTER. Mr. Speaker, if the gentleman will continue to yield, I thank him and the other gentlemen who have spoken on this issue for bringing their concerns to our attention. We will certainly take all of the interested parties' concerns into consideration as the bill progresses. Let me assure all of the parties that we intend to resolve this important issue in a mutually agreeable manner.

Mr. BORSKI. Mr. Speaker, I yield the balance of my time to the distinguished gentleman from Minnesota, [Mr. OBERSTAR], the ranking member of the Committee on Transportation and Infrastructure.

(Mr. OBERSTAR asked and was given permission to revise and extend his remarks.)

Mr. OBERSTAR. Mr. Speaker, I want to thank the gentleman from Pennsylvania [Mr. BORSKI] on our side for the splendid work he has done over many, many months in crafting this bill, and the gentleman from New York [Mr. BOEHLERT] for the work that he has contributed, of course to our full committee chairman, the gentleman from Pennsylvania [Mr. SHUSTER], for bringing about a truly inclusive process to bring us to this point where we can bring this massive bill for the first time in my recollection on the suspension calendar on the House floor.

I would also like to express great appreciation to the staff members on both sides, without mentioning names, because I will certainly forget somebody. They have really worked hard and carried the burden of this very complex legislation.

Most of the cities, the great cities of our country, are cities because they were ports. They started out as ports. Seventy-five percent of the population of our Nation lives along the water. We are a Nation inextricably tied to the water as a means of transportation, as a means of commerce, as a means of livelihood, and as a means of enjoyment.

This legislation dates back to the roots of our history as a Nation and as a committee. The earliest works of the Congress were the works that our committee brings to the floor today, those that the gentleman from Tennessee [Mr. WAMP], I thought so very warmly and touchingly described in talking about his father's having served in the corps. The corps has done so much to increase the yield of our Nation by the water resources development that it undertakes in the navigation, the locks and dams, the ports, the harbors, the riverways, and we advance that cause with all of the many provisions that we bring together in this legislation.

For flood control we raise a minimum non-Federal share from 25 to 35 percent. And to help communities in the transition, we applied the new minimum only prospectively. I think that is a reasonable and responsible prudent step to undertake.

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We also deal with the matter of dredged disposal material from the Great Lakes by providing for cost sharing and confined disposal facilities vitally important for this one-fifth of all the fresh water on the face of the Earth to provide this protection. There are many other provisions in this legislation.

Suffice it to say, this is one of the finest bills our committee has ever brought forward. I urge its adoption by the House and express my fervent hope that the other body will concur with us and bring this legislation to the President's desk for signature as soon as possible.

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

Mr. Speaker, I particularly want to recognize the staff who made such a great contribution to this legislation and the senior staff on both sides of the aisle: Mike Strachn, Lee Forsgren, Ken Kopocis, and Art Chan, as well as the other staff who really performed in an outstanding manner.

Mr. Speaker, I yield the balance of my time to the distinguished gentleman from New York [Mr. BOEHLERT], chairman of the Subcommittee on Water Resources and Environment.

The SPEAKER pro tempore (Mr. EWING). The gentleman from New York [Mr. BOEHLERT] is recognized for 3½ minutes.

(Mr. BOEHLERT asked and was given permission to revise and extend his remarks.)

Mr. BOEHLERT. Mr. Chairman, let me begin by thanking the gentleman from Pennsylvania [Mr. SHUSTER] and the gentleman from Minnesota [Mr. OBERSTAR], ranking minority member, for their significant input into this legislative process. And, Mr. Speaker, to the gentleman from Pennsylvania [Mr. BORSKI], my good friend, the ranking member of the subcommittee, my special thanks for all that he has done.

Mr. Speaker, this is a product of Members of Congress from all sections of the country, from different political persuasions coming together and working together because it makes good sense for America.

I particularly want to thank Mike Strachn of the professional staff. He came to us from the Corps of Engineers. He had a very distinguished career and he has lent his expertise to us

as we fashioned this very important bill. All the staff is good, but Mike is very special in my heart, and I thank him.

This bill reflects regional, environmental and Political balance. Every single American will benefit from the water resources improvements provided for in this legislation.

Our Nation's water infrastructure is critical to both the economic and environmental health of our Nation and the proposal before us today provides for continued improvement in both of these areas.

I am particularly proud of the new course that the Water Resources Development Act of 1996 charts on the environment. WRDA '96 is the ''greenest'' Corps bill in the history of the republic. Perhaps since the original 1899 Rivers and Harbors Act, no Congress has placed a greater emphasis than the 104th Congress on using the Corps of Engineers' considerable engineering expertise to improve the environmental quality of our Nation's lakes, rivers, and harbors.

Nearly 25 percent of all the funding in this bill will go to environmentally sensitive water infrastructure programs and projects. The legislation before us also seeks to maximize the amount of flood protection we receive for our Federal resources by changing the Federal-local cost share from 75 percent Federal-25 percent local to 65 percent Federal-35 percent local.

This change in cost share is also viewed by members of the environmental community as a step toward ensuring that the wisest path for flood control management is pursued. I strongly support this adjustment and believe it demonstrates this committee's commitment to sensible fiscal and environmental policies.

The Water Resources Development Act of 1996, beyond its impressive environmental mission, also ensures that our Nation's ports and rivers will continue to be efficient conduits for commerce.

Many claim that water transportation is the most efficient form of transportation in this country, and with the passage of WRDA '96, our Nation will enjoy this efficient mode of transportation well into the next century. Though we often take it for granted, most of the fuel we consume and the food we eat has traveled on our Nation's waterways.

I think it is evident from my remarks I am very proud of the bipartisan water resources bill, not just because I am privileged to serve as chairman of the subcommittee of jurisdiction, but because I am privileged to work with people like the gentleman from Pennsylvania [Mr. SHUSTER], and the gentleman from Minnesota [Mr. OBERSTAR], and the gentleman from Pennsylvania [Mr. BORSKI]; Republicans and Democrats alike, taking seriously the people's business and the mission of shaping responsible public policy.

Mr. Speaker, I urge my colleagues to give this bill the overwhelming and enthusiastic support it deserves for all the right reasons.

Mr. DEFAZIO of Oregon. Mr. Speaker, I would like to take a moment to thank the members and staff of the Transportation and Infrastructure Committee for including language in the Water Resources Development Act which will help advance an important project in my district known as the Lower Amazon Creek restoration and protection project.

The project, which received approval previously from the U.S. Army Corps of Engineers under the Water Resources Development Act section 1135 program, is currently moving into the design and cost estimate phases. Yet a small portion of the project, which was originally constructed jointly by the Corps of Engineers and the Soil Conservation Services, now known as the Natural Resources Conservation Service [NRCS], had previously been left out of the project because of an apparent lack of statutory authority by the Corps of Engineers. This portion of the project is critical to the restoration of the Lower Amazon Creek and I am encouraged that this language will foster the necessary cooperation between the Corps and the NRCS to complete this important project.

Again, I thank my colleagues for their support of this critical legislation and urge my counterparts in the Senate to support this provision of the bill.

Mr. WAMP. Mr. Speaker, I applaud the work Chairman SHUSTER and Chairman BOEHLERT, and Transportation Committee Ranking Members OBERSTAR and BORSKI have put into this bill, in a bipartisan manner, and for the excellent support the staff has given us on this bill. Their expertise on the vital issues contained in this bill is something of which the citizens of this country should be proud, and this story of how Congress helps better the lives of every American is too often untold. I'm proud of the work we're doing here.

As I recently expressed to the majority leader, it is important that we deliver on promises to our districts in ways that our constituents tell me are most vital to their everyday health and safety. Poll after poll tells us that these bread-and-butter issues are far more important to average Americans than broad, theoretical policy objectives. This bill accomplishes just that. WRDA will benefit many of our communities.

My district has several pressing needs in flood control, stream bank protection, inland waterway navigation, basic infrastructure, and environmental protection. The fundamental mission of the Corps of Engineers is widely recognized in east Tennessee. Fulifilment of our commitments to these communities, which are faced with both safety and economic concerns, can happen if H.R. 3592 gets passed into law swiftly. Unlike the fate of the WRDA bill from the last Congress, I believe that this work will get done. The other body is poised and ready, and today, we take another huge step forward.

I expect that these vital issues will not get bogged down in Presidential politics or die in conference. Ironically, these are issues in which the other body has taken the lead and House action will bring us tangible results. Mr. Speaker, I encourage our colleagues not to shrink from this task at hand because some may call this bill pork. Our process here has revolved around sound science and engineering, authorizing those projects that fit criteria and pass muster from the Corps of Engineers. My father served in the U.S. Army Corps of Engineers—wore castles on his lapels—and I know the quality of the work done through their civilian works program.

This bill is about responsibly authorizing needed works in a cost-effective manner, not simply allowing Congress to appropriate money without due process. In some cases, this bill will authorize projects at dollar amounts below original estimates because we worked with the involved parties to find better solutions than the most expensive plans out there. We increase local responsibility and expect the Federal Government to be responsive to local needs.

One final note, Mr. Speaker, You will notice that while the Corps of Engineers is very active in Tennessee, in my home State, and the six other Southeastern States served by the Tennessee Valley Authority, which also falls under the jurisdiction of this committee, we have many ongoing projects and needs that are not mentioned in this bill. That is because TVA, in its ongoing mission and existing authorization, carries out projects every year that have to compete for those same scarce appropriations dollars coming out of the energy and water bill. We all know what a squeeze is on for these dollars this year and the situation may bet worse before it gets better, as we balance the Federal budget. I want to remind our colleagues that although you will see no TVA project mentioned in H.R. 3592, the Tennessee Valley region still has needs that TVA is expected to meet in the coming years. Because TVA has ongoing authority, I hope that this committee, the Appropriations Committee, and the Congress will not prejudice any TVA project that meets the same criteria as these projects listed in this bill when it comes time to funding just because it is not listed in this bill.

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

Mr. GOSS. Mr. Speaker, coming from the beautiful coastal area of southwest Florida, I know that the protection and proper stewardship of our coastal resources is vital. The Water Resources Development Act authorizes funding for the Army Corps of Engineers. The corps is doing good work in Florida—from its high-profile role in the restoration of our unique Everglades, to assisting local governments like Captiva Island with shoreline protection. I would note that the Clinton administration has tried to end the involvement of the corps in joint shoreline projects. I am pleased this bill includes legislation introduced by my Florida colleague CLAY SHAW that will overturn the President's policy and ensure the continued involvement of the corps in worthwhile beach restoration projects. Overall, this is a responsible authorization bill, and I urge my colleagues to support it.

Mr. WAMP. Mr. Speaker, I applaud the work you, Chairman BOEHLERT and ranking Members OBERSTAR and BORSKI have put into this bill, in a bipartisan manner, and for the excellent support the staff has given us during the hearing process and drafting of this bill. The expertise within this committee on the vital issues contained in this bill is something of which the citizens of this country should be proud, and this story of how Congress helps

better the lives of every American is too often untold. I'm proud of the work we're doing here, and it's one of the reasons I asked to serve on this committee and under your leadership, Chairman SHUSTER.

As I recently expressed to our House majority leader, it is important that we deliver on promises to our districts in ways that our constituents tell me are most vital to their everyday health and safety. Poll after poll tells us that these bread-and-butter issues are far more important to average Americans than broad, theoretical policy objectives. This bill accomplishes just that. WRDA will benefit many of our communities.

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I hope these vital issues do not get bogged down in Presidential politics or die in conference. Ironically, these are issues in which the Senate has taken the lead and House action will bring us tangible results. Mr. Speaker, I encourage our colleagues not to shrink from this task at hand because some may call this bill pork. Our process here has revolved around sound science and engineering, authorizing those projects that fit criteria and pass muster from the Corps of Engineers. My father served in the U.S. Army Corps of Engineers—wore castles on his lapels—and I know the quality of the work done through their civilian works program.

This bill is about responsibly authorizing needed works in a cost-effective manner, not simply allowing Congress to appropriate money without due process. In some cases, this bill will authorize projects at dollar amounts below original estimates because we worked with the involved parties to find better solutions than the most expensive plans out there. We increase local responsibility and expect the Federal Government to be responsive to local needs.

One final note, Mr. Speaker. You will notice that while the Corps of Engineers is very active in Tennessee, in my home State, and the six other Southeastern States served by the Tennessee Valley Authority, which also falls under the jurisdiction of this committee, we have many ongoing projects and needs that are not mentioned in this bill. That is because TVA, in its ongoing mission and existing authorization, carries out projects every year that have to compete for those same scarce appropriations dollars coming out of the energy and water bill. We all know what a squeeze is on for these dollars this year and the situation may get worse before it gets better, as we balance the Federal budget. I want to remind our colleagues that although you will see no TVA project mentioned in H.R. 3592, the Tennessee Valley region still has needs that TVA is expected to meet in the coming years. Because TVA has ongoing authority, I hope that this committee, the Appropriations Committee, and the Congress will not prejudice any TVA project that meets the same criteria as these projects listed in this bill when it comes time to funding just because it is not listed in this bill.

Mr. EWING. Mr. Speaker, I rise today in support of H.R. 3592, the Water Resources Development Act of 1996. Chairman SHUSTER and Water Resources Subcommittee Chairman BOEHLERT both deserve credit for the bipartisan cooperation they have demonstrated in putting this legislation together. Because of their efforts it is no surprise that H.R. 3592 was unanimously approved by the Transportation and Infrastructure Committee.

H.R. 3592 authorizes the activities of the U.S. Army Corps of Engineers through fiscal year 2000. Many provisions in the bill relate to critical flood control and marine transportation projects that will save lives and property, protect the environment, and improve commerce along many of our Nation's great rivers.

One flood control project of critical importance to my central Illinois district is in the city of Villa Grove. This is the second of the last 3 years that Villa Grove, and Douglas County, have been placed on the State and Federal disaster lists because of flooding. The city faces flooding threats from the Embarras River, which flows north-south through the city; the Jordan Slough, a tributary of the Embarras River; and the West Ditch, which collects storm water runoff from farms west of the city and runs directly though the center of Villa Grove.

The U.S. Army Corps of Engineers has surveyed the latest damage and agreed that corrective action is appropriate. City officials have suggested diverting water from the West Ditch by grading certain runoff areas, installing box culverts in several locations, and possibly modifying the river's path outside of the city. Clearly, Villa Grove's flooding problems will only become more frequent and severe if they are not addressed in the near future.

While the Villa Grove flood control project is only a small portion of this bill, I believe it is illustrative of the kind of flood relief that many communities around the United States desperately need. To the residents of Villa Grove, H.R. 3592 is one of the most important bills this Congress will act on, and I urge all of my colleagues to support its adoption.

Mr. CRANE. Mr. Speaker, I rise today in support of H.R. 3592, the Water Resources Development Act [WRDA] of 1996. Not only is this bill a fiscally responsible approach to America's need for inland waterway and flood control projects, but it will be of substantial benefit to the environment as well. As a matter of fact, almost one quarter of the entire bill is devoted to programs and projects of an environmentally sensitive nature.

An excellent case in point is the 550 acre Des Plaines River Wetlands Demonstration Project [DPRWDP] in northern Illinois which would be reauthorized by section 502 of this bill. Originated in 1983 as a cooperative Federal, State, local, and private venture, the purpose of this project was to produce significant research information on the creation, maintenance, and restoration of wetlands. Since then, almost $9 million has been spent—$1.9 million by the Federal Government, another $1.8 million by the State of Illinois, nearly $1.7 million by local government entities, and $3.4 million by the private sector—in pursuit of that objective. The results speak for themselves, and for the reauthorization of this project so that the $2.2 million in Federal money authorized by the Water Resources Development Act of 1988 can be fully appropriated.

Since its inception 13 years ago, the DPRWDP has become an internationally recognized wetlands research effort that not only features 6 experimental wetlands cells but also a pair of wetlands mitigation banks that are demonstrating just how effectively the pressures of economic development can be reconciled with the need for environmental protection. Land that was once devoted to farming and gravel mining operations has been converted into a carefully monitored and controlled wetlands laboratory in which no less than 12 research teams from 14 different organizations, including 9 universities, have conducted, and continue to conduct, investigations into the way in which wetlands work and how they can affect such things as flooding, water quality, and habitat preservation.

As a result of all this work, over 150 articles, reports, proceedings, book chapters, abstracts, technical papers, theses, and dissertations have been published, not to mention the 50 plus newspaper, magazine, and newsletter articles that have written on the DPRWDP's research and its implications for such important public policy matters as flood control, species preservation, and water quality enhancement. For example, the August 25, 1995 New York Times carried a 2 page feature article on the DPRWDP, and a similar project in St. Charles, IL, which focused on the extent to which the existence of wetlands could prevent flooding.

So that the significance of these findings is not lost upon my colleagues, let me mention several of them specifically. One, based on the determination that a wetland can trap more than 80 percent of the sediments and nutrients contained in incoming river water, concluded that water quality in a given watershed could be improved if as little as 2 to 4 percent of that watershed were converted to wetlands. Another, evidenced by the return of flora, fauna, and four State-endangered birds to the DRPWDP site, speaks to the potential of wetlands for accommodating endangered or threatened species. And then there is the matter of flooding, the indication being that only 2 to 6 percent of a watershed need be devoted to wetlands in order to accommodate floodwaters. However, more work needs to be done before the full benefit of these and other findings can be realized. If we are to understand more fully how wetlands may best be restored and if a detailed ''how-to'' manual is to become available by the end of the century, then the Federal Government needs to invest more money in this project in the near future.

To achieve those objectives within that timeframe, another $7 million and perhaps more will be needed, sooner rather than later. Revenues realized from the wetlands mitigation banks at the DPRWDP site will account for some of that money and private sources may provide additional financial support. But the funds generated from those sources alone is unlikely to be sufficient to get the job done by the year 2000 unless the remainder of the $2.2 million authorized by the 1988 WRDA is

actually appropriated. To date, the U.S. Army Corps of Engineers, whose good works are authorized by WRDA legislation, has only invested a small portion of either the $1.9 million spent by the Federal Government on the DPRWDP or the $1 million earmarked for the project in the 1992 Energy and Water appropriations measure. Not only that, but of the $125,000 or so the Corps has invested to date, none has been devoted to construction work.

Due to that combination of circumstances, the DPRWDP was deauthorized in 1993, even though it had been the recipient of nearly $2 million in Federal money over the years and it had received an appropriation as late as 1992. As a consequence, statutory language reauthorizing the project became necessary, otherwise it would not be in a position to compete effectively for subsequent Federal appropriation. WRDA legislation being the proper place for such language, I was pleased with, and gratified by, its inclusion in the committee-reported version of H.R. 3592. My thanks go to the chairman and members of the Transportation and Infrastructure Committee, and especially to the chairman and members of its Water Resources and Environment Subcommittee, for their consideration in that regard.

In closing, let me just say that enactment of this reauthorization language will pay big dividends in the future. Not only will the research data, instruction manuals, and mitigation banks generated by the DPRWDP enable Americans to conserve, construct, and restore valuable wetlands, but the insights provided will be of great benefit to those interested in controlling flooding or in accommodating necessary economic growth without compromising important environmental values. In short, the DPRWDP is a winner in every sense of the word and I urge my colleagues to give it their support by passing the legislation that contains its statutory reauthorization.

Mr. POMEROY. Mr. Speaker, I rise in strong opposition to a provision in the Water Resources Development Act of 1996 which could potentially cause grave harm to the upper Missouri River basin and at the same time set a dangerous and far-reaching precedent for water management in this Nation. I am speaking of section 545 in the bill before us today. This section proposes to extend the navigation season on the Missouri River by 1 month from the current 8-month season. While seemingly insignificant, extension of the navigation season would impact irrigation, drinking water supplies, hydropower generation, flood control efforts, recreational activities, and native fisheries.

According to the Army Corps of Engineers, the most severe impacts of extending the navigation season would be on water supply upstream and flood control downstream. Extension of navigation service by 1 month would require draining almost 1 million acre feet of drought reserve storage from each of the upper basin reservoirs, including Lake Sakakawea in North Dakota. Under this provision the corps would be required to release that water regardless of upstream weather conditions. During a series of drought years, farmers in Montana, North Dakota, and South Dakota could be caught without needed irrigation water, cities and towns could be left with insufficient clean drinking water supplies, hydropower plants could lose generating capacity, and recreation areas may be left high and dry literally miles from the water. These upstream uses of the river, which result in over $1 billion in economic activity annually, would be sacrificed in a short-sighted attempt to support navigation, a minor use of the river, generating only $10 million each year.

The corps has also indicated that this reckless provision may actually lead to increased flooding risks throughout the Missouri basin. Under section 545 the corps would be required to continue navigation releases throughout December, even after the river freezes at Bismarck, ND, and Pierre, SD, increasing the risk of ice jam floods in those cities. The effects downstream, however, could be even worse. The corps has identified the stretches of the river between northwest Iowa and central Missouri as areas most heavily prone to ice jam formation. With the increased water releases expected from extending the navigation season, floods behind ice jams would be more severe than under normal flows. The ice chunks would also be larger, damaging riverbanks, dikes, and possibly even major structures like the Gavins Point Dam. Clearly, extending the navigation season makes little sense from a flood control standpoint.

Diverse interests have expressed their extreme dismay over inclusion of this provision in WRDA. The administration has asked for its removal from the bill. Eight leading environmental advocacy organizations have sent a letter to Congress opposing this attempt to hijack Missouri River management. American Rivers, National Audubon Society, National Wildlife Federation, Environmental Defense Fund, Sierra Club, Friends of the Earth, Sierra Club Legal Defense Fund, and Bass Anglers Sportsman Society all agree that lengthening the navigation season will negatively impact the entire Missouri River basin. The Western Association of Fish and Wildlife Agencies oppose inclusion of this language in the WRDA bill. Even the Governor of Iowa, a downstream State, recently spoke out against extension of navigation through legislation.

If the resounding opposition to this provision and the potential damages from enactment of this provision do not provide enough evidence for its removal its precedent-setting nature should. Section 545 was slipped into the manager's amendment of the WRDA bill at the full committee markup and only subsequently made public. No hearings were conducted to determine its effect on the Missouri basin and not 1 minute of debate was conducted about the advisability of implementing such a scheme. Now this bill is brought up under suspension with no opportunity to have a standalone vote on this special-interest perk. Never before has Congress spelled out specific water management policy in statute, and it should not be doing so today.

Compare, if you will, that process to the one the corps is currently completing to review and update the Missouri River master manual. The corps has spent 6 years and $23 million to conduct a thorough revision of water management on the Missouri River. Many of us are frustrated by the continual delays in the release of the master manual but that does not mean that Congress should circumvent the process. For decades, the professional engineers of the Army Corps have done their best to manage the waters of the United States to the benefit of all uses. To turn water management over to the whim of special interests and political deal-making should make all members with rivers in their districts shudder. We cannot allow the corps to be placed in a statutory straightjacket when it comes to making sound decision about water management.

Finally, Mr. Speaker, I would like to remind Members that final consideration of the 1994 WRDA stalled over upstream-downstream struggles over flood control and navigation. Many Members have necessary and valuable projects in this bill. We must not allow this provision on the Missouri River to hold up the passage of this bill through conference. I urge the chairman and ranking members of the House and Senate committees to strike this language so this necessary water bill can be enacted without delay. Upstream and downstream interests can work together to solve the vexing differences between our regions over Missouri River management. Local representatives have already begun to discuss these issues on the local level. I fervently believe that we should do everything we can to encourage those efforts and stop trying to direct water policy through congressional fiat.

AMERICAN RIVERS, BASS ANGLERS SPORTSMAN SOCIETY, ENVIRONMENTAL DEFENSE FUND, FRIENDS OF THE EARTH, NATIONAL AUDUBON SOCIETY, NATIONAL WILDLIFE FEDERATION, SIERRA CLUB, SIERRA CLUB LEGAL DEFENSE FUND

JULY 25, 1996.

DEAR MEMBER OF CONGRESS: The undersigned conservation groups are deeply concerned that a provision in H.R. 3592, the Water Resources Development Act of 1996, would lead to the extinction of several fish and wildlife species that inhabit the Missouri River and reduce opportunities for recreation. Representatives Earl Pomeroy (D–ND), Tim Johnson (D–SD), and Pat Williams (D–MT) will offer an amendment to strip H.R. 3592 of this provision, and we urge you to support this amendment.

Section 541 of H.R. 3592 would require the U.S. Army Corps of Engineers to release water from the Missouri's six mainstem dams to support navigation from April 1 to December 15, regardless of the amount of water available to support other river uses. Dam releases designed solely to support navigation would not only have devastating environmental consequence but would also reduce economic benefits from hydropower, recreation and water supply. These industries—which generate more than $1 billion in economic benefits annually—would be sacrificed to support an industry that generates a mere $10 million each year.

Despite the economic and environmental impacts of the provision, the Transportation and Infrastructure Committee added Sec. 541 during full committee mark-up without hearing from a single witness. The two-page provision was included in a 70-page manager's amendment that was released to conservation groups after the Committee had already acted.

The Missouri River has been dramatically altered to support navigation. The river's six dams impound the world's largest reservoir system, blocking fish passage and altering the movement of sediment. The river between Sioux City and St. Louis, channelized to one-third of its original width, has lost more than 90 percent of its wetlands, islands, chutes and sandbars. Three federally endangered species are already jeopardized by current water management, according to the U.S. Fish and Wildlife Service. Many others species, including popular sportfish like blue catfish, have fallen to less than 10 percent of

their historic populations. This provision would prevent the Corps of Engineers from taking steps necessary to reverse their decline and prevent their extinction.

This amendment will prevent the Corps of Engineers from reducing flood losses. Landowners farming converted side channels and backwaters are among the most flood-prone in the nation. In the wake of flooding in 1993 and 1995, federal programs rebuilt many levees twice, often spending more federal funds on repairs than the protected land was worth. Section 541 would prohibit the Corps from using the conveyance capacity of floodplain lands acquired from willing sellers to protect other floodplain land owners.

This amendment will also have high economic costs. Originally forecast to carry 12 to 20 million tons annually, commercial navigation on the Missouri River peaked at 3.3 million tons in 1977 and has fallen to just 1.5 million tons, generating $10 million in economic benefits. By contrast, Missouri River recreation generates $75 million in economic benefits, water supply generates $450 million, and hydropower generates $625 million. Missouri River navigation accounts for just 1 percent of the economic benefits produced by the river, and is the means of transportation for only one-tenth of 1 percent of the corn produced in Missouri, Kansas, Iowa and Nebraska. Just 2 percent of the wheat produced in those states is shipped by Missouri River barge.

Despite the economic insignificance of Missouri River navigation, Section 541 would direct the Corps of Engineers to extend the navigation season at enormous expense to other river industries. The provision would prevent the Corps from managing the Missouri's dams to support Mississippi River navigation during periods of low water. Section 541 would also require dam releases to support Missouri River navigation regardless of the amount of water in the system, potentially exacerbating downstream flooding or wasting precious water during droughts.

We urge you to support the amendment offered by Representatives Earl Pomeroy (D–ND), Tim Johnson (D–SD), and Pat Williams (D–MT) to strip H.r. 3592 of this provision.

Sincerely,

SCOTT FABER,
American Rivers.
BRUCE SHUPP,
Bass Anglers Sportsman Society.
TIM SEARCHINGER,
Environmental Defense Fund.
GALWAIN KRIPKE,
Friends of the Earth.
JOHN ECHEVERRIA,
National Audubon Society.
DAVID CONRAD,
National Wildlife Federation.
JONATHAN ELA,
Sierra Club.
AMY MATHEWS-AMOS,
Sierra Club Legal Defense Fund.

STATE OF NORTH DAKOTA,
Bismarck, ND, July 26, 1996.

Hon. BUD SHUSTER,
Chairman, Transportation and Infrastructure Committee, Washington, DC.

DEAR CONGRESSMAN SHUSTER: I am deeply concerned with the obviously flawed provision in H.R. 3592, the Water Resources Development Act of 1996. The bill contains language requiring the U.S. Army Corps of Engineers to extend the navigation season on the Missouri River by one month, regardless of the amount of water available to support the other authorized primary uses. This provision would be devastating, especially during drought periods when system releases are to be reduced to save and ensure water in storage for all users, including navigation. This provision is ill-conceived and irresponsibly allows for abuse of our precious natural resources and is a license to steal water.

The economic and environmental impacts of Section 541 of H.R. 3592 would cause severe economic impacts to all Missouri River Basin states and their stakeholders. The current system operation is already extremely biased and heavily favors a minuscule, dwindling, archaic, heavily subsidized and highly marginal Missouri River navigation. Barge traffic produces only one percent of the annual net economic benefits derived from the management of the Missouri River. A decision by the political winds and pork barrel special interests of Washington should not destroy sensible water management. The Missouri River and its reservoirs are under the care of all of us, not a special interest group. I ask that you strike this language and leave the complicated matters of reservoir operations in the hands of the U.S. Corps of Engineers and the basin states.

Sincerely,

EDWARD T. SCHAFER
Governor.

WESTERN ASSOCIATION OF FISH AND WILDLIFE AGENCIES, RESOLUTION, OPPOSITION TO EXTENDED NAVIGATION ON THE LOWER MISSOURI RIVER

Whereas, the uses of Missouri River water for fish, wildlife, recreation, and other related beneficial purposes have been well documented; and

Whereas, the benefits of these fish, wildlife, and water-based activities have been shown to generate millions of dollars to the citizens of the United States; and

Whereas, the Corps of Engineers is nearing completion of a long-term, $20+ million review of its operating criteria and procedures (Master Manual review process) of six Missouri River impoundments; and

Whereas, all eight Missouri River basin states and all basin tribes have supported the Corps Master Manual review process; and

Whereas, the U.S. Congress is poised to legislatively require a one-month extension of navigation flow which will lower water levels in Missouri River mainstream reservoirs and severely limit the Corps operational flexibility, and this would be in contradiction to the findings of the Corps Master Manual review; and

Whereas, the impacts of lowering the water level in these reservoirs have been shown to be detrimental to fish species including native and endangered species; and

Whereas, the benefits of retaining water in mainstream reservoirs have been shown to far exceed the benefits of moving water downstream for navigation purposes on the lower Missouri: Now, therefore, be it

Resolved, that the Western Association of Fish and Wildlife Agencies, at its annual meeting on July 26, 1996, at Honolulu, Hawaii, supports deletion of Section 541 of the Water Resources Development Act of 1996 (H.R. 3592) which would require a one-month extension of the navigation season on the lower Missouri River, despite accelerating the dewatering of the reservoirs which support fish and wildlife uses, and would circumvent the Corps own review of their operating procedures.

Mrs. KELLY. Mr. Speaker, I rise in very strong support of H.R. 3592, the Water Resources Development Act, which authorizes projects and programs of the civil works program of the Army Corps of Engineers.

Mr. Speaker, this legislation is strongly bipartisan, and places special emphasis on protecting the environment. In fact, I believe it should be stressed that passage of this legislation represents an important environmental accomplishment for this Congress.

Of particular importance to the Hudson Valley, I would like to draw attention to section 551 of the act, which incorporates the provisions of legislation that I have introduced, H.R. 3471, the Hudson River Habitat Restoration Act. The legislation which we are considering today authorizes $11 million for at least four habitat restoration projects along the Hudson River basin.

Mr. Speaker, the Hudson River estuary is an important habitat to a wide range of waterfowl and aquatic species. Many important habitats along the river—wetlands, marshes, and so forth—have been degraded over the past century as industry and agriculture grew along the river. The legislation that I have introduced seeks Federal funding for critical habitat projects identified by the Corps of Engineers and New York's Department of Environmental Conservation.

I recently had the pleasure of touring one of the proposed sites, the Manitou Marsh near Philipstown in my district. Tidal marshes such as this one represent a very productive ecosystem, a wonderful habitat for raptors, waterfowl and fish, and serve to clean pollutants from the river. Road and factory construction dating from the 19th century has adversely affected the tidal flows in and out of the marsh, a problem this legislation seeks to correct.

This legislation supports an ongoing and cooperative effort that has involved various levels of government, including the U.S. Army Corps of Engineers and the New York Department of Environmental Conservation, local environmental organizations, such as the Museum of the Hudson Highlands, Scenic Hudson, and the Audubon Society, as well as private sector businesses, such as Metro North Railroad.

I urge my colleagues to join me in support of this important and vital environmental legislation.

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

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. SHUSTER] that the House suspend the rules and pass the bill, H.R. 3592, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

Mr. SHUSTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 640) to provide for the conservation and development of water and related resources, to authorize the Secretary of the Army to construct various projects for improvements to rivers and harbors of the United States, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 640

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Water Resources Development Act of 1996''.

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

Sec. 1. Short title; table of contents.
Sec. 2. Definition of Secretary.

TITLE I—WATER RESOURCES PROJECTS

Sec. 101. Project authorizations.
Sec. 102. Project modifications.
Sec. 103. Project deauthorizations.
Sec. 104. Studies.

TITLE II—PROJECT-RELATED PROVISIONS

Sec. 201. Grand Prairie Region and Bayou Meto Basin, Arkansas.
Sec. 202. Heber Springs, Arkansas.
Sec. 203. Morgan Point, Arkansas.
Sec. 204. White River Basin Lakes, Arkansas and Missouri.
Sec. 205. Central and Southern Florida.
Sec. 206. West Palm Beach, Florida.
Sec. 207. Everglades and South Florida ecosystem restoration.
Sec. 208. Arkansas City and Winfield, Kansas.
Sec. 209. Mississippi River-Gulf Outlet, Louisiana.
Sec. 210. Coldwater River Watershed, Mississippi.
Sec. 211. Periodic maintenance dredging for Greenville Inner Harbor Channel, Mississippi.
Sec. 212. Sardis Lake, Mississippi.
Sec. 213. Yalobusha River Watershed, Mississippi.
Sec. 214. Libby Dam, Montana.
Sec. 215. Small flood control project, Malta, Montana.
Sec. 216. Cliffwood Beach, New Jersey.
Sec. 217. Fire Island Inlet, New York.
Sec. 218. Queens County, New York.
Sec. 219. Buford Trenton Irrigation District, North Dakota and Montana.
Sec. 220. Jamestown Dam and Pipestem Dam, North Dakota.
Sec. 221. Wister Lake project, LeFlore County, Oklahoma.
Sec. 222. Willamette River, McKenzie Subbasin, Oregon.
Sec. 223. Abandoned and wrecked barge removal, Rhode Island.
Sec. 224. Providence River and Harbor, Rhode Island.
Sec. 225. Cooper Lake and Channels, Texas.
Sec. 226. Rudee Inlet, Virginia Beach, Virginia.
Sec. 227. Virginia Beach, Virginia.

TITLE III—GENERAL PROVISIONS

Sec. 301. Cost-sharing for environmental projects.
Sec. 302. Collaborative research and development.
Sec. 303. National dam safety program.
Sec. 304. Hydroelectric power project uprating.
Sec. 305. Federal lump-sum payments for Federal operation and maintenance costs.
Sec. 306. Cost-sharing for removal of existing project features.
Sec. 307. Termination of technical advisory committee.
Sec. 308. Conditions for project deauthorizations.
Sec. 309. Participation in international engineering and scientific conferences.
Sec. 310. Research and development in support of Army civil works program.
Sec. 311. Interagency and international support authority.
Sec. 312. Section 1135 program.
Sec. 313. Environmental dredging.
Sec. 314. Feasibility studies.
Sec. 315. Obstruction removal requirement.
Sec. 316. Levee owners manual.
Sec. 317. Risk-based analysis methodology.
Sec. 318. Sediments decontamination technology.
Sec. 319. Melaleuca tree.
Sec. 320. Faulkner Island, Connecticut.
Sec. 321. Designation of lock and dam at the Red River Waterway, Louisiana.
Sec. 322. Jurisdiction of Mississippi River Commission, Louisiana.
Sec. 323. William Jennings Randolph access road, Garrett County, Maryland.
Sec. 324. Arkabutla Dam and Lake, Mississippi.
Sec. 325. New York State canal system.
Sec. 326. Quonset Point-Davisville, Rhode Island.
Sec. 327. Clouter Creek disposal area, Charleston, South Carolina.
Sec. 328. Nuisance aquatic vegetation in Lake Gaston, Virginia and North Carolina.
Sec. 329. Washington Aqueduct.
Sec. 330. Chesapeake Bay environmental restoration and protection program.
Sec. 331. Research and development program to improve salmon survival.
Sec. 332. Recreational user fees.
Sec. 333. Shore protection.
Sec. 334. Shoreline erosion control demonstration.
Sec. 335. Review period for State and Federal agencies.
Sec. 336. Dredged material disposal facilities.
Sec. 337. Applicability of cost-sharing provisions.
Sec. 338. Section 215 reimbursement limitation per project.
Sec. 339. Waiver of uneconomical cost-sharing requirement.
Sec. 340. Planning assistance to States.
Sec. 341. Recovery of costs for cleanup of hazardous substances.
Sec. 342. City of North Bonneville, Washington.
Sec. 343. Columbia River Treaty Fishing Access.
Sec. 344. Tri-Cities area, Washington.
Sec. 345. Designation of locks and dams on Tennessee-Tombigbee Waterway.
Sec. 346. Designation of J. Bennett Johnston Waterway.
Sec. 347. Technical corrections.

SEC. 2. DEFINITION OF SECRETARY.

In this Act, the term ''Secretary'' means the Secretary of the Army.

TITLE I—WATER RESOURCES PROJECTS

SEC. 101. PROJECT AUTHORIZATIONS.

(a) PROJECTS WITH REPORTS.—Except as otherwise provided in this subsection, the following projects for water resources development and conservation and other purposes are authorized to be carried out by the Secretary substantially in accordance with the plans, and subject to the conditions, recommended in the respective reports designated in this subsection:

(1) HUMBOLDT HARBOR AND BAY, CALIFORNIA.—The project for navigation, Humboldt Harbor and Bay, California: Report of the Chief of Engineers, dated October 30, 1995, at a total cost of $15,180,000, with an estimated Federal cost of $10,116,000 and an estimated non-Federal cost of $5,064,000.

(2) MARIN COUNTY SHORELINE, SAN RAFAEL CANAL, CALIFORNIA.—The project for hurricane and storm damage reduction, Marin County Shoreline, San Rafael Canal, California: Report of the Chief of Engineers, dated January 28, 1994, at a total cost of $27,200,000, with an estimated Federal cost of $17,700,000 and an estimated non-Federal cost of $9,500,000.

(3) SAN LORENZO RIVER, CALIFORNIA.—The project for flood control, San Lorenzo River, California: Report of the Chief of Engineers, dated June 30, 1994, at a total cost of $16,100,000, with an estimated Federal cost of $8,100,000 and an estimated non-Federal cost of $8,000,000 and the habitat restoration, at a total cost of $4,050,000, with an estimated Federal cost of $3,040,000 and an estimated non-Federal cost of $1,010,000.

(4) SANTA BARBARA HARBOR, SANTA BARBARA COUNTY, CALIFORNIA.—The project for navigation, Santa Barbara Harbor, Santa Barbara, California: Report of the Chief of Engineers, dated April 26, 1994, at a total cost of $5,720,000, with an estimated Federal cost of $4,580,000 and an estimated non-Federal cost of $1,140,000.

(5) ANACOSTIA RIVER AND TRIBUTARIES, DISTRICT OF COLUMBIA AND MARYLAND.—The project for environmental restoration, Anacostia River and tributaries, District of Columbia and Maryland: Report of the Chief of Engineers, dated October 1994, at a total cost of $18,820,000, with an estimated Federal cost of $14,120,000 and an estimated non-Federal cost of $4,700,000.

(6) PALM VALLEY BRIDGE REPLACEMENT, ST. JOHNS COUNTY, FLORIDA.—The project for navigation, Palm Valley Bridge, County Road 210, over the Atlantic Intracoastal Waterway in St. Johns County, Florida: Report of the Chief of Engineers, dated June 24, 1994, at a total Federal cost of $15,312,000. As a condition of receipt of Federal funds, St. Johns County shall assume full ownership of the replacement bridge, including all associated operation, maintenance, repair, replacement, and rehabilitation costs.

(7) ILLINOIS SHORELINE STORM DAMAGE REDUCTION, WILMETTE TO ILLINOIS AND INDIANA STATE LINE.—The project for lake level flooding and storm damage reduction, extending from Wilmette, Illinois, to the Illinois and Indiana State line: Report of the Chief of Engineers, dated April 14, 1994, at a total cost of $204,000,000, with an estimated Federal cost of $110,000,000 and an estimated non-Federal cost of $94,000,000. The Secretary shall reimburse the non-Federal interest for the Federal share of any costs that the non-Federal interest incurs in constructing the breakwater near the South Water Filtration Plant, Chicago, Illinois.

(8) KENTUCKY LOCK ADDITION, KENTUCKY.—The project for navigation, Kentucky Lock Addition, Kentucky: Report of the Chief of Engineers, dated June 1, 1992, at a total cost of $467,000,000. The construction costs of the project shall be paid—

(A) 50 percent from amounts appropriated from the general fund of the Treasury; and

(B) 50 percent from amounts appropriated from the Inland Waterways Trust Fund established by section 9506 of the Internal Revenue Code of 1986.

(9) POND CREEK, KENTUCKY.—The project for flood control, Pond Creek, Kentucky: Report of the Chief of Engineers, dated June 28, 1994, at a total cost of $16,865,000, with an estimated Federal cost of $11,243,000 and an estimated non-Federal cost of $5,622,000.

(10) WOLF CREEK HYDROPOWER, CUMBERLAND RIVER, KENTUCKY.—The project for hydropower, Wolf Creek Dam and Lake Cumberland, Kentucky: Report of the Chief of Engineers, dated June 28, 1994, at a total cost of $50,230,000. Funds derived by the Tennessee Valley Authority from the power program of the Authority and funds derived from any private or public entity designated by the Southeastern Power Administration may be used for all or part of any cost-sharing requirements for the project.

(11) PORT FOURCHON, LOUISIANA.—The project for navigation, Port Fourchon, Louisiana: Report of the Chief of Engineers, dated April 7, 1995, at a total cost of $2,812,000, with an estimated Federal cost of $2,211,000 and an estimated non-Federal cost of $601,000.

(12) WEST BANK HURRICANE PROTECTION LEVEE, JEFFERSON PARISH, LOUISIANA.—The West Bank Hurricane Protection Levee, Jefferson Parish, Louisiana project, authorized by section 401(b) of the Water Resources Development Act of 1986 (Public Law 99–662; 100 Stat. 4128), is modified to authorize the Secretary to extend protection to areas east of the Harvey Canal, including an area east of the Algiers Canal: Report of the Chief of Engineers, dated May 1, 1995, at a total cost of $217,000,000, with an estimated Federal cost of $141,400,000 and an estimated non-Federal cost of $75,600,000.

(13) STABILIZATION OF NATCHEZ BLUFFS, MISSISSIPPI.—The project for bluff stabilization, Natchez Bluffs, Natchez, Mississippi: Natchez Bluffs Study, dated September 1985, Natchez Bluffs Study: Supplement I, dated June 1990, and Natchez Bluffs Study: Supplement II, dated December 1993, in the portions of the bluffs described in the reports designated in this paragraph as Clifton Avenue, area 3; Bluff above Silver Street, area 6; Bluff above Natchez Under-the-Hill, area 7; and Madison Street to State Street, area 4, at a total cost of $17,200,000, with an estimated Federal cost of $12,900,000 and an estimated non-Federal cost of $4,300,000.

(14) WOOD RIVER AT GRAND ISLAND, NEBRASKA.—The project for flood control, Wood River at Grand Island, Nebraska: Report of the Chief of Engineers, dated May 3, 1994, at a total cost of $10,500,000, with an estimated Federal cost of $5,250,000 and an estimated non-Federal cost of $5,250,000.

(15) ATLANTIC COAST OF LONG ISLAND, NEW YORK.—The project for hurricane and storm damage reduction, Atlantic Coast of Long Island from Jones Inlet to East Rockaway Inlet, Long Beach Island, New York: Report of the Chief of Engineers, dated April 5, 1996, at a total cost of $72,091,000, with an estimated Federal cost of $46,859,000 and an estimated non-Federal cost of $25,232,000.

(16) WILMINGTON HARBOR, CAPE FEAR-NORTHEAST CAPE FEAR RIVERS, NORTH CAROLINA.—The project for navigation, Wilmington Harbor, Cape Fear-Northeast Cape Fear Rivers, North Carolina: Report of the Chief of Engineers, dated June 24, 1994, at a total cost of $23,290,000, with an estimated Federal cost of $16,955,000 and an estimated non-Federal cost of $6,335,000.

(17) DUCK CREEK, OHIO.—The project for flood control, Duck Creek, Cincinnati, Ohio: Report of the Chief of Engineers, dated June 28, 1994, at a total cost of $15,408,000, with an estimated Federal cost of $11,556,000 and an estimated non-Federal cost of $3,852,000.

(18) BIG SIOUX RIVER AND SKUNK CREEK AT SIOUX FALLS, SOUTH DAKOTA.—The project for flood control, Big Sioux River and Skunk Creek at Sioux Falls, South Dakota: Report of the Chief of Engineers, dated June 30, 1994, at a total cost of $31,600,000, with an estimated Federal cost of $23,600,000 and an estimated non-Federal cost of $8,000,000.

(19) HOUSTON-GALVESTON NAVIGATION CHANNELS, TEXAS.—The project for navigation and environmental restoration, Houston-Galveston Navigation Channels, Texas: Report of the Chief of Engineers, dated May 9, 1996, at a total cost of $508,757,000, with an estimated Federal cost of $286,141,000 and an estimated non-Federal cost of $222,616,000.

(20) ATLANTIC INTRACOASTAL WATERWAY BRIDGE REPLACEMENT AT GREAT BRIDGE, CHESAPEAKE, VIRGINIA.—The project for navigation at Great Bridge, Virginia Highway 168, over the Atlantic Intracoastal Waterway in Chesapeake, Virginia: Report of the Chief of Engineers, dated July 1, 1994, at a total cost of $23,680,000, with an estimated Federal cost of $20,341,000 and an estimated non-Federal cost of $3,339,000. The city of Chesapeake shall assume full ownership of the replacement bridge, including all associated operation, maintenance, repair, replacement, and rehabilitation costs.

(21) MARMET LOCK REPLACEMENT, KANAWHA RIVER, WEST VIRGINIA.—The project for navigation, Marmet Lock Replacement, Marmet Locks and Dam, Kanawha River, West Virginia: Report of the Chief of Engineers, dated June 24, 1994, at a total cost of $229,581,000. The construction costs of the project shall be paid—

(A) 50 percent from amounts appropriated from the general fund of the Treasury; and

(B) 50 percent from amounts appropriated from the Inland Waterways Trust Fund established by section 9506 of the Internal Revenue Code of 1986.

(b) PROJECTS SUBJECT TO FAVORABLE REPORT.—The following projects for water resources development and conservation and other purposes are authorized to be carried out by the Secretary substantially in accordance with the plans, and subject to the conditions, recommended in a favorable final report (or in the case of the project described in paragraph (6), a favorable feasibility report) of the Chief of Engineers, if the report is completed not later than December 31, 1996:

(1) CHIGNIK, ALASKA.—The project for navigation, Chignik, Alaska, at a total cost of $10,365,000, with an estimated Federal cost of $4,344,000 and an estimated non-Federal cost of $6,021,000.

(2) COOK INLET, ALASKA.—The project for navigation, Cook Inlet, Alaska, at a total cost of $5,342,000, with an estimated Federal cost of $4,006,000 and an estimated non-Federal cost of $1,336,000.

(3) AMERICAN RIVER WATERSHED, CALIFORNIA.—

(A) IN GENERAL.—The project for flood damage reduction, American and Sacramento Rivers, California: Supplemental Information Report for the American River Watershed Project, California, dated March 1996, at a total cost of $57,300,000, with an estimated Federal cost of $42,975,000 and an estimated non-Federal cost of $14,325,000, consisting of—

(i) approximately 24 miles of slurry wall in the levees along the lower American River;

(ii) approximately 12 miles of levee modifications along the east bank of the Sacramento River downstream from the Natomas Cross Canal;

(iii) 3 telemeter streamflow gauges upstream from the Folsom Reservoir; and

(iv) modifications to the flood warning system along the lower American River.

(B) CREDIT TOWARD NON-FEDERAL SHARE.—The non-Federal interest shall receive credit toward the non-Federal share of project costs for expenses that the non-Federal interest incurs for design or construction of any of the features authorized under this paragraph before the date on which Federal funds are made available for construction of the project. The amount of the credit shall be determined by the Secretary.

(C) INTERIM OPERATION.—Until such time as a comprehensive flood control plan for the American River watershed has been implemented, the Secretary of the Interior shall continue to operate the Folsom Dam and Reservoir to the variable 400,000/670,000 acre-feet of flood control storage capacity and shall extend the agreement between the Bureau of Reclamation and the Sacramento Area Flood Control Agency with respect to the watershed.

(D) OTHER COSTS.—The non-Federal interest shall be responsible for—

(i) all operation, maintenance, repair, replacement, and rehabilitation costs associated with the improvements carried out under this paragraph; and

(ii) the costs of the variable flood control operation of the Folsom Dam and Reservoir.

(4) SANTA MONICA BREAKWATER, CALIFORNIA.—The project for hurricane and storm damage reduction, Santa Monica breakwater, California, at a total cost of $6,440,000, with an estimated Federal cost of $4,220,000 and an estimated non-Federal cost of $2,220,000.

(5) LOWER SAVANNAH RIVER BASIN, SAVANNAH RIVER, GEORGIA AND SOUTH CAROLINA.—The project for environmental restoration, Lower Savannah River Basin, Savannah River, Georgia and South Carolina, at a total cost of $3,419,000, with an estimated Federal cost of $2,551,000 and an estimated non-Federal cost of $868,000.

(6) NEW HARMONY, INDIANA.—The project for shoreline erosion protection, Wabash River at New Harmony, Indiana, at a total cost of $2,800,000, with an estimated Federal cost of $2,100,000 and an estimated non-Federal cost of $700,000.

(7) CHESAPEAKE AND DELAWARE CANAL, MARYLAND AND DELAWARE.—The project for navigation and safety improvements, Chesapeake and Delaware Canal, Baltimore Harbor channels, Delaware and Maryland, at a total cost of $33,000,000, with an estimated Federal cost of $25,000,000 and an estimated non-Federal cost of $8,000,000.

(8) POPLAR ISLAND, MARYLAND.—The project for beneficial use of clean dredged material in connection with the dredging of Baltimore Harbor and connecting channels, Poplar Island, Maryland, at a total cost of $307,000,000, with an estimated Federal cost of $230,000,000 and an estimated non-Federal cost of $77,000,000.

(9) LAS CRUCES, NEW MEXICO.—The project for flood damage reduction, Las Cruces, New Mexico, at a total cost of $8,278,000, with an estimated Federal cost of $5,494,000 and an estimated non-Federal cost of $2,784,000.

(10) CAPE FEAR RIVER, NORTH CAROLINA.—The project for navigation, Cape Fear River deepening, North Carolina, at a total cost of $210,264,000, with an estimated Federal cost of $130,159,000 and an estimated non-Federal cost of $80,105,000.

(11) CHARLESTON HARBOR, SOUTH CAROLINA.—The project for navigation, Charleston Harbor, South Carolina, at a total cost of $116,639,000, with an estimated Federal cost of $72,798,000 and an estimated non-Federal cost of $43,841,000.

SEC. 102. PROJECT MODIFICATIONS.

(a) MOBILE HARBOR, ALABAMA.—The undesignated paragraph under the heading ''MOBILE HARBOR, ALABAMA'' in section 201(a) of the Water Resources Development Act of 1986 (Public 99–662; 100 Stat. 4090) is amended by striking the first semicolon and all that follows and inserting a period and the following: ''In disposing of dredged material from the project, the Secretary, after compliance with applicable laws and after opportunity for public review and comment, may consider alternatives to disposal of such material in the Gulf of Mexico, including environmentally acceptable alternatives consisting of beneficial uses of dredged material and environmental restoration.''.

(b) SAN FRANCISCO RIVER AT CLIFTON, ARIZONA.—If a favorable final report of the Chief of Engineers is issued not later than December 31, 1996, the project for flood control on the San Francisco River at Clifton, Arizona, authorized by section 101(a)(3) of the Water Resources Development Act of 1990 (Public Law 101–640; 104 Stat. 4606), is modified to authorize the Secretary to construct the

project at a total cost of $21,100,000, with an estimated Federal cost of $13,800,000 and an estimated non-Federal cost of $7,300,000.

(c) LOS ANGELES AND LONG BEACH HARBORS, SAN PEDRO BAY, CALIFORNIA.—The project for navigation, Los Angeles and Long Beach Harbors, San Pedro Bay, California, authorized by section 201 of the Water Resources Development Act of 1986 (Public Law 99–662; 100 Stat. 4091), is modified to provide that, for the purpose of section 101(a)(2) of the Act (33 U.S.C. 2211(a)(2)), the sewer outfall relocated over a distance of 4,458 feet by the Port of Los Angeles at a cost of approximately $12,000,000 shall be considered to be a relocation.

(d) OAKLAND HARBOR, CALIFORNIA.—The projects for navigation, Oakland Outer Harbor, California, and Oakland Inner Harbor, California, authorized by section 202(a) of the Water Resources Development Act of 1986 (Public Law 99–662; 100 Stat. 4092), are modified to combine the 2 projects into 1 project, to be designated as the Oakland Harbor, California, project. The Oakland Harbor, California, project shall be carried out by the Secretary substantially in accordance with the plans and subject to the conditions recommended in the reports designated for the projects in the section, except that the non-Federal share of project cost and any available credits toward the non-Federal share shall be calculated on the basis of the total cost of the combined project. The total cost of the combined project is $102,600,000, with an estimated Federal cost of $64,120,000 and an estimated non-Federal cost of $38,480,000.

(e) BROWARD COUNTY, FLORIDA.—

(1) IN GENERAL.—The Secretary shall provide periodic beach nourishment for the Broward County, Florida, Hillsborough Inlet to Port Everglades (Segment II), shore protection project, authorized by section 301 of the River and Harbor Act of 1965 (Public Law 89–298; 79 Stat. 1090), through the year 2020. The beach nourishment shall be carried out in accordance with the recommendations of the section 934 study and reevaluation report for the project carried out under section 156 of the Water Resources Development Act of 1976 (42 U.S.C. 1962d–5f) and approved by the Chief of Engineers by memorandum dated June 9, 1995.

(2) COSTS.—The total cost of the activities required under this subsection shall not exceed $15,457,000, of which the Federal share shall not exceed $9,846,000.

(f) CANAVERAL HARBOR, FLORIDA.—The project for navigation, Canaveral Harbor, Florida, authorized by section 101(7) of the Water Resources Development Act of 1992 (Public Law 102–580; 106 Stat. 4802), is modified to authorize the Secretary to reclassify the removal and replacement of stone protection on both sides of the channel as general navigation features of the project subject to cost sharing in accordance with section 101(a) of the Water Resources Development Act of 1986 (33 U.S.C. 2211(a)). The Secretary may reimburse the non-Federal interests for such costs incurred by the non-Federal interests in connection with the removal and replacement as the Secretary determines are in excess of the non-Federal share of the costs of the project required under the section.

(g) FORT PIERCE, FLORIDA.—The Secretary shall provide periodic beach nourishment for the Fort Pierce beach erosion control project, St. Lucie County, Florida, authorized by section 301 of the River and Harbor Act of 1965 (Public Law 89–298; 79 Stat. 1092), through the year 2020.

(h) TYBEE ISLAND, GEORGIA.—The Secretary shall provide periodic beach nourishment for a period of up to 50 years for the project for beach erosion control, Tybee Island, Georgia, constructed under section 201 of the Flood Control Act of 1965 (42 U.S.C. 1962d–5).

(i) NORTH BRANCH OF CHICAGO RIVER, ILLINOIS.—The project for flood control for the North Branch of the Chicago River, Illinois, authorized by section 401(a) of the Water Resources Development Act of 1986 (Public Law 99–662; 100 Stat. 4115), is modified to authorize the Secretary to carry out the project substantially in accordance with the post authorization change report for the project dated March 1994, at a total cost of $34,228,000, with an estimated Federal cost of $20,905,000 and an estimated non-Federal cost of $13,323,000.

(j) HALSTEAD, KANSAS.—The project for flood control, Halstead, Kansas, authorized by section 401(a) of the Water Resources Development Act of 1986 (Public Law 99–662; 100 Stat. 4116), is modified to authorize the Secretary to construct the project substantially in accordance with the post authorization change report for the project dated March 1993, at a total cost of $11,100,000, with an estimated Federal cost of $8,325,000 and an estimated non-Federal cost of $2,775,000.

(k) BAPTISTE COLLETTE BAYOU, LOUISIANA.—The project for navigation, Mississippi River Outlets, Venice, Louisiana, authorized by section 101 of the River and Harbor Act of 1968 (Public Law 90–483; 82 Stat. 731), is modified to provide for the extension of the 16-foot deep (mean low gulf) by 250-foot wide Baptiste Collette Bayou entrance channel to approximately mile 8 of the Mississippi River Gulf Outlet navigation channel at a total estimated Federal cost of $80,000, including $4,000 for surveys and $76,000 for Coast Guard aids to navigation.

(l) COMITE RIVER, LOUISIANA.—If a favorable final report of the Chief of Engineers is issued not later than December 31, 1996, the Comite River diversion project for flood control authorized as part of the project for flood control, Amite River and Tributaries, Louisiana, by section 101(11) of the Water Resources Development Act of 1992 (Public Law 102–580; 106 Stat. 4802), is modified to authorize the Secretary to construct the project at a total cost of $121,600,000, with an estimated Federal cost of $70,577,000 and an estimated non-Federal cost of $51,023,000.

(m) MISSISSIPPI RIVER SHIP CHANNEL, GULF TO BATON ROUGE, LOUISIANA.—The project for navigation, Mississippi River Ship Channel, Gulf to Baton Rouge, Louisiana, authorized by the matter under the heading ''CORPS OF ENGINEERS—CIVIL'' under the heading ''DEPARTMENT OF DEFENSE—CIVIL'' in chapter IV of title I of the Supplemental Appropriations Act, 1985 (99 Stat. 313), is modified to require the Secretary, as part of the operations and maintenance segment of the project, to assume responsibility for periodic maintenance dredging of the Chalmette Slip to a depth of minus 33 feet mean low gulf, if the Secretary determines that the project modification is economically justified, environmentally acceptable, and consistent with other Federal policies.

(n) RED RIVER WATERWAY, MISSISSIPPI RIVER TO SHREVEPORT, LOUISIANA.—The project for navigation, Red River Waterway, Mississippi River to Shreveport, Louisiana, authorized by section 101 of the River and Harbor Act of 1968 (Public Law 90–483; 82 Stat. 731), is modified to require the Secretary to dredge and perform other related work as required to reestablish and maintain access to, and the environmental value of, the bendway channels designated for preservation in project documentation prepared before the date of enactment of this Act. The work shall be carried out in accordance with the local cooperation requirements for other navigation features of the project.

(o) WESTWEGO TO HARVEY CANAL, LOUISIANA.—If a favorable post authorization change report is issued not later than December 31, 1996, the project for hurricane damage prevention and flood control, Westwego to Harvey Canal, Louisiana, authorized by section 401(b) of the Water Resources Development Act of 1986 (Public Law 99–662; 100 Stat. 4128), is modified to include the Lake Cataouatche area levee as part of the project at a total cost of $14,375,000, with an estimated Federal cost of $9,344,000 and an estimated non-Federal cost of $5,031,000.

(p) TOLCHESTER CHANNEL, MARYLAND.—The project for navigation, Baltimore Harbor and Channels, Maryland, authorized by section 101 of the River and Harbor Act of 1958 (Public Law 85–500; 72 Stat. 297), is modified to direct the Secretary—

(1) to expedite review of potential straightening of the channel at the Tolchester Channel S-Turn; and

(2) if before December 31, 1996, it is determined to be feasible and necessary for safe and efficient navigation, to implement the straightening as part of project maintenance.

(q) STILLWATER, MINNESOTA.—Not later than 1 year after the date of enactment of this Act, the Secretary shall prepare a design memorandum for the project authorized by section 363 of the Water Resources Development Act of 1992 (Public Law 102–580; 106 Stat. 4861). The design memorandum shall include an evaluation of the Federal interest in construction of that part of the project that includes the secondary flood wall, but shall not include an evaluation of the reconstruction and extension of the levee system for which construction is scheduled to commence in 1996. If the Secretary determines that there is such a Federal interest, the Secretary shall construct the secondary flood wall, or the most feasible alternative, at a total project cost of not to exceed $11,600,000. The Federal share of the cost shall be 75 percent.

(r) CAPE GIRARDEAU, MISSOURI.—The project for flood control, Cape Girardeau, Jackson Metropolitan Area, Missouri, authorized by section 401(a) of the Water Resources Development Act of 1986 (Public Law 99–662; 100 Stat. 4118–4119), is modified to authorize the Secretary to carry out the project, including the implementation of nonstructural measures, at a total cost of $44,700,000, with an estimated Federal cost of $32,600,000 and an estimated non-Federal cost of $12,100,000.

(s) FLAMINGO AND TROPICANA WASHES, NEVADA.—The project for flood control, Las Vegas Wash and Tributaries (Flamingo and Tropicana Washes), Nevada, authorized by section 101(13) of the Water Resources Development Act of 1992 (Public Law 102–580; 106 Stat. 4803), is modified to provide that the Secretary shall reimburse the non-Federal sponsors (or other appropriate non-Federal interests) for the Federal share of any costs that the non-Federal sponsors (or other appropriate non-Federal interests) incur in carrying out the project consistent with the project cooperation agreement entered into with respect to the project.

(t) NEWARK, NEW JERSEY.—The project for flood control, Passaic River Main Stem, New Jersey and New York, authorized by paragraph (18) of section 101(a) of the Water Resources Development Act of 1990 (Public Law 101–640; 104 Stat. 4607) (as amended by section 102(p) of the Water Resources Development Act of 1992 (Public Law 102–580; 106 Stat. 4807)), is modified to separate the project element described in subparagraph (B) of the paragraph. The project element shall be considered to be a separate project and shall be carried out in accordance with the subparagraph.

(u) ACEQUIAS IRRIGATION SYSTEM, NEW MEXICO.—The second sentence of section

1113(b) of the Water Resources Development Act of 1986 (Public Law 99–662; 100 Stat. 4232) is amended by inserting before the period at the end the following: '', except that the Federal share of scoping and reconnaissance work carried out by the Secretary under this section shall be 100 percent''.

(v) WILMINGTON HARBOR-NORTHEAST CAPE FEAR RIVER, NORTH CAROLINA.—The project for navigation, Wilmington Harbor-Northeast Cape Fear River, North Carolina, authorized by section 202(a) of the Water Resources Development Act of 1986 (Public Law 99–662; 100 Stat. 4095), is modified to authorize the Secretary to construct the project substantially in accordance with the general design memorandum for the project dated April 1990 and the general design memorandum supplement for the project dated February 1994, at a total cost of $50,921,000, with an estimated Federal cost of $25,128,000 and an estimated non-Federal cost of $25,793,000.

(w) BROKEN BOW LAKE, RED RIVER BASIN, OKLAHOMA.—The project for flood control and water supply, Broken Bow Lake, Red River Basin, Oklahoma, authorized by section 203 of the Flood Control Act of 1958 (Public Law 85–500; 72 Stat. 309) and modified by section 203 of the Flood Control Act of 1962 (Public Law 87–874; 76 Stat. 1187) and section 102(v) of the Water Resources Development Act of 1992 (Public Law 102–580; 106 Stat. 4808), is further modified to provide for the reallocation of a sufficient quantity of water supply storage space in Broken Bow Lake to support the Mountain Fork trout fishery. Releases of water from Broken Bow Lake for the Mountain Fork trout fishery as mitigation for the loss of fish and wildlife resources in the Mountain Fork River shall be carried out at no expense to the State of Oklahoma.

(x) COLUMBIA RIVER DREDGING, OREGON AND WASHINGTON.—The project for navigation, Lower Willamette and Columbia Rivers below Vancouver, Washington and Portland, Oregon, authorized by the first section of the Act entitled ''An Act making appropriations for the construction, repair, preservation, and completion of certain public works on rivers and harbors, and for other purposes'', approved June 18, 1878 (20 Stat. 157), is modified to direct the Secretary—

(1) to conduct channel simulation and to carry out improvements to the deep draft channel between the mouth of the river and river mile 34, at a cost not to exceed $2,400,000; and

(2) to conduct overdepth and advance maintenance dredging that is necessary to maintain authorized channel dimensions.

(y) GRAYS LANDING, LOCK AND DAM 7, MONONGAHELA RIVER, PENNSYLVANIA.—The project for navigation, Lock and Dam 7 Replacement, Monongahela River, Pennsylvania, authorized by section 301(a) of the Water Resources Development Act of 1986 (Public Law 99–662; 100 Stat. 4110), is modified to authorize the Secretary to carry out the project in accordance with the post authorization change report for the project dated September 1, 1995, at a total Federal cost of $181,000,000.

(z) SAW MILL RUN, PENNSYLVANIA.—The project for flood control, Saw Mill Run, Pittsburgh, Pennsylvania, authorized by section 401(a) of the Water Resources Development Act of 1986 (Public Law 99–662; 100 Stat. 4124), is modified to authorize the Secretary to carry out the project substantially in accordance with the post authorization change and general reevaluation report for the project, dated April 1994, at a total cost of $12,780,000, with an estimated Federal cost of $9,585,000 and an estimated non-Federal cost of $3,195,000.

(aa) WYOMING VALLEY, PENNSYLVANIA.—The project for flood control, Wyoming Valley, Pennsylvania, authorized by section 401(a) of the Water Resources Development Act of 1986 (Public Law 99–662; 100 Stat. 4124), is modified to authorize the Secretary—

(1) to include as part of the construction of the project mechanical and electrical upgrades to stormwater pumping stations in the Wyoming Valley; and

(2) to carry out mitigation measures that the Secretary is otherwise authorized to carry out but that the general design memorandum for phase II of the project, as approved by the Assistant Secretary of the Army having responsibility for civil works on February 15, 1996, provides will be carried out for credit by the non-Federal interest with respect to the project.

(bb) ALLENDALE DAM, NORTH PROVIDENCE, RHODE ISLAND.—The project for reconstruction of the Allendale Dam, North Providence, Rhode Island, authorized by section 358 of the Water Resources Development Act of 1992 (Public Law 102–580; 106 Stat. 4861), is modified to authorize the Secretary to reconstruct the dam, at a total cost of $350,000, with an estimated Federal cost of $262,500 and an estimated non-Federal cost of $87,500.

(cc) INDIA POINT RAILROAD BRIDGE, SEEKONK RIVER, PROVIDENCE, RHODE ISLAND.—The first sentence of section 1166(c) of the Water Resources Development Act of 1986 (Public Law 99–662; 100 Stat. 4258) is amended—

(1) by striking ''$500,000'' and inserting ''$1,300,000''; and

(2) by striking ''$250,000'' each place it appears and inserting ''$650,000''.

(dd) CORPUS CHRISTI SHIP CHANNEL, CORPUS CHRISTI, TEXAS.—The project for navigation, Corpus Christi Ship Channel, Corpus Christi, Texas, authorized by the first section of the Act entitled ''An Act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes'', approved September 22, 1922 (42 Stat. 1039), is modified to include the Rincon Canal system as a part of the Federal project that shall be maintained at a depth of 12 feet, if the Secretary determines that the project modification is economically justified, environmentally acceptable, and consistent with other Federal policies.

(ee) DALLAS FLOODWAY EXTENSION, DALLAS, TEXAS.—The flood protection works constructed by the non-Federal interest along the Trinity River in Dallas, Texas, for Rochester Park and the Central Wastewater Treatment Plant shall be included as a part of the plan implemented for the Dallas Floodway Extension component of the Trinity River, Texas, project authorized by section 301 of the River and Harbor Act of 1965 (Public Law 89–298; 79 Stat. 1091). The cost of the works shall be credited toward the non-Federal share of project costs without regard to further economic analysis of the works.

(ff) MATAGORDA SHIP CHANNEL, PORT LAVACA, TEXAS.—The project for navigation, Matagorda Ship Channel, Port Lavaca, Texas, authorized by section 101 of the River and Harbor Act of 1958 (Public Law 85–500; 72 Stat. 298), is modified to require the Secretary to assume responsibility for the maintenance of the Point Comfort Turning Basin Expansion Area to a depth of 36 feet, as constructed by the non-Federal interests. The modification described in the preceding sentence shall be considered to be in the public interest and to be economically justified.

(gg) UPPER JORDAN RIVER, UTAH.—The project for flood control, Upper Jordan River, Utah, authorized by section 101(a)(23) of the Water Resources Development Act of 1990 (Public Law 101–640; 104 Stat. 4610), is modified to authorize the Secretary to carry out the project substantially in accordance with the general design memorandum for the project dated March 1994, and the post authorization change report for the project dated April 1994, at a total cost of $12,870,000, with an estimated Federal cost of $8,580,000 and an estimated non-Federal cost of $4,290,000.

(hh) GRUNDY, VIRGINIA.—The Secretary shall proceed with planning, engineering, design, and construction of the Grundy, Virginia, element of the Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River project, authorized by section 202 of the Energy and Water Development Appropriation Act, 1981 (Public Law 96–367; 94 Stat. 1339), in accordance with Plan 3A as set forth in the preliminary draft detailed project report of the Huntington District Commander, dated August 1993.

(ii) HAYSI DAM, VIRGINIA AND KENTUCKY.—

(1) IN GENERAL.—The Secretary shall construct the Haysi Dam feature of the project authorized by section 202 of the Energy and Water Development Appropriation Act, 1981 (Public Law 96–367; 94 Stat. 1339), substantially in accordance with Plan A as set forth in the preliminary draft general plan supplement report of the Huntington District Engineer for the Levisa Fork Basin, Virginia and Kentucky, dated May 1995.

(2) RECREATIONAL COMPONENT.—The non-Federal interest shall be responsible for not more than 50 percent of the costs associated with the construction and implementation of the recreational component of the Haysi Dam feature.

(3) OPERATION AND MAINTENANCE.—

(A) IN GENERAL.—Subject to subparagraph (B), operation and maintenance of the Haysi Dam feature shall be carried out by the Secretary.

(B) PAYMENT OF COSTS.—The non-Federal interest shall be responsible for 100 percent of all costs associated with the operation and maintenance.

(4) ABILITY TO PAY.—Notwithstanding any other provision of law, the Secretary shall apply section 103(m) of the Water Resources Development Act of 1986 (33 U.S.C. 2213(m)) to the construction of the Haysi Dam feature in the same manner as section 103(m) of the Act is applied to other projects or project features constructed under section 202 of the Energy and Water Development Appropriation Act, 1981 (Public Law 96–367; 94 Stat. 1339).

(jj) PETERSBURG, WEST VIRGINIA.—The project for flood control, Petersburg, West Virginia, authorized by section 101(a)(26) of the Water Resources Development Act of 1990 (Public Law 101–640; 104 Stat. 4611), is modified to authorize the Secretary to construct the project at a total cost of not to exceed $26,600,000, with an estimated Federal cost of $19,195,000 and an estimated non-Federal cost of $7,405,000.

(kk) TETON COUNTY, WYOMING.—Section 840 of the Water Resources Development Act of 1986 (Public Law 99–662; 100 Stat. 4176) is amended—

(1) by striking ''Secretary: *Provided*, That'' and inserting the following: ''Secretary. In carrying out this section, the Secretary may enter into agreements with the non-Federal sponsors permitting the non-Federal sponsors to provide operation and maintenance for the project on a cost-reimbursable basis. The'';

(2) by inserting '', through providing in-kind services or'' after ''$35,000''; and

(3) by inserting a comma after ''materials''.

SEC. 103. PROJECT DEAUTHORIZATIONS.

(a) BRANFORD HARBOR, CONNECTICUT.—

(1) IN GENERAL.—The 2,267 square foot portion of the project for navigation in the Branford River, Branford Harbor, Connecticut, authorized by the Act entitled ''An Act making appropriations for the construction,

repair, and preservation of certain public works on rivers and harbors, and for other purposes'', approved June 13, 1902 (32 Stat. 333), lying shoreward of a line described in paragraph (2), is deauthorized.

(2) DESCRIPTION OF LINE.—The line referred to in paragraph (1) is described as follows: beginning at a point on the authorized Federal navigation channel line the coordinates of which are N156,181.32, E581,572.38, running thence south 70 degrees, 11 minutes, 8 seconds west a distance of 171.58 feet to another point on the authorized Federal navigation channel line the coordinates of which are N156,123.16, E581,410.96.

(b) BRIDGEPORT HARBOR, CONNECTICUT.—

(1) ANCHORAGE AREA.—The portion of the project for navigation, Bridgeport Harbor, Connecticut, authorized by section 101 of the River and Harbor Act of 1958 (Public Law 85–500; 72 Stat. 297), consisting of a 2-acre anchorage area with a depth of 6 feet at the head of Johnsons River between the Federal channel and Hollisters Dam, is deauthorized.

(2) JOHNSONS RIVER CHANNEL.—The portion of the project for navigation, Johnsons River Channel, Bridgeport Harbor, Connecticut, authorized by the first section of the Act entitled ''An Act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes'', approved July 24, 1946 (60 Stat. 634), that is northerly of a line across the Federal channel the coordinates of which are north 123318.35, east 486301.68, and north 123257.15, east 486380.77, is deauthorized.

(c) GUILFORD HARBOR, CONNECTICUT.—

(1) IN GENERAL.—The portion of the project for navigation, Guilford Harbor, Connecticut, authorized by the Act entitled ''An Act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes'', approved March 2, 1945 (59 Stat. 13), that consists of the 6-foot deep channel in Sluice Creek and that is not included in the description of the realigned channel set forth in paragraph (2) is deauthorized.

(2) DESCRIPTION OF REALIGNED CHANNEL.—The realigned channel referred to in paragraph (1) is described as follows: starting at a point where the Sluice Creek Channel intersects with the main entrance channel, N159194.63, E623201.07, thence running north 24 degrees, 58 minutes, 15.2 seconds west 478.40 feet to a point N159628.31, E622999.11, thence running north 20 degrees, 18 minutes, 31.7 seconds west 351.53 feet to a point N159957.99, E622877.10, thence running north 69 degrees, 41 minutes, 37.9 seconds east 55.00 feet to a point N159977.08, E622928.69, thence turning and running south 20 degrees, 18 minutes, 31.0 seconds east 349.35 feet to a point N159649.45, E623049.94, thence turning and running south 24 degrees, 58 minutes, 11.1 seconds east 341.36 feet to a point N159340.00, E623194.04, thence turning and running south 90 degrees, 0 minutes, 0 seconds east 78.86 feet to a point N159340.00, E623272.90.

(d) NORWALK HARBOR, CONNECTICUT.—

(1) IN GENERAL.—The following portions of projects for navigation, Norwalk Harbor, Connecticut, are deauthorized:

(A) The portion authorized by the Act entitled ''An Act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes'', approved March 2, 1919 (40 Stat. 1276), that lies northerly of a line across the Federal channel having coordinates N104199.72, E417774.12 and N104155.59, E417628.96.

(B) The portions of the 6-foot deep East Norwalk Channel and Anchorage, authorized by the Act entitled ''An Act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes'', approved March 2, 1945 (59 Stat. 13), that are not included in the description of the realigned channel and anchorage set forth in paragraph (2).

(2) DESCRIPTION OF REALIGNED CHANNEL AND ANCHORAGE.—The realigned 6-foot deep East Norwalk Channel and Anchorage referred to in paragraph (1)(B) is described as follows: starting at a point on the East Norwalk Channel, N95743.02, E419581.37, thence running northwesterly about 463.96 feet to a point N96197.93, E419490.18, thence running northwesterly about 549.32 feet to a point N96608.49, E419125.23, thence running northwesterly about 384.06 feet to a point N96965.94, E418984.75, thence running northwesterly about 407.26 feet to a point N97353.87, E418860.78, thence running westerly about 58.26 feet to a point N97336.26, E418805.24, thence running northwesterly about 70.99 feet to a point N97390.30, E418759.21, thence running westerly about 71.78 feet to a point on the anchorage limit N97405.26, E418689.01, thence running southerly along the western limits of the Federal anchorage in existence on the date of enactment of this Act until reaching a point N95893.74, E419449.17, thence running in a southwesterly direction about 78.74 feet to a point on the East Norwalk Channel N95815.62, E419439.33.

(3) DESIGNATION OF REALIGNED CHANNEL AND ANCHORAGE.—All of the realigned channel shall be redesignated as an anchorage, with the exception of the portion of the channel that narrows to a width of 100 feet and terminates at a line the coordinates of which are N96456.81, E419260.06 and N96390.37, E419185.32, which shall remain as a channel.

(e) SOUTHPORT HARBOR, CONNECTICUT.—

(1) IN GENERAL.—The following portions of the project for navigation, Southport Harbor, Connecticut, authorized by the first section of the Act entitled ''An Act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes'', approved August 30, 1935 (49 Stat. 1029), are deauthorized:

(A) The 6-foot deep anchorage located at the head of the project.

(B) The portion of the 9-foot deep channel beginning at a bend in the channel the coordinates of which are north 109131.16, east 452653.32, running thence in a northeasterly direction about 943.01 feet to a point the coordinates of which are north 109635.22, east 453450.31, running thence in a southeasterly direction about 22.66 feet to a point the coordinates of which are north 109617.15, east 453463.98, running thence in a southwesterly direction about 945.18 feet to the point of beginning.

(2) REMAINDER.—The portion of the project referred to in paragraph (1) that is remaining after the deauthorization made by the paragraph and that is northerly of a line the coordinates of which are north 108699.15, east 452768.36, and north 108655.66, east 452858.73, is redesignated as an anchorage.

(f) STONY CREEK, CONNECTICUT.—The following portion of the project for navigation, Stony Creek, Connecticut, authorized under section 107 of the River and Harbor Act of 1960 (33 U.S.C. 577), located in the 6-foot deep maneuvering basin, is deauthorized: beginning at coordinates N157,031.91, E599,030.79, thence running northeasterly about 221.16 feet to coordinates N157,191.06, E599,184.37, thence running northerly about 162.60 feet to coordinates N157,353.56, E599,189.99, thence running southwesterly about 358.90 feet to the point of beginning.

(g) THAMES RIVER, CONNECTICUT.—

(1) MODIFICATION.—The project for navigation, Thames River, Connecticut, authorized by the first section of the Act entitled ''An Act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes'', approved August 30, 1935 (49 Stat. 1029), is modified to reconfigure the turning basin in accordance with the following alignment: beginning at a point on the eastern limit of the existing project, N251052.93, E783934.59, thence running north 5 degrees, 25 minutes, 21.3 seconds east 341.06 feet to a point, N251392.46, E783966.82, thence running north 47 degrees, 24 minutes, 14.0 seconds west 268.72 feet to a point, N251574.34, E783769.00, thence running north 88 degrees, 41 minutes, 52.2 seconds west 249.06 feet to a point, N251580.00, E783520.00, thence running south 46 degrees, 16 minutes, 22.9 seconds west 318.28 feet to a point, N251360.00, E783290.00, thence running south 19 degrees, 1 minute, 32.2 seconds east 306.76 feet to a point, N251070.00, E783390.00, thence running south 45 degrees, 0 minutes, 0 seconds, east 155.56 feet to a point, N250960.00, E783500.00 on the existing western limit.

(2) PAYMENT FOR INITIAL DREDGING.—Any required initial dredging of the widened portions identified in paragraph (1) shall be carried out at no cost to the Federal Government.

(3) DEAUTHORIZATION.—The portions of the turning basin that are not included in the reconfigured turning basin described in paragraph (1) are deauthorized.

(h) EAST BOOTHBAY HARBOR, MAINE.—The following portion of the navigation project for East Boothbay Harbor, Maine, authorized by the first section of the Act of June 25, 1910 (36 Stat. 631, chapter 382) (commonly referred to as the ''River and Harbor Act of 1910''), containing approximately 1.15 acres and described in accordance with the Maine State Coordinate System, West Zone, is deauthorized:

Beginning at a point noted as point number 6 and shown as having plan coordinates of North 9, 722, East 9, 909 on the plan entitled, ''East Boothbay Harbor, Maine, examination, 8-foot area'', and dated August 9, 1955, Drawing Number F1251 D–6–2, said point having Maine State Coordinate System, West Zone coordinates of Northing 74514, Easting 698381; and

Thence, North 58 degrees, 12 minutes, 30 seconds East a distance of 120.9 feet to a point; and

Thence, South 72 degrees, 21 minutes, 50 seconds East a distance of 106.2 feet to a point; and

Thence, South 32 degrees, 04 minutes, 55 seconds East a distance of 218.9 feet to a point; and

Thence, South 61 degrees, 29 minutes, 40 seconds West a distance of 148.9 feet to a point; and

Thence, North 35 degrees, 14 minutes, 12 seconds West a distance of 87.5 feet to a point; and

Thence, North 78 degrees, 30 minutes, 58 seconds West a distance of 68.4 feet to a point; and

Thence, North 27 degrees, 11 minutes, 39 seconds West a distance of 157.3 feet to the point of beginning.

(i) YORK HARBOR, MAINE.—The following portions of the project for navigation, York Harbor, Maine, authorized by section 101 of the River and Harbor Act of 1960 (Public Law 86–645; 74 Stat. 480), are deauthorized:

(1) The portion located in the 8-foot deep anchorage area beginning at coordinates N109340.19, E372066.93, thence running north 65 degrees, 12 minutes, 10.5 seconds east 423.27 feet to a point N109517.71, E372451.17, thence running north 28 degrees, 42 minutes, 58.3 seconds west 11.68 feet to a point N109527.95, E372445.56, thence running south 63 degrees, 37 minutes, 24.6 seconds west 422.63 feet to the point of beginning.

(2) The portion located in the 8-foot deep anchorage area beginning at coordinates

N108557.24, E371645.88, thence running south 60 degrees, 41 minutes, 17.2 seconds east 484.51 feet to a point N108320.04, E372068.36, thence running north 29 degrees, 12 minutes, 53.3 seconds east 15.28 feet to a point N108333.38, E372075.82, thence running north 62 degrees, 29 minutes, 42.1 seconds west 484.73 feet to the point of beginning.

(j) COHASSET HARBOR, MASSACHUSETTS.—The following portions of the project for navigation, Cohasset Harbor, Massachusetts, authorized by section 2 of the Act entitled ''An Act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes'', approved March 2, 1945 (59 Stat. 12), or carried out pursuant to section 107 of the River and Harbor Act of 1960 (33 U.S.C. 577), are deauthorized: a 7-foot deep anchorage and a 6-foot deep anchorage; beginning at site 1, beginning at a point N453510.15, E792664.63, thence running south 53 degrees 07 minutes 05.4 seconds west 307.00 feet to a point N453325.90, E792419.07, thence running north 57 degrees 56 minutes 36.8 seconds west 201.00 feet to a point N453432.58, E792248.72, thence running south 88 degrees 57 minutes 25.6 seconds west 50.00 feet to a point N453431.67, E792198.73, thence running north 01 degree 02 minutes 52.3 seconds west 66.71 feet to a point N453498.37, E792197.51, thence running north 69 degrees 12 minutes 52.3 seconds east 332.32 feet to a point N453616.30, E792508.20, thence running south 55 degrees 50 minutes 24.1 seconds east 189.05 feet to point of origin; then site 2, beginning at a point, N452886.64, E791287.83, thence running south 00 degrees 00 minutes 00.0 seconds west 56.04 feet to a point, N452830.60, E791287.83, thence running north 90 degrees 00 minutes 00.0 seconds west 101.92 feet to a point, N452830.60, E791185.91, thence running north 52 degrees 12 minutes 49.7 seconds east 89.42 feet to a point, N452885.39, E791256.58, thence running north 87 degrees 42 minutes 33.8 seconds east 31.28 feet to point of origin; and site 3, beginning at a point, N452261.08, E792040.24, thence running north 89 degrees 07 minutes 19.5 seconds east 118.78 feet to a point, N452262.90, E792159.01, thence running south 43 degrees 39 minutes 06.8 seconds west 40.27 feet to a point, N452233.76, E792131.21, thence running north 74 degrees 33 minutes 29.1 seconds west 94.42 feet to a point, N452258.90, E792040.20, thence running north 01 degree 03 minutes 04.3 seconds east 2.18 feet to point of origin.

(k) FALL RIVER HARBOR, MASSACHUSETTS AND RHODE ISLAND.—The project for navigation, Fall River Harbor, Massachusetts and Rhode Island, authorized by section 101 of the River and Harbor Act of 1968 (Public Law 90–483; 82 Stat. 731), is modified to provide that alteration of the drawspan of the Brightman Street Bridge to provide a channel width of 300 feet shall not be required after the date of enactment of this Act.

(l) COCHECO RIVER, NEW HAMPSHIRE.—

(1) IN GENERAL.—The portion of the project for navigation, Cocheco River, New Hampshire, authorized by the first section of the Act entitled ''An Act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes'', approved September 19, 1890 (26 Stat. 436), and consisting of a 7-foot deep channel that lies northerly of a line the coordinates of which are N255292.31, E713095.36, and N255334.51, E713138.01, is deauthorized.

(2) MAINTENANCE DREDGING.—Not later than 18 months after the date of enactment of this Act, the Secretary shall perform maintenance dredging for the remaining authorized portions of the Federal navigation channel under the project described in paragraph (1) to restore authorized channel dimensions.

(m) MORRISTOWN HARBOR, NEW YORK.—The portion of the project for navigation, Morristown Harbor, New York, authorized by the first section of the Act entitled ''An Act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes'', approved January 21, 1927 (44 Stat. 1014), that lies north of the northern boundary of Morris Street extended is deauthorized.

(n) OSWEGATCHIE RIVER, OGDENSBURG, NEW YORK.—The portion of the Federal channel in the Oswegatchie River in Ogdensburg, New York, from the southernmost alignment of the Route 68 bridge, upstream to the northernmost alignment of the Lake Street bridge, is deauthorized.

(o) APPONAUG COVE, RHODE ISLAND.—The following portion of the project for navigation, Apponaug Cove, Rhode Island, authorized by section 101 of the River and Harbor Act of 1960 (Public Law 86–645; 74 Stat. 480), consisting of the 6-foot deep channel, is deauthorized: beginning at a point, N223269.93, E513089.12, thence running northwesterly to a point N223348.31, E512799.54, thence running southwesterly to a point N223251.78, E512773.41, thence running southeasterly to a point N223178.00, E513046.00, thence running northeasterly to the point of beginning.

(p) KICKAPOO RIVER, WISCONSIN.—

(1) PROJECT MODIFICATION.—The project for flood control and allied purposes, Kickapoo River, Wisconsin, authorized by section 203 of the Flood Control Act of 1962 (Public Law 87–874; 76 Stat. 1190), as modified by section 814 of the Water Resources Development Act of 1986 (Public Law 99–662; 100 Stat. 4169), is further modified as provided by this subsection.

(2) TRANSFERS OF PROPERTY.—

(A) TRANSFER TO STATE OF WISCONSIN.—Subject to the requirements of this paragraph, the Secretary shall transfer to the State of Wisconsin, without consideration, all right, title, and interest of the United States in and to the lands described in subparagraph (E), including all works, structures, and other improvements to the lands, but excluding lands transferred under subparagraph (B).

(B) TRANSFER TO SECRETARY OF THE INTERIOR.—Subject to the requirements of this paragraph, on the date of the transfer under subparagraph (A), the Secretary shall transfer to the Secretary of the Interior, without consideration, all right, title, and interest of the United States in and to lands that are culturally and religiously significant sites of the Ho-Chunk Nation (a federally recognized Indian tribe) and are located within the lands described in subparagraph (E). The lands shall be described in accordance with subparagraph (C)(ii)(I) and may not exceed a total of 1,200 acres.

(C) TERMS AND CONDITIONS.—

(i) IN GENERAL.—The Secretary shall make the transfers under subparagraphs (A) and (B) only if—

(I) the State of Wisconsin enters into a written agreement with the Secretary to hold the United States harmless from all claims arising from or through the operation of lands and improvements subject to the transfer under subparagraph (A); and

(II) on or before October 30, 1997, the State of Wisconsin enters into and submits to the Secretary a memorandum of understanding, as specified in clause (ii), with the tribal organization (as defined in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b) of the Ho-Chunk Nation.

(ii) MEMORANDUM OF UNDERSTANDING.—The memorandum of understanding referred to in clause (i)(II) shall contain, at a minimum, the following:

(I) A description of sites and associated lands to be transferred to the Secretary of the Interior under subparagraph (B).

(II) An agreement specifying that the lands transferred under subparagraphs (A) and (B) shall be preserved in a natural state and developed only to the extent necessary to enhance outdoor recreational and educational opportunities.

(III) An agreement specifying the terms and conditions of a plan for the management of the lands to be transferred under subparagraphs (A) and (B).

(IV) A provision requiring a review of the plan referred to in subclause (III) to be conducted every 10 years under which the State of Wisconsin, acting through the Kickapoo Valley Governing Board, and the Ho-Chunk Nation may agree to revisions of the plan in order to address changed circumstances on the lands transferred under subparagraphs (A) and (B). The provision may include a plan for the transfer to the Secretary of the Interior of any additional site discovered to be culturally and religiously significant to the Ho-Chunk Nation.

(V) An agreement preventing or limiting the public disclosure of the location or existence of each site of particular cultural or religious significance to the Ho-Chunk Nation, if public disclosure would jeopardize the cultural or religious integrity of the site.

(D) ADMINISTRATION OF LANDS.—The lands transferred to the Secretary of the Interior under subparagraph (B), and any lands transferred to the Secretary of the Interior under the memorandum of understanding entered into under subparagraph (C), or under any revision of the memorandum of understanding agreed to under subparagraph (C)(ii)(IV), shall be held in trust by the United States for, and added to and administered as part of the reservation of, the Ho-Chunk Nation.

(E) LAND DESCRIPTION.—The lands referred to in subparagraphs (A) and (B) are the approximately 8,569 acres of land associated with the LaFarge Dam and Lake portion of the project referred to in paragraph (1) in Vernon County, Wisconsin, in the following sections:

(i) Section 31, Township 14 North, Range 1 West of the 4th Principal Meridian.

(ii) Sections 2 through 11, and 16, 17, 20, and 21, Township 13 North, Range 2 West of the 4th Principal Meridian.

(iii) Sections 15, 16, 21 through 24, 26, 27, 31, and 33 through 36, Township 14 North, Range 2 West of the 4th Principal Meridian.

(3) TRANSFER OF FLOWAGE EASEMENTS.—The Secretary shall transfer to the owner of the servient estate, without consideration, all right, title, and interest of the United States in and to each flowage easement acquired as part of the project referred to in paragraph (1) within Township 14 North, Range 2 West of the 4th Principal Meridian, Vernon County, Wisconsin.

(4) DEAUTHORIZATION.—The LaFarge Dam and Lake portion of the project referred to in paragraph (1) is not authorized after the date of the transfers under paragraph (2).

(5) INTERIM MANAGEMENT AND MAINTENANCE.—The Secretary shall continue to manage and maintain the LaFarge Dam and Lake portion of the project referred to in paragraph (1) until the date of the transfers under paragraph (2).

SEC. 104. STUDIES.

(a) RED RIVER, ARKANSAS.—The Secretary shall—

(1) conduct a study to determine the feasibility of carrying out a project to permit navigation on the Red River in southwest Arkansas; and

(2) in conducting the study, analyze regional economic benefits that were not included in the limited economic analysis contained in the reconnaissance report for the project dated November 1995.

(b) BEAR CREEK DRAINAGE, SAN JOAQUIN COUNTY, CALIFORNIA.—The Secretary shall

conduct a review of the Bear Creek Drainage, San Joaquin County, California, flood control project, authorized by section 10 of the Act entitled ''An Act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes'', approved December 22, 1944 (58 Stat. 901), to develop a comprehensive plan for additional flood damage reduction measures for the city of Stockton, California, and surrounding areas.

(c) LAKE ELSINORE, RIVERSIDE COUNTY, CALIFORNIA.—Not later than 18 months after the date of enactment of this Act, the Secretary shall—

(1) conduct a study of the advisability of modifying, for the purpose of flood control pursuant to section 205 of the Flood Control Act of 1948 (33 U.S.C. 701s), the Lake Elsinore, Riverside County, California, flood control project, for water conservation storage up to an elevation of 1,249 feet above mean sea level; and

(2) report to Congress on the study, including making recommendations concerning the advisability of so modifying the project.

(d) LONG BEACH, CALIFORNIA.—The Secretary shall review the feasibility of navigation improvements at Long Beach Harbor, California, including widening and deepening of the navigation channel, as provided for in section 201(b) of the Water Resources Development Act of 1986 (Public Law 99–662; 100 Stat. 4091). The Secretary shall complete the report not later than 1 year after the date of enactment of this Act.

(e) MORMON SLOUGH/CALAVERAS RIVER, CALIFORNIA.—The Secretary shall conduct a review of the Mormon Slough/Calaveras River, California, flood control project, authorized by section 10 of the Act entitled ''An Act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes'', approved December 22, 1944 (58 Stat. 902), to develop a comprehensive plan for additional flood damage reduction measures for the city of Stockton, California, and surrounding areas.

(f) MURRIETA CREEK, RIVERSIDE COUNTY, CALIFORNIA.—The Secretary shall review the completed feasibility study of the Riverside County Flood Control and Water Conservation District, including identified alternatives, concerning Murrieta Creek from Temecula to Wildomar, Riverside County, California, to determine the Federal interest in participating in a project for flood control.

(g) PINE FLAT DAM FISH AND WILDLIFE HABITAT RESTORATION, CALIFORNIA.—The Secretary shall study the feasibility of fish and wildlife habitat improvement measures identified for further study by the Pine Flat Dam Fish and Wildlife Habitat Restoration Investigation Reconnaissance Report.

(h) WEST DADE, FLORIDA.—The Secretary shall conduct a reconnaissance study to determine the Federal interest in using the West Dade, Florida, reuse facility to increase the supply of surface water to the Everglades in order to enhance fish and wildlife habitat.

(i) SAVANNAH RIVER BASIN COMPREHENSIVE WATER RESOURCES STUDY.—

(1) IN GENERAL.—The Secretary shall conduct a comprehensive study to address the current and future needs for flood damage prevention and reduction, water supply, and other related water resources needs in the Savannah River Basin.

(2) SCOPE.—The scope of the study shall be limited to an analysis of water resources issues that fall within the traditional civil works missions of the Army Corps of Engineers.

(3) COORDINATION.—Notwithstanding paragraph (2), the Secretary shall ensure that the study is coordinated with the Environmental Protection Agency and the ongoing watershed study by the Agency of the Savannah River Basin.

(j) BAYOU BLANC, CROWLEY, LOUISIANA.—The Secretary shall conduct a reconnaissance study to determine the Federal interest in the construction of a bulkhead system, consisting of either steel sheet piling with tiebacks or concrete, along the embankment of Bayou Blanc, Crowley, Louisiana, in order to alleviate slope failures and erosion problems in a cost-effective manner.

(k) HACKBERRY INDUSTRIAL SHIP CHANNEL PARK, LOUISIANA.—The Secretary shall incorporate the area of Hackberry, Louisiana, as part of the overall study of the Lake Charles ship channel, bypass channel, and general anchorage area in Louisiana, to explore the possibility of constructing additional anchorage areas.

(l) CITY OF NORTH LAS VEGAS, CLARK COUNTY, NEVADA.—The Secretary shall conduct a reconnaissance study to determine the Federal interest in channel improvements in channel A of the North Las Vegas Wash in the city of North Las Vegas, Nevada, for the purpose of flood control.

(m) LOWER LAS VEGAS WASH WETLANDS, CLARK COUNTY, NEVADA.—The Secretary shall conduct a study to determine the feasibility of the restoration of wetlands in the Lower Las Vegas Wash, Nevada, for the purposes of erosion control and environmental restoration.

(n) NORTHERN NEVADA.—The Secretary shall conduct reconnaissance studies, in the State of Nevada, of—

(1) the Humboldt River, and the tributaries and outlets of the river;

(2) the Truckee River, and the tributaries and outlets of the river;

(3) the Carson River, and the tributaries and outlets of the river; and

(4) the Walker River, and the tributaries and outlets of the river;

in order to determine the Federal interest in flood control, environmental restoration, conservation of fish and wildlife, recreation, water conservation, water quality, and toxic and radioactive waste.

(o) BUFFALO HARBOR, NEW YORK.—The Secretary shall determine the feasibility of excavating the inner harbor and constructing the associated bulkheads in Buffalo Harbor, New York.

(p) COEYMANS, NEW YORK.—The Secretary shall conduct a reconnaissance study to determine the Federal interest in reopening the secondary channel of the Hudson River in the town of Coeymans, New York, which has been narrowed by silt as a result of the construction of Coeymans middle dike by the Army Corps of Engineers.

(q) SHINNECOCK INLET, NEW YORK.—Not later than 2 years after the date of enactment of this Act, the Secretary shall conduct a reconnaissance study in Shinnecock Inlet, New York, to determine the Federal interest in constructing a sand bypass system, or other appropriate alternative, for the purposes of allowing sand to flow in the natural east-to-west pattern of the sand and preventing the further erosion of the beaches west of the inlet and the shoaling of the inlet.

(r) KILL VAN KULL AND NEWARK BAY CHANNELS, NEW YORK AND NEW JERSEY.—The Secretary shall continue engineering and design in order to complete the navigation project at Kill Van Kull and Newark Bay Channels, New York and New Jersey, authorized to be constructed in the Supplemental Appropriations Act, 1985 (Public Law 99–88; 99 Stat. 313), and section 202(a) of the Water Resources Development Act of 1986 (Public Law 99–662; 100 Stat. 4095), described in the general design memorandum for the project, and approved in the Report of the Chief of Engineers dated December 14, 1981.

(s) COLUMBIA SLOUGH, OREGON.—Not later than 2 years after the date of enactment of this Act, the Secretary shall complete a feasibility study for the ecosystem restoration project at Columbia Slough, Oregon, as reported in the August 1993 Revised Reconnaissance Study. The study shall be a demonstration study done in coordination with the Environmental Protection Agency.

(t) WILLAMETTE RIVER, OREGON.—The Secretary shall conduct a study to determine the Federal interest in carrying out a nonstructural flood control project along the Willamette River, Oregon, for the purposes of floodplain and ecosystem restoration.

(u) LACKAWANNA RIVER AT SCRANTON, PENNSYLVANIA.—Not later than 90 days after the date of enactment of this Act, the Secretary shall—

(1) review the report entitled ''Report of the Chief of Engineers: Lackawanna River at Scranton, Pennsylvania'', dated June 29, 1992, to determine whether changed conditions in the Diamond Plot and Green Ridge sections, Scranton, Pennsylvania, would result in an economically justified flood damage reduction project at those locations; and

(2) submit to Congress a report on the results of the review.

(v) CHARLESTON, SOUTH CAROLINA.—The Secretary shall conduct a study of the Charleston, South Carolina, estuary area located in Charleston, Berkeley, and Dorchester Counties, South Carolina, for the purpose of evaluating environmental conditions in the tidal reaches of the Ashley, Cooper, Stono, and Wando Rivers and the lower portions of Charleston Harbor.

(w) OAHE DAM TO LAKE SHARPE, SOUTH DAKOTA.—Not later than 2 years after the date of enactment of this Act, the Secretary shall—

(1) conduct a study to determine the feasibility of sediment removal and control in the area of the Missouri River downstream of Oahe Dam through the upper reaches of Lake Sharpe, including the lower portion of the Bad River, South Dakota;

(2) develop a comprehensive sediment removal and control plan for the area—

(A) based on the assessment by the study of the dredging, estimated costs, and time required to remove sediment from affected areas in Lake Sharpe;

(B)(i) based on the identification by the study of high erosion areas in the Bad River channel; and

(ii) including recommendations and related costs for such of the areas as are in need of stabilization and restoration; and

(C)(i) based on the identification by the study of shoreline erosion areas along Lake Sharpe; and

(ii) including recommended options for the stabilization and restoration of the areas;

(3) use other non-Federal engineering analyses and related studies in determining the feasibility of sediment removal and control as described in paragraph (1); and

(4) credit the costs of the non-Federal engineering analyses and studies referred to in paragraphs (2) and (3) toward the non-Federal share of the feasibility study conducted under paragraph (1).

(x) MUSTANG ISLAND, CORPUS CHRISTI, TEXAS.—The Secretary shall conduct a study of navigation along the south-central coast of Texas near Corpus Christi for the purpose of determining the feasibility of constructing and maintaining the Packery Channel on the southern portion of Mustang Island.

(y) ASHLEY CREEK, UTAH.—The Secretary is authorized to study the feasibility of undertaking a project for fish and wildlife restoration at Ashley Creek, near Vernal, Utah.

(z) PRINCE WILLIAM COUNTY, VIRGINIA.—The Secretary shall conduct a study of flooding, erosion, and other water resource problems

in Prince William County, Virginia, including an assessment of the wetland protection, erosion control, and flood damage reduction needs of the county.

(aa) PACIFIC REGION.—The Secretary shall conduct studies in the interest of navigation in the part of the Pacific Region that includes American Samoa, Guam, and the Commonwealth of the Northern Mariana Islands. For the purpose of this subsection, the cost-sharing requirements of section 105 of the Water Resources Development Act of 1986 (33 U.S.C. 2215) shall apply.

(bb) MORGANZA, LOUISIANA TO THE GULF OF MEXICO.—

(1) STUDY.—The Secretary shall conduct a study of the environmental, flood control and navigational impacts associated with the construction of a lock structure in the Houma Navigation Canal as an independent feature of the overall flood damage prevention study currently being conducted under the Morganza, Louisiana to the Gulf of Mexico feasibility study. In preparing such study, the Secretary shall consult the South Terrebonne Tidewater Management and Conservation District and consider the District's Preliminary Design Document, dated February 1994. Further, the Secretary shall evaluate the findings of the Coastal Wetlands Planning, Protection and Restoration Federal Task Force, as authorized by Public Law 101–646, relating to the lock structure.

(2) REPORT.—The Secretary shall transmit to Congress a report on the results of the study conducted under paragraph (1), together with recommendations on immediate implementation not later than 6 months after the enactment of this Act.

TITLE II—PROJECT-RELATED PROVISIONS

SEC. 201. GRAND PRAIRIE REGION AND BAYOU METO BASIN, ARKANSAS.

The project for flood control and water supply, Grand Prairie Region and Bayou Meto Basin, Arkansas, authorized by section 204 of the Flood Control Act of 1950 (64 Stat. 174) and deauthorized under section 1001(b)(1) of the Water Resources Development Act of 1986 (33 U.S.C. 579a(b)(1)), is authorized to be carried out by the Secretary if, not later than 1 year after the date of enactment of this Act, the Secretary submits a report to Congress that—

(1) describes necessary modifications to the project that are consistent with the functions of the Army Corps of Engineers; and

(2) contains recommendations concerning which Federal agencies (such as the Natural Resources Conservation Service, the United States Fish and Wildlife Service, the Bureau of Reclamation, and the United States Geological Survey) are most appropriate to have responsibility for carrying out the project.

SEC. 202. HEBER SPRINGS, ARKANSAS.

(a) IN GENERAL.—The Secretary shall enter into an agreement with the city of Heber Springs, Arkansas, to provide 3,522 acre-feet of water supply storage in Greers Ferry Lake, Arkansas, for municipal and industrial purposes, at no cost to the city.

(b) NECESSARY FACILITIES.—The city of Heber Springs shall be responsible for 100 percent of the costs of construction, operation, and maintenance of any intake, transmission, treatment, or distribution facility necessary for utilization of the water supply.

(c) ADDITIONAL WATER SUPPLY STORAGE.—Any additional water supply storage required after the date of enactment of this Act shall be contracted for and reimbursed by the city of Heber Springs, Arkansas.

SEC. 203. MORGAN POINT, ARKANSAS.

The Secretary shall accept as in-kind contributions for the project at Morgan Point, Arkansas—

(1) the items described as fish and wildlife facilities and land in the Morgan Point Broadway Closure Structure modification report for the project, dated February 1994; and

(2) fish stocking activities carried out by the non-Federal interests for the project.

SEC. 204. WHITE RIVER BASIN LAKES, ARKANSAS AND MISSOURI.

The project for flood control and power generation at White River Basin Lakes, Arkansas and Missouri, authorized by section 4 of the Act entitled ''An Act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes'', approved June 28, 1938 (52 Stat. 1218), shall include recreation and fish and wildlife mitigation as purposes of the project, to the extent that the purposes do not adversely impact flood control, power generation, or other authorized purposes of the project.

SEC. 205. CENTRAL AND SOUTHERN FLORIDA.

The project for Central and Southern Florida, authorized by section 203 of the Flood Control Act of 1968 (Public Law 90–483; 82 Stat. 740), is modified, subject to the availability of appropriations, to authorize the Secretary to implement the recommended plan of improvement contained in a report entitled ''Central and Southern Florida Project, Final Integrated General Reevaluation Report and Environmental Impact Statement, Canal 111 (C–111), South Dade County, Florida'', dated May 1994 (including acquisition of such portions of the Frog Pond and Rocky Glades areas as are needed for the project), at a total cost of $156,000,000. The Federal share of the cost of implementing the plan of improvement shall be 50 percent. The Secretary of the Interior shall pay 25 percent of the cost of acquiring such portions of the Frog Pond and Rocky Glades areas as are needed for the project, which amount shall be included in the Federal share. The non-Federal share of the operation and maintenance costs of the improvements undertaken pursuant to this section shall be 100 percent, except that the Federal Government shall reimburse the non-Federal interest in an amount equal to 60 percent of the costs of operating and maintaining pump stations that pump water into Taylor Slough in Everglades National Park.

SEC. 206. WEST PALM BEACH, FLORIDA.

The project for flood protection of West Palm Beach, Florida (C–51), authorized by section 203 of the Flood Control Act of 1962 (Public Law 87–874; 76 Stat. 1183), is modified to provide for the construction of an enlarged stormwater detention area, Storm Water Treatment Area 1 East, generally in accordance with the plan of improvements described in the February 15, 1994, report entitled ''Everglades Protection Project, Palm Beach County, Florida, Conceptual Design'', prepared by Burns and McDonnell, and as further described in detailed design documents to be approved by the Secretary. The additional work authorized by this section shall be accomplished at full Federal cost in recognition of the water supply benefits accruing to the Loxahatchee National Wildlife Refuge and the Everglades National Park and in recognition of the statement in support of the Everglades restoration effort set forth in the document signed by the Secretary of the Interior and the Secretary in July 1993. Operation and maintenance of the stormwater detention area shall be consistent with regulations prescribed by the Secretary for the Central and Southern Florida project, with all costs of the operation and maintenance work borne by non-Federal interests.

SEC. 207. EVERGLADES AND SOUTH FLORIDA ECOSYSTEM RESTORATION.

(a) DEFINITIONS.—In this section:

(1) DEVELOP.—The term ''develop'' means any preconstruction or land acquisition planning activity.

(2) SOUTH FLORIDA ECOSYSTEM.—The term ''South Florida ecosystem'' means the Florida Everglades restoration area that includes lands and waters within the boundary of the South Florida Water Management District, the Florida Keys, and the near-shore coastal waters of South Florida.

(3) TASK FORCE.—The term ''Task Force'' means the South Florida Ecosystem Restoration Task Force established by subsection (c).

(b) SOUTH FLORIDA ECOSYSTEM RESTORATION.—

(1) MODIFICATIONS TO CENTRAL AND SOUTHERN FLORIDA PROJECT.—

(A) DEVELOPMENT.—The Secretary shall, if necessary, develop modifications to the project for Central and Southern Florida, authorized by section 203 of the Flood Control Act of 1948 (62 Stat. 1176), to restore, preserve, and protect the South Florida ecosystem and to provide for the water-related needs of the region.

(B) CONCEPTUAL PLAN.—

(i) IN GENERAL.—The modifications under subparagraph (A) shall be set forth in a conceptual plan prepared in accordance with clause (ii) and adopted by the Task Force (referred to in this section as the ''conceptual plan'').

(ii) BASIS FOR CONCEPTUAL PLAN.—The conceptual plan shall be based on the recommendations specified in the draft report entitled ''Conceptual Plan for the Central and Southern Florida Project Restudy'', published by the Governor's Commission for a Sustainable South Florida and dated June 4, 1996.

(C) INTEGRATION OF OTHER ACTIVITIES.—Restoration, preservation, and protection of the South Florida ecosystem shall include a comprehensive science-based approach that integrates ongoing Federal and State efforts, including—

(i) the project for the ecosystem restoration of the Kissimmee River, Florida, authorized by section 101 of the Water Resources Development Act of 1992 (Public Law 102–580; 106 Stat. 4802);

(ii) the project for flood protection, West Palm Beach Canal, Florida (canal C–51), authorized by section 203 of the Flood Control Act of 1962 (Public Law 87–874; 76 Stat. 1183), as modified by section 205 of this Act;

(iii) the project for modifications to improve water deliveries into Everglades National Park authorized by section 104 of the Everglades National Park Protection and Expansion Act of 1989 (16 U.S.C. 410r–8);

(iv) the project for Central and Southern Florida authorized by section 203 of the Flood Control Act of 1968 (Public Law 90–483; 82 Stat. 740), as modified by section 204 of this Act;

(v) activities under the Florida Keys National Marine Sanctuary and Protection Act (Public Law 101–65; 16 U.S.C. 1433 note); and

(vi) the Everglades construction project implemented by the State of Florida under the Everglades Forever Act of the State of Florida.

(2) IMPROVEMENT OF WATER MANAGEMENT FOR ECOSYSTEM RESTORATION.—The improvement of water management, including improvement of water quality for ecosystem restoration, preservation, and protection, shall be an authorized purpose of the Central and Southern Florida project referred to in paragraph (1)(A). Project features necessary to improve water management, including features necessary to provide water to restore, protect, and preserve the South Florida ecosystem, shall be included in any modifications to be developed for the project under paragraph (1).

(3) SUPPORT PROJECTS.—The Secretary may develop support projects and other facilities

necessary to promote an adaptive management approach to implement the modifications authorized to be developed by paragraphs (1) and (2).

(4) INTERIM IMPLEMENTATION REPORTS.—

(A) IN GENERAL.—Before the Secretary implements a component of the conceptual plan, including a support project or other facility under paragraph (3), the Jacksonville District Engineer shall submit an interim implementation report to the Task Force for review.

(B) CONTENTS.—Each interim implementation report shall document the costs, benefits, impacts, technical feasibility, and cost-effectiveness of the component and, as appropriate, shall include documentation of environmental effects prepared under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(C) ENDORSEMENT BY TASK FORCE.—

(i) IN GENERAL.—If the Task Force endorses the interim implementation report of the Jacksonville District Engineer for a component, the Secretary shall submit the report to Congress.

(ii) COORDINATION REQUIREMENTS.—Endorsement by the Task Force shall be deemed to fulfill the coordination requirements under the first section of the Act entitled ''An Act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes'', approved December 22, 1944 (33 U.S.C. 701–1).

(5) AUTHORIZATION.—

(A) IN GENERAL.—The Secretary shall not initiate construction of a component until such time as a law is enacted authorizing construction of the component.

(B) DESIGN.—The Secretary may continue to carry out detailed design of a component after the date of submission to Congress of the interim implementation report recommending the component.

(6) COST SHARING.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the Federal share of the costs of preparing interim implementation reports under paragraph (4) and implementing the modifications (including the support projects and other facilities) authorized to be developed by this subsection shall be 50 percent.

(B) WATER QUALITY FEATURES.—

(i) IN GENERAL.—Subject to clause (ii), the non-Federal share of the cost of project features necessary to improve water quality under paragraph (2) shall be 100 percent.

(ii) CRITICAL FEATURES.—If the Task Force determines, by resolution accompanying endorsement of an interim implementation report under paragraph (4), that the project features described in clause (i) are critical to ecosystem restoration, the Federal share of the cost of the features shall be 50 percent.

(C) REIMBURSEMENT.—The Secretary shall reimburse the non-Federal interests for the Federal share of any reasonable costs that the non-Federal interests incur in acquiring land for any component authorized by law under paragraph (5) if the land acquisition has been endorsed by the Task Force and supported by the Secretary.

(c) SOUTH FLORIDA ECOSYSTEM RESTORATION TASK FORCE.—

(1) ESTABLISHMENT AND MEMBERSHIP.—There is established the South Florida Ecosystem Restoration Task Force, which shall consist of the following members (or, in the case of the head of a Federal agency, a designee at the level of assistant secretary or an equivalent level):

(A) The Secretary of the Interior, who shall serve as chairperson of the Task Force.

(B) The Secretary of Commerce.

(C) The Secretary.

(D) The Attorney General.

(E) The Administrator of the Environmental Protection Agency.

(F) The Secretary of Agriculture.

(G) The Secretary of Transportation.

(H) 1 representative of the Miccosukee Tribe of Indians of Florida, to be appointed by the Secretary of the Interior from recommendations submitted by the tribal chairman.

(I) 1 representative of the Seminole Tribe of Indians of Florida, to be appointed by the Secretary of the Interior from recommendations submitted by the tribal chairman.

(J) 3 representatives of the State of Florida, to be appointed by the Secretary of the Interior from recommendations submitted by the Governor of the State of Florida.

(K) 2 representatives of the South Florida Water Management District, to be appointed by the Secretary of the Interior from recommendations submitted by the Governor of the State of Florida.

(L) 2 representatives of local governments in the South Florida ecosystem, to be appointed by the Secretary of the Interior from recommendations submitted by the Governor of the State of Florida.

(2) DUTIES.—

(A) IN GENERAL.—The Task Force shall—

(i)(I) coordinate the development of consistent policies, strategies, plans, programs, and priorities for addressing the restoration, protection, and preservation of the South Florida ecosystem; and

(II) develop a strategy and priorities for implementing the components of the conceptual plan;

(ii) review programs, projects, and activities of agencies and entities represented on the Task Force to promote the objectives of ecosystem restoration and maintenance;

(iii) refine and provide guidance concerning the implementation of the conceptual plan;

(iv)(I) periodically review the conceptual plan in light of current conditions and new information and make appropriate modifications to the conceptual plan; and

(II) submit to Congress a report on each modification to the conceptual plan under subclause (I);

(v) establish a Florida-based working group, which shall include representatives of the agencies and entities represented on the Task Force and other entities as appropriate, for the purpose of recommending policies, strategies, plans, programs, and priorities to the Task Force;

(vi) prepare an annual cross-cut budget of the funds proposed to be expended by the agencies, tribes, and governments represented on the Task Force on the restoration, preservation, and protection of the South Florida ecosystem; and

(vii) submit a biennial report to Congress that summarizes the activities of the Task Force and the projects, policies, strategies, plans, programs, and priorities planned, developed, or implemented for restoration of the South Florida ecosystem and progress made toward the restoration.

(B) AUTHORITY TO ESTABLISH ADVISORY SUBCOMMITTEES.—The Task Force and the working group established under subparagraph (A)(v) may establish such other advisory subcommittees as are necessary to assist the Task Force in carrying out its duties, including duties relating to public policy and scientific issues.

(3) DECISIONMAKING.—Each decision of the Task Force shall be made by majority vote of the members of the Task Force.

(4) APPLICATION OF THE FEDERAL ADVISORY COMMITTEE ACT.—

(A) CHARTER; TERMINATION.—The Task Force shall not be subject to sections 9(c) and 14 of the Federal Advisory Committee Act (5 U.S.C. App.).

(B) NOTICE OF MEETINGS.—The Task Force shall be subject to section 10(a)(2) of the Act, except that the chairperson of the Task Force is authorized to use a means other than publication in the Federal Register to provide notice of a public meeting and provide an equivalent form of public notice.

(5) COMPENSATION.—A member of the Task Force shall receive no compensation for the service of the member on the Task Force.

(6) TRAVEL EXPENSES.—Travel expenses incurred by a member of the Task Force in the performance of services for the Task Force shall be paid by the agency, tribe, or government that the member represents.

SEC. 208. ARKANSAS CITY AND WINFIELD, KANSAS.

Notwithstanding any other provision of law, for the purpose of commencing construction of the project for flood control, Arkansas City, Kansas, authorized by section 401(a) of the Water Resources Development Act of 1986 (Public Law 99–662; 100 Stat. 4116), and the project for flood control, Winfield, Kansas, authorized by section 204 of the Flood Control Act of 1965 (Public Law 89–298; 79 Stat. 1078), the project cooperation agreements for the projects, as submitted by the District Office of the Army Corps of Engineers, Tulsa, Oklahoma, shall be deemed to be approved by the Assistant Secretary of the Army having responsibility for civil works and the Tulsa District Commander as of September 30, 1996, if the approvals have not been granted by that date.

SEC. 209. MISSISSIPPI RIVER-GULF OUTLET, LOUISIANA.

Section 844 of the Water Resources Development Act of 1986 (Public Law 99–662; 100 Stat. 4177) is amended by adding at the end the following:

''(c) COMMUNITY IMPACT MITIGATION PLAN.—Using funds made available under subsection (a), the Secretary shall implement a comprehensive community impact mitigation plan, as described in the evaluation report of the New Orleans District Engineer dated August 1995, that, to the maximum extent practicable, provides for mitigation or compensation, or both, for the direct and indirect social and cultural impacts that the project described in subsection (a) will have on the affected areas referred to in subsection (b).''.

SEC. 210. COLDWATER RIVER WATERSHED, MISSISSIPPI.

Not later than 90 days after the date of enactment of this Act, the Secretary shall initiate all remaining work associated with the Coldwater River Watershed Demonstration Erosion Control Project, as authorized by Public Law 98–8 (97 Stat. 13).

SEC. 211. PERIODIC MAINTENANCE DREDGING FOR GREENVILLE INNER HARBOR CHANNEL, MISSISSIPPI.

The Greenville Inner Harbor Channel, Mississippi, is deemed to be a portion of the navigable waters of the United States, and shall be included among the navigable waters for which the Army Corps of Engineers maintains a 10-foot navigable channel. The navigable channel for the Greenville Inner Harbor Channel shall be maintained in a manner that is consistent with the navigable channel to the Greenville Harbor and the portion of the Mississippi River adjacent to the Greenville Harbor that is maintained by the Army Corps of Engineers, as in existence on the date of enactment of this Act.

SEC. 212. SARDIS LAKE, MISSISSIPPI.

The Secretary shall work cooperatively with the State of Mississippi and the city of Sardis to the maximum extent practicable in the management of existing and proposed leases of land consistent with the master tourism and recreational plan for the economic development of the Sardis Lake area prepared by the city.

SEC. 213. YALOBUSHA RIVER WATERSHED, MISSISSIPPI.

The project for flood control at Grenada Lake, Mississippi, shall be extended to include the Yalobusha River Watershed (including the Toposhaw Creek), at a total cost of not to exceed $3,800,000. The Federal share of the cost of flood control on the extended project shall be 75 percent.

SEC. 214. LIBBY DAM, MONTANA.

(a) IN GENERAL.—In accordance with section 103(c)(1) of the Water Resources Development Act of 1986 (33 U.S.C. 2213(c)(1)), the Secretary shall—

(1) complete the construction and installation of generating units 6 through 8 at Libby Dam, Montana; and

(2) remove the partially constructed haul bridge over the Kootenai River, Montana.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $16,000,000, to remain available until expended.

SEC. 215. SMALL FLOOD CONTROL PROJECT, MALTA, MONTANA.

Not later than 1 year after the date of enactment of this Act, the Secretary is authorized to expend such Federal funds as are necessary to complete the small flood control project begun at Malta, Montana, pursuant to section 205 of the Flood Control Act of 1948 (33 U.S.C. 701s).

SEC. 216. CLIFFWOOD BEACH, NEW JERSEY.

(a) IN GENERAL.—Notwithstanding any other provision of law or the status of the project authorized by section 203 of the Flood Control Act of 1962 (Public Law 87–874; 76 Stat. 1180) for hurricane-flood protection and beach erosion control on Raritan Bay and Sandy Hook Bay, New Jersey, the Secretary shall undertake a project to provide periodic beach nourishment for Cliffwood Beach, New Jersey, for a 50-year period beginning on the date of execution of a project cooperation agreement by the Secretary and an appropriate non-Federal interest.

(b) NON-FEDERAL SHARE.—The non-Federal share of the cost of the project authorized by this section shall be 35 percent.

SEC. 217. FIRE ISLAND INLET, NEW YORK.

For the purpose of replenishing the beach, the Secretary shall place sand dredged from the Fire Island Inlet on the shoreline between Gilgo State Park and Tobay Beach to protect Ocean Parkway along the Atlantic Ocean shoreline in Suffolk County, New York.

SEC. 218. QUEENS COUNTY, NEW YORK.

(a) DESCRIPTION OF NONNAVIGABLE AREA.—Subject to subsections (b) and (c), the area of Long Island City, Queens County, New York, that—

(1) is not submerged;

(2) lies between the southerly high water line (as of the date of enactment of this Act) of Anable Basin (also known as the ''11th Street Basin'') and the northerly high water line (as of the date of enactment of this Act) of Newtown Creek; and

(3) extends from the high water line (as of the date of enactment of this Act) of the East River to the original high water line of the East River;

is declared to be nonnavigable waters of the United States.

(b) REQUIREMENT THAT AREA BE IMPROVED.—

(1) IN GENERAL.—The declaration of nonnavigability under subsection (a) shall apply only to those portions of the area described in subsection (a) that are, or will be, bulkheaded, filled, or otherwise occupied by permanent structures or other permanent physical improvements (including parkland).

(2) APPLICABILITY OF FEDERAL LAW.—Improvements described in paragraph (1) shall be subject to applicable Federal laws, including—

(A) sections 9 and 10 of the Act entitled ''An Act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes'', approved March 3, 1899 (33 U.S.C. 401 and 403);

(B) section 404 of the Federal Water Pollution Control Act (33 U.S.C. 1344); and

(C) the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(c) EXPIRATION DATE.—The declaration of nonnavigability under subsection (a) shall expire with respect to a portion of the area described in subsection (a), if the portion—

(1) is not bulkheaded, filled, or otherwise occupied by a permanent structure or other permanent physical improvement (including parkland) in accordance with subsection (b) by the date that is 20 years after the date of enactment of this Act; or

(2) requires an improvement described in subsection (b)(2) that is subject to a permit under an applicable Federal law, and the improvement is not commenced by the date that is 5 years after the date of issuance of the permit.

SEC. 219. BUFORD TRENTON IRRIGATION DISTRICT, NORTH DAKOTA AND MONTANA.

(a) ACQUISITION OF EASEMENTS.—

(1) IN GENERAL.—The Secretary shall acquire, from willing sellers, permanent flowage and saturation easements over—

(A) the land in Williams County, North Dakota, extending from the riverward margin of the Buford Trenton Irrigation District main canal to the north bank of the Missouri River, beginning at the Buford Trenton Irrigation District pumping station located in the NE¼ of section 17, T–152–N, R–104–W, and continuing northeasterly downstream to the land referred to as the East Bottom; and

(B) any other land outside the boundaries of the land described in subparagraph (A) within or contiguous to the boundaries of the Buford-Trenton Irrigation District that has been affected by rising ground water and the risk of surface flooding.

(2) SCOPE.—The easements acquired by the Secretary under paragraph (1) shall include the right, power, and privilege of the Federal Government to submerge, overflow, percolate, and saturate the surface and subsurface of the lands and such other terms and conditions as the Secretary considers appropriate.

(3) PAYMENT.—In acquiring the easements under paragraph (1), the Secretary shall pay an amount based on the unaffected fee value of the lands to be acquired by the Federal Government. For the purpose of this paragraph, the unaffected fee value of the lands is the value of the lands as if the lands had not been affected by rising ground water and the risk of surface flooding.

(b) CONVEYANCE OF DRAINAGE PUMPS.—Notwithstanding any other law, the Secretary shall—

(1) convey to the Buford Trenton Irrigation District all right, title, and interest of the United States in the drainage pumps located within the boundaries of the District; and

(2) provide a lump-sum payment of $60,000 for power requirements associated with the operation of the drainage pumps.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $34,000,000, to remain available until expended.

SEC. 220. JAMESTOWN DAM AND PIPESTEM DAM, NORTH DAKOTA.

(a) REVISIONS TO WATER CONTROL MANUALS.—In consultation with the State of South Dakota and the James River Water Development District, the Secretary shall review and consider revisions to the water control manuals for the Jamestown Dam and Pipestem Dam, North Dakota, to modify operation of the dams so as to reduce the magnitude and duration of flooding and inundation of land located within the 10-year floodplain along the James River in South Dakota.

(b) FEASIBILITY STUDY.—

(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Secretary shall—

(A) complete a study to determine the feasibility of providing flood protection for the land referred to in subsection (a); and

(B) submit a report on the study to Congress.

(2) CONSIDERATIONS.—In carrying out paragraph (1), the Secretary shall consider all reasonable project-related and other options.

SEC. 221. WISTER LAKE PROJECT, LEFLORE COUNTY, OKLAHOMA.

The Secretary shall maintain a minimum conservation pool level of 478 feet at the Wister Lake project in LeFlore County, Oklahoma, authorized by section 4 of the Act entitled ''An Act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes'', approved June 28, 1938 (52 Stat. 1218). Notwithstanding title I of the Water Resources Development Act of 1986 (33 U.S.C. 2211 et seq.) or any other provision of law, any increase in water supply yield that results from the pool level of 478 feet shall be treated as unallocated water supply until such time as a user enters into a contract for the supply under such applicable laws concerning cost-sharing as are in effect on the date of the contract.

SEC. 222. WILLAMETTE RIVER, MCKENZIE SUBBASIN, OREGON.

The Secretary is authorized to carry out a project to control the water temperature in the Willamette River, McKenzie Subbasin, Oregon, to mitigate the negative impacts on fish and wildlife resulting from the operation of the Blue River and Cougar Lake projects, McKenzie River Basin, Oregon. The cost of the facilities shall be repaid according to the allocations among the purposes of the original projects.

SEC. 223. ABANDONED AND WRECKED BARGE REMOVAL, RHODE ISLAND.

Section 361 of the Water Resources Development Act of 1992 (Public Law 102–580; 106 Stat. 4861) is amended by striking subsection (a) and inserting the following:

''(a) IN GENERAL.—In order to alleviate a hazard to navigation and recreational activity, the Secretary shall remove a sunken barge from waters off the shore of the Narragansett Town Beach in Narragansett, Rhode Island, at a total cost of $1,900,000, with an estimated Federal cost of $1,425,000, and an estimated non-Federal cost of $475,000. The Secretary shall not remove the barge until title to the barge has been transferred to the United States or the non-Federal interest. The transfer of title shall be carried out at no cost to the United States.''.

SEC. 224. PROVIDENCE RIVER AND HARBOR, RHODE ISLAND.

The Secretary shall incorporate a channel extending from the vicinity of the Fox Point hurricane barrier to the vicinity of the Francis Street bridge in Providence, Rhode Island, into the navigation project for Providence River and Harbor, Rhode Island, authorized by section 301 of the River and Harbor Act of 1965 (Public Law 89–298; 79 Stat. 1089). The channel shall have a depth of up to 10 feet and a width of approximately 120 feet and shall be approximately 1.25 miles in length.

SEC. 225. COOPER LAKE AND CHANNELS, TEXAS.

(a) ACCEPTANCE OF LANDS.—The Secretary is authorized to accept from a non-Federal

interest additional lands of not to exceed 300 acres that—

(1) are contiguous to the Cooper Lake and Channels Project, Texas, authorized by section 301 of the River and Harbor Act of 1965 (Public Law 89–298; 79 Stat. 1091) and section 601(a) of the Water Resources Development Act of 1986 (Public Law 99–662; 100 Stat. 4145); and

(2) provide habitat value at least equal to the habitat value provided by the lands authorized to be redesignated under subsection (b).

(b) REDESIGNATION OF LANDS TO RECREATION PURPOSES.—Upon the acceptance of lands under subsection (a), the Secretary is authorized to redesignate mitigation lands of not to exceed 300 acres to recreation purposes.

(c) FUNDING.—The cost of all work under this section, including real estate appraisals, cultural and environmental surveys, and all development necessary to avoid net mitigation losses, to the extent required, shall be borne by the non-Federal interest.

SEC. 226. RUDEE INLET, VIRGINIA BEACH, VIRGINIA.

Notwithstanding the limitation set forth in section 107(b) of the River and Harbor Act of 1960 (33 U.S.C. 577(b)), Federal participation in the maintenance of the Rudee Inlet, Virginia Beach, Virginia, project shall continue for the life of the project. Nothing in this section shall alter or modify the non-Federal cost sharing responsibility as specified in the Rudee Inlet, Virginia Beach, Virginia Detailed Project Report, dated October 1983.

SEC. 227. VIRGINIA BEACH, VIRGINIA.

(a) ADJUSTMENT OF NON-FEDERAL SHARE.—Notwithstanding any other provision of law, the non-Federal share of the costs of the project for beach erosion control and hurricane protection, Virginia Beach, Virginia, authorized by section 501(a) of the Water Resources Development Act of 1986 (Public Law 99–662; 100 Stat. 4136), shall be reduced by $3,120,803, or by such amount as is determined by an audit carried out by the Department of the Army to be due to the city of Virginia Beach as reimbursement for beach nourishment activities carried out by the city between October 1, 1986, and September 30, 1993, if the Federal Government has not reimbursed the city for the activities prior to the date on which a project cooperation agreement is executed for the project.

(b) EXTENSION OF FEDERAL PARTICIPATION.—

(1) IN GENERAL.—In accordance with section 156 of the Water Resources Development Act of 1976 (42 U.S.C. 1962d–5f), the Secretary shall extend Federal participation in the periodic nourishment of Virginia Beach as authorized by section 101 of the River and Harbor Act of 1954 (68 Stat. 1254) and modified by section 101 of the River and Harbor Act of 1962 (Public Law 87–874; 76 Stat. 1177).

(2) DURATION.—Federal participation under paragraph (1) shall extend until the earlier of—

(A) the end of the 50-year period provided for in section 156 of the Water Resources Development Act of 1976 (42 U.S.C. 1962d–5f); and

(B) the completion of the project for beach erosion control and hurricane protection, Virginia Beach, Virginia, as modified by section 102(cc) of the Water Resources Development Act of 1992 (Public Law 102–580; 106 Stat. 4810).

TITLE III—GENERAL PROVISIONS

SEC. 301. COST-SHARING FOR ENVIRONMENTAL PROJECTS.

Section 103(c) of the Water Resources Development Act of 1986 (33 U.S.C. 2213(c)) is amended—

(1) in paragraph (5), by striking ''and'' at the end;

(2) in paragraph (6), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(7) environmental protection and restoration: 25 percent.''.

SEC. 302. COLLABORATIVE RESEARCH AND DEVELOPMENT.

Section 7 of the Water Resources Development Act of 1988 (33 U.S.C. 2313) is amended—

(1) by striking subsection (e);

(2) by redesignating subsection (d) as subsection (e); and

(3) by inserting after subsection (c) the following:

''(d) TEMPORARY PROTECTION OF TECHNOLOGY.—

''(1) PRE-AGREEMENT.—If the Secretary determines that information developed as a result of a research or development activity conducted by the Army Corps of Engineers is likely to be subject to a cooperative research and development agreement within 2 years after the development of the information, and that the information would be a trade secret or commercial or financial information that would be privileged or confidential if the information had been obtained from a non-Federal party participating in a cooperative research and development agreement under section 12 of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710a), the Secretary may provide appropriate protections against the dissemination of the information, including exemption from subchapter II of chapter 5 of title 5, United States Code, until the earlier of—

''(A) the date on which the Secretary enters into such an agreement with respect to the information; or

''(B) the last day of the 2-year period beginning on the date of the determination.

''(2) POST-AGREEMENT.—Any information subject to paragraph (1) that becomes the subject of a cooperative research and development agreement shall be subject to the protections provided under section 12(c)(7)(B) of the Act (15 U.S.C. 3710a(c)(7)(B)) as if the information had been developed under a cooperative research and development agreement.''.

SEC. 303. NATIONAL DAM SAFETY PROGRAM.

(a) FINDINGS.—Congress finds that—

(1)(A) dams are an essential part of the national infrastructure;

(B) dams fail from time to time with catastrophic results; and

(C) dam safety is a vital public concern;

(2) dam failures have caused, and may cause in the future, loss of life, injury, destruction of property, and economic and social disruption;

(3)(A) some dams are at or near the end of their structural, useful, or operational life; and

(B) the loss, destruction, and disruption resulting from dam failures can be substantially reduced through the development and implementation of dam safety hazard reduction measures, including—

(i) improved design and construction standards and practices supported by a national dam performance resource bank located at Stanford University in California;

(ii) safe operation and maintenance procedures;

(iii) early warning systems;

(iv) coordinated emergency preparedness plans; and

(v) public awareness and involvement programs;

(4)(A) dam safety problems persist nationwide;

(B) while dam safety is principally a State responsibility, the diversity in Federal and State dam safety programs calls for national leadership in a cooperative effort involving the Federal Government, State governments, and the private sector; and

(C) an expertly staffed and adequately financed dam safety hazard reduction program, based on Federal, State, local, and private research, planning, decisionmaking, and contributions, would reduce the risk of the loss, destruction, and disruption resulting from dam failure by an amount far greater than the cost of the program;

(5)(A) there is a fundamental need for a national program for dam safety hazards reduction, and the need will continue; and

(B) to be effective, such a national program will require input from, and review by, Federal and non-Federal experts in—

(i) dam design, construction, operation, and maintenance; and

(ii) the practical application of dam failure hazard reduction measures;

(6) as of the date of enactment of this Act—

(A) there is no national dam safety program; and

(B) the coordinating authority for national leadership concerning dam safety is provided through the dam safety program of the Federal Emergency Management Agency established under Executive Order 12148 (50 U.S.C. App. 2251 note) in coordination with members of the Interagency Committee on Dam Safety and with States; and

(7) while the dam safety program of FEMA is a proper Federal undertaking, should continue, and should provide the foundation for a national dam safety program, statutory authority is needed—

(A) to meet increasing needs and to discharge Federal responsibilities in dam safety;

(B) to strengthen the leadership role of FEMA;

(C) to codify the national dam safety program;

(D) to authorize the Director of FEMA to communicate directly with Congress on authorizations and appropriations; and

(E) to build on the hazard reduction aspects of dam safety.

(b) PURPOSE.—The purpose of this section is to reduce the risks to life and property from dam failure in the United States through the establishment and maintenance of an effective national dam safety program to bring together the expertise and resources of the Federal and non-Federal communities in achieving national dam safety hazard reduction.

(c) DAM SAFETY PROGRAM.—Public Law 92–367 (33 U.S.C. 467 et seq.) is amended—

(1) by striking the first section and inserting the following:

''SECTION 1. SHORT TITLE.

''This Act may be cited as the 'National Dam Safety Program Act'.'';

(2) by striking sections 5 and 7 through 14;

(3) by redesignating sections 2, 3, 4, and 6 as sections 3, 4, 5, and 11, respectively;

(4) by inserting after section 1 (as amended by paragraph (1)) the following:

''SEC. 2. DEFINITIONS.

''In this Act:

''(1) BOARD.—The term 'Board' means a National Dam Safety Review Board established under section 8(h).

''(2) DAM.—The term 'dam'—

''(A) means any artificial barrier that has the ability to impound water, wastewater, or any liquid-borne material, for the purpose of storage or control of water, that—

''(i) is 25 feet or more in height from—

''(I) the natural bed of the stream channel or watercourse measured at the downstream toe of the barrier; or

''(II) if the barrier is not across a stream channel or watercourse, from the lowest elevation of the outside limit of the barrier;

to the maximum water storage elevation; or

''(ii) has an impounding capacity for maximum storage elevation of 50 acre-feet or more; but

''(B) does not include—

''(i) a levee; or

''(ii) a barrier described in subparagraph (A) that—

''(I) is 6 feet or less in height regardless of storage capacity; or

''(II) has a storage capacity at the maximum water storage elevation that is 15 acre-feet or less regardless of height;

unless the barrier, because of the location of the barrier or another physical characteristic of the barrier, is likely to pose a significant threat to human life or property if the barrier fails (as determined by the Director).

''(3) DIRECTOR.—The term 'Director' means the Director of FEMA.

''(4) FEDERAL AGENCY.—The term 'Federal agency' means a Federal agency that designs, finances, constructs, owns, operates, maintains, or regulates the construction, operation, or maintenance of a dam.

''(5) FEDERAL GUIDELINES FOR DAM SAFETY.—The term 'Federal Guidelines for Dam Safety' means the FEMA publication, numbered 93 and dated June 1979, that defines management practices for dam safety at all Federal agencies.

''(6) FEMA.—The term 'FEMA' means the Federal Emergency Management Agency.

''(7) HAZARD REDUCTION.—The term 'hazard reduction' means the reduction in the potential consequences to life and property of dam failure.

''(8) ICODS.—The term 'ICODS' means the Interagency Committee on Dam Safety established by section 7.

''(9) PROGRAM.—The term 'Program' means the national dam safety program established under section 8.

''(10) STATE.—The term 'State' means each of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and any other territory or possession of the United States.

''(11) STATE DAM SAFETY AGENCY.—The term 'State dam safety agency' means a State agency that has regulatory authority over the safety of non-Federal dams.

''(12) STATE DAM SAFETY PROGRAM.—The term 'State dam safety program' means a State dam safety program approved and assisted under section 8(f).

''(13) UNITED STATES.—The term 'United States', when used in a geographical sense, means all of the States.'';

(5) in section 3 (as redesignated by paragraph (3))—

(A) by striking ''SEC. 3. As'' and inserting the following:

''SEC. 3. INSPECTION OF DAMS.

''(a) IN GENERAL.—As''; and

(B) by adding at the end the following:

''(b) STATE PARTICIPATION.—On request of a State dam safety agency, with respect to any dam the failure of which would affect the State, the head of a Federal agency shall—

''(1) provide information to the State dam safety agency on the construction, operation, or maintenance of the dam; or

''(2) allow any official of the State dam safety agency to participate in the Federal inspection of the dam.'';

(6) in section 4 (as redesignated by paragraph (3)), by striking ''SEC. 4. As'' and inserting the following:

''SEC. 4. INVESTIGATION REPORTS TO GOVERNORS.

''As'';

(7) in section 5 (as redesignated by paragraph (3)), by striking ''SEC. 5. For'' and inserting the following:

''SEC. 5. DETERMINATION OF DANGER TO HUMAN LIFE AND PROPERTY.

''For'';

(8) by inserting after section 5 (as redesignated by paragraph (3)) the following:

''SEC. 6. NATIONAL DAM INVENTORY.

''The Secretary of the Army, acting through the Chief of Engineers, may maintain and periodically publish updated information on the inventory of dams in the United States.

''SEC. 7. INTERAGENCY COMMITTEE ON DAM SAFETY.

''(a) ESTABLISHMENT.—There is established an Interagency Committee on Dam Safety—

''(1) comprised of a representative of each of the Department of Agriculture, the Department of Defense, the Department of Energy, the Department of the Interior, the Department of Labor, FEMA, the Federal Energy Regulatory Commission, the Nuclear Regulatory Commission, the Tennessee Valley Authority, and the United States Section of the International Boundary Commission; and

''(2) chaired by the Director.

''(b) DUTIES.—ICODS shall encourage the establishment and maintenance of effective Federal and State programs, policies, and guidelines intended to enhance dam safety for the protection of human life and property through—

''(1) coordination and information exchange among Federal agencies and State dam safety agencies; and

''(2) coordination and information exchange among Federal agencies concerning implementation of the Federal Guidelines for Dam Safety.

''SEC. 8. NATIONAL DAM SAFETY PROGRAM.

''(a) IN GENERAL.—The Director, in consultation with ICODS and State dam safety agencies, and the Board shall establish and maintain, in accordance with this section, a coordinated national dam safety program. The Program shall—

''(1) be administered by FEMA to achieve the objectives set forth in subsection (c);

''(2) involve, to the extent appropriate, each Federal agency; and

''(3) include—

''(A) each of the components described in subsection (d);

''(B) the implementation plan described in subsection (e); and

''(C) assistance for State dam safety programs described in subsection (f).

''(b) DUTIES.—The Director shall—

''(1) not later than 270 days after the date of enactment of this paragraph, develop the implementation plan described in subsection (e);

''(2) not later than 300 days after the date of enactment of this paragraph, submit to the appropriate authorizing committees of Congress the implementation plan described in subsection (e); and

''(3) by regulation, not later than 360 days after the date of enactment of this paragraph—

''(A) develop and implement the Program;

''(B) establish goals, priorities, and target dates for implementation of the Program; and

''(C) to the extent feasible, provide a method for cooperation and coordination with, and assistance to, interested governmental entities in all States.

''(c) OBJECTIVES.—The objectives of the Program are to—

''(1) ensure that new and existing dams are safe through the development of technologically and economically feasible programs and procedures for national dam safety hazard reduction;

''(2) encourage acceptable engineering policies and procedures to be used for dam site investigation, design, construction, operation and maintenance, and emergency preparedness;

''(3) encourage the establishment and implementation of effective dam safety programs in each State based on State standards;

''(4) develop and encourage public awareness projects to increase public acceptance and support of State dam safety programs;

''(5) develop technical assistance materials for Federal and non-Federal dam safety programs; and

''(6) develop mechanisms with which to provide Federal technical assistance for dam safety to the non-Federal sector.

''(d) COMPONENTS.—

''(1) IN GENERAL.—The Program shall consist of—

''(A) a Federal element and a non-Federal element; and

''(B) leadership activity, technical assistance activity, and public awareness activity.

''(2) ELEMENTS.—

''(A) FEDERAL.—The Federal element shall incorporate the activities and practices carried out by Federal agencies under section 7 to implement the Federal Guidelines for Dam Safety.

''(B) NON-FEDERAL.—The non-Federal element shall consist of—

''(i) the activities and practices carried out by States, local governments, and the private sector to safely build, regulate, operate, and maintain dams; and

''(ii) Federal activities that foster State efforts to develop and implement effective programs for the safety of dams.

''(3) FUNCTIONAL ACTIVITIES.—

''(A) LEADERSHIP.—The leadership activity shall be the responsibility of FEMA and shall be exercised by chairing ICODS to coordinate Federal efforts in cooperation with State dam safety officials.

''(B) TECHNICAL ASSISTANCE.—The technical assistance activity shall consist of the transfer of knowledge and technical information among the Federal and non-Federal elements described in paragraph (2).

''(C) PUBLIC AWARENESS.—The public awareness activity shall provide for the education of the public, including State and local officials, in the hazards of dam failure, methods of reducing the adverse consequences of dam failure, and related matters.

''(e) IMPLEMENTATION PLAN.—The Director shall—

''(1) develop an implementation plan for the Program that shall set, through fiscal year 2001, year-by-year targets that demonstrate improvements in dam safety; and

''(2) recommend appropriate roles for Federal agencies and for State and local units of government, individuals, and private organizations in carrying out the implementation plan.

''(f) ASSISTANCE FOR STATE DAM SAFETY PROGRAMS.—

''(1) IN GENERAL.—To encourage the establishment and maintenance of effective State programs intended to ensure dam safety, to protect human life and property, and to improve State dam safety programs, the Director shall provide assistance with amounts made available under section 12 to assist States in establishing and maintaining dam safety programs—

''(A) in accordance with the criteria specified in paragraph (2); and

''(B) in accordance with more advanced requirements and standards established by the Board and the Director with the assistance of established criteria such as the Model State Dam Safety Program published by FEMA, numbered 123 and dated April 1987, and amendments to the Model State Dam Safety Program.

''(2) CRITERIA.—For a State to be eligible for primary assistance under this subsection, a State dam safety program must be working toward meeting the following criteria, and for a State to be eligible for advanced assistance under this subsection, a State dam safety program must meet the following criteria and be working toward meeting the advanced requirements and standards established under paragraph (1)(B):

''(A) AUTHORIZATION.—For a State to be eligible for assistance under this subsection, a State dam safety program must be authorized by State legislation to include substantially, at a minimum—

''(i) the authority to review and approve plans and specifications to construct, enlarge, modify, remove, and abandon dams;

''(ii) the authority to perform periodic inspections during dam construction to ensure compliance with approved plans and specifications;

''(iii) a requirement that, on completion of dam construction, State approval must be given before operation of the dam;

''(iv)(I) the authority to require or perform the inspection, at least once every 5 years, of all dams and reservoirs that would pose a significant threat to human life and property in case of failure to determine the continued safety of the dams and reservoirs; and

''(II) a procedure for more detailed and frequent safety inspections;

''(v) a requirement that all inspections be performed under the supervision of a State-registered professional engineer with related experience in dam design and construction;

''(vi) the authority to issue notices, when appropriate, to require owners of dams to perform necessary maintenance or remedial work, revise operating procedures, or take other actions, including breaching dams when necessary;

''(vii) regulations for carrying out the legislation of the State described in this subparagraph;

''(viii) provision for necessary funds—

''(I) to ensure timely repairs or other changes to, or removal of, a dam in order to protect human life and property; and

''(II) if the owner of the dam does not take action described in subclause (I), to take appropriate action as expeditiously as practicable;

''(ix) a system of emergency procedures to be used if a dam fails or if the failure of a dam is imminent; and

''(x) an identification of—

''(I) each dam the failure of which could be reasonably expected to endanger human life;

''(II) the maximum area that could be flooded if the dam failed; and

''(III) necessary public facilities that would be affected by the flooding.

''(B) FUNDING.—For a State to be eligible for assistance under this subsection, State appropriations must be budgeted to carry out the legislation of the State under subparagraph (A).

''(3) WORK PLANS.—The Director shall enter into a contract with each State receiving assistance under paragraph (2) to develop a work plan necessary for the State dam safety program of the State to reach a level of program performance specified in the contract.

''(4) MAINTENANCE OF EFFORT.—Assistance may not be provided to a State under this subsection for a fiscal year unless the State enters into such agreement with the Director as the Director requires to ensure that the State will maintain the aggregate expenditures of the State from all other sources for programs to ensure dam safety for the protection of human life and property at or above a level equal to the average annual level of the expenditures for the 2 fiscal years preceding the fiscal year.

''(5) APPROVAL OF PROGRAMS.—

''(A) SUBMISSION.—For a State to be eligible for assistance under this subsection, a plan for a State dam safety program shall be submitted to the Director.

''(B) APPROVAL.—A State dam safety program shall be deemed to be approved 120 days after the date of receipt by the Director unless the Director determines within the 120-day period that the State dam safety program fails to substantially meet the requirements of paragraphs (1) through (3).

''(C) NOTIFICATION OF DISAPPROVAL.—If the Director determines that a State dam safety program does not meet the requirements for approval, the Director shall immediately notify the State in writing and provide the reasons for the determination and the changes that are necessary for the plan to be approved.

''(6) REVIEW OF STATE DAM SAFETY PROGRAMS.—Using the expertise of the Board, the Director shall periodically review State dam safety programs. If the Board finds that a State dam safety program has proven inadequate to reasonably protect human life and property, and the Director concurs, the Director shall revoke approval of the State dam safety program, and withhold assistance under this subsection, until the State dam safety program again meets the requirements for approval.

''(g) DAM SAFETY TRAINING.—At the request of any State that has or intends to develop a State dam safety program, the Director shall provide training for State dam safety staff and inspectors.

''(h) BOARD.—

''(1) ESTABLISHMENT.—The Director may establish an advisory board to be known as the 'National Dam Safety Review Board' to monitor State implementation of this section.

''(2) AUTHORITY.—The Board may use the expertise of Federal agencies and enter into contracts for necessary studies to carry out this section.

''(3) MEMBERSHIP.—The Board shall consist of 11 members selected by the Director for expertise in dam safety, of whom—

''(A) 1 member shall represent the Department of Agriculture;

''(B) 1 member shall represent the Department of Defense;

''(C) 1 member shall represent the Department of the Interior;

''(D) 1 member shall represent FEMA;

''(E) 1 member shall represent the Federal Energy Regulatory Commission;

''(F) 5 members shall be selected by the Director from among dam safety officials of States; and

''(G) 1 member shall be selected by the Director to represent the United States Committee on Large Dams.

''(4) COMPENSATION OF MEMBERS.—

''(A) FEDERAL EMPLOYEES.—Each member of the Board who is an officer or employee of the United States shall serve without compensation in addition to compensation received for the services of the member as an officer or employee of the United States.

''(B) OTHER MEMBERS.—Each member of the Board who is not an officer or employee of the United States shall serve without compensation.

''(5) TRAVEL EXPENSES.—Each member of the Board shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for an employee of an agency under subchapter I of chapter 57 of title 5, United States Code, while away from the home or regular place of business of the member in the performance of services for the Board.

''(6) APPLICABILITY OF FEDERAL ADVISORY COMMITTEE ACT.—The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Board.

''SEC. 9. RESEARCH.

''(a) IN GENERAL.—The Director, in cooperation with ICODS, shall carry out a program of technical and archival research to develop—

''(1) improved techniques, historical experience, and equipment for rapid and effective dam construction, rehabilitation, and inspection; and

''(2) devices for the continued monitoring of the safety of dams.

''(b) CONSULTATION.—The Director shall provide for State participation in research under subsection (a) and periodically advise all States and Congress of the results of the research.

''SEC. 10. REPORTS.

''(a) REPORT ON DAM INSURANCE.—Not later than 180 days after the date of enactment of this subsection, the Director shall report to Congress on the availability of dam insurance and make recommendations concerning encouraging greater availability.

''(b) BIENNIAL REPORTS.—Not later than 90 days after the end of each odd-numbered fiscal year, the Director shall submit a report to Congress that—

''(1) describes the status of the Program;

''(2) describes the progress achieved by Federal agencies during the 2 preceding fiscal years in implementing the Federal Guidelines for Dam Safety;

''(3) describes the progress achieved in dam safety by States participating in the Program; and

''(4) includes any recommendations for legislative and other action that the Director considers necessary.'';

(9) in section 11 (as redesignated by paragraph (3))—

(A) by striking ''SEC. 11. Nothing'' and inserting the following:

''SEC. 11. STATUTORY CONSTRUCTION.

''Nothing'';

(B) by striking ''shall be construed (1) to create'' and inserting the following: ''shall—

''(1) create'';

(C) by striking ''or (2) to relieve'' and inserting the following:

''(2) relieve''; and

(D) by striking the period at the end and inserting the following: ''; or

''(3) preempt any other Federal or State law.''; and

(10) by adding at the end the following:

''SEC. 12. AUTHORIZATION OF APPROPRIATIONS.

''(a) FUNDING.—

''(1) NATIONAL DAM SAFETY PROGRAM.—

''(A) ANNUAL AMOUNTS.—There are authorized to be appropriated to FEMA to carry out sections 7, 8, and 10 (in addition to any amounts made available for similar purposes included in any other Act and amounts made available under paragraphs (2) through (5)), $1,000,000 for fiscal year 1997, $2,000,000 for fiscal year 1998, $4,000,000 for fiscal year 1999, $4,000,000 for fiscal year 2000, and $4,000,000 for fiscal year 2001.

''(B) ALLOCATION.—

''(i) IN GENERAL.—Subject to clauses (ii) and (iii), for each fiscal year, amounts made available under this paragraph to carry out section 8 shall be allocated among the States as follows:

''(I) One-third among States that qualify for assistance under section 8(f).

''(II) Two-thirds among States that qualify for assistance under section 8(f), to each such State in proportion to—

''(aa) the number of dams in the State that are listed as State-regulated dams on the inventory of dams maintained under section 6; as compared to

''(bb) the number of dams in all States that are listed as State-regulated dams on the inventory of dams maintained under section 6.

''(ii) MAXIMUM AMOUNT OF ALLOCATION.—The amount of funds allocated to a State under this subparagraph may not exceed 50 percent of the reasonable cost of implementing the State dam safety program.

''(iii) DETERMINATION.—The Director and the Board shall determine the amount allocated to States needing primary assistance and States needing advanced assistance under section 8(f).

''(2) NATIONAL DAM INVENTORY.—There is authorized to be appropriated to carry out section 6 $500,000 for each fiscal year.

''(3) DAM SAFETY TRAINING.—There is authorized to be appropriated to carry out section 8(g) $500,000 for each of fiscal years 1997 through 2001.

''(4) RESEARCH.—There is authorized to be appropriated to carry out section 9 $1,000,000 for each of fiscal years 1997 through 2001.

''(5) STAFF.—There is authorized to be appropriated to FEMA for the employment of such additional staff personnel as are necessary to carry out sections 6 through 9 $400,000 for each of fiscal years 1997 through 2001.

''(b) LIMITATION ON USE OF AMOUNTS.—Amounts made available under this Act may not be used to construct or repair any Federal or non-Federal dam.''.

(d) CONFORMING AMENDMENT.—Section 3(2) of the Indian Dams Safety Act of 1994 (25 U.S.C. 3802(2)) is amended by striking ''the first section of Public Law 92–367 (33 U.S.C. 467)'' and inserting ''section 2 of the National Dam Safety Program Act''.

SEC. 304. HYDROELECTRIC POWER PROJECT UPRATING.

(a) IN GENERAL.—In carrying out the maintenance, rehabilitation, and modernization of a hydroelectric power generating facility at a water resources project under the jurisdiction of the Department of the Army, the Secretary is authorized, to the extent funds are made available in appropriations Acts, to take such actions as are necessary to increase the efficiency of energy production or the capacity of the facility, or both, if, after consulting with the heads of other appropriate Federal and State agencies, the Secretary determines that the increase—

(1) is economically justified and financially feasible;

(2) will not result in any significant adverse effect on the other purposes for which the project is authorized;

(3) will not result in significant adverse environmental impacts; and

(4) will not involve major structural or operational changes in the project.

(b) EFFECT ON OTHER AUTHORITY.—This section shall not affect the authority of the Secretary and the Administrator of the Bonneville Power Administration under section 2406 of the Energy Policy Act of 1992 (16 U.S.C. 839d–1).

SEC. 305. FEDERAL LUMP-SUM PAYMENTS FOR FEDERAL OPERATION AND MAINTENANCE COSTS.

(a) IN GENERAL.—In the case of a water resources project under the jurisdiction of the Department of the Army for which the non-Federal interests are responsible for performing the operation, maintenance, replacement, and rehabilitation of the project, or a separable element (as defined in section 103(f) of the Water Resources Development Act of 1986 (33 U.S.C. 2213(f)) of the project, and for which the Federal Government is responsible for paying a portion of the operation, maintenance, replacement, and rehabilitation costs of the project or separable element, the Secretary may make, in accordance with this section and under terms and conditions acceptable to the Secretary, a payment of the estimated total Federal share of the costs to the non-Federal interests after completion of construction of the project or separable element.

(b) AMOUNT OF PAYMENT.—The amount that may be paid by the Secretary under subsection (a) shall be equal to the present value of the Federal payments over the life of the project, as estimated by the Federal Government, and shall be computed using an interest rate determined by the Secretary of the Treasury taking into consideration current market yields on outstanding marketable obligations of the United States with maturities comparable to the remaining life of the project.

(c) AGREEMENT.—The Secretary may make a payment under this section only if the non-Federal interests have entered into a binding agreement with the Secretary to perform the operation, maintenance, replacement, and rehabilitation of the project or separable element. The agreement shall—

(1) meet the requirements of section 221 of the Flood Control Act of 1970 (42 U.S.C. 1962d–5b); and

(2) specify—

(A) the terms and conditions under which a payment may be made under this section; and

(B) the rights of, and remedies available to, the Federal Government to recover all or a portion of a payment made under this section if a non-Federal interest suspends or terminates the performance by the non-Federal interest of the operation, maintenance, replacement, and rehabilitation of the project or separable element, or fails to perform the activities in a manner that is satisfactory to the Secretary.

(d) EFFECT OF PAYMENT.—Except as provided in subsection (c), a payment provided to the non-Federal interests under this section shall relieve the Federal Government of any obligation, after the date of the payment, to pay any of the operation, maintenance, replacement, or rehabilitation costs for the project or separable element.

SEC. 306. COST-SHARING FOR REMOVAL OF EXISTING PROJECT FEATURES.

After the date of enactment of this Act, any proposal submitted to Congress by the Secretary for modification of an existing authorized water resources development project (in existence on the date of the proposal) by removal of one or more of the project features that would significantly and adversely impact the authorized project purposes or outputs shall include the recommendation that the non-Federal interests shall provide 50 percent of the cost of any such modification, including the cost of acquiring any additional interests in lands that become necessary for accomplishing the modification.

SEC. 307. TERMINATION OF TECHNICAL ADVISORY COMMITTEE.

Section 310 of the Water Resources Development Act of 1990 (33 U.S.C. 2319) is amended—

(1) by striking subsection (a); and

(2) in subsection (b)—

(A) by striking ''(b) PUBLIC PARTICIPATION.—''; and

(B) by striking ''subsection'' each place it appears and inserting ''section''.

SEC. 308. CONDITIONS FOR PROJECT DEAUTHORIZATIONS.

(a) IN GENERAL.—Section 1001(b)(2) of the Water Resources Development Act of 1986 (33 U.S.C. 579a(b)(2)) is amended—

(1) in the first sentence, by striking ''10'' and inserting ''5'';

(2) in the second sentence, by striking ''Before'' and inserting ''Upon official''; and

(3) in the last sentence, by inserting ''the planning, design, or'' before ''construction''.

(b) CONFORMING AMENDMENTS.—Section 52 of the Water Resources Development Act of 1988 (Public Law 100–676; 102 Stat. 4044) is amended—

(1) by striking subsection (a) (33 U.S.C. 579a note);

(2) by redesignating subsections (b) through (e) as subsections (a) through (d), respectively; and

(3) in subsection (d) (as so redesignated), by striking ''or subsection (a) of this section''.

SEC. 309. PARTICIPATION IN INTERNATIONAL ENGINEERING AND SCIENTIFIC CONFERENCES.

Section 211 of the Flood Control Act of 1950 (33 U.S.C. 701u) is repealed.

SEC. 310. RESEARCH AND DEVELOPMENT IN SUPPORT OF ARMY CIVIL WORKS PROGRAM.

(a) IN GENERAL.—In carrying out research and development in support of the civil works program of the Department of the Army, the Secretary may utilize contracts, cooperative research and development agreements, and cooperative agreements with, and grants to, non-Federal entities, including State and local governments, colleges and universities, consortia, professional and technical societies, public and private scientific and technical foundations, research institutions, educational organizations, and nonprofit organizations.

(b) COMMERCIAL APPLICATION.—In the case of a contract for research or development, or both, the Secretary may—

(1) require that the research or development, or both, have potential commercial application; and

(2) use the potential for commercial application as an evaluation factor, if appropriate.

SEC. 311. INTERAGENCY AND INTERNATIONAL SUPPORT AUTHORITY.

(a) IN GENERAL.—The Secretary may engage in activities in support of other Federal agencies or international organizations to address problems of national significance to the United States. The Secretary may engage in activities in support of international organizations only after consulting with the Secretary of State. The Secretary may use the technical and managerial expertise of the Army Corps of Engineers to address domestic and international problems related to water resources, infrastructure development, and environmental protection.

(b) FUNDING.—There are authorized to be appropriated $1,000,000 to carry out this section. The Secretary may accept and expend additional funds from other Federal agencies or international organizations to carry this section.

SEC. 312. SECTION 1135 PROGRAM.

(a) EXPANSION OF PROGRAM.—Section 1135 of the Water Resources Development Act of 1986 (33 U.S.C. 2309a) is amended—

(1) in subsection (a), by inserting before the period at the end the following: ''and to determine if the operation of the projects has contributed to the degradation of the quality of the environment'';

(2) in subsection (b), by striking the last two sentences;

(3) by redesignating subsections (c), (d), and (e) as subsections (e), (f), and (g), respectively; and

(4) by inserting after subsection (b) the following:

''(c) MEASURES TO RESTORE ENVIRONMENTAL QUALITY.—If the Secretary determines under subsection (a) that operation of a water resources project has contributed to the degradation of the quality of the environment, the Secretary may carry out, with respect to the project, measures for the restoration of environmental quality, if the measures are feasible and consistent with the authorized purposes of the project.

''(d) FUNDING.—The non-Federal share of the cost of any modification or measure carried out pursuant to subsection (b) or (c)

shall be 25 percent. Not more than $5,000,000 in Federal funds may be expended on any 1 such modification or measure.''.

(b) PINE FLAT DAM FISH AND WILDLIFE HABITAT RESTORATION, CALIFORNIA.—In accordance with section 1135(b) of the Water Resources Development Act of 1986 (33 U.S.C. 2309a(b)), the Secretary shall carry out the construction of a turbine bypass at Pine Flat Dam, Kings River, California.

(c) LOWER AMAZON CREEK RESTORATION, OREGON.—In accordance with section 1135 of the Water Resources Development Act of 1986 (33 U.S.C. 2309a), the Secretary may carry out justified environmental restoration measures with respect to the flood reduction measures constructed by the Army Corps of Engineers, and the related flood reduction measures constructed by the Natural Resources Conservation Service, in the Amazon Creek drainage. The Federal share of the restoration measures shall be jointly funded by the Army Corps of Engineers and the Natural Resources Conservation Service in proportion to the share required to be paid by each agency of the original costs of the flood reduction measures.

SEC. 313. ENVIRONMENTAL DREDGING.

Section 312 of the Water Resources Development Act of 1990 (Public Law 101–640; 33 U.S.C. 1252 note) is amended by striking subsection (f).

SEC. 314. FEASIBILITY STUDIES.

(a) NON-FEDERAL SHARE.—Section 105(a)(1) of the Water Resources Development Act of 1986 (33 U.S.C. 2215(a)(1)) is amended—

(1) in the first sentence, by striking ''during the period of such study'';

(2) by inserting after the first sentence the following: ''During the period of the study, the non-Federal share of the cost of the study shall be not more than 50 percent of the estimate of the cost of the study as contained in the feasibility cost sharing agreement. The cost estimate may be amended only by mutual agreement of the Secretary and the non-Federal interests. The non-Federal share of any costs in excess of the cost estimate shall, except as otherwise mutually agreed by the Secretary and the non-Federal interests, be payable after the project has been authorized for construction and on the date on which the Secretary and non-Federal interests enter into an agreement pursuant to section 101(e) or 103(j).''; and

(3) in the last sentence, by striking ''such non-Federal contribution'' and inserting ''the non-Federal share required under this paragraph''.

(b) APPLICABILITY.—The amendments made by subsection (a) shall apply notwithstanding any feasibility cost sharing agreement entered into by the Secretary and non-Federal interests, and the Secretary shall amend any feasibility cost sharing agreements in effect on the date of enactment of this Act so as to conform the agreements with the amendments. Nothing in this section or any amendment made by this section shall require the Secretary to reimburse the non-Federal interests for funds previously contributed for a study.

SEC. 315. OBSTRUCTION REMOVAL REQUIREMENT.

(a) PENALTY.—Section 16 of the Act entitled ''An Act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes'', approved March 3, 1899 (33 U.S.C. 411), is amended—

(1) by striking ''sections thirteen, fourteen, and fifteen'' and inserting ''section 13, 14, 15, 19, or 20''; and

(2) by striking ''not exceeding twenty-five hundred dollars nor less than five hundred dollars'' and inserting ''of not more than $25,000 for each day that the violation continues''.

(b) GENERAL AUTHORITY.—Section 20 of the Act (33 U.S.C. 415) is amended—

(1) in subsection (a)—

(A) by striking ''Under emergency'' and inserting ''SUMMARY REMOVAL PROCEDURES.—Under emergency''; and

(B) by striking ''expense'' the first place it appears and inserting ''actual expense, including administrative expenses,'';

(2) in subsection (b)—

(A) by striking ''cost'' and inserting ''actual cost, including administrative costs,''; and

(B) by striking ''(b) The'' and inserting ''(c) LIABILITY OF OWNER, LESSEE, OR OPERATOR.—The''; and

(3) by inserting after subsection (a) the following:

''(b) REMOVAL REQUIREMENT.—Not later than 24 hours after the Secretary of the Department in which the Coast Guard is operating issues an order to stop or delay navigation in any navigable waters of the United States because of conditions related to the sinking or grounding of a vessel, the owner or operator of the vessel, with the approval of the Secretary of the Army, shall begin removal of the vessel using the most expeditious removal method available or, if appropriate, secure the vessel pending removal to allow navigation to resume. If the owner or operator fails to begin removal or to secure the vessel pending removal in accordance with the preceding sentence or fails to complete removal as soon as possible, the Secretary of the Army shall remove or destroy the vessel using the summary removal procedures under subsection (a).''.

SEC. 316. LEVEE OWNERS MANUAL.

Section 5 of the Act entitled ''An Act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes'', approved August 18, 1941 (33 U.S.C. 701n), is amended by adding at the end the following:

''(c) LEVEE OWNERS MANUAL.—

''(1) IN GENERAL.—Not later than 1 year after the date of enactment of this subsection, in accordance with chapter 5 of title 5, United States Code, the Secretary shall prepare a manual describing the maintenance and upkeep responsibilities that the Army Corps of Engineers requires of a non-Federal interest in order for the non-Federal interest to receive Federal assistance under this section. The Secretary shall provide a copy of the manual at no cost to each non-Federal interest that is eligible to receive Federal assistance under this section.

''(2) PROHIBITION ON DELEGATION.—The preparation of the manual shall be carried out under the personal direction of the Secretary.

''(3) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $1,000,000 to carry out this subsection.

''(4) DEFINITIONS.—In this subsection:

''(A) MAINTENANCE AND UPKEEP.—The term 'maintenance and upkeep' means all maintenance and general upkeep of a levee performed on a regular and consistent basis that is not repair and rehabilitation.

''(B) REPAIR AND REHABILITATION.—The term 'repair and rehabilitation'—

''(i) except as provided in clause (ii), means the repair or rebuilding of a levee or other flood control structure, after the structure has been damaged by a flood, to the level of protection provided by the structure before the flood; and

''(ii) does not include—

''(I) any improvement to the structure; or

''(II) repair or rebuilding described in clause (i) if, in the normal course of usage, the structure becomes structurally unsound and is no longer fit to provide the level of protection for which the structure was designed.

''(C) SECRETARY.—The term 'Secretary' means the Secretary of the Army.''.

SEC. 317. RISK-BASED ANALYSIS METHODOLOGY.

(a) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Secretary shall obtain the services of an independent consultant to evaluate—

(1) the relationship between—

(A) the Risk-Based Analysis for Evaluation of Hydrology/Hydraulics and Economics in Flood Damage Reduction Studies established in an Army Corps of Engineers engineering circular; and

(B) minimum engineering and safety standards;

(2) the validity of results generated by the studies described in paragraph (1); and

(3) policy impacts related to change in the studies described in paragraph (1).

(b) TASK FORCE.—

(1) IN GENERAL.—In carrying out the independent evaluation under subsection (a), the Secretary, not later than 90 days after the date of enactment of this Act, shall establish a task force to oversee and review the analysis.

(2) MEMBERSHIP.—The task force shall consist of—

(A) the Assistant Secretary of the Army having responsibility for civil works, who shall serve as chairperson of the task force;

(B) the Administrator of the Federal Emergency Management Agency;

(C) the Chief of the Natural Resources Conservation Service of the Department of Agriculture;

(D) a State representative appointed by the Secretary from among individuals recommended by the Association of State Floodplain Managers;

(E) a local government public works official appointed by the Secretary from among individuals recommended by a national organization representing public works officials; and

(F) an individual from the private sector, who shall be appointed by the Secretary.

(3) COMPENSATION.—

(A) IN GENERAL.—Except as provided in subparagraph (B), a member of the task force shall serve without compensation.

(B) EXPENSES.—Each member of the task force shall be allowed—

(i) travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from the home or regular place of business of the member in the performance of services for the task force; and

(ii) other expenses incurred in the performance of services for the task force, as determined by the Secretary.

(4) TERMINATION.—The task force shall terminate 2 years after the date of enactment of this Act.

(c) LIMITATION ON USE OF METHODOLOGY.—During the period beginning on the date of enactment of this Act and ending 2 years after that date, if requested by a non-Federal interest, the Secretary shall refrain from using any risk-based technique required under the studies described in subsection (a) for the evaluation and design of a project carried out in cooperation with the non-Federal interest unless the Secretary, in consultation with the task force, has provided direction for use of the technique after consideration of the independent evaluation required under subsection (a).

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $500,000 to carry out this section.

SEC. 318. SEDIMENTS DECONTAMINATION TECHNOLOGY.

Section 405 of the Water Resources Development Act of 1992 (Public Law 102–580; 33 U.S.C. 2239 note) is amended—

(1) in subsection (a)—

(A) in paragraph (2), by adding at the end the following: ''The goal of the program shall be to make possible the development, on an operational scale, of 1 or more sediment decontamination technologies, each of which demonstrates a sediment decontamination capacity of at least 2,500 cubic yards per day.''; and

(B) by adding at the end the following:

''(3) REPORT TO CONGRESS.—Not later than September 30, 1996, and September 30 of each year thereafter, the Administrator and the Secretary shall report to Congress on progress made toward the goal described in paragraph (2).''; and

(2) in subsection (c)—

(A) by striking ''$5,000,000'' and inserting ''$10,000,000''; and

(B) by striking ''1992'' and inserting ''1996''.

SEC. 319. MELALEUCA TREE.

Section 104(a) of the River and Harbor Act of 1958 (33 U.S.C. 610(a)) is amended by inserting ''melaleuca tree,'' after ''milfoil,''.

SEC. 320. FAULKNER ISLAND, CONNECTICUT.

In consultation with the Director of the United States Fish and Wildlife Service, the Secretary shall design and construct shoreline protection measures for the coastline adjacent to the Faulkner Island Lighthouse, Connecticut, at a total cost of $4,500,000.

SEC. 321. DESIGNATION OF LOCK AND DAM AT THE RED RIVER WATERWAY, LOUISIANA.

(a) DESIGNATION.—Lock and Dam numbered 4 of the Red River Waterway, Louisiana, is designated as the ''Russell B. Long Lock and Dam''.

(b) LEGAL REFERENCES.—A reference in any law, regulation, document, map, record, or other paper of the United States to the lock and dam referred to in subsection (a) shall be deemed to be a reference to the ''Russell B. Long Lock and Dam''.

SEC. 322. JURISDICTION OF MISSISSIPPI RIVER COMMISSION, LOUISIANA.

The jurisdiction of the Mississippi River Commission established by the Act of June 28, 1879 (21 Stat. 37, chapter 43; 33 U.S.C. 641 et seq.), is extended to include all of the area between the eastern side of the Bayou Lafourche Ridge from Donaldsonville, Louisiana, to the Gulf of Mexico and the west guide levee of the Mississippi River from Donaldsonville, Louisiana, to the Gulf of Mexico.

SEC. 323. WILLIAM JENNINGS RANDOLPH ACCESS ROAD, GARRETT COUNTY, MARYLAND.

The Secretary shall transfer up to $600,000 from the funds appropriated for the William Jennings Randolph Lake, Maryland and West Virginia, project to the State of Maryland for use by the State in constructing an access road to the William Jennings Randolph Lake in Garrett County, Maryland.

SEC. 324. ARKABUTLA DAM AND LAKE, MISSISSIPPI.

The Secretary shall repair the access roads to Arkabutla Dam and Arkabutla Lake in Tate County and DeSoto County, Mississippi, at a total cost of not to exceed $1,400,000.

SEC. 325. NEW YORK STATE CANAL SYSTEM.

(a) IN GENERAL.—In order to make capital improvements to the New York State canal system, the Secretary, with the consent of appropriate local and State entities, shall enter into such arrangements, contracts, and leases with public and private entities as may be necessary for the purposes of rehabilitation, renovation, preservation, and maintenance of the New York State canal system and related facilities, including trailside facilities and other recreational projects along the waterways referred to in subsection (c).

(b) FEDERAL SHARE.—The Federal share of the cost of capital improvements under this section shall be 50 percent. The total cost is $14,000,000, with an estimated Federal cost of $7,000,000 and an estimated non-Federal cost of $7,000,000.

(c) DEFINITION OF NEW YORK STATE CANAL SYSTEM.—In this section, the term ''New York State canal system'' means the Erie, Oswego, Champlain, and Cayuga-Seneca Canals in New York.

SEC. 326. QUONSET POINT-DAVISVILLE, RHODE ISLAND.

The Secretary shall replace the bulkhead between piers 1 and 2 at the Quonset Point-Davisville Industrial Park, Rhode Island, at a total cost of $1,350,000. The estimated Federal share of the project cost is $1,012,500, and the estimated non-Federal share of the project cost is $337,500. In conjunction with this project, the Secretary shall install high mast lighting at pier 2 at a total cost of $300,000, with an estimated Federal cost of $225,000 and an estimated non-Federal cost of $75,000.

SEC. 327. CLOUTER CREEK DISPOSAL AREA, CHARLESTON, SOUTH CAROLINA.

(a) TRANSFER OF ADMINISTRATIVE JURISDICTION.—Notwithstanding any other law, the Secretary of the Navy shall transfer to the Secretary administrative jurisdiction over the approximately 1,400 acres of land under the jurisdiction of the Department of the Navy that comprise a portion of the Clouter Creek disposal area, Charleston, South Carolina.

(b) USE OF TRANSFERRED LAND.—The land transferred under subsection (a) shall be used by the Department of the Army as a dredge material disposal area for dredging activities in the vicinity of Charleston, South Carolina, including the Charleston Harbor navigation project.

(c) COST SHARING.—Nothing in this section modifies any non-Federal cost-sharing requirement established under title I of the Water Resources Development Act of 1986 (33 U.S.C. 2211 et seq.).

SEC. 328. NUISANCE AQUATIC VEGETATION IN LAKE GASTON, VIRGINIA AND NORTH CAROLINA.

Section 339(b) of the Water Resources Development Act of 1992 (Public Law 102–580; 106 Stat. 4855) is amended by striking ''1993 and 1994'' and inserting ''1995 and 1996''.

SEC. 329. WASHINGTON AQUEDUCT.

(a) DEFINITIONS.—In this section:

(1) NON-FEDERAL PUBLIC WATER SUPPLY CUSTOMER.—The term ''non-Federal public water supply customer'' means—

(A) the District of Columbia;

(B) Arlington County, Virginia; and

(C) the City of Falls Church, Virginia.

(2) WASHINGTON AQUEDUCT.—The term ''Washington Aqueduct'' means the Washington Aqueduct facilities and related facilities owned by the Federal Government as of the date of enactment of this Act, including—

(A) the dams, intake works, conduits, and pump stations that capture and transport raw water from the Potomac River to the Dalecarlia Reservoir;

(B) the infrastructure and appurtenances used to treat water taken from the Potomac River to potable standards; and

(C) related water distribution facilities.

(b) REGIONAL ENTITY.—

(1) IN GENERAL.—Congress encourages and grants consent to the non-Federal public water supply customers to establish a public or private entity or to enter into an agreement with an existing public or private entity to—

(A) receive title to the Washington Aqueduct; and

(B) operate, maintain, and manage the Washington Aqueduct in a manner that adequately represents all interests of non-Federal public water supply customers.

(2) CONSIDERATION.—An entity receiving title to the Washington Aqueduct that is not composed entirely of the non-Federal public water supply customers shall receive consideration for providing equity for the Aqueduct.

(3) PRIORITY ACCESS.—The non-Federal public water supply customers shall have priority access to any water produced by the Aqueduct.

(4) CONSENT OF CONGRESS.—Congress grants consent to the non-Federal public water supply customers to enter into any interstate agreement or compact required to carry out this section.

(5) STATUTORY CONSTRUCTION.—This section shall not preclude the non-Federal public water supply customers from pursuing any option regarding ownership, operation, maintenance, and management of the Washington Aqueduct.

(c) PROGRESS REPORT AND PLAN.—Not later than 1 year after the date of enactment of this Act, the Secretary shall report to the Committee on Environment and Public Works in the Senate and the Committee on Transportation and Infrastructure in the House of Representatives on any progress in achieving a plan for the transfer of ownership, operation, maintenance, and management of the Washington Aqueduct to a public or private entity.

(d) TRANSFER.—

(1) IN GENERAL.—Subject to subsection (b)(2) and any terms or conditions the Secretary considers appropriate to protect the interests of the United States, the Secretary may, with the consent of the non-Federal public water supply customers and without consideration to the Federal Government, transfer all rights, title, and interest of the United States in the Washington Aqueduct, its real property, facilities, and personalty, to a public or private entity established or contracted with pursuant to subsection (b).

(2) ADEQUATE CAPABILITIES.—The Secretary shall transfer ownership to the Washington Aqueduct under paragraph (1) only if the Secretary determines, after opportunity for public input, that the entity to receive ownership of the Aqueduct has the technical, managerial, and financial capability to operate, maintain, and manage the Aqueduct.

(3) RESPONSIBILITIES.—The Secretary shall not transfer title under this subsection unless the entity to receive title assumes full responsibility for performing and financing the operation, maintenance, repair, replacement, rehabilitation, and necessary capital improvements of the Washington Aqueduct so as to ensure the continued operation of the Washington Aqueduct consistent with Aqueduct's intended purpose of providing an uninterrupted supply of potable water sufficient to meet the current and future needs of the Aqueduct's service area.

(e) INTERIM BORROWING AUTHORITY.—

(1) BORROWING.—

(A) IN GENERAL.—The Secretary is authorized to borrow from the Treasury of the United States such amounts for fiscal years 1997 and 1998 as is sufficient to cover any obligations that the United States Army Corps of Engineers is required to incur in carrying out capital improvements during fiscal years 1997 and 1998 for the Washington Aqueduct to ensure continued operation of the Aqueduct until such time as a transfer of title of the Aqueduct has taken place.

(B) LIMITATION.—The amount borrowed by the Secretary under subparagraph (A) may not exceed $29,000,000 for fiscal year 1997 and $24,000,000 for fiscal year 1998.

(C) AGREEMENT.—Amounts borrowed under subparagraph (A) may only be used for capital improvements agreed to by the Army

Corps of Engineers and the non-Federal public water supply customers.

(D) TERMS OF BORROWING.—

(i) IN GENERAL.—The Secretary of the Treasury shall provide the funds borrowed under subparagraph (A) under such terms and conditions as the Secretary of Treasury determines to be necessary and in the public interest and subject to the contracts required in paragraph (2).

(ii) SPECIFIED TERMS.—The term of any amounts borrowed under subparagraph (A) shall be for a period of not less than 20 years. There shall be no penalty for the prepayment of any amounts borrowed under subparagraph (A).

(2) CONTRACTS WITH PUBLIC WATER SUPPLY CUSTOMERS.—

(A) CONTRACTS TO REPAY CORPS DEBT.—To the extent provided in appropriations Act, and in accordance with paragraph (1), the Chief of Engineers of the Army Corps of Engineers may enter into a series of contracts with each public water supply customer under which the customer commits to repay a pro-rata share (based on water purchase) of the principal and interest owed by the Secretary to the Secretary of the Treasury under paragraph (1). Any customer, or customers, may prepay, at any time, the pro-rata share of the principal and interest then owed by the customer and outstanding, or any portion thereof, without penalty. Under each of the contracts, the customer that enters into the contract shall commit to pay any additional amount necessary to fully offset the risk of default on the contract.

(B) OFFSETTING OF RISK OF DEFAULT.—Each contract under subparagraph (A) shall include such additional terms and conditions as the Secretary of the Treasury may require so that the value to the Government of the contracts is estimated to be equal to the obligational authority used by the Army Corps of Engineers for modernizing the Washington Aqueduct at the time that each series of contracts is entered into.

(C) OTHER CONDITIONS.—Each contract entered into under subparagraph (A) shall—

(i) provide that the public water supply customer pledges future income only from fees assessed to operate and maintain the Washington Aqueduct;

(ii) provide the United States priority in regard to income from fees assessed to operate and maintain the Washington Aqueduct; and

(iii) include other conditions not inconsistent with this section that the Secretary of the Treasury determines to be appropriate.

(3) EXTENSION OF BORROWING AUTHORITY.—If no later than 24 months from the date of enactment of this Act, a written agreement in principle has been reached between the Secretary, the non-Federal public water supply customers, and (if one exists) the public or private entity proposed to own, operate, maintain, and manage the Washington Aqueduct, then it shall be appropriated to the Secretary for fiscal year 1999 borrowing authority, and the Secretary shall borrow, under the same terms and conditions noted in this subsection, in an amount sufficient to cover those obligations which the Army Corps of Engineers is required to incur in carrying out capital improvements that year for the Washington Aqueduct to ensure continued operations until the transfer contemplated in subsection (b) has taken place, provided that this borrowing shall not exceed $22,000,000 in fiscal year 1999; provided also that no such borrowings shall occur once such non-Federal public or private owner shall have been established and achieved the capacity to borrow on its own.

(4) IMPACT ON IMPROVEMENT PROGRAM.—Not later than 6 months after the date of enactment of this Act, the Secretary, in consultation with other Federal agencies, shall transmit to the Committee on Environment and Public Works in the Senate and the Committee on Transportation and Infrastructure in the House of Representatives a report that assesses the impact of the borrowing authority referred to in this subsection on the near term improvement projects in the Washington Aqueduct Improvement Program, work scheduled during this period and the financial liability to be incurred.

(f) DELAYED REISSUANCE OF NPDES PERMIT.—In recognition of more efficient water-facility configurations that might be achieved through various possible ownership transfers of the Washington Aqueduct, the United States Environmental Protection Agency shall delay the reissuance of the NPDES permit for the Washington Aqueduct until Federal fiscal year 1999.

SEC. 330. CHESAPEAKE BAY ENVIRONMENTAL RESTORATION AND PROTECTION PROGRAM.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—The Secretary shall establish a pilot program to provide environmental assistance to non-Federal interests in the Chesapeake Bay watershed.

(2) FORM.—The assistance shall be in the form of design and construction assistance for water-related environmental infrastructure and resource protection and development projects affecting the Chesapeake Bay estuary, including projects for sediment and erosion control, protection of eroding shorelines, protection of essential public works, wastewater treatment and related facilities, water supply and related facilities, and beneficial uses of dredged material, and other related projects that may enhance the living resources of the estuary.

(b) PUBLIC OWNERSHIP REQUIREMENT.—The Secretary may provide assistance for a project under this section only if the project is publicly owned, and will be publicly operated and maintained.

(c) LOCAL COOPERATION AGREEMENT.—

(1) IN GENERAL.—Before providing assistance under this section, the Secretary shall enter into a local cooperation agreement with a non-Federal interest to provide for design and construction of the project to be carried out with the assistance.

(2) REQUIREMENTS.—Each local cooperation agreement entered into under this subsection shall provide for—

(A) the development by the Secretary, in consultation with appropriate Federal, State, and local officials, of a facilities or resource protection and development plan, including appropriate engineering plans and specifications and an estimate of expected resource benefits; and

(B) the establishment of such legal and institutional structures as are necessary to ensure the effective long-term operation and maintenance of the project by the non-Federal interest.

(d) COST SHARING.—

(1) FEDERAL SHARE.—Except as provided in paragraph (2)(B), the Federal share of the total project costs of each local cooperation agreement entered into under this section shall be 75 percent.

(2) NON-FEDERAL SHARE.—

(A) VALUE OF LANDS, EASEMENTS, RIGHTS-OF-WAY, AND RELOCATIONS.—In determining the non-Federal contribution toward carrying out a local cooperation agreement entered into under this section, the Secretary shall provide credit to a non-Federal interest for the value of lands, easements, rights-of-way, and relocations provided by the non-Federal interest, except that the amount of credit provided for a project under this paragraph may not exceed 25 percent of the total project costs.

(B) OPERATION AND MAINTENANCE COSTS.—The non-Federal share of the costs of operation and maintenance of carrying out the agreement under this section shall be 100 percent.

(e) APPLICABILITY OF OTHER FEDERAL AND STATE LAWS AND AGREEMENTS.—

(1) IN GENERAL.—Nothing in this section waives, limits, or otherwise affects the applicability of any provision of Federal or State law that would otherwise apply to a project carried out with assistance provided under this section.

(2) COOPERATION.—In carrying out this section, the Secretary shall cooperate fully with the heads of appropriate Federal agencies, including—

(A) the Administrator of the Environmental Protection Agency;

(B) the Secretary of Commerce, acting through the Administrator of the National Oceanic and Atmospheric Administration;

(C) the Secretary of the Interior, acting through the Director of the United States Fish and Wildlife Service; and

(D) the heads of such other Federal agencies and agencies of a State or political subdivision of a State as the Secretary determines to be appropriate.

(f) DEMONSTRATION PROJECT.—The Secretary shall establish at least 1 project under this section in each of the States of Maryland, Virginia, and Pennsylvania. A project established under this section shall be carried out using such measures as are necessary to protect environmental, historic, and cultural resources.

(g) REPORT.—Not later than December 31, 1998, the Secretary shall transmit to Congress a report on the results of the program carried out under this section, together with a recommendation concerning whether or not the program should be implemented on a national basis.

(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $10,000,000, to remain available until expended.

SEC. 331. RESEARCH AND DEVELOPMENT PROGRAM TO IMPROVE SALMON SURVIVAL.

(a) SALMON SURVIVAL ACTIVITIES.—

(1) IN GENERAL.—The Secretary shall accelerate ongoing research and development activities, and is authorized to carry out or participate in additional research and development activities, for the purpose of developing innovative methods and technologies for improving the survival of salmon, especially salmon in the Columbia River Basin.

(2) ACCELERATED ACTIVITIES.—Accelerated research and development activities referred to in paragraph (1) may include research and development related to—

(A) impacts from water resources projects and other impacts on salmon life cycles;

(B) juvenile and adult salmon passage;

(C) light and sound guidance systems;

(D) surface-oriented collector systems;

(E) transportation mechanisms; and

(F) dissolved gas monitoring and abatement.

(3) ADDITIONAL ACTIVITIES.—Additional research and development activities referred to in paragraph (1) may include research and development related to—

(A) marine mammal predation on salmon;

(B) studies of juvenile salmon survival in spawning and rearing areas;

(C) estuary and near-ocean juvenile and adult salmon survival;

(D) impacts on salmon life cycles from sources other than water resources projects; and

(E) other innovative technologies and actions intended to improve fish survival, including the survival of resident fish.

(4) COORDINATION.—The Secretary shall coordinate any activities carried out under this subsection with appropriate Federal,

State, and local agencies, affected Indian tribes, and the Northwest Power Planning Council.

(5) REPORT.—Not later than 3 years after the date of enactment of this Act, the Secretary shall transmit to Congress a report on the research and development activities carried out under this subsection, including any recommendations of the Secretary concerning the research and development activities.

(6) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $10,000,000 to carry out research and development activities under subparagraphs (A) through (C) of paragraph (3).

(b) ADVANCED TURBINE DEVELOPMENT.—

(1) IN GENERAL.—In conjunction with the Secretary of Energy, the Secretary shall accelerate efforts toward developing innovative, efficient, and environmentally safe hydropower turbines, including design of ''fish-friendly'' turbines, for use on the Columbia River hydro system.

(2) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $12,000,000 to carry out this subsection.

(c) IMPLEMENTATION.—Nothing in this section affects the authority of the Secretary to implement the results of the research and development carried out under this section or any other law.

SEC. 332. RECREATIONAL USER FEES.

(a) IN GENERAL.—Section 210(b)(4) of the Flood Control Act of 1968 (16 U.S.C. 460d–3(b)(4)) is amended by inserting before the period at the end the following: ''and, subject to the availability of appropriations, shall be used for the purposes specified in section 4(i)(3) of the Act at the water resources development project at which the fees were collected''.

(b) REPORT.—Not later than 90 days after the date of enactment of this Act, the Secretary shall prepare and submit to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a report, with respect to fiscal year 1995, on—

(1) the amount of day-use fees collected under section 210(b) of the Flood Control Act of 1968 (16 U.S.C. 460d–3(b)) at each water resources development project; and

(2) the administrative costs associated with the collection of the day-use fees at each water resources development project.

SEC. 333. SHORE PROTECTION.

(a) IN GENERAL.—Subsection (a) of the first section of the Act of August 13, 1946 (60 Stat. 1056, chapter 960; 33 U.S.C. 426e(a)), is amended—

(1) by striking ''damage to the shores'' and inserting ''damage to the shores and beaches''; and

(2) by striking ''the following provisions'' and all that follows through the period at the end and inserting the following: ''this Act, to promote shore protection projects and related research that encourage the protection, restoration, and enhancement of sandy beaches, including beach restoration and periodic beach nourishment, on a comprehensive and coordinated basis by the Federal Government, States, localities, and private enterprises. In carrying out this policy, preference shall be given to areas in which there has been a Federal investment of funds and areas with respect to which the need for prevention or mitigation of damage to shores and beaches is attributable to Federal navigation projects or other Federal activities.''.

(b) DEFINITION OF SHORE PROTECTION PROJECT.—Section 4 of the Act of August 13, 1946 (60 Stat. 1057, chapter 960; 33 U.S.C. 426h), is amended—

(1) by striking ''SEC. 4. As used in this Act, the word 'shores' includes all the shorelines'' and inserting the following:

''SEC. 4. DEFINITIONS.

''In this Act:

''(1) SHORE.—The term 'shore' includes each shoreline of each''; and

(2) by adding at the end the following:

''(2) SHORE PROTECTION PROJECT.—The term 'shore protection project' includes a project for beach nourishment, including the replacement of sand.''.

SEC. 334. SHORELINE EROSION CONTROL DEMONSTRATION.

(a) NATIONAL SHORELINE EROSION CONTROL DEVELOPMENT AND DEMONSTRATION PROGRAM.—The Act of August 13, 1946 (60 Stat. 1056, chapter 960; 33 U.S.C. 426e et seq.), is amended by adding at the end the following:

''SEC. 5. NATIONAL SHORELINE EROSION CONTROL DEVELOPMENT AND DEMONSTRATION PROGRAM.

''(a) DEFINITIONS.—In this section:

''(1) EROSION CONTROL PROGRAM.—The term 'erosion control program' means the national shoreline erosion control development and demonstration program established under this section.

''(2) SECRETARY.—The term 'Secretary' means the Secretary of the Army, acting through the Chief of Engineers of the Army Corps of Engineers.

''(b) ESTABLISHMENT OF EROSION CONTROL PROGRAM.—The Secretary shall establish and conduct a national shoreline erosion control development and demonstration program for a period of 8 years beginning on the date that funds are made available to carry out this section.

''(c) REQUIREMENTS.—

''(1) IN GENERAL.—The erosion control program shall include provisions for—

''(A) demonstration projects consisting of planning, designing, and constructing prototype engineered and vegetative shoreline erosion control devices and methods during the first 5 years of the erosion control program;

''(B) adequate monitoring of the prototypes throughout the duration of the erosion control program;

''(C) detailed engineering and environmental reports on the results of each demonstration project carried out under the erosion control program; and

''(D) technology transfers to private property owners and State and local entities.

''(2) EMPHASIS.—The demonstration projects carried out under the erosion control program shall emphasize, to the extent practicable—

''(A) the development and demonstration of innovative technologies;

''(B) efficient designs to prevent erosion at a shoreline site, taking into account the lifecycle cost of the design, including cleanup, maintenance, and amortization;

''(C) natural designs, including the use of vegetation or temporary structures that minimize permanent structural alterations;

''(D) the avoidance of negative impacts to adjacent shorefront communities;

''(E) in areas with substantial residential or commercial interests adjacent to the shoreline, designs that do not impair the aesthetic appeal of the interests;

''(F) the potential for long-term protection afforded by the technology; and

''(G) recommendations developed from evaluations of the original 1974 program established under the Shoreline Erosion Control Demonstration Act of 1974 (section 54 of Public Law 93–251; 42 U.S.C. 1962d–5 note), including—

''(i) adequate consideration of the subgrade;

''(ii) proper filtration;

''(iii) durable components;

''(iv) adequate connection between units; and

''(v) consideration of additional relevant information.

''(3) SITES.—

''(A) IN GENERAL.—Each demonstration project under the erosion control program shall be carried out at a privately owned site with substantial public access, or a publicly owned site, on open coast or on tidal waters.

''(B) SELECTION.—The Secretary shall develop criteria for the selection of sites for the demonstration projects, including—

''(i) a variety of geographical and climatic conditions;

''(ii) the size of the population that is dependent on the beaches for recreation, protection of homes, or commercial interests;

''(iii) the rate of erosion;

''(iv) significant natural resources or habitats and environmentally sensitive areas; and

''(v) significant threatened historic structures or landmarks.

''(C) AREAS.—Demonstration projects under the erosion control program shall be carried out at not fewer than 2 sites on each of the shorelines of—

''(i) the Atlantic, Gulf, and Pacific coasts;

''(ii) the Great Lakes; and

''(iii) the State of Alaska.

''(d) COOPERATION.—

''(1) PARTIES.—The Secretary shall carry out the erosion control program in cooperation with—

''(A) the Secretary of Agriculture, particularly with respect to vegetative means of preventing and controlling shoreline erosion;

''(B) Federal, State, and local agencies;

''(C) private organizations;

''(D) the Coastal Engineering Research Center established under the first section of Public Law 88–172 (33 U.S.C. 426–1); and

''(E) university research facilities.

''(2) AGREEMENTS.—The cooperation described in paragraph (1) may include entering into agreements with other Federal, State, or local agencies or private organizations to carry out functions described in subsection (c)(1) when appropriate.

''(e) REPORT.—Not later than 60 days after the conclusion of the erosion control program, the Secretary shall prepare and submit an erosion control program final report to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives. The report shall include a comprehensive evaluation of the erosion control program and recommendations regarding the continuation of the erosion control program.

''(f) FUNDING.—

''(1) IN GENERAL.—Subject to paragraph (2), the Federal share of the cost of a demonstration project under the erosion control program shall be determined in accordance with section 3.

''(2) RESPONSIBILITY.—The cost of and responsibility for operation and maintenance (excluding monitoring) of a demonstration project under the erosion control program shall be borne by non-Federal interests on completion of construction of the demonstration project.''.

(b) CONFORMING AMENDMENT.—Subsection (e) of the first section of the Act of August 13, 1946 (60 Stat. 1056, chapter 960; 33 U.S.C. 426e(e)), is amended by striking ''section 3'' and inserting ''section 3 or 5''.

SEC. 335. REVIEW PERIOD FOR STATE AND FEDERAL AGENCIES.

Paragraph (a) of the first section of the Act entitled ''An Act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes'', approved December 22, 1944 (33 U.S.C. 701–1(a)), is amended—

(1) in the ninth sentence, by striking ''ninety'' and inserting ''30''; and

(2) in the eleventh sentence, by striking ''ninety-day'' and inserting ''30-day''.

SEC. 336. DREDGED MATERIAL DISPOSAL FACILITIES.

(a) IN GENERAL.—Section 101 of the Water Resources Development Act of 1986 (33 U.S.C. 2211) is amended by adding at the end the following:

''(f) DREDGED MATERIAL DISPOSAL FACILITIES.—

''(1) IN GENERAL.—The construction of all dredged material disposal facilities associated with Federal navigation projects for harbors and inland harbors, including diking and other improvements necessary for the proper disposal of dredged material, shall be considered to be general navigation features of the projects and shall be cost-shared in accordance with subsection (a).

''(2) COST SHARING FOR OPERATION AND MAINTENANCE.—

''(A) IN GENERAL.—The Federal share of the cost of operation and maintenance of each disposal facility to which paragraph (1) applies shall be determined in accordance with subsection (b).

''(B) SOURCE OF FEDERAL SHARE.—The Federal share of the cost of construction of dredged material disposal facilities associated with the operation and maintenance of Federal navigation projects for harbors and inland harbors shall be—

''(i) considered to be eligible operation and maintenance costs for the purpose of section 210(a); and

''(ii) paid with sums appropriated out of the Harbor Maintenance Trust Fund established by section 9505 of the Internal Revenue Code of 1986.

''(3) APPORTIONMENT OF FUNDING.—The Secretary shall ensure, to the extent practicable, that—

''(A) funding requirements for operation and maintenance dredging of commercial navigation harbors are considered fully before Federal funds are obligated for payment of the Federal share of costs associated with the construction of dredged material disposal facilities under paragraph (1); and

''(B) funds expended for such construction are equitably apportioned in accordance with regional needs.

''(4) APPLICABILITY.—

''(A) IN GENERAL.—This subsection shall apply to the construction of any dredged material disposal facility for which a contract for construction has not been awarded on or before the date of enactment of this subsection.

''(B) AMENDMENT OF EXISTING AGREEMENTS.—The Secretary may, with the consent of the non-Federal interest, amend a project cooperation agreement executed before the date of enactment of this subsection to reflect paragraph (1) with respect to any dredged material disposal facility for which a contract for construction has not been awarded as of that date.

''(5) NON-FEDERAL SHARE OF COSTS.—Nothing in this subsection shall impose, increase, or result in the increase of the non-Federal share of the costs of any existing dredged material disposal facility authorized to be provided before the date of enactment of this subsection.''.

(b) DEFINITION OF ELIGIBLE OPERATIONS AND MAINTENANCE.—Section 214(2)(A) of the Water Resources Development Act of 1986 (33 U.S.C. 2241(2)(A)) is amended by inserting before the period at the end the following: '', dredging and disposal of contaminated sediments that are in or that affect the maintenance of a Federal navigation channel, mitigation for storm damage and environmental impacts resulting from a Federal maintenance activity, and operation and maintenance of a dredged material disposal facility''.

SEC. 337. APPLICABILITY OF COST-SHARING PROVISIONS.

Section 103(e)(1) of the Water Resources Development Act of 1986 (33 U.S.C. 2213(e)(1)) is amended by adding at the end the following: ''For the purpose of the preceding sentence, physical construction shall be considered to be initiated on the date of the award of a construction contract.''.

SEC. 338. SECTION 215 REIMBURSEMENT LIMITATION PER PROJECT.

(a) IN GENERAL.—The last sentence of section 215(a) of the Flood Control Act of 1968 (42 U.S.C. 1962d–5a(a)) is amended—

(1) by striking ''$3,000,000'' and inserting ''$5,000,000''; and

(2) by striking the second period at the end.

(b) MODIFICATION OF REIMBURSEMENT LIMITATION FOR SAN ANTONIO RIVER AUTHORITY.—Notwithstanding the last sentence of section 215(a) of the Flood Control Act of 1968 (42 U.S.C. 1962d–5a(a)) and the agreement executed on November 7, 1992, by the Secretary and the San Antonio River Authority, Texas, the Secretary shall reimburse the San Antonio River Authority in an amount not to exceed a total of $5,000,000 for the work carried out by the Authority under the agreement, including any amounts paid to the Authority under the terms of the agreement before the date of enactment of this Act.

SEC. 339. WAIVER OF UNECONOMICAL COST-SHARING REQUIREMENT.

The first sentence of section 221(a) of the Flood Control Act of 1970 (42 U.S.C. 1962d–5b(a)) is amended by inserting before the period at the end the following: '', except that no such agreement shall be required if the Secretary determines that the administrative costs associated with negotiating, executing, or administering the agreement would exceed the amount of the contribution required from the non-Federal interest''.

SEC. 340. PLANNING ASSISTANCE TO STATES.

Section 22 of the Water Resources Development Act of 1974 (42 U.S.C. 1962d–16) is amended—

(1) in subsection (a), by inserting '', watersheds, and ecosystems'' after ''basins'';

(2) in subsection (b)—

(A) by striking paragraph (2); and

(B) by redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively; and

(3) in subsection (c)—

(A) by striking ''$6,000,000'' and inserting ''$10,000,000''; and

(B) by striking ''$300,000'' and inserting ''$500,000''.

SEC. 341. RECOVERY OF COSTS FOR CLEANUP OF HAZARDOUS SUBSTANCES.

Any amount recovered under section 107 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9607) for any response action taken by the Secretary in support of the civil works program of the Army Corps of Engineers, and any amount recovered by the Secretary from a contractor, insurer, surety, or other person to reimburse the Secretary for any expenditure for environmental response activities in support of the civil works program, shall be credited to the trust fund account to which the cost of the response action has been or will be charged.

SEC. 342. CITY OF NORTH BONNEVILLE, WASHINGTON.

Section 9147 of the Department of Defense Appropriations Act, 1993 (Public Law 102–396; 106 Stat. 1940), is amended to read as follows:

''SEC. 9147. CITY OF NORTH BONNEVILLE, WASHINGTON.

''(a) CONVEYANCES.—

''(1) IN GENERAL.—The project for Bonneville Lock and Dam, Columbia River, Oregon and Washington, authorized by the Act of August 20, 1937 (commonly known as the 'Bonneville Project Act of 1937') (50 Stat. 731, chapter 720; 16 U.S.C. 832 et seq.), and modified by section 83 of the Water Resources Development Act of 1974 (Public Law 93–251; 88 Stat. 35), is further modified to authorize the Secretary of the Army to convey to the city of North Bonneville, Washington (referred to in this section as the 'city'), at no further cost to the city, all right, title, and interest of the United States in and to—

''(A) any municipal facilities, utilities, fixtures, and equipment for the relocated city, and any remaining lands designated as open spaces or municipal lots not previously conveyed to the city, specifically Lots M1 through M15, M16 (known as the 'community center lot'), M18, M19, M22, M24, S42 through S45, and S52 through S60, as shown on the plats of Skamania County, Washington;

''(B) the lot known as the 'school lot' and shown as Lot 2, Block 5, on the plats of relocated North Bonneville, recorded in Skamania County, Washington;

''(C) Parcels 2 and C, but only on the completion of any environmental response activities required under applicable law;

''(D) that portion of Parcel B lying south of the city boundary, west of the sewage treatment plant, and north of the drainage ditch that is located adjacent to the northerly limit of the Hamilton Island landfill, if the Secretary of the Army determines, at the time of the proposed conveyance, that the Department of the Army has taken all actions necessary to protect human health and the environment;

''(E) such portions of Parcel H as can be conveyed without a requirement for further investigation, inventory, or other action by the Secretary of the Army under the National Historic Preservation Act (16 U.S.C. 470 et seq.); and

''(F) such easements as the Secretary of the Army considers necessary for—

''(i) sewer and water line crossings of relocated Washington State Highway 14; and

''(ii) reasonable public access to the Columbia River across such portions of Hamilton Island as remain in the ownership of the United States.

''(2) TIMING OF CONVEYANCES.—The conveyances described in subparagraphs (A), (B), (E), and (F)(i) of paragraph (1) shall be completed not later than 180 days after the United States receives the release described in subsection (b)(2). All other conveyances shall be completed expeditiously, subject to any conditions specified in the applicable subparagraph of paragraph (1).

''(b) EFFECT OF CONVEYANCES.—

''(1) CONGRESSIONAL INTENT.—The conveyances authorized by subsection (a) are intended to resolve all outstanding issues between the United States and the city.

''(2) ACTION BY CITY BEFORE CONVEYANCES.—As prerequisites to the conveyances, the city shall—

''(A) execute an acknowledgment of payment of just compensation;

''(B) execute a release of all claims for relief of any kind against the United States arising from the relocation of the city or any Federal statute enacted before the date of enactment of this subparagraph relating to the city; and

''(C) dismiss, with prejudice, any pending litigation involving matters described in subparagraph (B).

''(3) ACTION BY ATTORNEY GENERAL.—On receipt of the city's acknowledgment and release described in paragraph (2), the Attorney General shall—

''(A) dismiss any pending litigation arising from the relocation of the city; and

''(B) execute a release of all rights to damages of any kind (including any interest on the damages) under Town of North Bonneville, Washington v. United States, 11 Cl. Ct.

694, aff'd in part and rev'd in part, 833 F.2d 1024 (Fed. Cir. 1987), cert. denied, 485 U.S. 1007 (1988).

''(4) ACTION BY CITY AFTER CONVEYANCES.—Not later than 60 days after the conveyances authorized by subparagraphs (A) through (F)(i) of subsection (a)(1) have been completed, the city shall—

''(A) execute an acknowledgment that all entitlements to the city under the subparagraphs have been fulfilled; and

''(B) execute a release of all claims for relief of any kind against the United States arising from this section.

''(c) AUTHORITY OF CITY OVER CERTAIN LANDS.—Beginning on the date of enactment of paragraph (1), the city or any successor in interest to the city—

''(1) shall be precluded from exercising any jurisdiction over any land owned in whole or in part by the United States and administered by the Army Corps of Engineers in connection with the Bonneville project; and

''(2) may change the zoning designations of, sell, or resell Parcels S35 and S56, which are designated as open spaces as of the date of enactment of this paragraph.''.

SEC. 343. COLUMBIA RIVER TREATY FISHING ACCESS.

Section 401(a) of Public Law 100–581 (102 Stat. 2944) is amended—

(1) by striking ''(a) All Federal'' and all that follows through ''Columbia River Gorge Commission'' and inserting the following:

''(a) EXISTING FEDERAL LANDS.—

''(1) IN GENERAL.—All Federal lands that are included within the 20 recommended treaty fishing access sites set forth in the publication of the Army Corps of Engineers entitled 'Columbia River Treaty Fishing Access Sites Post Authorization Change Report', dated April 1995,''; and

(2) by adding at the end the following:

''(2) BOUNDARY ADJUSTMENTS.—The Secretary of the Army, in consultation with affected tribes, may make such minor boundary adjustments to the lands referred to in paragraph (1) as the Secretary determines are necessary to carry out this title.''.

SEC. 344. TRI-CITIES AREA, WASHINGTON.

(a) GENERAL AUTHORITY.—As soon as practicable after the date of enactment of this Act, the Secretary shall make the conveyances to the local governments referred to in subsection (b) of all right, title, and interest of the United States in and to the property described in subsection (b).

(b) PROPERTY DESCRIPTIONS.—

(1) BENTON COUNTY, WASHINGTON.—The property to be conveyed under subsection (a) to Benton County, Washington, is the property in the county that is designated ''Area D'' on Exhibit A to Army Lease No. DACW–68–1–81–43.

(2) FRANKLIN COUNTY, WASHINGTON.—The property to be conveyed under subsection (a) to Franklin County, Washington, is—

(A) the 105.01 acres of property leased under Army Lease No. DACW–68–1–77–20 as executed by Franklin County, Washington, on April 7, 1977;

(B) the 35 acres of property leased under Supplemental Agreement No. 1 to Army Lease No. DACW–68–1–77–20;

(C) the 20 acres of property commonly known as ''Richland Bend'' that is designated by the shaded portion of Lot 1, Section 11, and the shaded portion of Lot 1, Section 12, Township 9 North, Range 28 East, W.M. on Exhibit D to Supplemental Agreement No. 2 to Army Lease No. DACW–68–1–77–20;

(D) the 7.05 acres of property commonly known as ''Taylor Flat'' that is designated by the shaded portion of Lot 1, Section 13, Township 11 North, Range 28 East, W.M. on Exhibit D to Supplemental Agreement No. 2 to Army Lease No. DACW–68–1–77–20;

(E) the 14.69 acres of property commonly known as ''Byers Landing'' that is designated by the shaded portion of Lots 2 and 3, Section 2, Township 10 North, Range 28 East, W.M. on Exhibit D to Supplemental Agreement No. 2 to Army Lease No. DACW–68–1–77–20; and

(F) all levees in Franklin County, Washington, as of the date of enactment of this Act, and the property on which the levees are situated.

(3) CITY OF KENNEWICK, WASHINGTON.—The property to be conveyed under subsection (a) to the city of Kennewick, Washington, is the property in the city that is subject to the Municipal Sublease Agreement entered into on April 6, 1989, between Benton County, Washington, and the cities of Kennewick and Richland, Washington.

(4) CITY OF RICHLAND, WASHINGTON.—The property to be conveyed under subsection (a) to the city of Richland, Washington, is the property in the city that is subject to the Municipal Sublease Agreement entered into on April 6, 1989, between Benton County, Washington, and the cities of Kennewick and Richland, Washington.

(5) CITY OF PASCO, WASHINGTON.—The property to be conveyed under subsection (a) to the city of Pasco, Washington, is—

(A) the property in the city of Pasco, Washington, that is leased under Army Lease No. DACW–68–1–77–10; and

(B) all levees in the city, as of the date of enactment of this Act, and the property on which the levees are situated.

(6) PORT OF PASCO, WASHINGTON.—The property to be conveyed under subsection (a) to the Port of Pasco, Washington, is—

(A) the property owned by the United States that is south of the Burlington Northern Railroad tracks in Lots 1 and 2, Section 20, Township 9 North, Range 31 East, W.M.; and

(B) the property owned by the United States that is south of the Burlington Northern Railroad tracks in Lots 1, 2, 3, and 4, in each of Sections 21, 22, and 23, Township 9 North, Range 31 East, W.M.

(7) ADDITIONAL PROPERTIES.—In addition to properties described in paragraphs (1) through (6), the Secretary may convey to a local government referred to in any of paragraphs (1) through (6) such properties under the jurisdiction of the Secretary in the Tri-Cities area as the Secretary and the local government agree are appropriate for conveyance.

(c) TERMS AND CONDITIONS.—

(1) IN GENERAL.—The conveyances under subsection (a) shall be subject to such terms and conditions as the Secretary considers necessary and appropriate to protect the interests of the United States.

(2) SPECIAL RULES FOR FRANKLIN COUNTY.—The property described in subsection (b)(2)(F) shall be conveyed only after Franklin County, Washington, enters into a written agreement with the Secretary that provides that the United States shall continue to operate and maintain the flood control drainage areas and pump stations on the property conveyed and that the United States shall be provided all easements and rights necessary to carry out the agreement.

(3) SPECIAL RULE FOR CITY OF PASCO.—The property described in subsection (b)(5)(B) shall be conveyed only after the city of Pasco, Washington, enters into a written agreement with the Secretary that provides that the United States shall continue to operate and maintain the flood control drainage areas and pump stations on the property conveyed and that the United States shall be provided all easements and rights necessary to carry out the agreement.

(4) CONSIDERATION.—

(A) ADMINISTRATIVE COSTS.—A local government to which property is conveyed under this section shall pay all administrative costs associated with the conveyance.

(B) PARK AND RECREATION PROPERTIES.—Properties to be conveyed under this section that will be retained in public ownership and used for public park and recreation purposes shall be conveyed without consideration. If any such property is no longer used for public park and recreation purposes, title to the property shall revert to the United States.

(C) OTHER PROPERTIES.—Properties to be conveyed under this section and not described in subparagraph (B) shall be conveyed at fair market value.

(d) LAKE WALLULA LEVEES.—

(1) DETERMINATION OF MINIMUM SAFE HEIGHT.—

(A) CONTRACT.—Not later than 30 days after the date of enactment of this Act, the Secretary shall contract with a private entity agreed to under subparagraph (B) to determine, not later than 180 days after the date of enactment of this Act, the minimum safe height for the levees of the project for flood control, Lake Wallula, Washington. The Secretary shall have final approval of the minimum safe height.

(B) AGREEMENT OF LOCAL OFFICIALS.—A contract shall be entered into under subparagraph (A) only with a private entity agreed to by the Secretary, appropriate representatives of Franklin County, Washington, and appropriate representatives of the city of Pasco, Washington.

(2) AUTHORITY.—A local government may reduce, at its cost, the height of any levee of the project for flood control, Lake Wallula, Washington, within the boundaries of the area under the jurisdiction of the local government to a height not lower than the minimum safe height determined under paragraph (1).

SEC. 345. DESIGNATION OF LOCKS AND DAMS ON TENNESSEE-TOMBIGBEE WATERWAY.

(a) IN GENERAL.—The following locks, and locks and dams, on the Tennessee-Tombigbee Waterway, located in the States of Alabama, Kentucky, Mississippi, and Tennessee, are designated as follows:

(1) Gainesville Lock and Dam at Mile 266 designated as Howell Heflin Lock and Dam.

(2) Columbus Lock and Dam at Mile 335 designated as John C. Stennis Lock and Dam.

(3) The lock and dam at Mile 358 designated as Aberdeen Lock and Dam.

(4) Lock A at Mile 371 designated as Amory Lock.

(5) Lock B at Mile 376 designated as Glover Wilkins Lock.

(6) Lock C at Mile 391 designated as Fulton Lock.

(7) Lock D at Mile 398 designated as John Rankin Lock.

(8) Lock E at Mile 407 designated as G.V. ''Sonny'' Montgomery Lock.

(9) Bay Springs Lock and Dam at Mile 412 designated as Jamie Whitten Lock and Dam.

(b) LEGAL REFERENCES.—A reference in any law, regulation, document, map, record, or other paper of the United States to a lock, or lock and dam, referred to in subsection (a) shall be deemed to be a reference to the designation for the lock, or lock and dam, provided in the subsection.

SEC. 346. DESIGNATION OF J. BENNETT JOHNSTON WATERWAY.

(a) IN GENERAL.—The portion of the Red River, Louisiana, from new river mile 0 to new river mile 235 shall be known and designated as the ''J. Bennett Johnston Waterway''.

(b) REFERENCES.—Any reference in any law, regulation, document, map, record, or other paper of the United States to the portion of the Red River described in subsection

(a) shall be deemed to be a reference to the ''J. Bennett Johnston Waterway''.

SEC. 347. TECHNICAL CORRECTIONS.

(a) CONTRIBUTIONS FOR ENVIRONMENTAL AND RECREATION PROJECTS.—Section 203(b) of the Water Resources Development Act of 1992 (33 U.S.C. 2325(b)) is amended by striking ''(8662)'' and inserting ''(8862)''.

(b) CHALLENGE COST-SHARING PROGRAM.—The second sentence of section 225(c) of the Act (33 U.S.C. 2328(c)) is amended by striking ''(8662)'' and inserting ''(8862)''.

MOTION OFFERED BY MR. SHUSTER

Mr. SHUSTER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SHUSTER moves to strike out all after the enacting clause of S. 640 and insert the text of H.R. 3592, as passed the House.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 3592) was laid on the table.

GENERAL LEAVE

Mr. SHUSTER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 3592 and S. 640, the bills just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

OSCAR GARCIA RIVERA POST OFFICE BUILDING

Mr. MCHUGH. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 885) to designate the U.S. Post Office building located at 153 East 110th Street, New York, NY, as the ''Oscar Garcia Rivera Post Office Building''.

The Clerk read as follows:

H.R. 885

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

SECTION 1. DESIGNATION.

The United States Post Office building located at 153 East 110th Street, New York, New York, shall be known and designated as the ''Oscar Garcia Rivera Post Office Building''.

SEC. 2. REFERENCES.

Any reference in a law, map, regulation, document, paper, or other record of the United States to the United States Post Office building referred to in section 1 shall be deemed to be a reference to the ''Oscar Garcia Rivera Post Office Building''.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York [Mr. MCHUGH] and the gentleman from Virginia [Mr. MORAN] each will control 20 minutes.

The Chair recognizes the gentleman from New York [Mr. MCHUGH].

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

Mr. Speaker, I am pleased to report that the legislation before us, H.R. 885, was approved unanimously by the Committee on Government Reform and Oversight. This legislation, designating the U.S. Post Office Building located at 153 East 110th Street, New York, NY as the ''Oscar Garcia Rivera Post Office Building,'' was introduced by the gentleman from New York, [Mr. SERRANO], and was cosponsored by his full State delegation, as required by committee policy.

H.R. 885 honors the first Puerto Rican to be elected to public office in the continental United States. Oscar Garcia Rivera was born in Mayaguez, Puerto Rico on November 6, 1900. He came to the mainland after graduating from high school and worked part time in a Brooklyn factory. He pursued his studies while working and was assigned to the post office in City Hall. He was instrumental in organizing and establishing the Association of Puerto Rican and Hispanic Employees within the post office department. Mr. Garcia Rivera received his law degree from St. John's University, New York in 1930 and was elected assemblyman in the State of New York in March 1937 by the 14th District, which then included Harlem. He was reelected the following year and served until 1940. Soon thereafter, Mr. Garcia Rivera returned to Mayaguez where he continued to be known for his commitment to protecting the rights of manual laborers and remained a role model and a community leader. He dies in his hometown in 1969.

Mr. Speaker, I support the passage of H.R. 885 and urge our colleagues to do the same.

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

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

Mr. Speaker, rather than reiterate the points that my colleague from New York has already made, let me just say that I rise in support of H.R. 885, which designates the U.S. post office in New York City as the Oscar Garcia Rivera Post Office.

This measure was introduced, as the gentleman from New York [Mr. MCHUGH] said, by the gentleman from New York [Mr. SERRANO] and the gentleman from New York [Mr. RANGEL] and supported by the whole New York congressional delegation pursuant to the committee rules.

Mr. Speaker, I urge my colleagues to support this tribute to a pioneer whose work marked the beginning of Puerto Rican leadership in the United States.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. RANGEL. Mr. Speaker, with passage of this bill, we not only pay tribute to a great American but we recognize in a small way the great culture and tradition of the Puerto Rican people.

This bill is the first step in the process of renaming the Hellgate Post Office in my congressional district in East Harlem after Oscar Garcia Rivera, the first Puerto Rican elected to public office on the mainland of the United States.

Born in Mayaguez, Puerto Rico, Mr. Rivera personified all the virtues of hard work, dedication, and commitment to the service of his country that Americans hold dear. After migrating to New York City, he worked in a factory in Brooklyn while studying at night at my own alma mater, St. John's Law School.

Like so many minorities of his generation and still today, he found work in the post office, where he later helped establish the Association of Puerto Rican and Hispanic Employees of the U.S. Postal Service.

In 1937, he made history by becoming the first Puerto Rican elected to public office in the continental United States. His election to represent what was then the 14th State assembly district was unprecedented. His decision to run was courageous as well in a city in which, in those days, Puerto Ricans were a distinct minority and a Puerto Rican official of any kind was unheard of.

Though he served only until 1940, Mr. Rivera was a trailblazer for the more than 400 Hispanic Members of Congress, State Representatives, and judges who serve today throughout these United States. Today that representation—like that of African Americans—is under attack. But I am confident that the spirit of leaders such as Oscar Garcia Rivera will ultimately prevail.

During his short time of service in the New York State Assembly, Rivera made lasting contributions, not only to the Puerto Rican community but the labor movement. He defended minimum wage laws, fought for regulated work hours, was a dedicated champion of manual laborers. On the national level—he joined with fellow fighters against Jim Crow and racism by supporting a successful campaign for legislation to outlaw lynching.

Oscar Garcia Rivera holds a special place in the hearts of many of my older constituents in East Harlem. While I doubt that many of our younger contemporaries would recognize his name, this simple monument—a post office on east 110th Street—will give him a permanent place in the history of New York.

Oscar Garcia Rivera was a source of pride for his people back in the 1930's and '40's. The recognition that we offer today is well deserved not only by him but by all Puerto Ricans. In wartime they have fought bravely, and many have died to defend our country. They have made contributions large and small to American culture—in the arts, in music, in politics, and in law.

Oscar Garcia Rivera reminds us that like all Americans, the people of Puerto Rico are not only entitled but have earned respect. Their culture, their language, their communities, their choices of political leadership should be embraced and never challenged.

I wish to congratulate Jose Serrano, my dear friend and colleague from New York who has provided the leadership that has made passage of this bill possible. With his commitment and determination, he clearly walks in the footsteps of Oscar Garcia Rivera.

Mr. SERRANO. Mr. Speaker, I rise today to express my strong support for H.R. 885, a bill I introduced with Mr. RANGEL to designate the U.S. Post Office building located at 153 East 110th Street, New York, NY, as the ''Oscar Garcia Rivera Post Office Building'' and to celebrate the 59th anniversary of the first Puerto Rican elected to public office in the continental United States.

Oscar Garcia Rivera, Esq., was elected Assemblyman in the State of New York from the 14th District, on March 7, 1937.

Born in Mayaguez, Puerto Rico, on November 6, 1900, Oscar Garcia Rivera was raised on a coffee plantation. As a young man, Garcia Rivera demonstrated talent and leadership. He was president of his high school senior class in 1925, and excelled in his studies. After graduation from high school, Garcia came to the United States and began working part time in a factory in Brooklyn, while he continued to take courses to reach his goal of becoming a lawyer. He applied for a job at the U.S. Postal Service, obtained high recommendations, and was assigned to the post office in City Hall. He quickly became involved in union issues, and later encouraged the establishment of the Association of Puerto Rican and Hispanic Employees within the U.S. Postal Service.

Garcia Rivera attended law school at St. John's University, and graduated in 1930. Dedicated and committed to the struggles of Pioneer Puerto Ricans and Hispanics in East Harlem, where poverty and discrimination were rampant, Garcia Rivera announced publicly in 1937 that he would seek a seat in the New York State Assembly.

In March of the same year, he made history by becoming the first Puerto Rican elected to public office in the continental United States. He won re-election the following year and continued in this post until 1940.

During the short time that he served in the Assembly, Oscar Garcia Rivera initiated legislation that offered valuable and lasting contributions to his Puerto Rican community, the labor movement, and the working class. He introduced a bill guaranteeing safeguards against unemployment; this revolutionary piece of legislation was enacted into law in February of 1939. Garcia Rivera defended minimum wage laws, fought for regulated hours of labor, worked to establish tariff agreements, and most importantly, he was committed to protecting the rights of manual laborers and encouraged workers to organize themselves into active unions. He also supported the campaign which established a law which punished lynching throughout the United States.

The legislative career of Oscar Garcia Rivera ended barely 3 years after it began. He returned to Puerto Rico, and died in 1969 in the town where he was born, Mayaguez.

The anniversary of Oscar Garcia Rivera's election as the first Puerto Rican who attained a public office marks a proud moment in our history. Although his career as assemblyman was brief, Oscar Garcia Rivera became a great leader in his community and a role model for young people. His actions transformed the Puerto Rican community, and improved working conditions for all in the State of New York.

Mr. Speaker, I am proud to support this bill to honor Oscar Garcia Rivera and mark the beginning of Puerto Rican leadership in New York and the continental United States.

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

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York [Mr. MCHUGH] that the House suspend the rules and pass the bill, H.R. 885.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MCHUGH. 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. 885, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

AUGUSTA ''GUSTY'' HORNBLOWER UNITED STATES POST OFFICE

Mr. MCHUGH. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3768) to designate a U.S. Post Office to be located in Groton, MA, as the ''Augusta 'Gusty' Hornblower United States Post Office''.

The Clerk read as follows:

H.R. 3768

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

SECTION 1. DESIGNATION.

The United States Post Office to be located at 80 Boston Road in Groton, Massachusetts, shall be designated and known as the ''Augusta 'Gusty' Hornblower United States Post Office''.

SEC. 2. REFERENCES.

Any reference in a law, map, regulation, document, paper or other record of the United States to the United States Post Office referred to in section 1 shall be deemed to be a reference to the ''Augusta 'Gusty' Hornblower United States Post Office''.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York [Mr. MCHUGH] and the gentleman from Virginia [Mr. MORAN] each will control 20 minutes.

The Chair recognizes the gentleman from New York [Mr. MCHUGH].

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

Mr. Speaker, the Committee on Government Reform and Oversight unanimously approved H.R. 3768. This bill before the House today designates the U.S. Post Office building which the Postal Service is constructing at 80 Boston Road in Groton, MA as the ''Augusta 'Gusty' Hornblower United States Post Office.'' The legislation is sponsored by the gentleman from Massachusetts [Mr. BLUTE], and cosponsored by the entire Massachusetts State Delegation as required by procedures established by the Committee on Government Reform and Oversight.

Augusta Hornblower was known to be both outspoken and tough in the political arena, but a kind human being and a real friend on a personal level. ''Gusty'' Hornblower served many years in public service including as a trustee of the Plimoth Plantation, State chair and national board member of the American Legislative Exchange Council, and member of the Nashoba Community Hospital Board.

''Gusty'' was the State Representative to the Massachusetts General Court from the First Middlesex District from 1985 to 1994 where she represented the towns of Groton, Ayer, Dunstable, Lunenberg, Pepperell, Townsend, and Tyngsborough. While in the Massachusetts House, she served on the Joint Committees on Election Reform and Taxation and the Special Commission on Tax Reform. She served as assistant minority whip in 1993–94.

''Gusty'' Hornblower championed breast cancer research with great success in the Massachusetts State Legislature but died of the disease in August 1994.

Mr. Speaker, I urge our colleagues to support H.R. 3768.

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

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

Mr. Speaker, I also rise in support of H.R. 3768, which designates the Post Office in Groton, MA as the Augusta ''Gusty'' Hornblower Post Office. It is cosponsored by the entire Massachusetts delegation, particularly my friend and colleague, Mr. BLUTE. It is a fitting honor and duly notes the contributions made by Ms. Hornblower. She is a person well deserving of this honor, and we certainly support the bill.

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

Mr. MCHUGH. Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts [Mr. BLUTE], prime sponsor of this bill.

Mr. BLUTE. Mr. Speaker, I want to thank the chairman of the Subcommittee on Postal Service for helping to move this bill expeditiously through the committee. I thank my good friend from Virginia for his kind words on behalf of this bill, and I would also like to thank my colleague from Massachusetts, Mr. MARTIN MEEHAN, for his cosponsorship, and the entire Massachusetts delegation for getting this bill.

Mr. Speaker, Augusta ''Gusty'' Hornblower was quite a woman and quite a good friend. She served as a State legislator in Massachusetts general court for 5 terms. She was one of the first women in our State to achieve the post of legislative leader. She was the minority whip for many years. She represented her constituents well on such important issues as the closing of Fort Devens, which is in her district and in my district. By recognizing the tremendous economic impact on her district with its closing, Gusty helped activate and steer the Fort Devens Enterprise Commission in sharing beneficial land use and industrial recovery for the area.

She was also an advocate for lower taxes, increased educational opportunities and tough crime laws. She served on the State House Joint Committee on Election Reform and Taxation as well as the Special Commission on Tax Reform.

In addition to her service on the general court, Gusty served the public interest with numerous groups, such as the Nashoba Community Hospital Board. She was a national board member of the American Legislative Exchange Council. Her love of the Commonwealth of Massachusetts led her to work hard to preserve it. She served on the board of trustees and then the board of overseers of the Plimoth Plantation, founded by her father, Henry Hornblower II. In the historic town of Arlington, MA, she served on the board of trustees of the Schwamb Mill Preservation Trust. She also held a seat on the Martha's Vineyard Commission.

Unfortunately, Massachusetts and many of our friends lost her on August 27, 1994 when she succumbed to breast cancer. However, in her last years she became a vocal and effective advocate for breast cancer research and education and was instrumental in securing an unprecedented $3 million of State dollars for breast cancer research.

She saw the devastating effects of this disease firsthand and helped women across the State with her advocacy. This bill is a fitting tribute to her lasting contributions to not only the people of Groton but to the people of Massachusetts as well.

I thank the chairman of the committee for his leadership, the gentleman from Virginia for supporting this bill and all my colleagues for supporting this important bill, recognizing this extraordinary woman.

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

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

The SPEAKER pro tempore (Mr. EWING). The question is on the motion offered by the gentleman from New York [Mr. MCHUGH], that the House suspend the rules and pass the bill, H.R. 3768.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MCHUGH. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill, H.R. 3768.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

ROSE Y. CARACAPPA UNITED STATES POST OFFICE BUILDING

Mr. MCHUGH. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3139) to redesignate the United States Post Office building located at 245 Centereach Mall on Middle Country Road in Centereach, NY, as the ''Rose Y. Caracappa United States Post Office Building.''

The Clerk read as follows:

H.R. 3139

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

SECTION 1. REDESIGNATION.

The United States Post Office building located at 245 Centereach Mall on Middle Country Road in Centereach, New York, shall be known and designated as the ''Rose Y. Caracappa United States Post Office Building''.

SEC. 2. REFERENCES.

Any reference in a law, map, regulation, document, paper, or other record of the United States to the United States Post Office building referred to in section 1 shall be deemed to be a reference to the ''Rose Y. Caracappa United States Post Office Building.''

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York [Mr. MCHUGH] and the gentleman from Virginia [Mr. MORAN] each will control 20 minutes.

The Chair recognizes the gentleman from New York [Mr. MCHUGH].

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

Mr. Speaker, the Committee on Government Reform and Oversight unanimously approved H.R. 3139. The legislation designates the U.S. Post Office building located at 245 Centereach Mall on Middle Country Road in Centereach, NY, as the ''Rose Y. Caracappa United States Post Office Building.''

Mr. Speaker, H.R. 3139 was introduced by the gentleman from New York [Mr. FORBES] and, pursuant to committee policy, the legislation has been cosponsored by the House delegation of the State of New York.

H.R. 3139 honors Rose Caracappa of Selden, New York who was elected to the Suffolk County legislature from 1981 until her death in May 1995 at age 56. Ms. Caracappa served on the Suffolk County Sewer Authority and was chairperson of the committees on public works, veterans and senior citizens. She was known as a combative, colorful legislator and was recognized for her tireless work for people. At the time of her death, she was actively working on building a World War II monument to honor those who served in that war. The people whom Rose Caracappa championed—the police, firefighters and veterans—buried her with full honor usually reserved for uniformed personnel.

Mr. Speaker, I have cosponsored H.R. 3139 and urge our colleagues to support the measure.

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

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

Mr. Speaker, we are also pleased to join the New York congressional delegation supporting H.R. 3139 that designates the post office in Centereach, NY, as the gentleman from New York [Mr. MCHUGH] has said, as the Rose Y. Caracappa Post Office. She was a former New York county legislator. She championed the rights of senior citizens and veterans. She deserves this honor. We support giving it to her.

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

Mr. MCHUGH. Mr. Speaker, I yield 4 minutes to the gentleman from New York [Mr. FORBES], who is the sponsor of this legislation.

Mr. FORBES. Mr. Speaker, I thank the distinguished Chair and the ranking member, the gentleman from Virginia, for their courtesies in moving this legislation forward.

Mr. Speaker, I rise today to encourage enactment of H.R. 3139, a bill that I have introduced, which designates the post office at Centereach, Long Island, NY as the ''Rose Y. Caracappa U.S. Post Office Building.''

Rose Caracappa was one of Suffolk County's most celebrated legislators. Rose was a feisty, outspoken legislator who died suddenly in May of 1995. It was a great loss to all of us on Long Island, Mr. Speaker, because Rose was one of New York's pioneer legislators. In honors usually reserved for uniformed personnel, Rose's funeral procession was led by 13 police motorcycles and followed by half a dozen fire and emergency vehicles with one clanging bell, the symbol of a fallen firefighter.

Before being elected to serve in the Suffolk County Legislature, Rose was really a person of her community. She had volunteered her services to the local Parent-Teacher's Association, to her church, to the Girl Scouts, and to the Cub Scouts, and she had been an active member and supporter of the Salvation Army.

In 1981, after having worked as a legislative aide in the county legislature, Rose decided to run for her own as county legislator in the fourth district and she won. She served as the lone conservative in the Suffolk County Legislature for nearly 15 years.

As a legislator, Rose was responsible for providing Suffolk County police officers with body armor and was also noted for sponsoring the open space acquisition of Camp Barstow, a former Girl Scout camp on Long Island. During her tenure as a county legislator, she served as chairwoman of the public works, veterans, and seniors committees.

She is best known as a tireless champion for the police, for the firefighters, for senior citizens, and veterans. And while chairing the committee on veterans' affairs, Rose was proud to have sponsored legislation for the Armed Services Plaza in Hauppauge. At the time of her death she was working, as has been previously noted, on a World War II monument to be placed at the Armed Forces Plaza in Hauppauge to commemorate all those who have served in that war.

Rose was the key legislator who orchestrated the building of a Korean war veterans monument and a women's veterans monument in Suffolk County. They have both been erected at the same Hauppauge site.

What made Rose so special was not only her leadership in the county legislature, but her genuine concern for all the people of Suffolk County. Everything that she really cared about had to do with people, not buildings, not budgets, not politics. She truly was one of the people. Because the people thought of Rose as one of them, constituents would regularly visit her offices and share their personal problems and concerns with Rose, who was known from time to time to dig into her own purse and help a constituent out when they needed to pay a bill.

Mr. Speaker, I can think of no better way to pay tribute to this feisty loving person, Rose Caracappa, than to designate this post office building in her loving memory. On behalf of the Caracappa family and all the people of Suffolk County, I thank the committee, and I thank this House for taking up this important legislation.

Mr. MORAN. Mr. Speaker, I think the gentleman from New York [Mr. FORBES] has said everything that needs to be said about the person to whom we are dedicating this post office.

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

Mr. FORBES. Mr. Speaker, I rise today in support of H.R. 3139, a bill I introduced to designate the post office in Centereach, Long Island, NY, the ''Rose Y. Caracappa United States Post Office Building.''

Rose Caracappa was one of New York's most celebrated legislators. Rose, a feisty, outspoken legislator died suddenly from a heart attack in 1995. It was a great loss for the people of Long Island because Rose was one of New York's pioneer legislators. In honors usually reserved for uniformed personnel, Rose's funeral procession was led by 13 police motorcyclists and followed by a half-dozen fire and emergency vehicles with one clanging a bell, the symbol of a fallen firefighter.

Before being elected to serve in the Suffolk County Legislature, Rose volunteered her services to the local PTA, her church, the Girl and Cub Scouts, and the Salvation Army. In 1981, after having worked as a legislative aide in the Suffolk County Legislature, Rose decided to run for county legislator of the fourth district and won. She served as the lone conservative in the Suffolk County Legislature for nearly 15 years.

As a Suffolk County legislator, Rose was responsible for providing Suffolk County police with body armor and for sponsoring the open-space acquisition of Camp Barstow, a former Girl Scout camp on Long Island. During her tenure as a Suffolk County legislator, she served as chairwoman of the public works, veterans, and seniors committees.

Rose is best known for being a tireless champion for the police, firefighters, senior citizens, and veterans of all of New York. While chairing the Veterans Affairs Committee, Rose was proud to have sponsored legislation for the Armed Forces Plaza in Hauppauge. At the time of her death, Rose was working to build a World War II monument in honor of all those that served. Rose was the key legislator who orchestrated the building of a Korean war veterans monument and a women veterans monument, the first in Suffolk County, which have been erected at the Hauppauge site.

What made Rose so special was not only her leadership in the Suffolk County Legislature, but her genuine concern for the people she served.

Everything that she really cared about had to do with people, not buildings, budgets, or politics. She truly was one of the people. Because the people thought of Rose as one of them, constituents would regularly go to Rose's office with their problems and concerns. Rose would think nothing of digging into her purse to give a constituent money for a bill.

I can think of no better way to pay tribute to one of New York's most lively legislators than to honor her by redesignating the post office in Centereach in her name. Her record of public service deserves this worthy acknowledgement.

ROSE CARACAPPA

Rose was born on October 14, 1938, in Huntington, Long Island. She was appropriately born during an historical month and year, two weeks after the hurricane of 1938, and two weeks before the Orson Wells radio show broadcasting the infamous alien invasion. In 1940, at the age of two, Rose and her family moved to Brooklyn, where she was raised and educated.

In 1964, Rose moved to the hamlet of Selden and still resides in the same home after twenty-seven years, where she raised her three children, Deborah, Nicholas and Joseph. Rose's daughter Deborah now resides in Brunswick, Ohio, with her husband, James.

As a concerned parent and taxpayer, Rose volunteered her services to the local PTA, church and civic organizations, Girl and Cub Scouts, the Salvation Army, the Cancer Fund and the Jerry Lewis MS Fundraising Committee.

Before becoming an elected official in 1982, Rose worked in banking, real estate and as a Legislative Aide in the Suffolk County Legislature under various Presiding Officers. Having a full background in County government, Rose ran for County Legislator of the Fourth District in 1981 and has successfully been re-elected to five terms.

During her tenure as Suffolk County Legislator, Rose has been the recipient of numerous awards and honors in appreciation of her public service. She has gained much experience and an overall knowledge in all levels of government. Rose was Chairperson of the Veterans Affairs Committee for three years, chaired the Public Works and Dredging & Screen Committees for five years, and for the past two years, she has served as Chair of the Legislative, Personnel & Government committee. Rose has also been a member of the Human Services, Ways & Means, Health, Transportation, Hazardous Materials, Senior Citizens, Public Safety, Finance & Education, Environment & Energy, and Education & Youth, Budget Ad Hoc, and Insurance & Risk Management committees, as well as a member of the Health & Safety Grievance Council. Rose also serves as an advisory member for the Suffolk County Council of Boy Scouts, and served on the Development Committee of APPLE.

While chairing the Veterans Affairs Committee, Rose is proud to have sponsored legislation for the Viet Nam Memorial in Farmingville, as well as the Armed Forces Plaza in Hauppauge, and for acquiring land for the American Legion Convention Center in Setauket. Rose also formed two commissions to study proposals for a Korean War Veterans Monument and a Women Veterans Monument, the first in Suffolk County, which have been erected at the Hauppauge site.

On May 28, 1995, Legislator Rose Caracappa passed away.

Mr. LAZIO of New York. Mr. Speaker, I am deeply honored to rise today in support of a bill to redesignate the U.S. Post Office building in Centereach, NY, as the ''Rose Y. Caracappa United States Post Office Building.'' I am proud to be a cosponsor of this bill, and I commend my colleague, MIKE FORBES, for introducing this legislation.

I served with Rose during my 4 years in the Suffolk County legislature. I succeed Rose as the chair of the legislature's Committee on Veterans and Seniors. I knew Rose well. She was a great friend not only to me, but also to Suffolk County's veterans and seniors. Her passing touched local veterans and seniors very deeply.

Yet, her work lives on. She was responsible for the placement of several of the war monuments to both men and women veterans at Veterans Plaza outside the H. Lee Dennison Building in Hauppauge. Rose never missed a parade in honor of veterans and often could be seen marching with them in annual Memorial Day and Veterans Day parades. She was truly a patriot and a great American. We all miss her greatly, and it is fitting that this tribute will endure in her absence.

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

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York [Mr. MCHUGH] that the House suspend the rules and pass the bill, H.R. 3139.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MCHUGH. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 3139.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

ROGER P. MCAULIFFE POST OFFICE

Mr. MCHUGH. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3834) to redesignate the Dunning Post Office in Chicago, IL, as the ''Roger P. McAuliffe Post Office''.

The Clerk read as follows:

H.R. 3834

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

SECTION 1. REDESIGNATION.

The Dunning Post Office, located at 6441 West Irving Park Road, Chicago, Illinois, shall be redesignated and know as the ''Roger P. McAuliffe Post Office''.

SEC. 2. REFERENCES.

Any reference in a law, map, regulation, document, paper, or other record of the United States to the United States Post Office referred to in section 1 shall be deemed to be a reference to the ''Roger P. McAuliffe Post Office''.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York [Mr. MCHUGH] and the gentleman from Virginia [Mr. MORAN] each will control 20 minutes.

The Chair recognizes the gentleman from New York [Mr. MCHUGH].

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

Mr. Speaker, I am pleased to report that the legislation before us. H.R. 3834, was approved unanimously by the Committee on Government Reform and Oversight. This legislation redesignates the Dunning Post Office located at 6441 West Irving Park Road, Chicago, IL, as the ''Roger P. McAuliffe Post Office.'' The bill was introduced by the gentleman from Illinois [Mr. FLANAGAN], and is cosponsored by his full State delegation, as required by committee policy.

The late Roger McAuliffe was elected to the Illinois House for 24 years. He served the people of the 14th District, Chicago's northwest side and several suburbs, including Park Ridge, Rosemont, Norridge, and Schiller Park. He had previously represented the 16th District.

Mr. McAuliffe served in the U.S. Army from 1961 to 1963. He graduated from the Chicago Police Academy in 1965 and remained on active duty with the Chicago Police Department even as he served in the legislature. He was known as an advocate for senior citizens, tax caps, and fighting crime and successfully enacted stiffer penalties for drunken driving. He also promoted legislation for school reform and pension benefits to families of police officers and firefighters killed in the line of duty. Roger McAuliffe was assistant majority leader of the Illinois House when he died unexpectedly, the day before his 58th birthday, in a fatal boating incident.

Mr. Speaker, I am a cosponsor of this legislation and I urge our colleagues to support H.R. 3834.

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

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

Mr. Speaker, we also support this bill redesignating the Dunning Post Office that is located on West Irving Park Road in Chicago as the Roger McAuliffe Post Office. The Illinois delegation has chosen a fitting way to honor a former State representative in this way.

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State Representative McAuliffe was the dean of the Illinois State House Republicans. He recently died in a tragic boating accident over the Fourth of July holiday.

So we would support this measure.

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

Mr. MCHUGH. Mr. Speaker, I yield 4 minutes to the gentleman from Illinois [Mr. FLANAGAN], the sponsor of this legislation.

Mr. FLANAGAN. Mr. Speaker, I thank the gentleman from New York [Mr. MCHUGH], chairman of the Subcommittee on Postal Service, and the ranking member, the gentleman from Virginia [Mr. MORAN], as well as the chairman of the full committee, the gentleman from Pennsylvania [Mr. CLINGER], and especially the ranking member of the full committee, the gentlewoman from Illinois [Mrs. COLLINS], who is of the Illinois delegation and a cosponsor of this legislation.

Mr. Speaker, as the sponsor of H.R. 3834 to redesignate the Dunning Post Office at 6441 West Irving Park Road in Chicago the Roger P. McAuliffe Post Office I would like to take this time to tell my colleagues about Roger McAuliffe. Roger was not only my constituent, but also a good personal friend, a wonderful man who was first elected to the Illinois General Assembly in 1972.

At the time of his tragic death in a boating accident on July 5 of this year, the day before his 58th birthday, Roger was the dean of the Illinois State House Republicans, having just completed his 24th year of service there. In the State house, he served as the assistant majority leader. Many Members of our Illinois House congressional delegation, who have cosponsored this legislation along with the chairman of the Subcommittee on Postal Service, served with Roger in the Illinois General Assembly.

Roger represented the people of the 14th State House District, which overlaps in part the Fifth Congressional District of Illinois, and takes in not only the northwest side of Chicago, but also such suburbs as Park Ridge, Rosemont, Norridge, and Schiller Park. Not only did we share some commonality in our district boundaries, but Roger and I were both graduates of Chicago's Lane Technical High School.

Since we were both lifelong Chicagoans, I often relied on Roger for advice on Chicago area matters, and his keen insights were always a help. Other Members have told me that they, too, frequently relied on Roger for his astute wisdom and counsel.

Being a State representative, however, was only one of Roger's public service roles. After serving in the U.S. Army from 1961 to 1963, Roger then became a Chicago police officer. He graduated in 1965 from the Chicago Police Academy and was still a Chicago patrolman at the time of his unfortunate death.

Because he never wanted to take advantage of his elected office, Roger remained a patrolman his whole life. Although the police department on many occasions wanted to promote Roger to higher rank, Roger always refused. Roger also turned down chances to run for mayor, sheriff, and Cook County board president. He thought he would be a better servant of the community if he remained a State legislator. And so he did.

Given his background in law enforcement, Roger promoted legislation for stiffer penalties for drunk drivers and pension benefits to the families of police officers and firefighters killed in the line of duty. Well known for his constituent services, Roger was particularly concerned about senior citizens and, as far back as 1981, he started holding driving seminars for senior citizens. They were so popular that as many as 1,000 at a time attended them.

Known locally as the Monsignor, Roger was well liked and respected by both sides of the aisle. The July 10, 1996, article entitled ''A Sense of Loss'' by Chicago Sun-Times reporter Steve Neal well describes why Roger is already sorely missed. I will include this article following my remarks.

I can think of no finer tribute to Roger McAuliffe's memory than to honor his dedicated and distinguished long public service by redesignating the Dunning Post Office the Roger P. McAuliffe Post Office. I urge my colleagues to unanimously pass this measure.

The article referred to is as follows:

[From the Chicago Sun-Times, July 10, 1996]

A SENSE OF LOSS

ROGER P. MCAULIFFE WAS A POPULAR MEMBER OF THE ILLINOIS GENERAL ASSEMBLY AND WILL BE MISSED BY HIS NEIGHBORS ON THE NORTHWEST SIDE

(By Steve Neal)

He was a neighborhood guy.

That was the secret of state Rep. Roger P. McAuliffe's success.

McAuliffe, assistant majority leader of the Illinois House and a Chicago police officer, who presumably drowned in a boating accident in Northern Wisconsin, rose to statewide political influence. But the Northwest Sider never forgot that all politics is local.

He promoted legislation for Chicago school reform, property-tax relief, stiffer penalties for drunken drivers, and pension benefits to the families of police officers and firefighters killed in the line of duty.

''He was strong and decisive. The people of Illinois have lost a tremendous legislator and the people of Chicago have lost a strong advocate,'' said House Speaker Lee A. Daniels (R-Elmhurst), a friend for more than 20 years. ''Roger was the best in the state at providing services to his constituents.''

McAuliffe may have been the most popular member of the General Assembly. ''Everyone liked Roger. He was just one of those guys who was universally liked. His word was good. He loved helping people. He was a grand person to be with on social occasions. He's going to be missed,'' added former Illinois Senate President Philip J. Rock (D-Oak Park).

''If you knew him as a police officer, you never knew that he was a politician,'' said Chicago police officer Bill Nelligan, a close friend.

McAuliffe was first elected to the Illinois House in 1972. His district included the 38th and 41st wards, part of the 36th Ward, and neighboring suburbs.

Jack Dorgan, a former aide, said McAuliffe eased tension between the city and suburbs. ''He always said that the people in the city and suburbs aren't different except for the ZIP codes,'' Dorgan said.

''He was a good neighbor to everyone. You could always count on him when there was a problem. When he walked through the neighborhood, everyone knew him as their friend first and an elected official second,'' said 38th Ward Democratic committeeman Patricia J. Cullerton.

An Irish American who grew up on the Northwest Side, McAuliffe was a second-generation Republican. After graduating from Lane Tech and serving in the U.S. Army, McAuliffe joined the 38th Ward GOP organizations. Through hard work, he became the city's GOP precinct captain.

In his 24-year legislative career, McAuliffe's most notable win was his 1982 reelection. He was told it couldn't be done. In 1980, voters had approved a constitutional amendment that reduced the size of the House and replaced the state's unique system of cumulative voting with single-member districts.

Under the old system, each legislative district elected three representatives, including one from the minority party. McAuliffe was among 17 Chicago GOP representatives. The other 16 members of this group retired or were defeated in 1982.

State Rep. Roman J. Kosinski (D-Chicago), who ran against McAuliffe in 1982, was favored to win. Even though there was a Democratic landslide in the city, McAuliffe won by 607 votes out of 37,000 cast. ''Roger wasn't a quitter. He just outworked Kosinski,'' recalled Fred Rupley, McAuliffe's pal.

McAuliffe never had another close election. He survived by forging alliances with Northwest Side Democrats.

He is the only Chicago Republican elected to the House since the cutback amendment. McAuliffe turned down chances to run for mayor, Cook County Board president and sheriff. ''He was very comfortable as a state legislator. He knew that he could control his own destiny,'' Rupley said.

Mr. PORTER. Mr. Speaker, I rise today in strong support of H.R. 3834, a bill to redesignate the Roger P. McAuliffe Post Office in Chicago as a fitting tribute to my former colleague and friend.

I had the privilege of serving with Roger in the Illinois General Assembly from 1972, when we were in the same freshman class, until my election to Congress. Roger was the only one of our class to continue to serve in the general assembly until his tragic fatal accident—and serve he did.

Roger was known as an advocate for senior citizens, property tax caps, and as a former Chicago Police Officer, for fighting crime. Known particularly for his constituent services, he aided the residents of the neighborhoods of Chicago's northwest side as well as several suburbs including Park Ridge, Rosemont, Norridge and Shiller Park.

Even though he served as assistant majority leader, with a Republican House and Republican Senate, as the only Republican from Chicago in the State House, Roger effectively crossed party lines and worked with Republicans and Democrats alike. He will certainly be missed.

Roger touched many of us, with his warmth and good cheer. He was a dedicated public servant and a dear friend, and I will miss him greatly. I commend my colleague from Illinois [Mr. FLANAGAN] for his fitting tribute to Roger's memory, and for his efforts to expedite consideration of this important measure by the House.

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

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

Mr. SPEAKER pro tempore (Mr. EWING). The question is on the motion offered by the gentleman from New York [Mr. MCHUGH] that the House suspend the rules and pass the bill, H.R. 3834.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MCHUGH. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks on H.R. 3834.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

AMOS F. LONGORIA POST OFFICE BUILDING

Mr. MCHUGH. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2700) to designate the United States Post Office building located at 7980 FM 327, Elmendorf, TX, as the ''Amos F. Longoria Post Office Building'', as amended.

The Clerk read as follows:

H.R. 2700

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

SECTION 1. DESIGNATION.

The building located at 8302 FM 327, Elmendorf, Texas, which houses operations of the United States Postal Service, shall be known and designated as the ''Amos F. Longoria Post Office Building'', and any reference in a law, map, regulation, document, paper, or other record of the United States to such building shall be deemed to be a reference to the ''Amos F. Longoria Post Office Building''.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York [Mr. MCHUGH] and the gentleman from Virginia [Mr. MORAN] each will control 20 minutes.

The Chair recognizes the gentleman from New York [Mr. MCHUGH].

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

Mr. Speaker, the legislation before us, H.R. 2700 was unanimously approved as amended by the Committee on Government Reform and Oversight. H.R. 2700 designates the U.S. Post Office building located at 7980 FM 327, Elmendorf, TX, as the ''Amos F. Longoria Post Office Building.'' The amendment corrects the address to read 8302 FM 327 and modifies the title of the bill to reflect the change. H.R. 2700 was introduced by the gentleman from Texas, [Mr. TEJEDA] and was cosponsored by the full Texas House Delegation, pursuant to committee policy.

H.R. 2700 honors Amos F. Longoria who was born in Elmendorf on September 12, 1924. He was one of seven children of Bonaficio and Juanita F. Longoria. Amos Longoria was drafted into the U.S. Army in April 1943 during his last year of high school; he reported for basic training at Fort Sam Houston in San Antonio. He volunteered to serve in the European theater during World War II, was assigned to the 30th Infantry, 3d Division and saw combat in the Italian campaign. Amos Longoria was wounded during the first 6 months of his joining the military but he returned to duty shortly thereafter. He was mortally wounded on November 13, 1943 at the crossing of the Rapido River in Italy and died in an army hospital in Italy on November 19, 1943 at the age of 19.

Mr. Speaker, I urge our colleagues to support H.R. 2700 as amended, a bill naming the Post Office Building in honor of a local, young hero who served when called and died in service to your country.

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

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

Mr. Speaker, I rise in strong support of H.R. 2700 as introduced by the gentleman from Texas [Mr. TEJEDA]. This bill designates the U.S. Post Office in Elmendorf, TX, as the ''Amos F. Longoria Post Office.'' Mr. Longoria was drafted in the U.S. Army and served in the European theater during World War II. He was fatally wounded at the crossing of the Rapido River in Italy and later died on November 19, 1943.

This is a very fitting tribute to a dedicated public servant who paid the ultimate sacrifice for his country, so I am pleased to join my colleagues in support of this measure.

Mr. Speaker, I yield such time as he may consume to the gentleman from Texas [Mr. TEJEDA], a very hard-working and courageous Congressman.

Mr. TEJEDA. Mr. Speaker, I am pleased to come to the floor today to urge everyone to support H.R. 2700, legislation to name the Elmendorf Post Office in the name of Amos Longoria.

First I would like to take a minute to thank my colleagues who have spent much of their time in the floor. All 29 of my Texas colleagues who cosponsored the bill have done an outstanding job especially particularly the gentleman from Texas, Mr. GENE GREEN, and also I would like to thank very much the gentleman from New York, Mr. MCHUGH and ranking Democrat, the gentlewoman from Michigan, Miss COLLINS, the gentleman from Pennsylvania, Mr. CLINGER and ranking Democrat, the gentlewoman from Illinois Mrs. COLLINS.

Most of all, Mr. Speaker, I would like to thank the citizens of Elmendorf, TX, for, first of all, circulating and doing everything possible to do, and they did an outstanding job in 1 year to bring in the name. I have known the Longoria family for many years, and I cannot think of a more worthy person for this honor than Amos Longoria.

First of all, it was mentioned before, but first of all let me just say that Amos Longoria was born in Elmendorf, TX, on September 12, 1924, and was one of seven children born of Bonifacio and Juanita Longoria. Amos was drafted

into the Army in April 1943 and volunteered to serve in the European theater. On November 13, 1943, shortly after his 19th birthday, Private Longoria was wounded at the famous crossing of the Rapido River in Italy. He died in an Army hospital in Italy 6 days later.

The Elmendorf Post Office will be a lasting tribute to a native son who paid the ultimate price for our country's freedom. I urge my colleagues to join me in supporting H.R. 2700.

Mr. MCHUGH. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

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

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York [Mr. MCHUGH] that the House suspend the rules and pass the bill, H.R. 2700, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title of the bill was amended so as to read: ''A bill to designate the building located at 8302 FM 327, Elmendorf, Texas, which houses operations of the United States Postal Service, as the 'Amos F. Longoria Post Office Building'.''

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MCHUGH. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 2700, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

VETERANS EMPLOYMENT OPPORTUNITIES ACT OF 1996

Mr. MICA. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3586) to amend title 5, United States Code, to strengthen veterans' preference, to increase employment opportunities for veterans, and for other purposes, as amended.

The Clerk read as follows:

H.R. 3586

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 ''Veterans Employment Opportunities Act of 1996''.

SEC. 2. EQUAL ACCESS FOR VETERANS.

(a) COMPETITIVE SERVICE.—Section 3304 of title 5, United States Code, is amended by adding at the end the following:

''(f)(1) No preference eligible, and no individual (other than a preference eligible) who has been separated from the armed forces under honorable conditions after 3 or more years of active service, shall be denied the opportunity to compete for an announced vacant position within an agency, in the competitive service or the excepted service, by reason of—

''(A) not having acquired competitive status; or

''(B) not being an employee of such agency.

''(2) Nothing in this subsection shall prevent an agency from filling a vacant position (whether by appointment or otherwise) solely from individuals on a priority placement list consisting of individuals who have been separated from the agency due to a reduction in force and surplus employees (as defined under regulations prescribed by the Office).''.

(b) CIVIL SERVICE EMPLOYMENT INFORMATION.—

(1) VACANT POSITIONS.—Section 3327(b) of title 5, United States Code, is amended by striking ''and'' at the end of paragraph (1), by redesignating paragraph (2) as paragraph (3), and by inserting after paragraph (1) the following:

''(2) each vacant position in the agency for which competition is restricted to individuals having competitive status or employees of such agency, excluding any position under paragraph (1), and''.

(2) ADDITIONAL INFORMATION.—Section 3327 of title 5, United States Code, is amended by adding at the end the following:

''(c) Any notification provided under this section shall, for all positions under subsection (b)(1) as to which section 3304(f) applies and for all positions under subsection (b)(2), include a notation as to the applicability of section 3304(f) with respect thereto.

''(d) In consultation with the Secretary of Labor, the Office shall submit to Congress and the President, no less frequently than every 2 years, a report detailing, with respect to the period covered by such report—

''(1) the number of positions listed under this section during such period;

''(2) the number of preference eligibles and other individuals described in section 3304(f)(1) referred to such positions during such period; and

''(3) the number of preference eligibles and other individuals described in section 3304(f)(1) appointed to such positions during such period.''.

(c) GOVERNMENTWIDE LISTS.—

(1) VACANT POSITIONS.—Section 3330(b) of title 5, United States Code, is amended to read as follows:

''(b) The Office of Personnel Management shall cause to be established and kept current—

''(1) a comprehensive list of all announcements of vacant positions (in the competitive service and the excepted service, respectively) within each agency that are to be filled by appointment for more than 1 year and for which applications are being or will soon be accepted from outside the agency's work force; and

''(2) a comprehensive list of all announcements of vacant positions within each agency for which applications are being or will soon be accepted and for which competition is restricted to individuals having competitive status or employees of such agency, excluding any position required to be listed under paragraph (1).''.

(2) ADDITIONAL INFORMATION.—Section 3330(c) of title 5, United States Code, is amended by striking ''and'' at the end of paragraph (2), by redesignating paragraph (3) as paragraph (4), and by inserting after paragraph (2) the following:

''(3) for all positions under subsection (b)(1) as to which section 3304(f) applies and for all positions under subsection (b)(2), a notation as to the applicability of section 3304(f) with respect thereto; and''.

(3) CONFORMING AMENDMENT.—Section 3330(d) of title 5, United States Code, is amended by striking ''The list'' and inserting ''Each list under subsection (b)''.

SEC. 3. SPECIAL PROTECTIONS FOR PREFERENCE ELIGIBLES IN REDUCTIONS IN FORCE.

Section 3502 of title 5, United States Code, as amended by section 1034 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 430), is amended by adding at the end the following:

''(g)(1) A position occupied by a preference eligible shall not be placed in a single-position competitive level if the preference eligible is qualified to perform the essential functions of any other position at the same grade (or occupational level) in the competitive area. In such cases, the preference eligible shall be entitled to be placed in another competitive level for which such preference eligible is qualified. If the preference eligible is qualified for more than one competitive level, such preference eligible shall be placed in the competitive level containing the most positions.

''(2) For purposes of paragraph (1)—

''(A) a preference eligible shall be considered qualified to perform the essential functions of a position if, by reason of experience, training, or education (and, in the case of a disabled veteran, with reasonable accommodation), a reasonable person could conclude that the preference eligible would be able to perform those functions successfully within a period of 150 days; and

''(B) a preference eligible shall not be considered unqualified solely because such preference eligible does not meet the minimum qualification requirements relating to previous experience in a specified grade (or occupational level), if any, that are established for such position by the Office of Personnel Management or the agency.

''(h) In connection with any reduction in force, a preference eligible whose current or most recent performance rating is at least fully successful (or the equivalent) shall have, in addition to such assignment rights as are prescribed by regulation, the right, in lieu of separation, to be assigned to any position within the agency conducting the reduction in force—

''(1) for which such preference eligible is qualified under subsection (g)(2)—

''(A) that is within the preference eligible's commuting area and at the same grade (or occupational level) as the position from which the preference eligible was released, and that is then occupied by an individual, other than another preference eligible, who was placed in such position (whether by appointment or otherwise) within 6 months before the reduction in force if, within 12 months prior to the date on which such individual was so placed in such position, such individual had been employed in the same competitive area as the preference eligible; or

''(B) that is within the preference eligible's competitive area and that is then occupied by an individual, other than another preference eligible, who was placed in such position (whether by appointment or otherwise) within 6 months before the reduction in force; or

''(2) for which such preference eligible is qualified that is within the preference eligible's competitive area and that is not more than 3 grades (or pay levels) below that of the position from which the preference eligible was released, except that, in the case of a preference eligible with a compensable service-connected disability of 30 percent or more, this paragraph shall be applied by substituting '5 grades' for '3 grades'.

In the event that a preference eligible is entitled to assignment to more than 1 position under this subsection, the agency shall assign the preference eligible to any such position requiring no reduction (or, if there is no such position, the least reduction) in basic

pay. A position shall not, with respect to a preference eligible, be considered to satisfy the requirements of paragraph (1) or (2), as applicable, if it does not last for at least 12 months following the date on which such preference eligible is assigned to such position under this subsection.

''(i) A preference eligible may challenge the classification of any position to which the preference eligible asserts assignment rights (as provided by, or prescribed by regulations described in, subsection (h)) in an action before the Merit Systems Protection Board.

''(j)(1) Not later than 3 months after the date of the enactment of this subsection, each Executive agency shall establish an agencywide priority placement program to facilitate employment placement for employees who—

''(A)(i) are scheduled to be separated from service due to a reduction in force under—

''(I) regulations prescribed under this section; or

''(II) procedures established under section 3595; or

''(ii) are separated from service due to such a reduction in force; and

''(B)(i) have received a rating of at least fully successful (or the equivalent) as the last performance rating of record used for retention purposes; or

''(ii) occupy positions excluded from a performance appraisal system by law, regulation, or administrative action taken by the Office of Personnel Management.

''(2)(A) Each agencywide priority placement program under this subsection shall include provisions under which a vacant position shall not (except as provided in this paragraph or any other statute providing the right of reemployment to any individual) be filled by the appointment or transfer of any individual from outside of that agency (other than an individual described in subparagraph (B)) if—

''(i) there is then available any individual described in subparagraph (B) who is qualified for the position; and

''(ii) the position—

''(I) is at the same grade or pay level (or the equivalent) or not more than 3 grades (or grade intervals) below that of the position last held by such individual before placement in the new position;

''(II) is within the same commuting area as the individual's last-held position (as referred to in subclause (I)) or residence; and

''(III) has the same type of work schedule (whether full-time, part-time, or intermittent) as the position last held by the individual.

''(B) For purposes of an agencywide priority placement program, an individual shall be considered to be described in this subparagraph if such individual—

''(i)(I) is an employee of such agency who is scheduled to be separated, as described in paragraph (1)(A)(i); or

''(II) is an individual who became a former employee of such agency as a result of a separation, as described in paragraph (1)(A)(ii), excluding any individual who separated voluntarily under subsection (f); and

''(ii) satisfies clause (i) or (ii) of paragraph (1)(B).

''(3)(A) If after a reduction in force the agency has no positions of any type within the local commuting areas specified in this subsection, the individual may designate a different local commuting area where the agency has continuing positions in order to exercise reemployment rights under this subsection. An agency may determine that such designations are not in the interest of the Government for the purpose of paying relocation expenses under subchapter II of chapter 57.

''(B) At its option, an agency may administratively extend reemployment rights under this subsection to include other local commuting areas.

''(4)(A) In selecting employees for positions under this subsection, the agency shall place qualified present and former employees in retention order by veterans' preference subgroup and tenure group.

''(B) An agency may not pass over a qualified present or former employee to select an individual in a lower veterans' preference subgroup within the tenure group, or in a lower tenure group.

''(C) Within a subgroup, the agency may select a qualified present or former employee without regard to the individual's total creditable service.

''(5) An individual is eligible for reemployment priority under this subsection for 2 years from the effective date of the reduction in force from which the individual will be, or has been, separated under this section or section 3595, as the case may be.

''(6) An individual loses eligibility for reemployment priority under this subsection when the individual—

''(A) requests removal in writing;

''(B) accepts or declines a bona fide offer under this subsection or fails to accept such an offer within the period of time allowed for such acceptance, or

''(C) separates from the agency before being separated under this section or section 3595, as the case may be.

A present or former employee who declines a position with a representative rate (or equivalent) that is less than the rate of the position from which the individual was separated under this section retains eligibility for positions with a higher representative rate up to the rate of the individual's last position.

''(7) Whenever more than one individual is qualified for a position under this subsection, the agency shall select the most highly qualified individual, subject to paragraph (4).

''(8) The Office of Personnel Management shall issue regulations to implement this subsection.''.

SEC. 4. IMPROVED REDRESS FOR VETERANS.

(a) IN GENERAL.—Subchapter I of chapter 33 of title 5, United States Code, is amended by adding at the end the following:

''§ 3330a. Administrative redress

''(a)(1) Any preference eligible or other individual described in section 3304(f)(1) who alleges that an agency has violated such individual's rights under any statute or regulation relating to veterans' preference, or any right afforded such individual by section 3304(f), may file a complaint with the Secretary of Labor.

''(2) A complaint under this subsection must be filed within 60 days after the date of the alleged violation, and the Secretary shall process such complaint in accordance with sections 4322 (a) through (e)(1) and 4326 of title 38.

''(b)(1) If the Secretary of Labor is unable to resolve the complaint within 60 days after the date on which it is filed, the complainant may elect to appeal the alleged violation to the Merit Systems Protection Board in accordance with such procedures as the Merit Systems Protection Board shall prescribe, except that in no event may any such appeal be brought—

''(A) before the 61st day after the date on which the complaint is filed under subsection (a); or

''(B) later than 15 days after the date on which the complainant receives notification from the Secretary of Labor under section 4322(e)(1) of title 38.

''(2) An appeal under this subsection may not be brought unless—

''(A) the complainant first provides written notification to the Secretary of Labor of such complainant's intention to bring such appeal; and

''(B) appropriate evidence of compliance with subparagraph (A) is included (in such form and manner as the Merit Systems Protection Board may prescribe) with the notice of appeal under this subsection.

''(3) Upon receiving notification under paragraph (2)(A), the Secretary of Labor shall not continue to investigate or further attempt to resolve the complaint to which such notification relates.

''(c) This section shall not be construed to prohibit a preference eligible from appealing directly to the Merit Systems Protection Board from any action which is appealable to the Board under any other law, rule, or regulation, in lieu of administrative redress under this section.

''§ 3330b. Judicial redress

''(a) In lieu of continuing the administrative redress procedure provided under section 3330a(b), a preference eligible or other individual described in section 3304(f)(1) may elect, in accordance with this section, to terminate those administrative proceedings and file an action with the appropriate United States district court not later than 60 days after the date of the election.

''(b) An election under this section may not be made—

''(1) before the 121st day after the date on which the appeal is filed with the Merit Systems Protection Board under section 3330a(b); or

''(2) after the Merit Systems Protection Board has issued a judicially reviewable decision on the merits of the appeal.

''(c) An election under this section shall be made, in writing, in such form and manner as the Merit Systems Protection Board shall by regulation prescribe. The election shall be effective as of the date on which it is received, and the administrative proceeding to which it relates shall terminate immediately upon the receipt of such election.

''§ 3330c. Remedy

''(a) If the Merit Systems Protection Board (in a proceeding under section 3330a) or a court (in a proceeding under section 3330b) determines that an agency has violated a right described in section 3330a, the Board or court (as the case may be) shall order the agency to comply with such provisions and award compensation for any loss of wages or benefits suffered by the individual by reason of the violation involved. If the Board or court determines that such violation was willful, it shall award an amount equal to backpay as liquidated damages.

''(b) A preference eligible or other individual described in section 3304(f)(1) who prevails in an action under section 3330a or 3330b shall be awarded reasonable attorney fees, expert witness fees, and other litigation expenses.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 33 of title 5, United States Code, is amended by adding after the item relating to section 3330 the following:

''3330a. Administrative redress.
''3330b. Judicial redress.
''3330c. Remedy.''.

SEC. 5. EXTENSION OF VETERANS' PREFERENCE.

(a) AMENDMENT TO TITLE 5, UNITED STATES CODE.—Paragraph (3) of section 2108 of title 5, United States Code, is amended by striking ''the Federal Bureau of Investigation and Drug Enforcement Administration Senior Executive Service, or the General Accounting Office;'' and inserting ''or the Federal Bureau of Investigation and Drug Enforcement Administration Senior Executive Service;''.

(b) AMENDMENTS TO TITLE 3, UNITED STATES CODE.—

(1) IN GENERAL.—Chapter 2 of title 3, United States Code, is amended by adding at the end the following:

"§ 115. Veterans' preference

''(a) Subject to subsection (b), appointments under sections 105, 106, and 107 shall be made in accordance with section 2108, and sections 3309 through 3312, of title 5.

''(b) Subsection (a) shall not apply to any appointment to a position the rate of basic pay for which is at least equal to the minimum rate established for positions in the Senior Executive Service under section 5382 of title 5 and the duties of which are comparable to those described in section 3132(a)(2) of such title or to any other position if, with respect to such position, the President makes certification—

''(1) that such position is—

''(A) a confidential or policy-making position; or

''(B) a position for which political affiliation or political philosophy is otherwise an important qualification; and

''(2) that any individual selected for such position is expected to vacate the position at or before the end of the President's term (or terms) of office.

Each individual appointed to a position described in the preceding sentence as to which the expectation described in paragraph (2) applies shall be notified as to such expectation, in writing, at the time of appointment to such position.''.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 2 of title 3, United States Code, is amended by adding at the end the following:

''115. Veterans' preference.''.

(c) LEGISLATIVE BRANCH APPOINTMENTS.—

(1) DEFINITIONS.—For the purposes of this subsection, the terms ''employing office'', ''covered employee'', and ''Board'' shall each have the meaning given such term by section 101 of the Congressional Accountability Act of 1995 (2 U.S.C. 1301).

(2) RIGHTS AND PROTECTIONS.—The rights and protections established under section 2108, sections 3309 through 3312, and subchapter I of chapter 35, of title 5, United States Code, shall apply to covered employees.

(3) REMEDIES.—

(A) IN GENERAL.—The remedy for a violation of paragraph (2) shall be such remedy as would be appropriate if awarded under applicable provisions of title 5, United States Code, in the case of a violation of the relevant corresponding provision (referred to in paragraph (2)) of such title.

(B) PROCEDURE.—The procedure for consideration of alleged violations of paragraph (2) shall be the same as apply under section 401 of the Congressional Accountability Act of 1995 (and the provisions of law referred to therein) in the case of an alleged violation of part A of title II of such Act

(4) REGULATIONS TO IMPLEMENT SUBSECTION.—

(A) IN GENERAL.—The Board shall, pursuant to section 304 of the Congressional Accountability Act of 1995 (2 U.S.C. 1384), issue regulations to implement this subsection.

(B) AGENCY REGULATIONS.—The regulations issued under subparagraph (A) shall be the same as the most relevant substantive regulations (applicable with respect to the executive branch) promulgated to implement the statutory provisions referred to in paragraph (2) except insofar as the Board may determine, for good cause shown and stated together with the regulation, that a modification of such regulations would be more effective for the implementation of the rights and protections under this subsection.

(C) COORDINATION.—The regulations issued under subparagraph (A) shall be consistent with section 225 of the Congressional Accountability Act of 1995 (2 U.S.C. 1361).

(5) APPLICABILITY.—Notwithstanding any other provision of this subsection, the term ''covered employee'' shall not, for purposes of this subsection, include an employee—

(A) whose appointment is made by the President with the advice and consent of the Senate;

(B) whose appointment is made by a Member of Congress or by a committee or subcommittee of either House of Congress; or

(C) who is appointed to a position, the duties of which are equivalent to those of a Senior Executive Service position (within the meaning of section 3132(a)(2) of title 5, United States Code).

(6) EFFECTIVE DATE.—Paragraphs (2) and (3) shall be effective as of the effective date of the regulations under paragraph (4).

(d) JUDICIAL BRANCH APPOINTMENTS.—

(1) IN GENERAL.—Subject to paragraph (2), appointments to positions in the judicial branch of the Government shall be made in accordance with section 2108, and sections 3309 through 3312, of title 5, United States Code.

(2) REDUCTIONS IN FORCE.—Subject to paragraph (2), reductions in force in the judicial branch of the Government shall provide preference eligibles with protections substantially similar to those provided under subchapter I of chapter 35 of title 5, United States Code.

(3) EXCLUSIONS.—Paragraphs (1) and (2) shall not apply to—

(A) an appointment made by the President, with the advice and consent of the Senate;

(B) an appointment as a judicial officer;

(C) an appointment as a law clerk or secretary to a justice or judge of the United States; or

(D) an appointment to a position, the duties of which are equivalent to those of a Senior Executive Service position (within the meaning of section 3132(a)(2) of title 5, United States Code).

(4) REDRESS PROCEDURES.—The Judicial Conference of the United States shall prescribe regulations under which redress procedures (substantially similar to the procedures established by the amendments made by section 4) shall be available for alleged violations of any rights provided by this subsection.

(5) DEFINITIONS.—For purposes of this subsection—

(A) the term ''judicial officer'' means a justice, judge, or magistrate judge listed in subparagraph (A), (B), (F), or (G) of section 376(a)(1) of title 28, United States Code; and

(B) the term ''justice or judge of the United States'' has the meaning given such term by section 451 of such title 28.

SEC. 6. VETERANS' PREFERENCE REQUIRED FOR REDUCTIONS IN FORCE IN THE FEDERAL AVIATION ADMINISTRATION.

Section 347(b) of the Department of Transportation and Related Agencies Appropriations Act, 1996 (109 Stat. 460) is amended by striking ''and'' at the end of paragraph (6), by striking the period at the end of paragraph (7) and inserting ''; and'', and by adding at the end the following:

''(8) sections 3501–3504, as such sections relate to veterans' preference.''.

SEC. 7. DEFINITIONAL AMENDMENT.

Subparagraph (A) of section 2108(1) of title 5, United States Code, is amended by inserting ''during a military operation in a qualified hazardous duty area (within the meaning of the first 2 sentences of section 1(b) of Public Law 104–117) and in accordance with requirements that may be prescribed in regulations of the Secretary of Defense,'' after ''for which a campaign badge has been authorized,''.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Florida [Mr. MICA] and the gentleman from Virginia [Mr. MORAN] each will control 20 minutes.

The Chair recognizes the gentleman from Florida [Mr. MICA].

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

Mr. Speaker, as chairman of the House Subcommittee on Civil Service, one of my major concerns during my tenure has been the problem of the status of veterans in our Federal work force and their treatment. Because of that concern, our subcommittee held a hearing on April 30, 1996, to examine the status of veterans' preference in the Federal work force.

Unfortunately, Mr. Speaker, that hearing revealed ample reason for all of us to be concerned about the state of veterans' preference, particularly in our Federal workplace. The testimony at our hearing showed that veterans' preference in the Federal work force is often ignored or circumvented. Its continued viability is in fact threatened by several recent developments, most notably the introduction of single person competition during reductions in force in our Federal Government.

But perhaps most important, Mr. Speaker, the hearing revealed a widespread agreement in the veterans' community that veterans do not have an adequate redress mechanism. In fact, both the American Legion and the Disabled American Veterans identified this as the No. 1 problem, the major problem Congress should solve.

As the House considers this legislation, Mr. Speaker, it is important for us to remember the veterans' preference is not a gift. It is in fact a right and an opportunity that our veterans deserve. Congress has a moral obligation to recognize the sacrifices of the men and women of our Armed Forces who have served their country. We called upon them to serve in war and defend this Nation. Now we offer them this opportunity to serve their Nation in peace.

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This bill, the Veterans' Employment Opportunity Act of 1996, is necessary to ensure that this Nation fulfills that moral obligation. That promise of veterans' preference is indeed a reality in our Federal workplace. It is also the product of a lot of hard work by Members on both sides of the aisle, and this in fact is a truly bipartisan effort.

I want to take a moment and thank, first of all, the distinguished gentleman from Virginia [Mr. MORAN], who is the ranking member on the Subcommittee on Civil Service of the Committee on Government Reform and Oversight, for his hard work and efforts in making this bill a reality.

I would also especially like to thank my good friend, the gentleman from Indiana, the Honorable STEVE BUYER,

chairman of the Subcommittee on Education, Training, Employment and Housing of the Committee on Veterans' Affairs. He and his staff have worked very hard and long on this bill and cooperated with our subcommittee, and I appreciate their many valuable contributions as well as the outstanding leadership that he and his subcommittee have provided on this and other legislation relating to veterans' issues.

I also want to take a moment and thank Chairman STUMP of the Committee on Veterans' Affairs. The gentleman from Arizona has been outstanding in both his cooperation and leadership of all veterans' issues.

I also want to pay particular attention and due credit to the gentleman from Pennsylvania, Mr. JON FOX. Mr. FOX has been a leader in veterans' legislation, particularly the veterans' preference legislation, and in fact wanted to extend the provisions of this act beyond what we are doing today. I give him full credit.

Mr. Speaker, I would also just take a personal moment and recognize my brother, who served on the other side of the aisle for 10 years on the Veterans' Committee. Dan Mica showed his dedication to veterans. Part of the commitment of both of the Mica brothers is that 24 years ago this month our father died in a crowded veterans' hospital, so we both have a deep commitment to seeing that our veterans are not only remembered, but also that we honor the rights and obligations that they are due.

Mr. Speaker, before I address some of the provisions of this bill in detail, I would like to give a thumbnail sketch of what this bill does for veterans. This bill does in fact provide veterans with an effective, user-friendly redress system. It extends veterans' preference to certain jobs in the legislative branch, also in the judiciary branch, and also at the White House.

This bill removes artificial barriers that often bar our service men and women from competing for Federal jobs. These individuals should be able to compete for jobs for which they qualify, just like other Federal employees. This bill provides enhanced protections to veterans in a reduction in force. This legislation requires Federal agencies to establish priority placement programs for employees affected by a RIF, or reduction in force. Federal agencies must give veterans' preference when rehiring employees.

This legislation also requires the FAA to apply veterans' preference in any reduction in force, and this legislation provides veterans' preference for service in Bosnia, Croatia, and Macedonia while it is a qualified hazardous duty area, by definition.

Mr. Speaker, those are some of the provisions of our bill. I am pleased to present this legislation to the House, and I reserve the balance of my time.

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

Mr. Speaker, I rise in support of this bill, H.R. 3586. The goal of our veterans' preference laws is very simple. We want to afford individuals who have served our country in times of war an opportunity to continue their public service through Federal employment. Veterans' preference does not entitle a veteran to a Federal job but, rather, it gives him or her an advantage in seeking employment. This has always been a bipartisan goal and it is supported by the Congress and the White House.

It is in this bipartisan spirit that the gentleman from Florida [Mr. MICA] and I have brought forward this bill. Since 1865 the Federal Government has been a leader in offering job opportunities to veterans. This has been true regardless of who has been in the White House.

As a percentage of the work force, there are more veterans in the Federal work force today than there are in the private work force. There is also a higher representation of disabled veterans and a higher representation of veterans who are 30 percent or more disabled in the Federal work force.

Since the Subcommittee on Civil Service of the Committee on Government Reform and Oversight began work on this legislation 3 months ago, we have had some criticism. I do not think that the criticism that was directed at this administration is justified by the facts.

While it is true that the absolute number of veterans in the Federal work force is declining, it is also true that this trend began in 1984. The reduction in the number of federally employed veterans does not represent any insidious effort by any administration to diminish veterans' preference, but it reflects the simple fact that the largest group of veterans, those from World War II and the Korean War, are now ready for retirement.

More than 59 percent of all veterans in this country are between 55 and 64. The number of Americans who served in Vietnam, Grenada, Panama, and the Persian Gulf simply are not large enough to replace their predecessors. We do not have to look farther than the U.S. Senate to see the example of a World War II veteran retiring and replaced by a nonveteran. It is happening all over.

Despite the absolute decrease in the number of veterans, it should be said that the Clinton administration has done an excellent job in recruiting veterans. The percentage of veterans in the Federal work force declined throughout the 1980's, but it stabilized since President Clinton was elected. In fact, the percentages of veterans as new hires is actually increasing. Since 1992, the percentage of veterans hired has gone from 23.6 percent of new hires to 33.3 percent. One out of every three new hires is a veteran.

But the Federal Government is not hiring, it is firing. We are downsizing. Therefore, the focus of veterans' preference has shifted toward ways to protect veterans during a RIF. The focus now is how to give veterans the opportunity to retain their existing Federal jobs when their agency and the Federal Government as a whole is cutting employment.

Again, this is not an entitlement that we are passing today. We do not intend to ensure that no veteran ever gets riffed. Rather, this legislation contains a series of protections that give veterans an advantage over other Federal employees in retaining their jobs. This legislation closes a number of loopholes through which agencies might try to circumvent the current veterans' preference laws.

The bill allows veterans and those who have served in the military the opportunity to compete for a greater number of existing Federal jobs. The bill also gives veterans greater protections in RIF's. It seeks to prevent agencies from manipulating Federal RIF laws to unfairly, improperly target veterans.

While it is important to remember that none of the current flexibilities have ever actually been used to target veterans, in fact, veterans have disproportionately benefited from the Clinton administration's use of flexible hiring and RIF, some in the veterans' community have expressed concerns. So this bill addresses their concerns and ensures that in the future the Clinton administration will maintain its commitment to veterans.

The bill also gives veterans a forum for redress if they believe that their veterans' preference rights have been violated. This new appeals process is more generous than that enjoyed by any other Federal employee and is built around the popular and very successful Uniformed Services Employment and Reemployment Rights Act of 1994. The acronym is USERRA law. It has been working well and we are going to duplicate it.

Finally, the legislation extends for the first time veterans' preference to the nonpolitical jobs in the White House, the Congress, and the judiciary. I had a number of concerns with the legislation as originally drafted. I wanted to ensure that we do not unduly impede the operations of the agencies in getting the most qualified people as we attempt to close loopholes in veterans' preference, but downsizing is always difficult and only can be done correctly if Congress grants the agency a high degree of flexibility.

I also wanted to ensure that the redress system was fair and effective. The last thing we need is an overly burdensome and complicated redress system that encourages frivolous and meritless appeals. No one can be served rightly by such a system.

The chairman of the subcommittee and I have worked closely on this legislation. We have made some significant improvements to the original bill. These changes do not weaken the bill but, rather, they ensure that it will work and that our goals will be administratively achievable. These consensus modifications have been incorporated in the bipartisan substitute offered in

committee and the manager's amendment which will be offered here on the floor.

We could not, however, agree on two major amendments offered for inclusion in the manager's amendment. While I appreciate the spirit in which these amendments were offered, I could not accept any proposal that would have watered down the preference that is enjoyed by those who actually served in the Persian Gulf war or reservists who experienced combat.

In addition, I could not accept any amendment that would worsen the already complicated and overly burdensome Federal appeals process. Again, I appreciate Chairman MICA's leadership in bringing this legislation to the floor, and I appreciate his willingness to continue to work on this issue in a bipartisan and a constructive manner.

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

Mr. MICA. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Arizona [Mr. STUMP], chairman of the Committee on Veterans' Affairs.

(Mr. STUMP asked and was given permission to revise and extend his remarks.)

Mr. STUMP. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I would like to congratulate the subcommittee chairman, the gentleman from Florida, Mr. MICA, and the ranking member, the gentleman from Virginia, JIM MORAN, for bringing this important bill to the floor. Most people have classified this bill as being the best for veterans' employment probably since the 1940's.

As we reorganize government to run in a more businesslike and cost-effective manner, veterans need to receive the protection they are entitled to because of their service. The provisions of this bill will bring veterans' employment enforcement into the sunshine of public scrutiny and make it easier for veterans to obtain justice.

I strongly urge my colleagues to support H.R. 3586.

Mr. MORAN. Mr. Speaker, it is my honor to yield such time as he may consume to the gentleman from Mississippi, the Honorable Major General ''SONNY'' MONTGOMERY, the representative of America's veterans.

(Mr. MONTGOMERY asked and was given permission to revise and extend his remarks.)

Mr. MONTGOMERY. Mr. Speaker, I do not know what to say, but I want to thank the gentleman from Virginia for his kind remarks, and for yielding me this time.

Mr. Speaker, H.R. 3586 is a bill that would enhance veterans' employment opportunities in the Federal Government. Eligible veterans seeking Federal jobs would be able to compete for jobs that are now closed to them. Those veterans covered by the veterans' preference who already work for the Federal Government would, for the first time, have access to an effective appeals system if they believe their preference rights have been violated.

This bill brings together the efforts of all members and staff of the Civil Service Committee, the Office of Personnel Management, and several veterans' service organizations.

Mr. Speaker, I want to thank the gentleman from Virginia [Mr. MORAN] and the gentleman from Florida [Mr. MICA] for their hard work and their subcommittees' work. The gentleman's brother did serve on our committee for many years. I thank the gentlemen on behalf of our Nation's veterans.

Mr. Speaker, I urge my colleagues to support this legislation.

Mr. MICA. Mr. Speaker, it is my pleasure to yield 3 minutes to the distinguished gentleman from New York [Mr. SOLOMON], the chairman of the Committee on Rules and a real friend of veterans of this Nation.

Mr. SOLOMON. I thank the gentleman for yielding time to me, Mr. Speaker, and I also want to commend him and the gentleman from Virginia [Mr. MORAN], the gentleman for Arizona [Mr. STUMP], the gentleman from Mississippi [Mr. MONTGOMERY], and the gentleman from Indiana [Mr. BUYER].

Mr. Speaker, let me just say to the chairman of the subcommittee that I served with his brother. He and I came here together. He was from the other side of the aisle, but I can say he was an outstanding member. He stood up and fought for the veterans of this Nation. I also served with him on the Committee on Foreign Affairs for 10 years as well, and he was an outstanding member.

Mr. Speaker, let me say there are some disturbing trends going on in this country and within this very Government with regard to veterans' employment. It is hard for me to believe and impossible to understand, but there is even more proof that veterans are being discriminated against when it comes to finding jobs. If Members do not believe it, just go out and ask any number of them.

That is why this bill is so terribly important. It provides some real teeth to the veterans' preference laws when it comes to hiring, when it comes to reductions in force, and promotions within the Federal Government. I commend the chairman of the subcommittee, the gentleman from Florida, Chairman MICA, for taking the time to recognize these real problems.

By defining failure to comply with these laws as a prohibited personnel practice, managers and supervisors who hire and fire throughout this Government will fully understand that this Congress is committed to helping our veterans readjust and reenter civilian life. Not only that, but this Government will finally have the added benefit of capitalizing on the invaluable service and experience American veterans have to offer.

I am also pleased because this bill will apply these veterans' preference laws to hiring within the White House and this Congress as well. I think we can all agree that the perspective of veterans is underrepresented these days. That is why we fought so hard to obtain the Department of Veterans' Affairs as a Cabinet-level secretary, to sit there next to the President when we are discussing these terribly vital issues.

Again, I want to commend the chairman for bringing this vital legislation to the floor. It is badly needed. One more time, I will just say that not only do veterans sacrifice when they put on that uniform, but they suffer financially as well. They are always 4 years behind their peers going to college, stepping into the civilian work force, and all through life they are penalized for that. This simply gives them a job preference to help them catch up a little bit. That is why it is so terribly important. I commend the gentlemen for bringing this to the floor.

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Mr. MORAN. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. FILNER], from the heartland of America's veterans who has fought his way into the hearts of all those veterans in his district.

Mr. FILNER. Mr. Speaker, I rise in strong support of H.R. 3586, the Veterans' Employment Opportunities Act of 1996. This bill would broaden and strengthen veterans' preference in Federal employment, and I congratulate JOHN MICA, chairman of the Government Reform Subcommittee on Civil Service, and JIM MORAN, the ranking member on that subcommittee, for developing this measure.

For too long our veterans have not had an effective means of redress when they believe their rights under civil service law have been violated. I am particularly pleased that section 4 of H.R. 3586 would correct this problem. I know that representatives from several of the veterans' service organizations, and Office of Personnel Management staff, helped design the appeal mechanism in H.R. 3586, and I want to thank all of them for their good, creative work on this issue.

It is important to point out that the civil service system has worked very well for veterans in recent years. For example, an average of 18.5 percent of new fulltime hires were veterans during fiscal years 1990, 1991, and 1992. During fiscal years 1993, 1994, and 1995, that figure increased by more than 50 percent to 31.1 percent. Nonetheless, even the best, most supportive system can be improved, and I urge my colleagues to support H.R. 3586.

Mr. MICA. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Virginia [Mr. DAVIS], also a member of our subcommittee and chairman of the Subcommittee on the District of Columbia of the Committee on Government Reform and Oversight.

Mr. DAVIS. I thank my friend for yielding me this time.

Mr. Speaker, I want to thank the gentleman from Florida [Mr. MICA] and the gentleman from Virginia [Mr. MORAN] for getting this bill in shape to bring it to the floor. This gives equal and expanded access for Federal jobs to veterans. It provides veterans who have been honorably discharged after 3 years equal access to compete for vacant positions. Such has not been the case in the past.

I think President Clinton put it well in his Memorial Day address this year at Arlington National Cemetery when he said: ''let us also remember to honor those who served in times of peace, who preserve the peace, protect our interests and project our values. Though they are the best-trained, best-equipped military in the world, they, too face their share of dangers.''

This legislation in section 2 will provide for those who are honorably discharged after 3 years of service that they cannot be prevented from competing for Government jobs because they do not have status or are nonemployees of the hiring agency.

This also removes artificial barriers that bar preference eligibles from competing for Federal jobs. It extends veterans preference to nonpolitical jobs at the White House and in the legislative and judicial branches.

It is important that we here set the example in the legislative branch and at the White House as well for the same kind of rules that we are applying throughout the Federal bureaucracy. It requires OPM to create and maintain a comprehensive list of all vacant position announcements inside and outside the employing agency.

There are also some special protections for veterans built into this when agencies are conducting reductions in force. This prevents agencies from stripping veterans of their preference during a RIF. It prohibits agencies from placing preference eligibles in single-position competitive levels. It provides enhanced assignment rights for preference eligibles, and it requires the Federal Aviation Administration to apply veterans preference in a reduction in force.

Finally, for the first time this establishes an effective user-friendly redress system for veterans who believe their rights have been violated. There is one thing we heard in the testimony, that the current system is not working, it is not operating. I think the veterans groups have been working for years to get Congress to establish this system. This year under the leadership of the gentleman from Florida, Chairman MICA, we have brought it to the floor. I rise in support.

Mr. MICA. Mr. Speaker, I yield 3 minutes to the gentleman from Indiana [Mr. BUYER], the distinguished chairman of the Subcommittee on Education, Training, Employment and Housing of the Committee on Veterans' Affairs who has been a national leader for veterans.

Mr. BUYER. Mr. Speaker, I want to thank the chairman personally. There has been work from my subcommittee and his subcommittee on this issue. I want to congratulate the chairman; also Mr. MORAN, the ranking member; and all members of the subcommittee for what I view are magnificent works for this very important piece of legislation.

Mr. Speaker, I had the honor of testifying before the chairman's committee. I am doubly pleased that some of the points brought out from the hearing are in fact in this bill. It was a joy to work with the chairman.

Mr. Speaker, the gentleman from Arizona [Mr. STUMP], the chairman of the Committee on Veterans' Affairs, has already addressed some of the important provisions with regard to discriminated or aggrieved veterans, they need a recourse for their grievances, and that of a new administrative and judicial method for veterans to pursue their employment claims.

I also want to lay out some facts. I know that the gentleman from Virginia [Mr. MORAN] had said that some of those criticisms with regard to the administration are unfounded.

To those who feel that veterans do not need protections provided to them in this bill, let me just quote an internal memo from Postmaster General Mr.. Marvin Runyon to his Board of Governors. Mr. Runyon stated that veterans preference will ''have a detrimental impact on the Postal Service.'' It will ''tie our hands''; and it would ''be costly and make our personnel decisions more difficult and onerous.''

Finally, recognizing the average American's support for veterans, he says, ''This is a difficult issue to oppose publicly, especially in an election year.''

That is the Postmaster General. We could go down the line, I guess, perhaps, and talk about others.

The Postmaster, though, almost got it right, but I would offer this: I would say that this is an issue that should never be opposed, whether it is an election year or not. Veterans preference must remain the cornerstone of Federal employment simply because it is the right thing to do and it is an earned benefit. Veterans preference knows no color or gender or ethnic origin, whether a person is a Christian, a Jew, a Muslim, or even an atheist. It is based on what is becoming a novel idea in the country, and it should not be, but a willingness to sacrifice one's life for the country.

I challenge anyone to point out a more appropriate group of citizens to receive some small advantage in securing and maintaining Federal employment. This bill will do much to reverse what I call a growing antiveteran culture among the bureaucrats.

There is no doubt that women and minorities have long suffered employment discrimination in both the Federal and private sector. I am proud to note that our military forces have been in the forefront of promoting women and minorities among all ranks. But it is time for Federal hiring managers to put veterans first and stop balancing the scales of the goals of diversity on the backs of veterans.

I would also note that some statistics were quoted for 1990, 1991, and 1992 and we are saying, we have increased veterans hiring in 1993, 1994, and 1995. I think America should recognize that that was over the same time period that we brought down our military forces by over 27 percent. Let us be careful in the cheerleading.

Mr. Speaker, I want to thank both gentlemen for their work on this bill. It is a very good bill.

Mr. MORAN. Mr. Speaker, I yield myself such time as I may consume to respond to the gentleman's points.

As I said in my comments, this should not be a political issue. There is bipartisan support for this bill as there always has been for veterans preference and veterans benefits. The point was made that Mr. Runyon, the head of the Postal Service, had criticisms of this bill. But I would inform the gentleman from Indiana that Mr. Runyon is not a presidential appointee. He is not a Clinton appointee. There is no Clinton appointee who has said anything of the like.

The reality is that the decline in veterans preferential hiring occurred during the 1980's. Since the gentleman has brought the issue up, since the Clinton administration took over, it has increased from 26 percent to 33 percent. Those are facts. But the major, overwhelming fact is that there simply are not as many veterans around, the average age is 59, for obvious reasons, because that is when most people fought in World War II and the Korean War; so you are going to have a decline.

What matters is the percentage of new hires. Since the Clinton administration took over, one out of every three new hires is a veteran.

I just do not think we can support those numbers. I feel compelled to take some issue with the point that the gentleman attempted to make.

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

Mr. MICA. Mr. Speaker, I yield 1 minute to the gentleman from Indiana [Mr. BUYER].

Mr. BUYER. Mr. Speaker, just to respond to my colleague from Virginia, I lay the blame for a lot of this at the feet of a culture within the bureaucracy, whether it is a political appointee or not a political appointee. That is what this bill is trying to get at.

I do recall in the hearing in testimony before the gentleman that there were only 4 percent of the hirings of veterans in the Executive Office of the President. When the President makes a decision for powers and influence of positions and they are going not to veterans, then I have a concern and a fear of what that means down range into the bureaucratic culture.

I lay the blame at the bureaucracies, whether it is a political appointee or not. I think this is a good bill, and I appreciate the work on the bill by the gentleman from Virginia [Mr. MORAN].

Mr. MORAN. Mr. Speaker, I yield myself such time as I may consume, just to say I do agree with the gentleman who just spoke that this is a good and appropriate bill.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

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

Mr. Speaker, in closing I want to again thank many individuals, the gentleman from Virginia [Mr. MORAN], the gentleman from Indiana [Mr. BUYER], the gentleman from Arizona [Mr. STUMP], the gentleman from New York [Mr. SOLOMON], the gentleman from Pennsylvania [Mr. FOX], and all those others who have provided leadership and cooperation so that we could make this bill a reality.

Mr. Speaker, the Veterans' Employment Opportunities Act of 1996 provides much needed protection to our veterans. It provides an effective redress system, and it expands job opportunities for those who have served this Nation honorably in our Armed Forces. I urge my colleagues to join me in passing this important bill today.

Finally, Mr. Speaker, I would like to recognize the service of the distinguished gentleman from Mississippi, Mr. SONNY MONTGOMERY, who will be leaving this body soon. He has chaired the Committee on Veterans' Affairs over many years and led the Nation's efforts to recognize and serve its veterans.

Mr. Speaker, I urge again the passage of this legislation for all our veterans.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. EWING). The question is on the motion offered by the gentleman from Florida [Mr. MICA] that the House suspend the rules and pass the bill, H.R. 3586, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MICA. 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. 3586.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

VETERANS' HEALTH CARE ELIGIBILITY REFORM ACT OF 1996

Mr. STUMP. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3118) to amend title 38, United States Code, to reform eligibility for health care provided by the Department of Veterans Affairs, as amended.

The Clerk read as follows:

H.R. 3118

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

SECTION 1. SHORT TITLE; REFERENCES TO TITLE 38, UNITED STATES CODE.

(a) SHORT TITLE.—This Act may be cited as the ''Veterans' Health Care Eligibility Reform Act of 1996''.

(b) REFERENCES TO TITLE 38, 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 repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

SEC. 2. HOSPITAL CARE AND MEDICAL SERVICES.

(a) ELIGIBILITY FOR CARE.—Section 1710(a) is amended by striking out paragraphs (1) and (2) and inserting the following:

''(a)(1) The Secretary shall, to the extent and in the amount provided in advance in appropriations Acts for these purposes, provide hospital care and medical services, and may provide nursing home care, which the Secretary determines is needed to any veteran—

''(A) with a compensable service-connected disability;

''(B) whose discharge or release from active military, naval, or air service was for a compensable disability that was incurred or aggravated in the line of duty;

''(C) who is in receipt of, or who, but for a suspension pursuant to section 1151 of this title (or both a suspension and the receipt of retired pay), would be entitled to disability compensation, but only to the extent that such veteran's continuing eligibility for such care is provided for in the judgment or settlement provided for in such section;

''(D) who is a former prisoner of war;

''(E) of the Mexican border period or of World War I;

''(F) who was exposed to a toxic substance, radiation, or environmental hazard, as provided in subsection (e); and

''(G) who is unable to defray the expenses of necessary care as determined under section 1722(a) of this title.

''(2) In the case of a veteran who is not described in paragraph (1), the Secretary may, to the extent resources and facilities are available and subject to the provisions of subsection (f), furnish hospital care, medical services, and nursing home care which the Secretary determines is needed.''.

(b) CONFORMING AMENDMENTS.—(1) Section 1710(e) is amended—

(A) in paragraph (1), by striking out ''hospital care and nursing home care'' in subparagraphs (A), (B), and (C) and inserting in lieu thereof ''hospital care, medical services, and nursing home care'';

(B) in paragraph (2), by inserting ''and medical services'' after ''Hospital and nursing home care''; and

(C) by striking out ''subsection (a)(1)(G) of this section'' each place it appears and inserting in lieu thereof ''subsection (a)(1)(F)''.

(2) Chapter 17 is amended—

(A) by redesignating subsection (g) of section 1710 as subsection (h); and

(B) by transferring subsection (f) of section 1712 to section 1710 so as to appear after subsection (f), redesignating such subsection as subsection (g), and amending such subsection by striking out ''section 1710(a)(2) of this title'' in paragraph (1) and inserting in lieu thereof ''subsection (a)(2) of this section''.

(3) Section 1712 is amended—

(A) by striking out subsections (a) and (i); and

(B) by redesignating subsections (b), (c), (d), (h) and (j), as subsections (a), (b), (c), (d), and (e), respectively.

SEC. 3. PROSTHETICS.

(a) ELIGIBILITY FOR PROSTHETICS.—Section 1701(6)(A)(i) is amended—

(1) by striking out ''(in the case of a person otherwise receiving care or services under this chapter)'' and ''(except under the conditions described in section 1712(a)(5)(A) of this title),'';

(2) by inserting ''(in the case of a person otherwise receiving care or services under this chapter)'' before ''wheelchairs,''; and

(3) by inserting ''except that the Secretary may not furnish sensori-neural aids other than in accordance with guidelines which the Secretary shall prescribe,'' after ''reasonable and necessary,''.

(b) REGULATIONS.—Not later than 30 days after the date of the enactment of this Act, the Secretary of Veterans Affairs shall prescribe the guidelines required by the amendments made by subsection (a) and shall furnish a copy of those guidelines to the Committees on Veterans' Affairs of the Senate and House of Representatives.

SEC. 4. MANAGEMENT OF HEALTH CARE.

(a) IN GENERAL.—(1) Chapter 17 is amended by inserting after section 1704 the following new sections:

''§ 1705. Management of health care: patient enrollment system

''(a) In managing the provision of hospital care and medical services under section 1710(a)(1) of this title, the Secretary, in accordance with regulations the Secretary shall prescribe, shall establish and operate a system of annual patient enrollment. The Secretary shall manage the enrollment of veterans in accordance with the following priorities, in the order listed:

''(1) Veterans with service-connected disabilities rated 30 percent or greater.

''(2) Veterans who are former prisoners of war and veterans with service-connected disabilities rated 10 percent or 20 percent.

''(3) Veterans who are in receipt of increased pension based on a need of regular aid and attendance or by reason of being permanently housebound and other veterans who are catastrophically disabled.

''(4) Veterans not covered by paragraphs (1) through (3) who are unable to defray the expenses of necessary care as determined under section 1722(a) of this title.

''(5) All other veterans eligible for hospital care, medical services, and nursing home care under section 1710(a)(1) of this title.

''(b) In the design of an enrollment system under subsection (a), the Secretary—

''(1) shall ensure that the system will be managed in a manner to ensure that the provision of care to enrollees is timely and acceptable in quality;

''(2) may establish additional priorities within each priority group specified in subsection (a), as the Secretary determines necessary; and

''(3) may provide for exceptions to the specified priorities where dictated by compelling medical reasons.

''§ 1706. Management of health care: other requirements

''(a) In managing the provision of hospital care and medical services under section 1710(a) of this title, the Secretary shall, to the extent feasible, design, establish and manage health care programs in such a manner as to promote cost-effective delivery of health care services in the most clinically appropriate setting.

''(b) In managing the provision of hospital care and medical services under section 1710(a) of this title, the Secretary—

''(1) may contract for hospital care and medical services when Department facilities are not capable of furnishing such care and services economically, and

''(2) shall make such rules and regulations regarding acquisition procedures or policies as the Secretary considers appropriate to provide such needed care and services.

''(c) In managing the provision of hospital care and medical services under section 1710(a) of this title, the Secretary shall ensure that the Department maintains its capacity to provide for the specialized treatment and rehabilitative needs of disabled veterans described in section 1710(a) of this title (including veterans with spinal cord dysfunction, blindness, amputations, and mental illness) within distinct programs or facilities of the Department that are dedicated to the specialized needs of those veterans in a manner that (1) affords those veterans reasonable access to care and services for those specialized needs, and (2) ensures that overall capacity of the Department to provide such services is not reduced below the capacity of the Department, nationwide, to provide those services, as of the date of the enactment of this section.

''(d) In managing the provision of hospital care and medical services under section 1710(a) of this title, the Secretary shall ensure that any veteran with a service-connected disability is provided all benefits under this chapter for which that veteran was eligible before the date of the enactment of this section.''.

(2) The table of sections at the beginning of chapter 17 is amended by inserting after the item relating to section 1704 the following new items:

''1705. Management of health care: patient enrollment system.
''1706. Management of health care: other requirements.''.

(b) CONFORMING AMENDMENTS TO SECTION 1703.—(1) Section 1703 is amended—

(A) by striking out subsections (a) and (b); and

(B) in subsection (c) by—

(i) striking out ''(c)'', and

(ii) striking out ''this section, sections'' and inserting in lieu thereof ''sections 1710,''.

(2)(A) The heading of such section is amended to read as follows:

''§ 1703. Annual report on furnishing of care and services by contract''.

(B) The item relating to such section in the table of sections at the beginning of chapter 17 is amended to read as follows:

''1703. Annual report on furnishing of care and services by contract.''.

SEC. 5. IMPROVED EFFICIENCY IN HEALTH CARE RESOURCE MANAGEMENT.

(a) REPEAL OF SUNSET PROVISION.—Section 204 of the Veterans Health Care Act of 1992 (Public Law 102–585; 106 Stat. 4950) is repealed.

(b) COST RECOVERY.—Title II of such Act is further amended by adding at the end the following new section:

''SEC. 207. AUTHORITY TO BILL HEALTH-PLAN CONTRACTS.

''(a) RIGHT TO RECOVER.—In the case of a primary beneficiary (as described in section 201(2)(B)) who has coverage under a health-plan contract, as defined in section 1729(i)(1)(A) of title 38, United States Code, and who is furnished care or services by a Department medical facility pursuant to this title, the United States shall have the right to recover or collect charges for such care or services from such health-plan contract to the extent that the beneficiary (or the provider of the care or services) would be eligible to receive payment for such care or services from such health-plan contract if the care or services had not been furnished by a department or agency of the United States. Any funds received from such health-plan contract shall be credited to funds that have been allotted to the facility that furnished the care or services.

''(b) ENFORCEMENT.—The right of the United States to recover under such a beneficiary's health-plan contract shall be enforceable in the same manner as that provided by subsections (a)(3), (b), (c)(1), (d), (f), (h), and (i) of section 1729 of title 38, United States Code.''.

SEC. 6. SHARING AGREEMENTS FOR HEALTH CARE RESOURCES.

(a) REPEAL OF SECTION 8151.—(1) Subchapter IV of chapter 81 is amended—

(A) by striking out section 8151; and

(B) by redesignating sections 8152, 8153, 8154, 8155, 8156, 8157, and 8158 as sections 8151, 8152, 8153, 8154, 8155, 8156, and 8157, respectively.

(2) The table of sections at the beginning of such chapter is amended—

(A) by striking out the item relating to section 8151; and

(B) by revising the items relating to sections 8152, 8153, 8154, 8155, 8156, 8157, and 8158 to reflect the redesignations by paragraph (1)(B).

(b) REVISED AUTHORITY FOR SHARING AGREEMENTS.—Section 8152 (as redesignated by subsection (a)(1)(B)) is amended—

(1) in subsection (a)(1)(A)—

(A) by striking out ''specialized medical resources'' and inserting in lieu thereof ''health-care resources''; and

(B) by striking out ''other'' and all that follows through ''medical schools'' and inserting in lieu thereof ''any medical school, health-care provider, health-care plan, insurer, or other entity or individual'';

(2) in subsection (a)(2) by striking out ''only'' and all that follows through ''are not'' and inserting in lieu thereof ''if such resources are not, or would not be,'';

(3) in subsection (b), by striking out ''reciprocal reimbursement'' in the first sentence and all that follows through the period at the end of that sentence and inserting in lieu thereof ''payment to the Department in accordance with procedures that provide appropriate flexibility to negotiate payment which is in the best interest of the Government.'';

(4) in subsection (d), by striking out ''preclude such payment, in accordance with—'' and all that follows through ''to such facility therefor'' and inserting in lieu thereof ''preclude such payment to such facility for such care or services'';

(5) by redesignating subsection (e) as subsection (f); and

(6) by inserting after subsection (d) the following new subsection (e):

''(e) The Secretary may make an arrangement that authorizes the furnishing of services by the Secretary under this section to individuals who are not veterans only if the Secretary determines—

''(1) that such an arrangement will not result in the denial of, or a delay in providing access to, care to any veteran at that facility; and

''(2) that such an arrangement—

''(A) is necessary to maintain an acceptable level and quality of service to veterans at that facility; or

''(B) will result in the improvement of services to eligible veterans at that facility.''.

(c) CROSS-REFERENCE AMENDMENTS.—(1) Section 8110(c)(3)(A) is amended by striking out ''8153'' and inserting in lieu thereof ''8152''.

(2) Subsection (b) of section 8154 (as redesignated by subsection (a)(1)(B)) is amended by striking out ''section 8154'' and inserting in lieu thereof ''section 8153''.

(3) Section 8156 (as redesignated by subsection (a)(1)(B)) is amended—

(A) in subsection (a), by striking out ''section 8153(a)'' and inserting in lieu thereof ''section 8152(a)''; and

(B) in subsection (b)(3), by striking out ''section 8153'' and inserting in lieu thereof ''section 8152''.

(4) Subsection (a) of section 8157 (as redesignated by subsection (a)(1)(B)) is amended—

(A) in the matter preceding paragraph (1), by striking out ''section 8157'' and ''section 8153(a)'' and inserting in lieu thereof ''section 8156'' and ''section 8152(a)'', respectively; and

(B) in paragraph (1), by striking out ''section 8157(b)(4)'' and inserting in lieu thereof ''section 8156(b)(4)''.

SEC. 7. PERSONNEL FURNISHING SHARED RESOURCES.

Section 712(b)(2) is amended—

(1) by striking out ''the sum of—'' and inserting in lieu thereof ''the sum of the following:'';

(2) by capitalizing the first letter of the first word of each of subparagraphs (A) and (B);

(3) by striking out ''; and'' at the end of subparagraph (A) and inserting in lieu thereof a period; and

(4) by adding at the end the following:

''(C) The number of such positions in the Department during that fiscal year held by persons involved in providing health-care resources under section 8111 or 8152 of this title.''.

SEC. 8. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated for the Department of Veterans Affairs for the Medical Care account, for the purposes specified for that account in Public Law 103–327 (108 Stat. 2300), including the cost of providing hospital care and medical services under the amendments made by section 2, not to exceed $17,250,000,000 for fiscal year 1997 and not to exceed $17,900,000,000 for fiscal year 1998.

SEC. 9. REPORT ON IMPLEMENTATION AND OPERATION.

(a) REPORT REQUIRED.—In carrying out sections 2, 3, and 4 (including the amendments made by those sections), the Secretary of Veterans Affairs shall establish information systems to assess, and, not later than March 1, 1998, shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives, a report reflecting the experience of the Department during fiscal year 1997 on—

(1) the effect of implementation of, and provision and management of care under, sections 2, 3, and 4, on demand for health care services from the Department of Veterans Affairs by veterans described in section 1710(a)(1), as amended by section 2;

(2) any differing patterns of demand on the part of such veterans relating to such factors as relative distance from Department facilities and prior experience, or lack of experience, as recipients of care from the Department;

(3) the extent to which the Department has met such demand for care; and

(4) changes in health-care delivery patterns in Department facilities and the fiscal impact of such changes.

(b) MATTERS TO BE INCLUDED.—The report under subsection (a) shall include detailed information with respect to fiscal year 1997 regarding the following:

(1) The number of veterans enrolled for care at each Department medical facility and, of those veterans, the number enrolled at each such facility who had not received care from the Department during the preceding three fiscal years.

(2) With respect to those veterans who had not received care from the Department during the three preceding fiscal years, the total cost of providing care to those veterans, shown in total and separately (A) by level of care, and (B) by reference to whether care is

furnished in Department facilities or under contract arrangements.

(3) With respect to the number of veterans described in section 1710(a)(1), as amended by this Act, who applied for health care from the Department during fiscal year 1997—

(A) the number who applied for care (shown in total and separately by facility);

(B) the number who were denied enrollment (shown in total and separately by facility); and

(C) the number who were denied care which was considered to be medically necessary but not of an emergency nature (shown in total and separately by facility).

(4)(A) The numbers and characteristics of, and the type and extent of health care furnished to, veterans enrolled for care (shown in total and separately by facility).

(B) The numbers and characteristics of, and the type and extent of health care furnished to, veterans not enrolled for care (shown separately by reference to each class of eligibility, both in total and separately by facility.

(5) The specific fiscal impact (shown in total and by geographic health-care delivery areas) of changes in delivery patterns instituted under the amendments made by this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Arizona [Mr. STUMP] and the gentleman from Mississippi [Mr. MONTGOMERY] each will control 20 minutes.

The Chair recognizes the gentleman from Arizona [Mr. STUMP].

GENERAL LEAVE

Mr. STUMP. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on this bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

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

(Mr. STUMP asked and was given permission to revise and extend his remarks.)

Mr. STUMP. Mr. Speaker, H.R. 3118, the Veterans' Health Care Eligibility Reform Act of 1996, is hopefully the first step toward overhauling the confusing eligibility requirements currently confronting our veterans. This bipartisan legislation will move the VA away from its expensive focus on inpatient care to a more accessible and cost effective primary and outpatient means of delivering health care. Eligibility reform has been the top priority of the Committee on Veterans' Affairs in the 104th Congress. We have worked very hard to make this bill as budget neutral as possible.

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The VA committee, as well as the Department of Veterans Affairs, believes the bill can be implemented without the need for additional funds. However, the Congressional Budget Office disagrees and estimates that if fully funded, H.R. 3118 would result in increased demand for VA health care.

Mr. Speaker, the bill is already subject to annual appropriations since the VA health care is a discretionary spending program. In order to further address CBO estimates and assure members of the Committee on Veterans' Affairs budget-neutral intent, we are adding provisions that will place a ceiling on authorized levels for VA health care for fiscal years 1997 and 1998.

Mr. Speaker, I want to thank the leadership and particularly the gentleman from New York [Mr. SOLOMON], the chairman of the Committee on Rules, the gentleman from Ohio [Mr. KASICH], chairman of the Committee on the Budget, for their assistance in getting this bill to the floor today.

Mr. Speaker, H.R. 3118 may be the final bill brought to the floor of the House by the Committee on Veterans' Affairs during the 104th Congress. I must take just a moment to express my deep appreciation and sincere thanks to my good friend, the gentleman from Mississippi, SONNY MONTGOMERY, the ranking member of the full committee for his work on this committee and on this measure.

Mr. Speaker, without the leadership of SONNY MONTGOMERY on veterans issues over the past 30 years, this country would not have fulfilled its obligations to our veterans of military service the way they have. The commitment and dedication of Mr. MONTGOMERY to the men and women serving in our armed services has rightfully earned him the title ''Mr. Veteran''.

The members of the Committee on National Security and the Committee on Veterans' Affairs will miss him energetic support for those individuals wearing our country's uniforms and for those who have worn it. I will personally miss his friendship and counsel over the many years that we have served together in this body. We wish this great legislator well in all his future endeavors.

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

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

I certainly want to thank my chairman, the gentleman from Arizona, BOB STUMP, for those very kind and warm words. We have had a wonderful working relationship and great friendship. To BOB STUMP and to the whole committee, we have been nonpartisan, and we are very proud of that, Mr. Speaker. Our bottom line is to help the veterans, and BOB STUMP has been right there with us all the way, and I thank him again for those very, very kind remarks, and I hope that they will remember us some 4 or 5 years from now when we are out somewhere else.

Mr. Speaker, representatives of the major national veterans organizations have told us that their top legislative priority is enactment of legislation to reform the VA health care eligibility rules. Working on a bipartisan basis, we have put a lot of effort into this, Mr. Speaker, and I congratulate, again, the chairman, Mr. STUMP, on bringing an excellent bill to the floor, H.R. 3138. It has been endorsed by virtually all the major veterans organizations.

We know that the reforms the veterans' groups had proposed would go further than we do today, but they do agree that this bill is a big step forward.

I wish, Mr. Speaker, we could do more, but some other committees of the House could object and we need to get what we can on eligibility out for the veterans.

My good friend and our chairman, BOB STUMP, as well as the gentleman from Arkansas, TIM HUTCHINSON, the chairman of the Subcommittee on Hospitals and Health Care, and the gentleman from Texas, CHET EDWARDS, the subcommittee's ranking member, have really put a lot of time into developing this important bill and ensuring that it met the concerns of the veterans.

Our committee's work on eligibility reform actually started before the 104th Congress, and I particularly want to acknowledge the outstanding oversight work on this subject done by my very able colleague, the gentleman from Illinois, LANE EVANS, who chaired our former Subcommittee on Oversight and Investigations.

Mr. Speaker, this bill would reform outdated eligibility laws that would make it easier to go to outpatient clinics and take care of these veterans at less cost and more veterans would be eligible to use our medical facilities. It would simplify rules which are so complex that even the VA doctors are often confused over who is eligible for what. It would give VA for the first time clear authority to plan for and provide treatment to veterans based simply on meeting their medical needs.

This legislation, Mr. Speaker, also has the support of the Department of Veterans Affairs, which recognizes the need for change and has urged us to give them the authority to improve the way they do business. I think this bill would give VA important tools to provide the kind of care we owe our veterans and to do it in an efficient and effective manner.

Mr. Speaker, In adopting eligibility reform legislation, we are remedying longstanding problems and addressing a long-sought need for change. In pursuing eligibility reform as a goal, however, some have had very lofty expectations of what such reform would achieve. Such high expectations have led some advocates to blur the distinction between eligibility reform and funding reform. H.R. 3118 does not attempt to change the manner in which VA medical care is funded. In contrast, committee amendments to H.R. 3600, 103d Congress, the President's national health care reform bill, would have converted funding for VA health care from discretionary to mandatory funding. H.R. 3118's more modest target does not reflect, on this Member's part, a belief that those broader objectives should be abandoned.

H.R. 3118 has, however, sparked isolated criticism, largely related to what it does not attempt to do. Those criticism warrant acknowledgment.

The most common criticism of this legislation has focused on language which, in

amending section 1710(a) of title 38, U.S. Code, qualifies the VA's obligation to provide hospital care and medical services, stating that VA shall provide care ''to the extent and in the amount provided in advance in appropriations Acts for these purposes.'' In essence this language limits VA medical care spending under the bill to the availability of appropriations. VA health care, however, is currently subject to appropriations; this language does not change that fact.

H.R. 3118 aims to improve statutory eligibility rules which have been attacked for years as badly in need of reform. Under those rules, for example, most nonservice-connected veterans are not even eligible for routine outpatient treatment and generally are eligible for home health care or prosthetics only if they have been hospitalized. This bill would remedy these and other barriers to VA's providing medically needed care. The bill's supporters including most veterans organizations, have described H.R. 3118 as an important step forward, but the bill has never been represented as a solution to all the challenges facing VA. For those of us who believe that the wisest legislative strategy is to make as much progress as you can, when you can, achieving substantial, positive reform of VA health care eligibility laws is a good first step.

With respect to funding, the bill has been attacked on the basis that if funding levels are not sufficient, veterans will be denied care. Unfortunately, inadequate funding levels would have that same effect whether or not H.R. 3118 were enacted, just as they have had in the past.

One critic has expressed concerns that veterans would lose access to VA care by virtue of a provision of the bill requiring establishment and implementation of an enrollment system. In fact, the bill does not specify how that system must work, but allows VA to design a workable system. That system should enhance VA's ability to plan for and effectively serve patients, while providing sufficient flexibility so as not to disenfranchise its most vulnerable and needy veterans. The report on the bill clarifies that the provision is flexible and would allow VA ''to establish an enrollment system which simply registers patients throughout all or part of a fiscal year.'' In fact, the aim of this legislation is to improve veterans' access to VA care. Its drafting reflects an understanding that VA is very much a safety net, serving, for example, a substantial population of veterans with serious mental illness. The bill does not envision that such veterans can necessarily be expected to respond to requests to enroll for care within a time-limited registration period; the drafting of the bill assumes that an enrollment system would be designed, whether through provision for exceptions or otherwise, with such patients in mind.

Finally, the bill has also sparked criticism based on a view that the priorities for enrollment reflected in the legislation are inequitable and unacceptable because 10 and 20 percent service-connected veterans are not included in the highest priority classification. This view fails to take account of the fact that under existing law—38 U.S.C. section 1712(i)—less than 30 percent service-connected veterans have been second in line for care since 1988, when Congress moved them up from third in line in a statutory treatment priority system, where they had been since 1976.

Overall, the voices of criticism have been very few, and have been overwhelmingly drowned out by those in support. It is important, nevertheless, to set the record straight. In short, Mr. Speaker, this is an excellent bill.

Mr. Speaker, I include for the RECORD a letter dated July 26, 1996, from an organization entitled the Independent Budget.

THE INDEPENDENT BUDGET,
Washington, DC, July 26, 1996.

Hon. G.V. MONTGOMERY,
House of Representatives, Rayburn House Office Bldg., Washington, DC.

DEAR REPRESENTATIVE MONTGOMERY: We are writing to request your strong support for H.R. 3118, ''The Veterans' Health Care Eligibility Reform Act of 1996.'' The bill is scheduled to be brought to the House Floor on Tuesday, July 30, 1996.

Our organizations represent the authors and endorsers of ''The Independent Budget'', an annual review of budget and policy matters affecting the benefits and services of the Department of Veterans Affairs. Reforming the VA health care system's arcane and inefficient eligibility rules has been a top priority of our organizations for many years.

Current VA eligibility rules dictate what type of services a veteran will receive based on an overly complex system of categorical classifications, such as degree of disability, income, or type of veteran service or status. These eligibility rules give little regard to what would be the best, the most cost effective or the most appropriate venue required to provide the full range of health services a veteran needs. Such disjointed services are both inconvenient and unwarrantedly expensive.

The reforms provided for in H.R. 3118, would, for the first time, give VA health care providers the ability to provide the full range of appropriate health care services to eligible veterans utilizing the most cost effective and efficient methods of modern medical practice.

We consider passage of H.R. 3118 to be one of our highest priorities for the 104th Congress.

Thank you for your consideration.

Sincerely,

Kenneth E. Wofford, National Commander, AMVETS; Thomas A. McMasters III, National Commander, Disabled American Veterans; Carroll M. Fyffe, National Commander, Military Order of the Purple Heart; Richard Grant, National President, Paralyzed Veterans of America; James L. Brazee, Jr., National President, Vietnam Veterans of America, Inc.; Richard G. Fazakerley, Maj. Gen. (Ret.), National President, Blinded Veterans Association; Neil Goldman, National Commander, Jewish War Veterans of the USA; Charles R. Jackson, President, Non Commissioned Officers Association; Paul A. Spera, Commander-in-Chief, Veterans of Foreign Wars of the United States.

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

Mr. STUMP. Mr. Speaker, I yield myself such time as I may consume to also thank the gentleman from Arkansas, TIM HUTCHINSON, Chairman of the Subcommittee on Hospitals and Health Care, and the gentleman from Texas, CHET EDWARDS, the ranking member on that subcommittee, for all their hard work not only on this bill, but for both their cooperation and hard work for carrying the major loads for this committee for this year.

Mr. Speaker, I yield such time as he may consume to the gentleman from Arkansas [Mr. HUTCHINSON].

Mr. HUTCHINSON. Mr. Speaker, I thank the chairman for yielding me this time, and I want to join the chairman in expressing, once again, to the gentleman from Mississippi, SONNY MONTGOMERY, how much he will be missed in this Chamber and in this House. This is the last bill that the committee will bring to the floor this year and it is an appropriate time.

My predecessor, John Paul Hammerschmidt, regarded no one higher and no one closer to him during his 26 years of service in the House than his relationship with SONNY MONTGOMERY. He would come back to Arkansas many times and lauding the achievements of Chairman MONTGOMERY and his advocacy on behalf of veterans. All I can say today is, the half was not told.

I have enjoyed the last 4 years getting to know the gentleman and I wish to tell him he certainly will be missed.

Mr. Speaker, today is indeed a historic day for America's veterans, for it marks the end of a 10-year quest to streamline eligibility for veterans' health care. Under the leadership of Chairman BOB STUMP and in the true spirit of bipartisanship demonstrated by the ranking members of the full committee and subcommittee, SONNY MONTGOMERY and CHET EDWARDS, the Veterans' Affairs Committee has taken the first major step to move the delivery of veterans' health care into the 21st century.

The Veterans' Health Care Eligibility Reform Act of 1996, while not the panacea for all the ills of VA health care, is the first step in the rational transformation of the arcane eligibility provisions which have literally crippled the delivery of VA health services and have left patients feeling cheated and confused. The bill substitutes a single, streamlined eligibility provision—based on clinical need for care—for the complex array of disparate rules currently governing eligibility for hospital and outpatient care. In doing so, it would lift restrictions on VA's providing ambulatory treatment. Those restrictions currently tie many veterans' eligibility for outpatient treatment to determinations that are medically uninterpretable such as ''to obviate the need for hospital admission.'' The application of these medically indefinable standards have contributed to relative disparities in different areas of the country as veterans attempted to access VA health care.

Understanding that this bill is the first of many steps to come in improving veterans' health care, it also contains a number of other important provisions. The bill eliminates restrictions on prosthetic devices but does not turn VA into a drugstore for such devices as hearing aids and eyeglasses. It requires VA to manage the provision of hospital care and medical services through an enrollment system according to a series of priorities. The bill refocuses our

time-honored commitment to service-connected care while allowing the VA to manage care for those veterans with lesser means who depend upon the VA as their health care safety net.

Other important provisions expand operational flexibility by enabling the VA to contract for hospital care and medical services to increase the cost-effective provision of care and services. The bill expands VA's authority to execute sharing agreements by permitting any medical resource to be provided under a contractual agreement with any entity. It also authorizes flexibility in the establishment of payment levels and exempts the personnel involved in providing services under such arrangements from personnel hiring limits. This exemption should be very helpful as VA seeks to participate to a greater extent with TRICARE and other managed care programs.

An important consideration of this bill is that it offers protection of specialized services by directing the VA to maintain its capacity to provide for the specialized treatment and rehabilitation of disabled veterans within distinct programs and facilities dedicated to the specialized needs of veterans.

In closing I would like to address the controversial cost estimate placed on this bill by the Congressional Budget Office, an estimate that we have strongly refuted with a committee cost estimate. To further ensure budget neutrality of the bill, it has been amended to include not only subject to appropriations language but a 2-year cap on the authorization for the medical care appropriation.

Eligibility reform, in my view, is as significant a piece of legislation as the G.I. bill. I urge my colleagues to show their support of veterans by supporting H.R. 3118, the Veterans' Health Care Eligibility Reform Act of 1996.

Mr. MONTGOMERY. Mr. Speaker, I yield myself such time as I may consume to thank the gentleman from Arkansas, TIM HUTCHINSON, for his very, very kind remarks. We have certainly enjoyed having him in the 4 years he has been on our committee. I would ask him to please tell John Paul Hammerschmidt I said hello.

Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from Texas, Mr. CHET EDWARDS.

Mr. EDWARDS. Mr. Speaker, because of our Nation's veterans, America won the cold war; because of our Nation's veterans, today we are the superpower in the world; and because of them our children today live in a safer world. This bill, H.R. 3118, is an effort, a simple but important one, to say thank you to those men and women who have served our Nation in uniform and now need service in our Nation's Va hospitals.

This bill is a win-win. It is a win for veterans who will receive better care because of this legislation, and it is a win for our Nation's taxpayers because it will see that their limited resources are used more efficiently and effectively on behalf of our Nation's veterans.

Basically, this bill does two things. It simplifies rules for VA health care, eligibility rules that perhaps are as complicated as the IRS Tax Code. By simplifying them, we will have a fairer and better system for our veterans. Second, it will facilitate effective and efficient outpatient care for our Nation's veterans.

Mr. Speaker, the Committee on Veterans' Affairs has worked for years to enact legislation that would achieve a comprehensive reform of VA health care laws. H.R. 3118 is not the final answer, but it is a very important first step. It does not remedy the serious funding challenges that the VA has faced. It does not guarantee that every veteran will get the care that they seek.

Comprehensive answers are beyond what we can accomplish in the few remaining days of this session. Nevertheless, this legislation is a bipartisan major step in the positive direction of serving our veterans.

It is important legislation. This bill dismantles the statutory barriers that have interfered with VA efforts to deliver appropriate care. It simplifies an overly complex set of eligibility rules. It expands veterans' access to routine outpatient care, to preventive services and needed prosthetic supplies. And by providing greater latitude for contracting, it gives the VA important new tools to manage care delivery more effectively.

While this bill will help the VA to streamline its health care delivery, it does provide very needed protection for some of the VA's most unique and potentially vulnerable programs. At a time that the VA must make every effort to reduce duplication and unnecessary expenditures, veterans have urged us to be especially vigilant to ensure that the VA maintains its vital specialized treatment and rehabilitation programs.

The bill gives specific recognition to these programs and would provide safeguards to ensure that the VA retains the capacity to serve the specialized needs of the spinal cord injured, the blind, the mentally ill, and other disabled veterans dependent on the VA's specialized care programs.

Our efforts in this bill to help the VA expand veterans' access to primary care services does not signal an intent to abandon needed though sometimes costly specialized treatment missions.

Finally, Mr. Speaker, I want to add to the comments of other colleagues on this floor. I want to add my deep and lasting gratitude to the gentleman from Mississippi [Mr. MONTGOMERY] for his many, many years of service to his country, both in uniform and here as a Member of Congress.

To the gentleman from Arizona, Mr. STUMP, the partner with Mr. MONTGOMERY for so many years now in fighting for our Nation's veterans, this legislation would not be on this floor without his leadership as chairman of the committee.

☐ 1345

To the gentleman from Arkansas [Mr. HUTCHINSON], the subcommittee chair who worked tirelessly with veterans service organizations and Members of this House on both sides of the aisle to help bring this bill to the floor, and finally and not least importantly I want to say thanks to the gentleman from New York [Mr. SOLOMON], the chairman of the Committee on Rules who helped see that this bill could come to the floor in a timely fashion, knowing that there is not much time left in this session of Congress and if we are to turn this from a bill into law we must move quickly. So my thanks go out to Chairman SOLOMON for his bringing this together.

Mr. Speaker, as with so much of the legislation for our Nation's veterans heralded and pushed through this House by the gentleman from Mississippi [Mr. MONTGOMERY] and the gentleman from Arizona [Mr. STUMP], there is not a big fight on this floor today. There is not a lot of people in the press gallery. Perhaps some think unless there is a fight, it is not important legislation. But, Mr. Speaker, I would suggest this is some of the most important legislation we have passed on behalf of veterans for a long, long time, and it is a credit to the leaders that I have mentioned in my last few comments that this is coming to the floor on a bipartisan basis.

What a shame it is that the country does not see the headlines, the articles, the news coverage when there is such a cooperative effort made in this House of Representatives. But more important than the news coverage is the fact that this legislation when passed into law will make life better for our Nation's veterans who served all of us.

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

Mr. Speaker, I thank the gentleman from Texas [Mr. EDWARDS] once again for all of his work and for his very kind remarks on the floor just now.

Mr. COLEMAN. Mr. Speaker, will the gentleman yield?

Mr. STUMP. I yield to the gentleman from Texas.

Mr. COLEMAN. Mr. Speaker, I only wanted to associate myself with the remarks of my colleague from Texas. I think all of us, particularly from that region of the country, as well as the gentleman from Arizona, understand the importance of the statements made by my colleague from Waco, TX, and I wanted to associate myself with his remarks, and I thank the gentleman for yielding.

Mr. STUMP. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from New York [Mr. SOLOMON], chairman of the Committee on Rules.

Mr. SOLOMON. Mr. Speaker, I cannot tell you how proud I am to stand up here today as one of the sponsors of this critical veterans legislation. I

commend the gentleman from Arizona [Mr. STUMP], the gentleman from Mississippi [Mr. MONTGOMERY], the gentleman from Arkansas [Mr. HUTCHINSON], and the gentleman from Texas [Mr. EDWARDS], and the entire Committee on Veterans' Affairs for their hard work in bringing this legislation to the floor.

Mr. Speaker, I served on that committee for 10 years. It was such a pleasure because it was a committee of comity. Everybody worked together for one common goal, and I commend my colleagues for it.

Mr. Speaker, VA eligibility reform has been a long, long time in the making, and that is why it is such a relief for the veterans community that we take this step here today. Ever since my days back in the Committee on Veterans' Affairs and as a ranking member of that body, alongside my good friend, the gentleman from Mississippi [Mr. MONTGOMERY], and the gentleman from Arizona [Mr. STUMP], eligibility reform has been one of our top priorities.

The reform bill we pass here today is a positive step in preserving the future of the VA and veterans' health care. No matter how you look at it Mr. Speaker, the fact remains that the veterans population is dwindling. That means that it is up to us here today, those of us who understand why it is absolutely critical that we protect the earned contractual benefits of all of our veterans, to pass these protections and to pass them into law.

H.R. 3118 I think is a great step toward streamlining health care delivery within the veterans department. It will provide the basis for constructing a system that will preserve the future of VA health care and continue the all-important guarantee of health care for America's deserving veterans, and that is something we have to guarantee down the road for our all-voluntary military.

Mr. Speaker, I urge my fellow veterans and all Members of Congress to pass this bill and finally put the process of reforming VA health care underway. Americas veterans will thank you.

Mr. Speaker, in closing, let me heap praise on the former chairman of this committee, SONNY MONTGOMERY. As a veteran myself, I know I speak for all of the veterans throughout this entire Nation in saying that we are grateful for everything that the gentleman from Mississippi has done all of these years. He is a great Congressman. He is a great American and, more than that, he is a great friend of mine, and I wish him the best in his retirement.

Mr. MONTGOMERY. Mr. Speaker, I yield myself 30 seconds.

Mr. Speaker, I apologize to the gentleman from New York for not getting all of those remarks, but thank him very much. I want to point out to my colleagues here today that the gentleman from New York, Mr. SOLOMON, and I did work with him, but he was the leader that got the Department of Veterans Affairs to be implemented and to become law, and I would like to say on account of JERRY and others that the veterans can go in the front door of the White House now where we used to have to go in the back door. In fact, we had an administrator of the veterans department that has to go through an individual in the White House to see what needed to be done for veterans. And now we have the Department of Veterans Affairs and Jesse Brown, who is a strong Secretary and going a good job in my opinion.

I thank CHET EDWARDS for what he said about us.

Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. FILNER].

Mr. FILNER. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, H.R. 3118, The Veterans' Health Care Eligibility Reform Act of 1966, is an important step toward improving health care for our Nation's veterans.

The veterans in my congressional district, the leaders of San Diego County's veterans community, and the representatives of national veterans organizations all agree that we need veterans' health care eligibility reform.

This bill will simplify the rules governing VA medical care. It will allow veterans to get outpatient service when that is more appropriate than inpatient care. This bill will allow the VA to treat veterans for less money, with the savings going for expanded services.

Veterans' health care eligibility reform is one of the first issues confronting me when I came to Congress in 1993, and I am proud to be a member of the Veterans Affairs Committee which has worked so hard on this bill.

I appreciate the work of Chairman BOB STUMP, ranking member SONNY MONTGOMERY, chairman of the Subcommittee on Hospitals and Health Care TIM HUTCHINSON, and Subcommittee ranking member CHET EDWARDS for their tireless efforts in developing H.R. 3118.

As you know, similar legislation passed the Senate Veterans' Affairs panel last week, which makes our vote today even more important. I urge my colleagues to join me in support of this bill.

If this is indeed the last bill that SONNY MONTGOMERY will be on the floor for, we also want to add our profuse gratitude for his friendship. I knew SONNY before any of you did, by the way. I worked with him before he was a Member of Congress, when he was a general in Mississippi. He taught us everything, and I think that the lasting, the greatest legacy that SONNY MONTGOMERY will have is that as much work as he did, there is still more work to be done for veterans, and he has trained us all, educated us all, and we will carry on the work that he has been so successful at and we will finish the job that he started.

Mr. STUMP. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois [Mr. WELLER], a member of the committee.

(Mr. WELLER asked and was given permission to revise and extend his remarks.)

Mr. WELLER. Mr. Speaker, I come to the well today to speak on behalf of this bipartisan bill, which will enable tens of thousands of rural veterans to have greater access to VA outpatient health care. H.R. 3118 provides much-needed authority and allows the VA for the first time ever to enter into sharing agreements with local health care providers so that rural and suburban veterans can benefit from the convenience of utilizing health care services in their local community, to be treated by local doctors and local hospitals they know and trust.

For example, in my home district in LaSalle County, IL, the closest outpatient center for veterans is 60 miles away. We have 45,000 veterans in the LaSalle County area. Sixty miles is a long way to travel, and for many veterans it requires that they ask friends and family to take off half a day or a full day just to provide transportation.

This past spring, the gentleman from Arkansas [Mr. HUTCHINSON] and the Subcommittee on Hospitals and Health Care held a field hearing in LaSalle County and brought to light the need for some changes in VA authority to be brought forward. Thanks to this hearing, we noted that the VA is currently prohibited from contracting with private, nonprofit health care providers.

This legislation, when passed into law, will not only benefit counties like LaSalle in Illinois, but other rural care areas throughout the Nation. This language was originally in H.R. 3321, a bill I introduced to allow the VA to enter into contractual agreements with local health care providers, doctors and hospitals in order to provide health care to veterans locally.

Mr. Speaker, it just makes common sense to make it easier and more convenient for veterans to have the opportunity to obtain veterans health care right in their local community, right from their local doctors, right from their local hospitals they know and trust.

I want to note that this legislation has broad-based support in the veterans community; has broad-based bipartisan support amongst local officials and members of this committee. I am proud that we are keeping our commitment to our veterans and doing it in a bipartisan fashion. Let us move forward and provide quality health care for our veterans and meet our commitment to our veterans and give this bill bipartisan support.

Mr. Speaker, I commend the chairman of the committee, the gentleman from Arizona [Mr. STUMP], and the ranking member for their efforts and their bipartisan leadership.

Mr. MONTGOMERY. Mr. Speaker, I yield 2 minutes to the gentleman from

Massachusetts [Mr. KENNEDY], who is also a member of the committee, one of our ranking members.

Mr. KENNEDY of Massachusetts. Mr. Speaker, with everything I have to say about the gentleman from Mississippi [Mr. MONTGOMERY], maybe he will want to make it 4 minutes. But let me just say very sincerely, from really the bottom of my heart, how much I have appreciated all of the hard work that SONNY MONTGOMERY has shown.

I think particularly for some of the younger Members of Congress that care very deeply about veterans issues there is no one that has stood up more clearly and strongly on behalf of our Nation's veterans, no one who commands the respect of Members of both sides of the aisle about the issues of concern to our Nation's veterans than SONNY MONTGOMERY, and I know that Chairman STUMP feels the same way.

We have all enjoyed, although not every moment that Chairman STUMP has had the gavel over the course of the last couple of years, I do not think he has enjoyed a couple of moments that I have been speaking in the last couple of years, but I do appreciate his sincere efforts on behalf of SONNY MONTGOMERY and to bring to the former chairman of the committee, Mr. MONTGOMERY, the credit that he deserves for the hard work that he has done on behalf of our Nation's veterans.

Mr. Speaker, despite the fact that every other speaker has talked about the fact that this is SONNY's last bill on the House floor, unless he has some announcement, I hope he is going to be sticking with us through next November. And I know that his spirit will continue to guide us on veterans affairs far into the future.

Mr. Speaker, I join with Chairman STUMP in thanking SONNY MONTGOMERY for all of the guidance, support, and courage that he has shown for our country and for our Nation's veterans. I really appreciate it. In addition, I also support this bill.

Mr. STUMP. Mr. Speaker, I yield 1 minute to the gentleman from Illinois [Mr. FLANAGAN].

Mr. FLANAGAN. Mr. Speaker, I rise today in full support of H.R. 3118, the veterans' eligibility reform bill, introduced by the gentleman from Arizona [Mr. STUMP] and the gentleman from Mississippi [Mr. MONTGOMERY].

And, parenthetically, Mr. Speaker, I have enjoyed every moment that the gentleman from Arizona has had the gavel in his hand. And, Mr. Speaker, I would say to Mr. MONTGOMERY, our many great thanks, our many great remarks at his leadership and the warmth that he has shown us all, freshman Member and senior Member alike, over the years.

Mr. Speaker, I believe that this legislation, though not a complete reform of current eligibility standards, is a positive first step toward achieving that goal.

Veterans with service-connected disabilities, former POW's and World War I veterans are eligible under this legislation.

H.R. 3118 will enable the VA to provide all needed hospital and medical services to eligible veterans and expand operational flexibility by enabling VA to contract for hospital care and medical services to increase cost-effectiveness. It will also protect specialized programs, and work to expedite VA's transition from inpatient care to greater use of outpatient care efficiently and effectively. This bill will accomplish these provisions without reducing benefits to other veterans.

Mr. Speaker, we must never forget the sacrifices America's veterans have made for our country and our freedoms. Quality and accessibility of veterans' health care is a priority of this Congress. H.R. 3118 ensures that our veterans receive the very best in health care, and reaffirms our commitment to our veterans. I am very proud to be a cosponsor of H.R. 3118, as it will pave the way for greater reforms in the future.

Mr. STUMP. Mr. Speaker, I yield 2 minutes to the gentleman from Indiana [Mr. BUYER], chairman of the Subcommittee on Education, Training and Employment.

Mr. BUYER. Mr. Speaker, I thank the gentleman from Arizona [Mr. STUMP], chairman of the Veterans' Affairs Committee, and the gentleman from Mississippi, [Mr. MONTGOMERY], our good friend, for their work on this bill.

Mr. Speaker, this bill represents the culmination of years of hard work on behalf of the most pressing issues facing the Department of Veterans Affairs, that being eligibility reform. Anyone who has been to a VA hospital knows how difficult it can be to access the VA health care system. The patchwork of confusing and complex rules governing accessibility often defy medical common sense.

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Madam Speaker, H.R. 3118 goes a long way to change this system while staying within the current budget constraints. This bill requires the VA to manage its medical services through a system of priorities, giving service-connected veterans the top priority. We have some very difficult issues that face us, that being the veterans' community, and I want to thank Chairman STUMP and SONNY MONTGOMERY.

As we have a declining veteran population out there, with a stabilizing VA medical system, this is a transition-type bill. I cannot predict what the VA system is going to look like in year 2010 to 2015, as we begin facing the reality of losing the World War II and Korean veterans, which includes my father, but how we visualize that system into the future is going to require some real leadership. This is a transition bill. It is far from a perfect bill, but I am very pleased with the hard work that the chairman has done. Appreciate it.

Mr. MONTGOMERY. Madam Speaker, I yield 1 minute to the gentleman from North Carolina [Mr. HEFNER].

Mr. HEFNER. Madam Speaker, first of all, I would like to say we are certainly going to miss SONNY MONTGOMERY around here. I served with him for a lot of years, worked on a lot of veterans' legislation. He is to be commended and he will be remembered a long, long time. As long as veterans are around, he will be remembered.

BOB STUMP, my dear friend from Arizona, who has worked very hard on this bill and labored in the vineyard for so many years. I rise in very strong support of this legislation and wish for Mr. MONTGOMERY, as a friend of mine in North Carolina often said, I hope you live as long as you want and never want as long as you live, and rise in strong support of this legislation which is long overdue.

I thank the gentleman from Arizona and the gentleman from Mississippi for bringing it to fruition.

Mr. STUMP. Madam Speaker, I yield 2 minutes to the gentleman from Oregon [Mr. COOLEY].

Mr. COOLEY. Madam Speaker, I rise today in support of H.R. 3118, the Veterans' Health Care Eligibility Reform Act of 1996.

I represent eastern Oregon, the seventh largest congressional district in the country. Veterans in my district often must drive 4 or 5 hours—over the Cascades to Portland—in order to receive medical care. Veterans who must drive so far for medical service have a strong interest in fair and efficient eligibility standards.

By allowing the VA to contract out for hospital care and medical services, and, by allowing the VA to share health care resources with group providers, H.R. 3118 will potentially bring the VA closer to the veterans of eastern Oregon.

H.R. 3118 also abolishes the complex provisions of law governing eligibility for outpatient care, expanding the array of services that the VA can provide to our Nation's veterans.

I urge all of my colleagues to support this long-overdue reform.

Madam Speaker, I, too, would like to thank the leadership, SONNY MONTGOMERY and his past services to the veterans of this country and, especially now, the reins have been passed over to BOB STUMP, and what a fantastic job he has done to bring forth these issues which I think are very, very critical, especially to our veterans more in the rural areas that really truly have to drive many, many miles to receive this kind of service.

I will tell my colleagues that in the near future I will probably be using these as well. I would certainly like to be able to use the local hospital instead of driving 155 miles to the closest veterans' hospital for my community where I live in Alfalfa, OR. I think that the veterans of the country and Congress should commend BOB STUMP with the cooperation of SONNY MONTGOMERY

and the fantastic job they have done for veterans in this country. I think we all are proud of both of these gentlemen.

Mr. STUMP. Madam Speaker, I yield 1 minute to the gentleman from Florida [Mr. WELDON], a Member who has been very active in veterans' affairs for his State.

(Mr. WELDON of Florida, asked and was given permission to revise and extend his remarks.)

Mr. WELDON of Florida. Madam Speaker, I rise in strong support of the bill before us.

As a veteran and a practicing physician, I understand firsthand the needs of veterans in underserved areas. The veterans in east-central Florida have suffered for over a decade and a half for lack of adequate veterans medical facilities. Last year this Congress set us on a sound road toward meeting these needs by providing $25 million to meet the outpatient needs of these veterans.

H.R. 3118 includes provisions that will allow the VA to contract with local hospitals to meet the inpatient needs of veterans who have sacrificed for our great Nation.

Last year, I introduced legislation that would allow the VA to contract in this manner. The bill before us includes similar provisions and I appreciate the chairman for his support of this concept.

This bill will allow veterans in underserved areas, like east-central Florida to receive VA medical care right in their own communities. This is what veterans in my district have been telling me they want and I'm pleased to see it before us.

Let's pass this bill.

Madam Speaker, I rise in strong support for H.R. 3118, the Veterans Health Care Eligibility Reform Act. This bill is long overdue and it will ensure that we fulfill our commitments to our veterans.

I would like to focus on one particular element of this bill that is very important to the veterans in my district. It was more than 14 years ago that a veterans hospital was first proposed for east-central Florida. Since that time, more politics has been played over this hospital than one can recount. While politicians have enjoyed their sport, the veterans in Brevard and surrounding counties have suffered for lack of adequate veterans medical facilities.

Earlier this year the Congress took the right step by providing $25 million for an outpatient clinic. The VA has informed me that this outpatient clinic will meet at least 80 percent of the health care needs of area veterans. This is a good first step in meeting these veteran's needs. I was also pleased that in a letter to me dated July 17, the Secretary of Veterans Affairs committed to issuing a contract for design work by September 1996.

The verdict on a hospital for Brevard County is still out. There are some who have suggested holding up the construction of a veterans outpatient clinic and instead holding out for a full hospital. Anyone remotely familiar with the history of the Brevard medical facility recognizes that this would be playing Russian roulette with the lives of veterans and would likely see the possibility of even an outpatient clinic slip away.

Earlier this year the veterans of east-central Florida received an authorization for a $25 million outpatient clinic, and Congress and the President already set aside the $25 million needed to fully construct this clinic. While an outpatient clinic may not meet 100 percent of the needs, it will meet 80 percent of the needs and it will do so in less than 2 years. Any delay in moving forward with this clinic may see this money and clinic disappear like the hopes that these veterans have seen fade away so many times before.

As a physician who has been put in the unfortunate position of having to refer veterans across the State to a veterans hospital, I understand how critical it is that veterans have access to inpatient care in our own community. That is why I introduced H.R. 2798, the Veterans Health Care Management and Contracting Flexibility Act of 1995. This bill will allow the VA to enter into contracts with local hospitals to meet the inpatient health care needs of area veterans. In other words, while the verdict is still out on Brevard's VA hospital, veterans will be able to receive inpatient care at local hospitals rather than being shipped hours away from home and family. This in no way rules out the possibility of a VA hospital in the future, but it ensures that regardless of what happens, veterans will not continue to suffer for lack of adequate facilities.

I am pleased that the provisions of my bill have been incorporated into H.R. 3118. Quite frankly, broad contracting authority should have been permitted years ago. It was wrong to allow veterans to suffer while politicians played. The outpatient clinic and the inpatient contracting will ensure that veterans in east-central Florida have access to health care facilities. I will continue to work with veterans throughout our community to ensure that their health care needs are met.

I am pleased to be a part of our constructive effort to ensure that we follow through on our promises to those who have given of themselves to protect our liberty.

Mr. STUMP. Madam Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. FOX], a member of the committee.

Mr. FOX of Pennsylvania. Madam Speaker, I rise in strong support of H.R. 3118, the Veterans' Health Care Eligibility Reform Act of 1996.

I would like to commend Chairman STUMP, Ranking Member MONTGOMERY, Chairman HUTCHINSON, and Ranking Member EDWARDS for their joint leadership on this important issue of health care eligibility reform. This bill exemplifies the bipartisan tradition of the House Veterans' Affairs Committee, on which I am proud to serve.

H.R. 3118 continues the efforts of this Congress in honoring our duty to care for those who have risked their lives for our country. This bill provides the comprehensive eligibility reform that has been needed to clarify and correct current law which is complex, confusing, and often inconsistent with sound health care practices. By authorizing and clarifying eligibility without additional limitations, eliminating inpatient restrictions on provision of prosthetic devices, and setting sensible priorities for enrollment and registration, H.R. 3118 significantly improves current law.

I urge adoption of the bill and yield back the balance of my time.

Mr. MONTGOMERY. Madam Speaker, I thank my colleagues for their very kind remarks today. I urge my colleagues to support this measure.

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

Mr. STUMP. Madam Speaker, I yield myself such time as I may consume.

Once again, as I mentioned, this may be the last time that the VA has an opportunity to bring a bill to the floor of this House. I want to take this opportunity to thank all the members of the committee for their cooperation during this Congress.

Even on a committee that maintained a truly bipartisan work ethic, there were still some scheduling inconveniences and problems that Members were asked to endure and I appreciate very much all their cooperation. I believe we have a good record of accomplishment to show for this Congress.

Additionally, Madam Speaker, I would like to achkowledge the hard work of our committee staff on both sides of the aisle. The bipartisan tradition of this committee may start at the top but it is also practiced by the staff in their work on all of our bills. We greatly appreciate that. I want to thank them very much.

Mrs. KELLY. Mr. Speaker. I rise today in strong support of H.R. 3118, the Veterans' Health Care Eligibility Reform Act. I am a cosponsor of this legislation and urge all Members to support it.

One of the primary responsibilities of our Government is to provide for those who have defended our freedoms. In attempting to meet this responsibility, the Government has developed a complex, and often confusing system of health care eligibility laws. The legislation before the House today will help simplify the eligibility requirements of veterans, thereby ensuring that needed hospital care and medical services will continue to be provided to all veterans who are eligible to receive it.

Mr. Speaker, the issue of veterans health care eligibility is one that is very important to me. I have a particular interest in proposed changes in the VA health care system because there are two VA medical facilities located in the congressional district that I represent. That is why I am supporting this legislation. H.R. 3118 will benefit the thousands of veterans that use the two facilities in New York's 19th Congressional District, and indeed will benefit all veterans around the country who depend on the VA to meet their unique health care needs.

There are a few provisions of the bill that I would like to highlight. First, H.R. 3118 will substitute the current single uniform eligibility standard of eligibility with a new standard which is clinically appropriate and based on a medically sound system of priorities. The bill also extend indefinitely the VA's authority to provide services to dependents of active-duty and retired service-members. It clarifies the VA's authority to collect from insurance plans of Department of Defense [DOD] beneficiaries cared for in VA facilities to the same extent as

DOD currently recovers for care rendered in its facilities. Most importantly, however, the bill authorizes the VA to retain these funds, instead of being required to return them to the General Treasury. This will provide the VA with additional resources for its use in continuing to provide health care to veterans.

Mr. Speaker, it is vital that we continue to provide veterans with the health benefits that they have earned. H.R. 3118 is one more step that this Congress has taken to meet this responsibility. I would like to thank Chairman Stump for his tireless leadership on veterans issues and for bringing this measure to the floor, and I would urge all Members to lend H.R. 3118 their support. Thank you.

Mr. HASTERT. Mr. Speaker, I rise today to support a measure that will help provide veterans in Illinois' LaSalle County with outpatient VA services.

LaSalle County veterans have had to travel long distances to receive needed VA medical services. This often requires a family member or friend to travel with or drive them to their appointments. The Veterans Health Care Eligibility Reform Act, will help provide an outpatient VA clinic in LaSalle County which will serve over 13,000 eligible veterans and their families.

At a veterans field hearing this past April, Representatives TIM HUTCHINSON, JERRY WELLER, LANE EVANS, and myself heard the concerns of representatives of several organizations who testified to the need for a closer outpatient care center. The nearest outpatient care facility for eligible LaSalle County veterans is over an hour's drive away, with the nearest VA hospital over 2 hours away.

The measure adopted today authorizes the VA to provide all needed outpatient care services, including preventive care and home health care, and to contract out for those services where a VA facility does not exist.

This important legislation represents the commitment of Veterans' Committee chairman, BOB STUMP, the entire House Veterans' Committee, and this Congress to keep our promises to our Nation's veterans.

Our veterans answered the call when our Nation needed them, so Congress must answer the call when veterans need our help. Today, we've answered that call and I'm proud to support this measure.

Mr. STEARNS. Mr. Speaker, I rise in support of this legislation today which takes the first step toward comprehensive veterans' health care reform. Passage of this bill will ensure changes in the tricky eligibility rules that currently bar access to health care for our Nation's veterans.

The health care eligibility bill accelerates the shift from expensive inpatient care to more cost effective primary and outpatient care. The reform is necessary to ensure that the VA refocuses its efforts toward assisting those who served our country. Under current VA rules, veterans are required to check into hospitals to receive their intended treatment. The savings alone from this switch to outpatient care services will allow more veterans to have access to the health care system.

The legislation continues the path of decentralization and restructures the VA with regard to the management of its health care system. By increasing the number of VA partnerships with community providers, access to outpatient services, and protecting the VA's special disability programs, H.R. 3118 will be a major step in the right direction for veterans' health care reform.

I want to emphasize that this measure is only the first step toward achieving health care reform for our veterans. It is imperative that we meet this challenge and preserve health care for those who have given selflessly to serve our country.

Mr. BILIRAKIS. Mr. Speaker, I rise in support of H.R. 3118, the Veterans' Health Care Eligibility Act. I ask unanimous consent to revise and extend my remarks.

Eligiblity reform is an issue that the Veterans' Affairs Committee, the VA and veterans service organizations have been working on for a long time. I am a cosponsor of the Veterans' Health Care Eligibility Reform Act and am pleased that we are moving this important bill forward through the legislative process.

Today's complex and confusing eligibility criteria represent a continuing source of frustration for both veterans and VA personnel. Moreover, it is often an impediment to providing veterans with the kind of health care they really need.

As most health care providers move toward a new model of care that emphasizes primary and preventive care in outpatient settings, the VA must also shift its focus from inpatient to outpatient care. Without meaningful eligibility reform, it will be extremely difficult for the VA to remain a viable health care provider.

H.R. 3118 is a step in the right direction for the VA and simplifying the VA's eligibility criteria will greatly benefit veterans.

H.R. 3118 will expand veterans' access to VA care, particularly for those with service-connected disabilities or limited means. It will eliminate statutory rules which for years have barred the VA from providing many veterans with routine outpatient treatment, preventive health care services and home care.

Eligibility reform is long overdue and I urge my colleagues to support H.R. 3118.

Mr. EVERETT. Mr. Speaker I rise today to indicate my strong support for H.R. 3118 offered by VA Committee Chairman STUMP and our ranking member, SONNY MONTGOMERY.

Mr. Speaker, this important legislation is a giant first step in improving access to and the quality of health care provided to our veterans. To our many veterans who served in our Armed Forces, who loyally and selflessly gave a portion of their lives and the lives of their families to protect and defend this country, we owe a debt that can never be fully repaid.

Mr. Speaker, we have a responsibility to meet the health care needs of these veterans. H.R. 3118 will enable the VA to restructure and prioritize health care delivery and eligibility criteria. Rather than continuing to focus on inpatient care, which is not only more expensive but is, in most cases, less desirable for the patient, the VA will have the flexibility to expand access to outpatient treatment and preventative services.

Mr. Speaker, this element of the bill is especially important for my constituents. I represent a majority rural part of southeast Alabama. Over 37,000 veterans reside within a 50-mile radius of the city of Dothan, AL. These veterans, whether ill, elderly, disabled, or infirmed must travel over 100 miles, even 200 miles, to reach a VA medical facility. For many, they may wait until their injury or illness has reached a dangerous point before they make the trip.

Mr. Speaker, for years I have worked with the VA to establish an outpatient access point around the Dothan area. Certainly, this legislation reinforces the priority for such a facility. Quality outpatient care, preventative health care services, and reliable home care should be readily available and accessible to our eligible veterans' population. To this end, we must foster relationships with our community health care providers and in turn provide more opportunities to meet the needs of our veterans with expanded ambulatory treatment services.

Mr. Speaker, H.R. 3118 goes a long way to meet these goals. Yes, this legislation is a first step, but a giant step in the right direction. I urge my colleagues to offer their unbridled support for H.R. 3118.

Mr. STUMP. Madam Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mrs. MYRICK). The question is on the motion offered by the gentleman from Arizona [Mr. STUMP] that the House suspend the rules and pass the bill, H.R. 3118, as amended.

The question was taken.

Mr. SOLOMON. Madam Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed until disposition of H.R. 2391.

WORKING FAMILIES FLEXIBILITY ACT OF 1996

The SPEAKER pro tempore. Pursuant to House Resolution 488 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 2391.

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IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2391) to amend the Fair Labor Standards Act of 1938 to provide compensatory time for all employees, with Mr. LAHOOD in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Pennsylvania [Mr. GOODLING] and the gentleman from Missouri [Mr. CLAY] each will control 30 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. GOODLING].

(Mr. GOODLING asked and was given permission to revise and extend his remarks.)

Mr. GOODLING. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, I take these 2 minutes since there was so much disinformation given on Friday. I do not believe that most of those Members read the legislation as it is at present.

We made 20 changes since the legislation was introduced, all supporting the employee. There will be additional, in

the manager's amendment today, additional protection for the employee. So let me give my colleagues just a few things to correct the misinformation and the disinformation that was distributed Friday.

First of all, the legislation has no effect on the 40-hour work week in calculating overtime pay. The choice to take overtime compensation in the form of paid time off must be voluntary and must be requested by the employee in a written or otherwise verifiable statement. The selection of comp time may not be a condition of employment.

H.R. 2391 specifically prohibits employers from directly or indirectly threatening, intimidating or coercing an employee into choosing comp time in lieu of cash wages. Employers violating this would be liable to the employee for double time and cash wages for the unused comp time hours accrued by the employee plus attorney fees. Comp time would be considered as wages and treated as unpaid wages in any bankruptcy action.

H.R. 2391 prohibits an employer from coercing, threatening, or intimidating an employee to use accrued comp time. The employee may use accrued comp time at any time he or she requests, if the use is within a reasonable period of time after the request and the use does not unduly disrupt the operation of the employer. Now, the unduly disrupt standard has been part of the law for the public sector for many years and is the same standard used in the Family and Medical Leave Act.

The bill, together with the manager's amendment, makes absolutely clear that all of the current law's remedies, including enforcement by the Department of Labor and through individual lawsuits, would apply if an employer failed to pay cash wages to an employee for accrued compensatory time or refused to allow an employee to use accrued compensatory time.

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

Mr. CLAY. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise to oppose this legislation which will provide an excuse to undermine the living standards of working families. The Republican comp time proposal should be called flimflam flextime.

The rights of employees must be of paramount importance to any proposal affecting their time and compensation. This bill places the rights of bosses above the rights of workers. By its failure to provide employees a real choice, it enables bosses to defer paying employees for the work they perform.

The Republican majority claims it seeks to provide workers with the opportunity to take paid time off instead of being paid for overtime work. But in return, all paid overtime could possibly be eliminated. An employer may arbitrarily decide to offer comp time to some employees while denying it to others. He may also arbitrarily decide to only offer overtime work to employees who choose comp time instead of paid time and a half.

Under this bill, an employer can simply deny the leave on the basis that it will unduly disrupt his business.

The Family and Medical Leave Act grants workers the right to take unpaid leave in the event of a family or medical emergency. Under the Republican bill even where an employee has a right to family leave, an employer may deny the employee the right to use comp time.

Under current law, employers must pay workers in a timely manner for the work they perform. H.R. 2391 permits an employer to defer paying anything for overtime work for up to one year.

This flimflam legislation invites employers to eliminate their paid medical and vacation policies. Why should an employer give paid leave when it can require employees to work overtime in order to earn paid leave instead? My Republican colleagues say they are interested in a voluntary comp time bill, but how voluntary is comp time if the only way an employee can earn paid leave is to take comp time instead of being paid for overtime?

This bill provides no protection for employees when an employer goes bankrupt. It does not prevent an employer from using the payment for a terminated employee's unused comp time to diminish that employee's unemployment compensation. And it does not ensure that comp time will be treated similarly to overtime pay for pension and health benefit purposes.

Mr. Chairman, our overtime laws are already widely violated. The Employment Policy Foundation, an employer-funded think tank, estimates that workers lose $19 billion a year in unpaid, earned overtime. The foundation estimates that fully 10 percent of the workers entitled to overtime are cheated out of it. In industries such as the garment industry, overtime violations are widespread. A Department of Labor investigation in southern California found that 68 percent of the employers were not paying overtime and more than 50 percent were not even paying minimum wages.

Mr. Chairman, I cannot support a bill that will undermine the living standards of American families. I urge defeat of this flimflam legislation.

□ 1415

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

Mr. GOODLING. Mr. Chairman, I yield 2 minutes to the gentlewoman from North Carolina [Mrs. MYRICK].

Mrs. MYRICK. Mr. Chairman, the Working Family Flexibility Act is pro-family, pro-worker, pro-women, in its approach to provide relief to the hard-working men and women across our Nation who struggle daily to support their families. These men and women who support families and work, deserve the right to have their work schedules flexible enough to allow them time to devote to family responsibilities.

As a wife and a mother and a grandmother and a former small business owner, I know firsthand how hard it is to balance work and family.

The bill seeks to provide employees a choice and the option to renew and refocus the perilous difficult balance between family and work obligations by allowing flexibility in scheduling the hours they work.

Dads could use the accrued time to make sure they are behind the dugout for that critical Little League game, and mom and dad could use their time to visit their child's school for the parent-teacher conferences, enabling and encouraging parents to participate in their child's education. Comp time allows parents to actively participate in family life, not just hear about the recollection at the dinner table that night or the next day.

In 1994, a U.S. Labor Department survey found that 66 percent of working women with children believed that balancing time between family and work is their No. 1 concern. Even the President and vice President endorse giving workers the option to spend more time with families.

Employees deserve the same rights that Federal, State and local employees have had since 1985.

During my tenure as mayor of Charlotte exempt city employees enjoyed flexibility that comp time allowed in their lives. Simply put, and I know this from management experience, flex time works. It works for the employer, it works for the employee, and most importantly, it works for America's families.

Support this commonsense family-friendly approach. Support the Workers Family Flexibility Act.

Mr. CLAY. Mr. Chairman, I yield 4 minutes to the gentleman from New Jersey [Mr. ANDREWS].

Mr. ANDREWS. Mr. Chairman I rise to oppose this legislation. I fully appreciate the demands of balancing family and work, as my colleague from North Carolina just mentioned. Tonight is my 3-year-old daughter's back to school night at her gymnastics camp. Her mother will be there; I will not because we are not always able to balance our work and time schedules easily.

There are some flaws in this bill, though, that I think do not hold out the promise that my friend just talked about. First of all, is the bill truly voluntary? Is the choice truly voluntary?

I believe that in the situation here where an employer systematically grants overtime to the employee who chooses comp time and systematically denies overtime to the employee who chooses cash, that the employee who chooses cash, the employee who chooses to have a few more dollars in his or her paycheck, is going to be denied a truly voluntary choice, and I think that employee has no meaningful or realistic remedy.

I think the employee has a burden of proof that would be almost impossible to sustain. I think there are some legitimate question as to under which -

specific circumstances that employee could, in fact, recover her attorney fees or his attorney fees.

I do not think this is truly a voluntary choice, and I think an employee who exercises his or her right to choose cash rather than comp time would not be able to achieve an effective remedy if the employer wanted to punish him or her for making that choice.

Second, we hear comparisons about the public sector and the private sector, and we hear how employees in the public sector in many cases have had this situation for many, many years. I would say there is an important difference between the public sector and the private sector, and it is this:

Most public sector employees are under some form of civil service protection, meaning if they are in fact singled out because of the choices they have made or because of some other reason on the job, there is a set body of law that provides for both substantive remedies and meaningful procedures in order to enforce their rights. That does not exist in the private sector.

Finally, I think there are real questions as to what happens here. I think there are very significant questions as to what happens under this bill should it become law. If an employee chooses comp time and her comp time adds up and adds up and adds up, and then the employer files bankruptcy, the employer goes out of business, how realistic is it that that employee is going to be able to recover the cash that she or he is owed in response to having that comp time?

Finally, I would say this to my colleagues. There is no question that working families in this country need help. Working women, in particular, in this country need help. What they really need is paid leave in many cases. They need to be able to take time off if they have a child, or a death in the family, or a need to pursue a family obligation with pay, not without it. What they really need is an assurance of health benefits so that the millions of Americans who go to work every day and have no health insurance coverage will have some.

Now, there are a lot of different theories of proposals of how to accomplish that. I do not know which one is the best. But I would like to implore my friends and colleagues in the Republican leadership that maybe we ought to spend some more time talking about that before we adjourn in October. We ought to bring to this floor some ways that people can have paid leave and health insurance benefits instead of the bill that we see before us today.

I oppose the bill; I urge its defeat.

Mr. GOODLING. Mr. Chairman, I yield 2 minutes to the gentleman from North Carolina [Mr. BALLENGER] the author of this very fine legislation.

(Mr. BALLENGER asked and was given permission to revise and extend his remarks.)

Mr. BALLENGER. Mr. Chairman, let me just say that ever since I introduced H.R. 2391, I have tried to address the concerns that others have had with the legislation. I have tried to accommodate, as much as possible, suggestions to improve the bill since it was introduced in September 1995.

There have been changes made to the bill at each step of the legislative process. The substitute amendment which I offered at subcommittee markup was accepted by voice vote. It included six changes which clarified and improved the protections for employees. Many of the changes were taken directly from recommendations made by the Democrats' witness who testified at a hearing on the bill. And yet, while the Democrats on the subcommittee voiced their opposition to various parts of the bill, there were no Democratic amendments offered.

At full committee markup, I offered a substitute amendment which further strengthened the employee protections and directly addressed a number of the Democrats' concerns with the legislation. While the vote on final passage of the bill was along party lines, the substitute amendment was approved by voice vote. Again, no Democratic amendments were offered to the bill.

And, now on the House floor, I have sponsored an amendment with my distinguished colleague, the gentlewoman from Connecticut [Mrs. JOHNSON] which includes a number of clarifications and additional protections to ensure the voluntary use of comp time and to give employees greater control over their accrued comp time. Yet, many of my colleagues on the other side of the aisle continue to say that they have substantive problems with this bill.

Mr. Chairman, this is commonsense legislation. We support it. Most of all, employees want it. Their counterparts in the public sector, many of whom are unionized, have used comp time for years and strongly support the use of it there. As of recently, President Clinton supports it. Although in May, when this legislation was to be tied to the minimum-wage increase, his chief of staff called it a poison pill. While I am baffled by labor and this administration's objection to the legislation, the opposition appears to be nothing more than election year politics.

American workers want and deserve flexibility in the workplace to better deal with the challenges of balancing work and family obligations. The Working Families Flexibility Act removes obstacles in Federal law which prevent employees and employers from mutually agreeing to use alternative arrangements regarding compensation and scheduling. I urge my colleagues to support this legislation which will allow American men and women to make the choice for themselves between extra money or paid time off.

Mr. CLAY. Mr. Chairman, I yield 1 minute to the gentlewoman from Connecticut [Ms. DELAURO].

Ms. DELAURO. Mr. Chairman, I rise in strong opposition to this bill that will cut the pay of America's workers. This bill is yet another example of how this Congress continues to sell out working families.

Overtime pay is vitally important to these families because wages have not provided a rising standard of living. The Bureau of Labor Statistics reports that average hourly pay has fallen by 11 percent over the past 17 years, and working families rely on overtime pay to keep up with the costs of feeding their kids and paying the rent.

This bill will take away the opportunity to earn overtime pay. Middle-income families will be hit hardest by this bill because overtime pay is a much larger percentage of their income. In 1994, two-thirds of the workers who earned overtime pay had a total annual family income of less than $40,000.

On behalf of the hard-working families in Connecticut and across this country, I call on my colleagues to vote against this outrageous assault on working Americans.

Mr. GOODLING. Mr. Chairman, I yield 2 minutes to the very distinguished gentleman from Wisconsin [Mr. GUNDERSON].

(Mr. GUNDERSON asked and was given permission to revise and extend his remarks.)

Mr. GUNDERSON. Mr. Chairman, the gentlewomen who just spoke is one of the leading advocates of choice in the U.S. Congress. Apparently, she is for choice for everyone but the American worker because, and, no, I will not yield, I do not have time; because of the fact that no one in America will have to take comp time unless they choose to. It is automatic that one gets time and a half pay overtime under the Fair Labor Standards Act, and under this bill unless they choose that, they would rather than doing that have some free time.

In Wisconsin, we love to have free time in the summer on weekends to go up north, to go fishing, to go to the son and daughter soccer game, to go to Little League or to go do something else of our choice. That is not allowed today. Under this bill that will happen if the worker wanted it to.

In addition, I want everyone to understand that this legislation in front of us will not affect one unionized collective bargaining agreement unless the leadership of that union in negotiations with the management agrees to add this to the existing collective bargaining agreement.

All we are doing today is we are saying to the American worker in today's economy flexibility is key. It is flexibility for the workplace, flexibility for management, and, yes, flexibility for the worker to decide what works best for them at a particular point in time.

Third, I want everyone to understand that this flex time cannot occur unless there is a written agreement, and, as my colleagues know, interestingly enough we talk about coercion. My good friend from New Jersey said that

he does not think that this is really freedom of choice by the worker.

Mr. CLAY. Mr. Chairman, I yield 2 minutes to the gentlewoman from California [Ms. WOOLSEY].

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

□ 1430

Ms. WOOLSEY. Mr. Chairman, I know about work schedules and overtime from two perspectives. In fact, I am an expert on this issue. First, as a human resources/personnel manager for over 20 years.

And, second, as a working mother. I have raised four children—now four wonderful adults. I know what its like to have a job and try to find the time to go to a parent/teacher conference or a child's plan or sporting event. I know what it means to get that phone call early in the morning that the babysitter is sick and will not be coming that day.

Believe me, I know how important it is for working parents to have flexible work schedules.

But this bill before us today, H.R. 2391, is not about flex-time for workers. It is about more flexibility for employers.

As a human resources professional, I know how this can work. Like mandatory overtime, comp time can become just as mandatory because it allows the employer to restrict use of comp time to the employer's schedule—when it will not unduly disrupt the business.

Let me tell you that means—plain and simple—the boss will stay the boss, not only in deciding on who works overtime and when, but, also when comp time can be used. That is flex-time for the employer.

If my colleagues on the other side of the aisle are so concerned about working families, they should use their influence as the majority party to make the use of comp time truly voluntary and to get a bill to the President increasing the minimum wage.

In fact, my colleagues should work overtime on getting the minimum wage bill passed, and then take some comp time to get in touch with what working families really need—a livable wage and a truly flexible schedule.

Mr. GOODLING. Mr. Chairman, I am glad we have the ''no coercion'' part in the bill in the bill.

Mr. Chairman, I yield 2 minutes to the gentleman from Florida [Mr. WELDON], a member of the committee.

Mr. WELDON of Florida. Mr. Chairman, I rise in strong support of the Working Families Flexibility Act.

This bill allows private sector employees to have the same opportunities to work flexible hours that Federal, State, and local government workers have enjoyed for more than a decade. Most government workers I have talked to like and want this type of flexibility, and it is wrong to deny private sector employees these same rights.

Back in 1938, when the current law was put in place most families had a parent who worked and another who stayed at home. Today, in 60 percent of homes, both spouses work. This is up by over 36 percent in just the past 25 years.

It is wrong to deny private sector workers the flexibility they want and need. This bill is about allowing parents to choose to spend more time with their children.

Opponents of the bill have raised false claims that the bill does not protect employees. The bill before us offers private sector employees more protections than government workers have today. If the worker protection provisions are inadequate, why did not the opponents of the bill impose more protections for government workers when they were in the majority.

The bill has built-in protections for employees. It is at the employee's discretion whether to take comp time or overtime pay. The employee decides.

Also, the bill makes it illegal for an employer to pressure employees to take comp time rather than overtime pay. Any employer who engages in such pressure or forces an employee to take comp time rather than overtime pay is subject to penalties which include double the amount in wages owed plus attorneys fees and cost. Also, civil and criminal penalties apply.

Clearly workers are protected.

Let us stop denying private sector employees the same privileges that government workers have today.

Let us support equality.

Let us support the bill.

Mr. Chairman, in closing, I would like to quote from Bill Clinton when he said, ''You can choose money in the bank or time on the clock. With more Americans working more hours, simply spending more time with the family can be a dream.'' President Bill Clinton, June 24, 1996.

Mr. CLAY. Mr. Chairman, I yield myself 15 seconds.

Mr. Chairman, I want to correct the gentleman. The President said that about his bill, not about this bill that we are debating now. The President thinks this bill is a disaster.

Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. MILLER].

(Mr. MILLER of California asked and was given permission to revise and extend his remarks.)

Mr. MILLER of California. Mr. Chairman, I support giving working families flexibility in their schedules, but I cannot support the Ballenger comp time bill because it seriously threatens the existence of overtime pay and the 40-hour workweek. This bill is just one part of a series of Republican bills that favor special interests over the public interest.

All across this Nation, millions of working families are facing stagnant wages and the realization that for them the American Dream may be slipping away. Between 1979 and 1989, real wages either fell or were stagnant for the bottom 60 percent of the workforce. Moreover, while corporate profits were increasing during the first half of this decade, wages were continuing to lag far behind.

For many struggling families, receiving overtime pay is often the difference between making ends meet and falling behind on bills. It is no wonder then that 64 percent of Americans oppose eliminating overtime pay.

Equally important for struggling families is maintaining some normalcy in their lives by keeping the 40-hour workweek as our benchmark work schedule. Parents are finding they have less time to spend with their families given the increasing difficulty of staying financially afloat.

Compared to the 1960's, the average person is working about an extra month more a year, and the number of mothers working has nearly tripled from 27.6 to 67.5 percent. As a result, polls show that most Americans believe their free, non-work time has been reduced nearly in half over the last two decades. Consequently, for 58 percent of families, working less the next week is not worth working more this week.

Supporters of the comp time bill argue that their proposal would help these families by making voluntary, flexible work schedules available. But his bill would actually make matters much worse.

There are no enforcement mechanisms in the bill to insure the voluntariness of any comp time arrangement. Workers would also have no power to refuse working longer hours, nor any clear ability to take time off when they need it. There are no record-keeping requirements, and unscrupulous employers would have a free hand to conveniently miscalculate comp time owed to workers.

Additionally, this bill legalizes sweatshops because there is no exception for vulnerable industries. Under this bill, an unscrupulous employer who is violating wage and hour law will be able to say, ''My employees all opted for comp time instead of overtime pay, they just haven't taken their time off yet.''

Therefore, under the Ballenger bill, it may be lawful for an employer: to move workers into a comp time arrangement by stressing a preference for that system; to retaliate against workers who insist on receiving overtime pay; to make employees work 60 hours 1 week, and 20 hours the next with very little or no notice; and to effectively eliminate overtime pay all together.

This is not what American families want or need. Workers are asking for higher wages, a predictable work schedule, and more time with their families. The Ballenger bill would not help families achieve those goals, and, in fact, would very likely make matters worse.

Mr. GOODLING. Mr. Chairman, I yield myself 5 seconds, merely to say, his bill? I have not seen any bill from the President. We did not get any

amendments in full committee or subcommittee from the minority.

Mr. Chairman, I yield 1 minute to the gentleman from Nebraska [Mr. BARRETT], a member of the committee.

Mr. BARRETT of Nebraska. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, as more families have both parents working, families are making painful choices; either work, or risk their jobs and the income the family needs.

H.R. 2391 is an attempt to ease this burden on families. It'll allow the employer to voluntarily offer, and for the employee to voluntarily accept, comp time instead of overtime.

But, those who apparently support Government intrusion are opposing this legislation. They believe employers and employees should be forced to take comp time.

H.R. 2391 does not force employers or employees to offer or accept comp time. It requires that any unused comp time must be made up with overtime pay. And, it maintains the 40-hour workweek.

H.R. 2391 is a win-win for America's families. The House should pass this bill.

Mr. CLAY. Mr. Chairman, I yield 4 minutes to the gentleman from Texas, Mr. GENE GREEN.

(Mr. GENE GREEN of Texas asked and was given permission to revise and extend his remarks.)

Mr. GENE GREEN of Texas. Mr. Chairman, I want to thank my colleague, the gentleman from St. Louis, MO for allowing me to speak today, and for yielding the time to me.

Mr. Chairman, I would like to support the bill. I like the idea of employees being able to decide whether they are going to have overtime pay or comp time. In fact, when the President made his announcement in June, I thought we would see an effort to come out with real flex time and a compromise. In fact, as has been quoted from the majority side, nationwide polls show an overwhelming number of Americans support the concept.

But also, from a different poll, it shows that an overwhelming number of workers expect to be forced by their employer to accept comp time instead of overtime pay. That is what is wrong with the bill. The bill should be addressing both concerns of the workers: First, the need for the flexibility, but also, the fear that they have that they may not be hired if they do not agree beforehand to take comp time instead of the pay.

Before coming to Congress, I helped manage a business. We used comp time. It was successful, both for the business and for the workers. But every time it was the choice of that employee, more so than this bill ever does, because it worked. It was successful. I would hope that if this bill goes down, and if not this Congress, the next Congress we will really be able to come together and come up with one that not only allows the flexibility, but also provides the teeth to the bill that it needs.

It would be so important to have a way to be clear whether it is employee choice or employer mandate. This bill was drafted to expect employers to do what is right and give that choice. Ninety-five percent of our employers will do that. The bill lacks the teeth because the 5 percent of the employers, whether they be in the garment industry or any other industry, are the ones who will take advantage of this and take advantage of those workers. That is why about 60 percent of those workers are afraid they are going to be abused with that.

Mr. Chairman, the Republican comp time proposal is that the employer and not the employee decides who earns the comp time and who will earn the overtime pay. This bill does not contain clear provisions to prevent the employer from forcing workers to take time off in lieu of overtime pay. I know both the bill and the manager's amendment has some effort to try to prevent coercion, but we need more than just the statement in here. We need some real teeth in the law.

In my district people depend on their overtime pay oftentimes to make ends meet. They should not have to live in fear of losing it, particularly some workers who are seasonal workers, who have to earn overtime for the period of time they can work because the rest of the year they cannot practice their trade, whether because of weather or because of whatever conditions.

In H.R. 2391 employers maintain the ultimate control when to grant that worker the comp time. Regardless of the amount of notice the worker provides, employers can deny the use of comp time if the firm claims they would be unduly disrupted. Again, I think this is something we can work out, but we have not been able to. What good is it to earn comp time if the employer does not allow you to use it, or forces you to use it instead of your vacation time that you may have earned?

Additionally, this proposal does not include the protections necessary to make sure workers receive their comp time when a business files bankruptcy. I know we have talked about that, but this bill does not deal with the Bankruptcy Code. Comp time should stay in the same place wages do in the Bankruptcy Code. This bill does not set that up on that level.

H.R. 2391 does not give the employees the full remedies available under the law to an employer who violates the overtime law. Civil fines should be imposed on employers who operate comp time programs in violation of the overtime laws. Instead of this Republican proposal, I would hope we can work on a real bipartisan proposal giving employees real comp time.

Comp time means employees have the choice of taking their time to go to the soccer games. I use it, Mr. Chairman, and I know how important it is, but I also want to make sure it is the employee's choice when to do it. I urge my colleagues to vote ''no'' on the bill.

Mr. GOODLING. Mr. Chairman, I yield myself 5 seconds.

Bankruptcy certainly is covered in the legislation, Mr. Chairman. Unused comp time is handled the same as unpaid wages, and therefore, is right at the top of the list in any kind of bankruptcy proceeding.

Mr. Chairman, I yield 2 minutes to the gentleman from Georgia [Mr. LINDER].

Mr. LINDER. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, this is a fascinating debate, because a week or two ago nobody offered an amendment in committee, nobody showed any opposition to this bill. The President has said he supports this bill. All of a sudden, then, the labor unions jerked the chain and lap dogs become pit bulls to kill an effort, a modest effort, in non-union shops between employers and employees who agree voluntarily to take compensatory time as opposed to time and a half, and it is going to be tried to be stopped on this floor, the same as the TEAM Act in the Senate, because labor union leaders cannot stand it when employers and employees get along. They thrive on conflict. They create conflict. Then they come to the rescue.

Mr. Chairman, this is a modest bill. It merely says if employers and employees want to get together and voluntarily agree on this, this should be legal. I do not understand this debate about adversarial relationships. I have built 7 businesses. If you are building businesses, you soon begin to understand that the most valuable resource you have is your employees. You cannot treat them this brutally as you are implying. They leave. It costs you twice as much to train a new one. You learn as a business owner. But if you get along with your employees and treat them right and reach voluntary agreements with them, they make you money. They are the most valuable things you have.

Mr. Chairman, this is simply not about this bill, this is about big labor bosses jerking the chain, turning lap dogs into pit bulls to try to stop a convenient arrangement that already exists in many union contracts, and, indeed, throughout the Federal Government. Why can they not have, in the private sector, what we have in the Federal Government? This is a good bill and it deserves to be passed for the very reasons President Clinton said so.

□ 1445

Mr. CLAY. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. MARTINEZ].

(Mr. MARTINEZ asked and was given permission to revise and extend his remarks.)

Mr. MARTINEZ. I thank the gentleman for yielding me the time.

Mr. Chairman, to the last speaker in the well, there are a lot of reasons why

the Democrats have not offered amendments to this bill as it came before us. First, when we do offer amendments, we never get them accepted anyway, so what is the use? Second, he mentions the businesses he was in and how benevolent they were.

I have worked since I was 12 years old. In all that time—my colleagues have to understand that I am 67 now—in all that time, I found very few benevolent employers who had a greater concern for the employee than the bottom line profit. When it comes to the bottom line profit, they are going to do whatever they need to do in order to run that business so it is profitable, and there is nothing wrong with that. I agree with that. A lot of times when it weighs a little bit of profit against a little bit of consideration for the employees, they do not even do that.

I will say that there are some employers who are benevolent, but as far as this bill is concerned, this bill sounds as if it is a wonderful thing, it gives choice to employees. I am for choice. In fact, I am a pro-choice person. I am especially pro-choice when it comes to employees. But the way this bill is written, it will never give that employee that choice.

Let me make Members understand something about workers. Workers generally are not of the aggressive type, that they are going to challenge the employer on any of his decisions, especially when it means their job or long litigation which they may not win because they do not have the wherewithal to hire the kinds of lawyers the employer has. So they usually will take their lumps, go their way and go to another job and hope they are treated better there.

If this were not the fact, there would be no need for organized labor. There would be no need for Government to pass labor laws. The truth of the matter is that there are more people out there who will take advantage of it than less.

Mr. Chairman, this bill as it is written now will give the employer the right to decide whether it will be comp time or pay and when that employee will use that time. That employee would have to depend on the employer being benevolent, to understand his family situation, to be able to allow that employee to take advantage of that time when it would best suit him and his family. I doubt very much that that is going to happen.

We are going to find that if this legislation were to pass and be signed into law, we would have exceeding litigation by those employees who do have the courage to stand up to their employer regardless if they lose their jobs or not. We already have that in a lot of different legislation.

Let me close by saying that if there were not the need to protect that employee, even in this bill as it was written by the other side, they would not have put those kinds of restrictions on employers and those kinds of threats to action by the Department of Labor if they abused or violated the employees' rights. The second we write a piece of legislation like that, I guarantee there are going to be problems. So why write it at all?

Mr. GOODLING. Mr. Chairman, I yield 2 minutes to the gentlewoman from Washington [Ms. DUNN].

Ms. DUNN of Washington. Mr. Chairman, for too long parents have been forced to make tough choices between work and spending time with their children. In fact, a 1994 U.S. Department of Labor report found that the No. 1 concern for two-thirds of working women with children is the difficulty of balancing work and family.

In two recent surveys, 3 out of 4 parents indicated that they would prefer the option to choose either overtime pay or compensatory time off for working overtime hours. Parents say this would enable them to find a better balance between their work and their family responsibilities.

What are we really talking about? Mr. Chairman, in the late 1970's, when my sons were 6 and 8 years old, I found myself in a position to have to have a full-time job and still juggle the responsibilities to my family. Often I would have taken the choice, with a job that required some evenings and weekends and travel, to simply leave that job for a few hours and go to my children's school, talk with their counselors, or see their school plays. A mother should have that choice, Mr. Chairman.

Under current law, too many working mothers lie awake at night worrying about whether or not they are giving their children enough quality time. We can do something to help those mothers and we ought to do it. This bill addresses exactly that problem. The legislation is balanced, it is commonsense, and it is a solution to the problem facing the hardworking parents of our country.

Mr. Chairman, it is worth noting that Federal workers have long had this option, but the Government does not allow private employees to have this option. They should get the same consideration in the private sector that families in the Government have had since 1985.

Mr. Chairman, I am proud to be a cosponsor of this legislation that supports the value of the family. On behalf of all the working families in this country, and especially the working mothers, I urge my colleagues to support this time legislation.

Mr. CLAY. Mr. Chairman, I yield such time as he may consume to the gentleman from Indiana [Mr. VISCLOSKY].

(Mr. VISCLOSKY asked and was given permission to revise and extend his remarks.)

Mr. VISCLOSKY. Mr. Chairman, I rise today to express my strong opposition to H.R. 2391, the so-called Families Flexibility Act. This bad bill is just one more attempt by the Republican-controlled 104th Congress to weaken the rights of working men and women. I am very concerned that permitting employers to compensate hourly employees' overtime work in time off, rather than in cash, will in many workplaces, significantly reduce workers' take home wages.

I oppose this bill because it would significantly weaken labor protections for the people who can least afford to lose them, such as construction workers. It is the carpenters, electricians, pipefitters, and sheet metal workers, in my district, who during the warm spring and summer months, work all the overtime possible so they can accumulate enough money to last them through the cold winter months. They know that in December, January, and February they are going to have more time off than they want. It is this core of the work force that no longer looks at the 40-hour work week as a standard, but rather a necessity.

These are the same people who are the most likely to suffer coercive practices by their employers by being forced to accept compensatory time—which they do not want and can not afford—instead of benefiting from the premium overtime pay they have earned. In a perfect world, all businesses have the financial resources to cash out all employees at the end of every year for their unused compensatory time, as the bill would require. But this is not a perfect world. Many small contractors do not have the cash resources to even-up with their workers, and they would send them into the slow winter months without the money in their bank accounts that they and their families need to survive. My colleagues on the other side of the aisle talk about ''pay as you go.'' A pay as you go policy is the only way companies should be able to pay their workers.

What the authors of this bill would like you to believe is that this bill offers workers more control over their working lives. What it really does is take away an individual's right to choose. Under H.R. 2391, workers do not have the ability to schedule their earned compensatory time when they need. it. In fact an employer can schedule compensatory time anytime he chooses without ever having to consult the worker. I am concerned about the steelworker in northwest Indiana, who has legitimately agreed to compensatory time and has been doubling up on shifts to earn overtime. He's going to approach his boss to request time-off at the end of the summer so he can plan some time together with his kids before they return to school in the fall.

His boss may tell him, ''Sorry, but if I gave you your earned time off when you want, it would disrupt my operations. Don't worry I'll schedule your 'comp time' in October when the blast furnace shuts down for a four-week re-line job.''

That steelworker would have had that time off anyhow and his kids are already going to be back in school. Thanks a lot.

In essence, H.R. 2391 gives employers a veto over their workers' use of their own earned hours off, opening the door to abuses such as making employees work 60 hours 1 week and then 20 hours the next, with little or no notice.

Mr. Chairman, when the people back home in my district sit down each month to figure out financially how they are going to make it through the upcoming month, they take into account their expected overtime wages. Employers do not just hand out bonuses anymore. Today, you have got to earn them. I am

voting against this misguided bill because without overtime pay, many of my constituents cannot afford to send their kids to college, buy a reliable car for work, or provide themselves and their families with adequate health care. This bill guts the protections of the Fair Labor Standards Act and undermines living standards for workers. H.R. 2391 is not designed to give workers more control over their working lives. It is, instead, an attempt to snatch hard won rights out of the hands of this country's workers and deny them basic, simple needs, like respect for their hard work, a decent living wage, and a chance to provide for their families. I urge a ''no'' vote on H.R. 2391.

Mr. GOODLING. Mr. Chairman, I yield 1 minute to the gentleman from South Carolina [Mr. GRAHAM], a member of the committee.

Mr. GRAHAM. Mr. Chairman, to begin with I would like to congratulate the gentleman from North Carolina [Mr. BALLENGER] and our committee chairman for working on some legislation for a long period of time that really will help people.

This Congress has been historic in the sense we have done two good things: We have applied all of the laws in America to the body itself. I think that is going to make the laws in this country better because we have to live under them as an employer, the U.S. Congressmen and their offices themselves. But what we have done here is we have extended to the private sector some options that people that work for the Federal Government have. If you want the time off rather than the money for working overtime, it is your option as an employee. That is a good thing. That is what we do in the Federal Government. The private sector should have that same right. But it is up to the employee.

It is true that when you schedule the compensatory time, that the employee has to work with the employer, just like we do here in the Federal Government. That is the way business works, that is the way it works here, that is the way it works in the private sector. We have extended some benefits to the private sector that we in the Government have had for many years. I think that is a good thing to do. It is time for us to take on the burdens of the private sector. I ask for support for this bill.

Mr. GOODLING. Mr. Chairman, I yield 1 minute to the gentleman from North Carolina [Mr. COBLE].

Mr. COBLE. I thank the gentleman for yielding me this time.

Mr. Chairman, last week I said to CASS BALLENGER, the primary sponsor: How could anyone oppose this legislation? The employer makes it available. He does not have to. He makes it available. It does not have to be activated. The employee has the option to activate this proposal. Once he enrolls in it and decides he wants to disenroll, it shuts down. The employee is in control.

This, Mr. Chairman, provides comp time flexibility which may be paid in any time period during the calendar year, and must be paid out at the calendar year's end. I repeat, to my friend from North Carolina, how could reasonable people not agree with this?

They keep talking about employees being afraid. If employees read this bill, they will not be afraid. If they listen to the rhetoric coming from this hall, they will run to the high ground for fear because it is laced with fear. This bill is generous and the employee is the direct beneficiary of the generosity.

Mr. GOODLING. Mr. Chairman, I yield 2 minutes to the gentlewoman from Florida [Mrs. FOWLER].

(Mrs. FOWLER asked and was given permission to revise and extend her remarks.)

Mrs. FOWLER. Mr. Chairman, there is a movie showing in theaters right now called ''Multiplicity.'' It is about a man who has himself cloned several times so that he can meet all the responsibilities of home, family, work, and personal relationships. It's a great idea, but unfortunately, in the real world, we don't have that option.

As a working mother, I learned the hard way that you can't be in two places at once. Whether it is due to a Little League game; a case of chicken pox; a visit to the doctor or caring for an elderly parent—sometimes the needs of a family require a flexible working schedule. With comp time, employees can prepare for the unexpected. H.R. 2391 will make striking a balance between work and family easier, providing increased freedom and empowering workers.

Since the 1930's when the Fair Labor Standards Act was passed, the American workplace has changed tremendously. Today both parents in a family must often work, necessitating a real juggling act between their professional responsibilities and the needs of their families.

If we really want to put families first, this is a good first step. H.R. 2391 does not impose taxes on working Americans; it does not spend taxpayer dollars or add to the deficit; it does not mandate benefits or rely on a one-size-fits-all Washington model; and it does not impose an unfunded mandate on business. It is a commonsense measure that helps working families by adding some flexibility to an outdated law, and I urge my colleagues to support it.

Mr. CLAY. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. BECERRA].

Mr. BECERRA. I thank the gentleman for yielding me this time.

Mr. Chairman, I believe everyone would agree that all of us who work would love flexibility at the workplace. Whether you are the employee or you are the employer, you want to know you have a chance to make use of your vacation time, your benefits, and obviously do the best job you can while you are on the job.

With the realities that today's families must face, two working parents, kids off to school, kids trying to be able to participate in recreational activities, it is difficult. Let us give employees that flexibility, but let us give them the flexibility of doing what they wish with their time and the money they have earned through their wages.

The problems I have with this bill are that it does not do that. Let me give some quick examples.

The issue of coercion. We have people who work here who have graduate degrees, who oftentimes find themselves picking up laundry for Members of Congress or shuttling family members to and from offices because the Member says, ''I need to have it done.''

If we can see that happening here in the halls of this place, think what happens in the workplace where someone is working for $7 an hour and the employer says, ''I need you to do this this way. I need you to take comp time versus the overtime pay you could get on Saturday.'' What is the employee going to say? ''Sorry, I think I would rather take my overtime and not agree with you''?

Chances are there is going to be a lot of pressure on that employee to do what the employer wants. This bill gives the employer that kind of leverage.

Slow periods. When I was working my way through college, I worked as a construction worker on highways. It is seasonal work and it is unpredictable work. If it rains, you do not work because you cannot go outside and work in the mud.

What happens in the case of seasonal work, slow periods, where the employer says to himself, ''I know I don't need any workers next week, I've got a slowdown in my jobs, in my contracts, so I'm going to tell everyone who has got comp time to use it rather than have them come in to work and not do as much work.'' It is great for the employer but it is terrible for the employee, because the employee is not expecting necessarily to have to use the comp time on that occasion.

What you do is give employers a way to slough off some of their obligation to their employees where they would otherwise have to pay them to go to work.

Finally, let us just leave it at this. On bankruptcy, the chairman of the committee says that there are provisions in the bill that deal with it. I say to the chairman, he cannot have that in there because this is a bill that deals with the Fair Labor Standards Act. We are not dealing with bankruptcy law, so there is nothing to address the concerns of those who say, ''I have got comp time and it is not taken care of because an employer goes out of business, I will not get my money.''

There is nothing in the bill that would protect the employee beyond what is in current law, and the changes that we have in this bill do not address the bankruptcy laws that we currently have in effect. Therefore, an employee who finds himself or herself working for someone who goes out of business

takes the risk of not getting money from the employer, and that is not fair.

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Mr. GOODLING. Mr. Chairman, I yield 1½ minutes to the gentlewoman from Washington [Mrs. SMITH].

Mrs. SMITH of Washington. Mr. Chairman, I stand today in strong support of this legislation and I say it is about time.

For nearly 15 years I worked with mainly middle-aged women trying to juggle family and jobs and build a career, and as I hired them, so often it became real clear that we need to adjust. We needed to be able to let family and work have some latitude, and we find now that with the Fair Labor Standards Act it is very, very difficult.

The flexibility that we need, and yes, gentlemen, I will say, as women, often is stopped by law. I have not in my 15 years of managing a business found that often I could coerce employees very long before they wanted to go somewhere else. I think that that particular argument falls on the fact that we need good employees. We want to make it work for them, not take advantage of them.

I encourage my fellow colleagues to finally give women a chance. Give us the chance to balance work and family, put it all together and work with our employees in a way that makes sense. I urge my colleagues to strongly support this bill. It is about time.

Mr. CLAY. Mr. Chairman, I yield 2 minutes to the gentlewoman from Georgia [Ms. MCKINNEY].

Ms. MCKINNEY. Mr. Chairman, I rise in opposition to this antifamily legislation. Let us face it, the Republican record has been hideous on workers rights, and this bill is just their Medusa of antiworker proposals.

In my 3½ years in Congress, I have never seen a bill more insidious than this attempt to lengthen the workweek with no corresponding increase in pay. Contrary to what the Republicans say, this bill abolishes overtime pay, period.

Does anyone believe for 1 minute that workers were consulted on this bill? The so-called Working Families Flexibility Act allows employers to suddenly coerce workers into taking comp time instead of overtime pay.

Employers will use this legislation to hire workers who agree to accept comp time instead of overtime pay. This bill allows employers to promote workers who acquiesce to comp time in lieu of overtime pay.

Unlike overtime pay, workers can only use their comp time when it is convenient for their employers, not their families. So much for family friendly legislation

Moreover, Mr. Chairman, workers can be forced to 75 hours a week and not see any comp time for 13 months. If the company goes bankrupt in that 13 months, too bad, the worker gets no comp time and no overtime pay. In effect, this bill forces workers to give their employers interest free loans until the boss says it is OK for them to use their accrued comp time.

For families who rely on overtime pay to supplement their low salaries, they will be comforted in knowing that they might get some time off in the next 13 months.

In short, Mr. Chairman, this bill legalizes the extraction of unpaid labor from workers at a time when people are already working longer and harder for less pay.

Finally, employers can already give workers comp time as long as it is used in the same week that the overtime is worked.

Mr. Chairman, I do not mind being a pit bull for the working men and women of this country.

Mr. GOODLING. Mr. Chairman, I yield 1½ minutes to the gentleman from Connecticut, [Mr. SHAYS].

Mr. SHAYS. Mr. Chairman, I do not believe this debate. I simply do not believe this debate. This is really a debate between union leaders and rank-and-file members. The union leaders tell me they do not want their employees to have the choice, their union workers to have the choice between getting time and a half pay for time and a half vacation. The employees, the union members tell me they want the choice. It just seems to me logically that we would give them the choice.

What this bill does is simply allow for them to get time and a half pay or time and a half off. So, if an individual works 10 days, they would get 15 days off. If they worked 20 days overtime, they would get 30 days off. Their choice. If they chose not to, they could get 10 days of work. They could get 15 days of pay, 20 days of extra work. They could get 30 days of pay.

Tis is basically a choice to the individuals who work to allow them to decide for themselves. They are not idiots. They are not fools. Give them the choice.

What I cannot understand is the protections we have for these employees are the same as we have under the Fair Labor Standards Act, under the Family and Medical Leave. They can go to court directly or they can go to the Labor Department and the Labor Department can go to court against an employer who basically coerces a worker.

We have all the protections. Why should people in the private sector not have the same right that exists in the State, local, and Federal Governments?

Mr. GOODLING. Mr. Chairman, what is the time remaining?

The CHAIRMAN. The gentleman from Pennsylvania [Mr. GOODLING] has 8¼ minutes remaining, and the gentleman from Missouri [Mr. CLAY] has 5¼ minutes remaining.

Mr. GOODLING. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. RIGGS].

Mr. RIGGS. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I just want to again make a couple of points. One is that there are adequate employee protections built into the Working Families Flexibility Act and that explicit language in the bill prohibits an employer from compelling an employee to take compensatory time, or time off, in lieu of overtime compensation. So no employee in any occupation in any industry can be compelled to take compensatory time off in lieu of overtime compensation.

This is a good and fair bill. It is balanced. It is a bill that is designed to relieve some of the pressure, some of the strain that working families, particularly two-income families face today in America, and it is a bill that is designed to help families attend to their unique circumstance and needs.

This is a practice that has been working well in the public sector for years and years and years and I can speak to that from personal experience, and I really do not understand when we have the President on record as in favor of this concept, at least in favor of this legislation, conceptually saying, ''You can choose money in the bank or time on the clock. With more Americans working more hours, simply spending more time with the family can be a dream in itself.''

When you have the President of the United States on record as supporting this legislation conceptually, I cannot understand the kind of reckless claims that have been made about this legislation on this floor. This is sensible legislation.

We are not attacking the 40-hour workweek and we are not intent on eliminating overtime pay. This kind of extreme rhetoric does a disservice to the American people following this debate, and it is flat-out wrong. As I said before, this legislation does not eliminate or change the traditional 40-hour workweek. It simply provides employees with another option in the workplace, time off instead of overtime pay.

Mr. Chairman, today as we consider the Working Families Flexibility Act, we have a unique opportunity to do something good for America's working families. We have the chance to revolutionize an employee's ability to balance the growing demands of work and family.

While the concept of comptime may be revolutionary to some, to America's workers, who are increasingly frustrated about coping with the demands of contemporary life, it is an important and long-awaited reform. In fact, this is an issue that we should have acted on long ago.

Simply put, the Working Families Flexibility Act gives employees more power and control over their lives by allowing them take home pay or time off to help balance work, family, and personal responsibilities.

Surprisingly, because of an outdated labor law which was written in a time when issues such as a two-income family and child care were unheard of, employers and employees today do not have these options.

Common sense dictates that both employees and employers benefit from the ability to

make flexible arrangements about compensation. By passing the Working Families Flexibility Act, we will give employers the ability to offer, and workers the ability to choose, either cash wages or paid time off for any overtime worked. At long last, working men and women will be able to achieve the elusive balance between work and family that they have long sought. They will be able to work, make a living, and spend more time with their families.

Unlike the irresponsible claims that opponents of this legislation are espousing, this bill does not attempt to eliminate overtime pay. However, it does provide employee protections to ensure that employees will not be forced to take comptime and to ensure that employers actually pay for any overtime accrued by a worker.

Those same opponents would have you believe that this legislation destroys the 40-hourweek. Wrong. This legislation protects the 40-hour workweek. Employees will continue to receive time-and-a-half pay for hours worked over 40 hours a week. If the employer decides to offer comptime—the employee gets the choice of whether to be paid in time off or cash.

The bottom line is this—working families win with the passage of the Working Families Flexibility Act. Over 60 percent of employees surveyed said that they would like to have the option to choose comptime instead of paid ovetime. Why? To be able to spend precious time with their families. To go to school events with their children, to attend parent-teacher conferences or to even take a long-awaited family vacation. It is as simple as that. Families need more time together. The last thing families need are rigid, inflexible, and outdated Federal laws making basic family activities more difficult.

Working families and working conditions are going through major changes today. At the very least, we can make the simple changes that will allow them to build and enjoy strong and loving families.

We have a rare opportunity here today. I urge my colleagues to ignore the outrageous rhetoric that we have heard here today and listen to working Americans. Support this H.R. 2391 and support America's families.

Mr. Chairman, I include for the RECORD extraneous material on the Working Families Flexibility Act.

The legislation has no effect whatsoever on the 40-hour workweek for the purposes of calculating overtime. Employees who are covered by the Fair Labor Standards Act will continue to receive overtime pay for any hours worked over 40 in a week. If an employer decides to make comp time available as an option, then the employee will have the choice of taking overtime pay in the form of paid time off or overtime wages.

If an employee voluntarily chooses comp time over cash wages, then there must be an express mutual agreement in writing or some other verifiable statement between the employer and the employee, which must be retained by the employer in accordance with the recordkeeping provisions of the Fair Labor Standards Act.

Accrued comp time could be taken by the employee when the employee chooses to take it, so long as reasonable notice is given and its use doesn't unduly disrupt—the same standard used in the public sector and under the Family and Medical Leave Act—the operations of the business. Employers would be prohibited from requiring employees to take their accrued comp time solely at the convenience of the employer.

Employees would be able to accrue up to 240 hours of comp time within a 12-month period; however, employees and employers could agree to set a lower limit. Employers must pay employees in cash wages for any unused, accrued comp time at the end of each year.

Employees may request in writing, at any time, to be paid cash wages for accrued comp time. Employers must comply with the request within 30 days.

Employees may withdraw from a compensatory time agreement with an employer at any time. However, employers are required to provide employees with at least 30 days' notice prior to discontinuing a policy of offering comp time to employees.

Employers must provide at least 30 days notice before cashing out an employee's accrued comp time. However, employer may only cash out accrued comp time in excess of 80 hours.

The legislation allow double damages to be awarded against employers who coerce employees into choosing compensatory time instead of overtime wages or into using accrued comp time.

The legislation would require the Secretary of Labor to revise the Fair Labor Standards Act's posting requirements so that employees are notified of their rights and remedies regarding the use of comp time.

If an employer failed to pay cash wages to an employee for accrued comp time or refused to allow an employee to use accrued comp time, all of the current remedies under the Fair Labor Standards would apply, including enforcement by the Department of Labor and through individual lawsuits.

Mr. CLAY. Mr. Chairman, I yield the balance of my time to the gentlewoman from Colorado [Mrs. SCHROEDER].

The CHAIRMAN. The gentlewoman from Colorado [Mrs. SCHROEDER] is recognized for 5¼ minutes.

Mrs. SCHROEDER. Mr. Chairman, I thank the gentleman from Missouri for yielding me this time, and I especially thank the gentleman from Missouri for his long, long, long battle in the trenches with me for real family leave.

The gentleman from Missouri understands this, and I have scars all over our bodies for having been beaten by many on this floor for having introduced over 9 years ago the Family Medical Leave Act, which is now passed and has been very, very positive.

Let me tell my colleagues when we finally got it passed and we finally got a President to sign it into law we only had 40 votes on the other side of the aisle to help us. Everyone else voted against family leave on that side of the aisle. Know what? Family leave has been a phenomenal help for America's families. It has been a phenomenal help in that it has allowed people to have unpaid leave at the time of birth or adoption of a family member or a serious illness of a family member.

So suddenly we have a Presidential election where everybody is talking about working family issues, because people are realizing the incredible strain America's families are under as they are trying to juggle their caregiver roles and their employer-employee roles and that stress is forcing American families every day to run faster and faster and faster, their tongues are hanging out; they feel like a squirrel in the wheel. They are more and more tired and they never get out of the bottom of the wheel.

So now we are getting ready to go into the campaign mode and we have to figure out what we did if we are one of those many people who did not vote for family leave that has become so successful.

We just finished a whole 2-year study showing that none of the terrible things they predicted would happen, happened. So the folks who did not vote for it have to find a way to cover their backsides. This is the bill, and this is a bill that I think any employee who works for the wage and hour provisions understands very seriously that this bill is the wrong way to go.

We hear people saying, oh, employers will not compel employees to say they would rather have time off than pay, time-and-a-half pay. Oh, yeah? Show me the employer that would rather give you money than time off. Employers are going to say, ''You want to work here, this is a voluntary decision. If you voluntarily decide you want to work here, then you better bloody well volunteer to sign this thing saying if there is any overtime you will take time off rather than get money.''

Let us be real clear about this. When people are working at those kinds of levels of jobs, they cannot negotiate with their employer like Michael Jordan. If they say I am not going to sign that, one of two things will happen: Either they will never get overtime, or they will not get hired at all. And employees know this. Who are we kidding here?

Now, let us go to the next level. So let us say a person has signed one of these and they are adding all this time that they are going to be able to use. The next part of the bill is they only get to use it when it is convenient for the employer. Now, if they have a working family, like I had for many years, let me tell my colleagues that is no good.

What we need is predictability. We need to be able to predict when we have to work and predict when we are going to have time off so that we can tell the school we can be there to help with the kids, or we can tell our mom that we can help her go shop for groceries, or

we can do whatever our family's responsibilities are. If we do not have that predictability, we do not have anything that is worth anything.

So basically what this bill does, let us just put it right out there, if you are a minimum-wage worker and you work 47.5 hours a week, this bill mandates you get a 22-percent pay cut and time off whenever the employer finds that you can have it. But we cannot really program it. We cannot really plan it because we do not know when it is going to be.

If this side of the aisle were really serious about doing something, they would get on the bill that the gentleman from Missouri and many of the others of us are now trying to push, and that is let us give family medical leave for people who work for companies of 25 or more. When we passed this bill, we put it at 50. It has worked so well, let us lower the threshold to 25 or more. So people upon the birth of a baby or the adoption of a baby can have that ability to say I get time off to try to stabilize the situation.

Oh, no, they do not want to do that because they still really have not even bought into the family medical leave bill we passed that is working so sell.

This bill also allows people to take uncompensatory time off a couple times a year to work in their child's school or to help in some community institution. It is kind of a community reinvestment kind of thing. This is what the President is for. But this is time the employee controls.

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If my child is going on a field trip, that is when I need to have the time off, not 3 weeks later when it is a convenience for the employer. That is why this bill is a joke, and let us be perfectly clear about that.

Mr. GOODLING. Mr. Chairman, I yield 1 minute to the gentleman from Texas [Mr. SMITH].

Mr. SMITH of Texas. Mr. Chairman, if my colleagues want to make the workplace more family friendly, I urge them to vote for the Working Families Flexibility Act. This bill provides working mothers and fathers with the choice of comp time pay or overtime pay. This option empowers employees to balance family needs and career needs.

Mr. Chairman, there are some things that money simply cannot buy: time with your children, your parents, or your spouse. Comp time allows workers to choose more of all these things.

If Members believe that Congress should live under the same laws that govern the private sector, vote for the Working Families Flexibility Act. Since 1985, Federal, State, and local governments have been able to offer their employees comp time. Do not private sector employees have the same option? This bill says yes. Support the Working Families Flexibility Act for our families, our workers, and our children.

Mr. GOODLING. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, first I would say to the gentlewoman that just spoke, yes, in the public sector it can be a condition of employment but in the legislation, if she would read it, she would find that no way can it be a condition of employment.

This is not some wild Republican idea. The President himself endorsed the concept. He has not sent us any legislation but endorsed the concept. Since most people apparently that I have heard speak over there have not read the legislation since we made 20 changes all geared to protect the employee, and there will be some more offered in an amendment to do the same, I would like to just tell my colleagues what is in the bill so if the American public is confused, at least they will know what is in the legislation.

The legislation has no effect whatsoever on the 40-hour workweek for the purpose of calculating overtime. Employers who are covered by the FLSA, the Fair Labor Standards Act, will continue to receive overtime pay for any hours worked over 40 in a week. If an employer decides to make comp time available as an option, then the employee will have the choice of taking overtime pay in the form of paid time off or overtime wages. If the employee voluntarily chooses comp time over cash wages, then there must be an express mutual agreement, in writing, or some other verifiable statement from the employer and the employee which must be retained by the employer in accordance with the recordkeeping provisions of the Fair Labor Standards Act.

Accrued comp time would be taken by the employee when the employee chooses to take it, so long as reasonable notice is given and its use does not unduly disrupt, which is taken from the standard used in the public sector and under the Family and Medical Leave Act, the operation of the business.

Employers would be prohibited from requiring employees to take their accrued comp time solely at the convenience of the employer. Employees would be able to accrue up to 240 hours of comp time within a 12-month period; however, employers and employees could agree to set a larger limit. Employers must pay employees in cash wages for any unused accrued comp time at end of the year.

Employees may request in writing at any time to be paid cash wage for accrued comp time. Employers must comply with the request within 30 days. Employees may withdraw from a compensatory time agreement with an employer at any time. However, employers are required to provide employees with at least 30 days' prior notice to discontinuing a policy of offering comp time to employees. Employers must provide at least 30 days' notice before cashing out an employee's accrued comp time. However, employers may only cash out accrued comp time in excess of 80 hours.

The legislation allows double damages, I repeat double damages to be awarded against employers who coerce employees into choosing compensatory time instead of overtime wages or into using accrued comp time and, I might add, also pay the attorney's fees.

The legislation would require the Secretary of Labor to revise the Fair Labor Standards Act, posting requirements so that employees are notified of their rights and remedies regarding the use of comp time.

If an employer failed to pay cash wages to an employee for accrued comp time or refused to allow an employee to use accrued comp time, all of the current remedies under the Fair Labor Standards Act would apply, including enforcement by the Department of Labor and through individual lawsuits.

It also makes it very clear that unused comp time in the case of bankruptcy is unpaid labor time and, therefore, moves it to the very top of the ladder when dealing with a bankruptcy situation.

The bill states unpaid comp time is considered the same as unpaid wages; accrued comp time has the same priority in bankruptcy as any other unpaid wages.

We have given Members an opportunity to give choice to the American worker, to those who are not members of a union. Of course, the union remains the same as it is. They negotiate whether they get comp time or whether they do not. But for all of the other, which is the largest percentage of the employees, they finally have an opportunity to do what 75 percent of all working Americans said they would like to do: have a choice; have a choice between compensatory time or overtime wages.

Now, I am sorry to hear, secondhandedly, that the Secretary of Labor has indicated that this might be something that he would have the President veto. I think it is very clear the President has to make a choice. He has to make a choice as to whether he represents the 75 percent of the Americans who would like to have this time or whether he wants the $36 to $46 million available for the campaign.

Mrs. MINK of Hawaii. Mr. Chairman, I rise today in opposition to H.R. 2391, the so called Working Family Flexibility Act, which will severely undermine long-standing protections for working men and women in this country.

The overtime requirement in the Fair Labor Standards Act was established to protect workers in this country from being forced to work excessive hours. The development of the right to premium pay—the time-and-a-half standard—for overtime compensation was intended to establish a market incentive to spread work among more employees and prevent employers from assigning excessive work to a fewer number of employees.

Along with the minimum wage this is a basic protection for workers in this country against potential abuses. H.R. 2391 would create a massive loophole for employers, which would

allow them to deny employees their right to overtime compensation. Republicans argue that employers only have their employees best interest in mind and want to provide comp time so that employees can take time off to attend to family business. I have no doubt this is the case for many employers in this country. But evidence clearly points out that there are a significant number of employers who would not have such noble objectives.

Even the Employment Policy Foundation, an employer-funded organization, admits that workers are currently cheated out of overtime pay. They estimate that workers lose $19 billion a year in unpaid overtime. The foundation also estimates that 10 percent of workers entitled to overtime are not paid for the overtime. Other organizations believe that estimate is low. H.R. 2391 would make it easier for employers to get around the overtime law.

The majority claims that under this bill comp time would be purely voluntary for employees, yet the provisions of the bill provide no such assurances and in fact would allow employers to coerce workers to accept comp time instead of overtime pay.

The assignment of overtime work is purely at the discretion of the employer, this is the case under current law. This bill goes one step further and allows employers to decide what kind of compensation workers will receive for overtime work, and if such compensation is in the form of leave time, when they can take that leave. Nothing in the bill prohibits an employer from substituting current annual and vacation leave policies with comp time. And nothing in this bill prohibits employers from assigning overtime work on the basis of an employee's willingness to take comp time.

Under H.R. 2391 any employer could deny a worker the use of their comp time if the employer determines that it unduly disrupts the business. Even if the employee provided a month's notice to make a parent-teacher meeting or to attend a school play, the employer could deny the use of comp time. In fact, nothing in the bill assures workers that they can use their comp time to attend such events. It is all in the hands of the employers.

Finally, Mr. Chairman, H.R. 2391 does nothing to assure that the comp time provisions will be applied in a fair and nondiscriminatory manner. Employers can apply the comp time provisions in a purely arbitrary and capricious manner, which could subject employees to discrimination and even coersion by their employers.

We would all love workers to have family-friendly work policies, but this bill is not family-friendly. It seriously erodes long-standing labor protections for working families in this country. Family-friendly means assuring that workers in this country are treated fairly and are compensated adequately so they can provide a decent standard of living for their children and this the core of the Fair Labor Standards Act.

I urge my colleagues to vote ''no'' on H.R. 2391.

Mr. POMEROY. Mr. Chairman, I rise in opposition to the so-called Working Families Flexibility Act, H.R. 2391. While skillfully titled, this legislation will not, in fact, help today's working families cope with the struggles they face. Instead, this legislation will make life harder for those who toil each week to provide for their families. Perhaps it is unintentional, but unfortunately this bill represents yet another proposal put forth by the majority which will increase the strain on working families and jeopardize our nation's basic workplace protections.

This legislation attempts to offer workers a choice between overtime pay and compensatory time off when they work greater than 40 hours per week. However, the bill does not assure that the employer-employee agreements on this subject will be truly voluntary. Employers who wish to offer compensatory time rather than overtime will find a way to impose this choice on their employees. Today's workers, who face a climate of reduced job security and corporate downsizing, will find it difficult to reject their employers stated preference for time off rather than overtime pay. For example, employers could screen job applicants or assign overtime to employees according to their willingness to accept comp time.

Reducing opportunities for overtime pay in this way is particularly damaging for the many workers in today's economy who depend on overtime to maintain a decent standard of living for themselves and their families. Fully two-thirds of the workers who earned overtime in 1994 had a total family income of less than $40,000. For these many workers at the low end of the wage scale, the extra dollars earned from overtime can mean the difference between family self-sufficiency and government dependence. At a time when we are rightly demanding that people move from welfare to work, we must not remove a basic safeguard—overtime pay for hours worked in excess of 40 per week—that has allowed low-wage workers to stand on their own.

Mr. Chairman, the overtime provisions of the Fair Labor Standards Act have served this Nation well. They protect workers from demands for excessive work, reward, in a financially meaningful way, those who put in extra time for their employer, and by requiring premium pay for overtime, provide an incentive for businesses to create additional jobs. Weakening these overtime provisions and giving employers additional authority over the work schedules of their employees is not the way to help today's working families. I urge my colleagues to oppose this legislation.

Mr. REED. Mr. Chairman, this bill is another example of a good idea gone bad in the hands of the Majority, and that is why I will vote against it.

I support workers choosing compensatory time off instead of overtime. Moreover, I recognize the need to give employees greater flexibility, particularly in light of the number of families in which both parents must work. And, I also support giving workers the opportunity to take care of family issues, and that is why I fought for the Family and Medical Leave Act.

While the legislation before us today may sound like it embraces these concepts, it fails to expand employee options. Indeed, the bill, for all its efforts, would be a false promise to millions of hard-pressed workers, who want time off in lieu of overtime.

First, the bill does not establish universal access to comp time. It would be up to an employer to determine which workers are eligible for compensatory time off. In fact, an unscrupulous manager could deny comp time to an employee on any basis, while offering comp time to another worker performing the same job. Contrary to the protestations of my colleagues on the other side of the aisle, an employee in this situation would have no choice, no resource, and no chance at comp time.

Second, an employee would not sufficiently control the use of their comp time. Unlike overtime, an employee would not have comp time in hand. Instead, an employee would have to ask an employer when they could use their compensation. And, an employer can simply buy this comp time back.

Third, the amount of compensatory time that can be earned or banked is so great that it lessens the likelihood of an employer offering vacation. Currently, there is no law mandating vacation. However, this bill would provide yet another disincentive for paid leave, by allowing managers to tell their employees to earn comp time if they want vacation time. Obviously, an employee would lose out on both vacation and overtime under this scenario.

Finally, this bill fails to address the unique circumstances of certain workers. For example, a carpenter, a temporary employee, or a garmentmaker who works overtime is currently paid time-and-a-half. That is the law, but, under this legislation, if these workers accept comp time, they may never get to use it because of the nature of their industry. Indeed, these kind of workers often move from employer to employer, and I am skeptical if their future employers would honor a previous employers comp time. The same question arises if an employer goes bankrupt.

Simply put, H.R. 2391 is not universal, does not provide choice, jeopardizes existing leave policies, and fails to address the unique circumstances of certain workers.

Mr. Chairman, there is a better way. The President has proposed a sensible alternative to this poor second cousin, and I support the President's plan.

Mr. Chairman, America's hard working families deserve the choice between overtime and comp time. Regrettably, H.R. 2391 fails to deliver it.

Mr. SAWYER. Mr. Chairman, I rise in opposition to the Ballenger comp time bill for many of the reasons that have already been cited during the limited amount of committee and floor debate on this measure. It fails to count used comp time as hours worked as part of a 40-hour week. It lacks any real penalties for employer coercion of workers. And it emphasizes employer, rather than employee, choice in numerous areas, including the critical question of when and if comp time can be used.

Mr. BALLENGER approached me soon after the committee mark-up and asked me why I opposed it. I told him that one of my concerns centered on the provision that allowed employers unilaterally to ''cash out'' an employee's entire accrued comp time without warning. The bill now before us is much improved in that regard, and I do appreciate both those changes and the gentleman's effort to solicit my views.

However, approaching selected Members after the committee has already considered the bill is decidedly not the same as attempting to work out a compromise that all Members could support. And in this case, there was a real opportunity to do that. Earlier this year, Mr. CLAY began an effort to put forth a genuine counterproposal which would be the basis for negotiations. That process ended, however, when the Republicans on the committee scheduled, and then cancelled, an emergency mark-up of the bill, designed to rush the bill to the floor without substantive debate.

I truly wish that had not happened. This bill is better than the committee bill, which itself

was better than the seriously-flawed subcommittee version. But it still has troubling shortcomings.

The concept of comp time seems straightforward. But the practical details and implications of allowing comp time are numerous and complex. If that weren't the case, we could have changed the law long ago.

Forcing workers to work overtime not only keeps them away from their families, it can also diminish the number of jobs available. Time-and-a-half pay for overtime work was intended to limit required overtime for these very reasons. By diminishing that deterrent—by, in effect, selling required overtime work as a positive employee benefit—this bill could actually encourage the very exploitative behavior that the Fair Labor Standards Act was intended to prevent.

It does not have to. But we need to think through carefully the practical details of what this bill would actually do. We have not had the opportunity to do that in an open forum. We owe it to the American people to delay consideration of this proposal until we have done so.

Mr. VENTO. Mr. Chairman, I rise today in strong opposition to this bill which changes the Fair Labor Standards Act.

Today working overtime and the money it provides in pay have become regrettably a necessity, not an option, for many workers. Now some want to take away, the premium and make it flexible for the employer.

For over 50 years these basic rules of the 40 hour workweek have ensured fair treatment and pay for working men and women. There is no need to change them now other than to weaken and undercut workers' rights and benefits. No matter how you package these changes, the bottom line is that workers are shortchanged and pushed to a work schedule in line with the employers' interests. The fact is that the current FLSA is working. Workers don't need the help purported to be extended in this measure.

Once again during this Congress, I come to the floor of this House to oppose the Republican majority's efforts to strip away the longstanding and hard-fought rights of working men and women in this country. The bill before us today is a direct assault on the Fair Labor Standards Act and the traditional 40 hour workweek with premium compensation for work beyond the 8-hour day. Workers don't need to be defined into lower pay checks.

H.R. 2391, the so-called Working Families Flexibility Act, would allow employers to grant compensatory time to workers instead of overtime pay as long as there is a so-called mutual agreement or understanding. Although this may seem like a reasonable concept at first glance, take a good long realistic look at this legislation's predicate. Apparently, my Republican colleagues intend to rely on the good nature of employers and assume an equal authority between employer and employee since this measure does absurdly little to protect workers from obvious pressure and abuse that could and would occur if this measure is implemented. It makes me wonder if the advocates are connected to the real world of work. Many employers are fair and evenhanded. That some are not is or should be readily apparent.

The bill before us today is so deficient as to be considered nothing other than antiworker, antilabor legislation. The bill does precious little to stop employers from coercing their employees to accept compensatory time instead of pay—its anticoercing provisions are weak and unenforceable; it does nothing to stop employers from giving overtime hours only to workers who will choose compensatory time; it even puts restrictions on the use of compensatory time by workers; and it does nothing to prohibit employers from hiring only workers that will accept compensatory time as a condition of their employment. So much for safe guards.

Working families in this country are struggling to make ends meet. Many families depend on the additional income of overtime pay to get by. So when these families are forced to mutually agree to accept compensatory time, they go without. Compensatory time does not pay the bills nor fairly pay for the inconvenience of working beyond the defined day.

Finally, it amazes me how my Republican colleagues can claim this measure is pro-working families. Why do you think that every major labor group opposes this measure—if this bill were truly positive for the American workers, that wouldn't be the case, labor groups would favor such. Well, labor unions do not support, they oppose—strongly oppose this legislation. Let's identify this bill for what it is; yet another break for the Republican Party's big corporate friends at the expense of the American working men and women.

I urge my colleagues to defeat this bill.

Mr. CUNNINGHAM. Mr. Chairman, as a cosponsor of H.R. 2391, I thank you for recognizing me in support of this important legislation, the Working Families Flexibility Act.

In San Diego County, families work hard to make ends meet. They have some of the county's longest commutes. They struggle to make time with their children. According to a Yankelovich poll cited in the June 16, 1996, *Wall Street Journal,* 62 percent of parents ''believed their families had been hurt by changes they had experienced at work, such as more stress or longer hours.'' And the Department of Labor finds that 70 percent of working women with children cite balancing work and family responsibilities as their No. 1 concern.

Families want more flexibility in their work schedules, to help accommodate soccer games, school awards, or just time with the children.

That's why the Working Families Flexibility Act is so important. Given the fact that many employees are working overtime, the Working Families Flexibility Act brings the Fair Labor Standards Act into the 1990's. It gives employees a choice: get paid time-and-a-half, or take time-and-a-half off with the family. All that's needed is a mutual agreement between the employer and the employee. Workers can accumulate up to 240 hours of comp time. Any comp time that is not taken must be paid at time-and-a-half. And all comp time must be cashed-out once a year into time-and-a-half pay.

This is the right thing to do. Three out of five workers working overtime would like to take comp time instead of time-and-a-half pay.

Interestingly enough, Congress granted similar flexibility to public sector employers 11 years ago. But the private sector and small businesses are prohibited by the FLSA from offering this kind of family-friendly flexibility to their own employees. If this kind of flexibility is good enough for Government employees, it's good enough for the rest of America.

Last Month, President Clinton joined the bandwagon in support of more flexibility in family work schedules. But the President's proposal does not do the job for America's working families. It creates unnecessary bureaucratic paperworker for employers. And it does not allow employees to bank any sizeable amount of their comp time, as the Working Families Flexibility Act does. Nevertheless, we appreciate the President's interest.

The Working Families Flexibility Act gives working families a better chance to get what they want and what they need: time with their children, with their family, friends and loved ones. It includes important protections for employees and employers. It is a balanced, reasonable approach to the work and family environment of the 1990's. I urge all members to support it, because families support it, too.

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the bill shall be considered for amendment under the 5-minute rule for 2 hours. The committee amendment in the nature of a substitute printed in the bill is considered as an original bill for the purpose of amendment and is considered read.

The text of the committee amendment in the nature of a substitute is as follows:

H.R. 2391

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 ''Working Families Flexibility Act of 1996''.

SEC. 2. COMPENSATORY TIME.

Subsection (o) of section 7 of the Fair Labor Standards Act of 1938 (29 U.S.C. 207) is amended—

(1) by striking paragraphs (1) through (5) and inserting the following:

''(1) An employee may receive, in accordance with this subsection and in lieu of monetary overtime compensation, compensatory time off at a rate not less than one and one-half hours for each hour of employment for which overtime compensation is required by this section.

''(2) An employer may provide compensatory time under paragraph (1) only—

''(A) pursuant to—

''(i) applicable provisions of a collective bargaining agreement, memorandum of understanding, or any other agreement between the employer and representatives of such employees, or

''(ii) in the case of employees who are not represented by a collective bargaining agent or other representative designated by the employee, an agreement or understanding arrived at between the employer and employee before the performance of the work if such agreement or understanding was entered into knowingly and voluntarily by such employee;

''(B) in the case of an employee who is not an employee of a public agency, if such employee has affirmed, in a written or otherwise verifiable statement that is made, kept, and preserved in accordance with section 11(c), that the employee has chosen to receive compensatory time in lieu of overtime compensation; and

''(C) if the employee has not accrued compensatory time in excess of the limit applicable to the employee prescribed by paragraph (5).

In the case of employees described in subparagraph (A)(ii) who are employees of a public agency and who were hired before

April 15, 1986, the regular practice in effect on such date with respect to compensatory time off for such employees in lieu of the receipt of overtime compensation, shall constitute an agreement or understanding described in such subparagraph. Except as provided in the preceding sentence, the provision of compensatory time off to employees of a public agency for hours worked after April 14, 1986, shall be in accordance with this subsection. An employer may provide compensatory time under paragraph (1) to an employee who is not an employee of a public agency only if such agreement or understanding was not a condition of employment.

''(3) An employer which is not a public agency and which provides compensatory time under paragraph (1) to employees shall not directly or indirectly intimidate, threaten, or coerce or attempt to intimidate, threaten, or coerce any employee for the purpose of—

''(A) interfering with such employee's rights under this subsection to request or not request compensatory time off in lieu of payment of overtime compensation for overtime hours; or

''(B) requiring any employee to use such compensatory time.

''(4)(A) An employee, who is not an employee of a public agency, may accrue not more than 240 hours of compensatory time.

''(B)(i) Not later than January 31 of each calendar year, the employee's employer shall provide monetary compensation for any compensatory time off accrued during the preceding calendar year which was not used prior to December 31 of the preceding year at the rate prescribed by paragraph (6). An employer may designate and communicate to the employer's employees a 12-month period other than the calendar year, in which case such compensation shall be provided not later than 31 days after the end of such 12-month period.

''(ii) The employer may provide monetary compensation for an employee's unused compensatory time at any time. Such compensation shall be provided at the rate prescribed by paragraph (6).

''(C) An employee may also request in writing that monetary compensation be provided, at any time, for all compensatory time accrued which has not yet been used. Within 30 days of receiving the written request, the employer shall provide the employee the monetary compensation due in accordance with paragraph (6).

''(5)(A) If the work of an employee of a public agency for which compensatory time may be provided included work in a public safety activity, an emergency response activity, or a seasonal activity, the employee engaged in such work may accrue not more than 480 hours of compensatory time for hours worked after April 15, 1986. If such work was any other work, the employee engaged in such work may accrue not more than 240 hours of compensatory time for hours worked after April 15, 1986. Any such employee who, after April 15, 1986, has accrued 480 or 240 hours, as the case may be, of compensatory time off shall, for additional overtime hours of work, be paid overtime compensation.

''(B) If compensation is paid to an employee described in subparagraph (A) for accrued compensatory time off, such compensation shall be paid at the regular rate earned by the employee at the time the employee receives such payment.

''(6)(A) An employee of an employer which is not a public agency who has accrued compensatory time off authorized to be provided under paragraph (1) shall, upon the voluntary or involuntary termination of employment, be paid for the unused compensatory time at a rate of compensation not less than—

''(i) the average regular rate received by such employee during the period during which the compensatory time was accrued, or

''(ii) the final regular rate received by such employee,

whichever is higher.

''(B) An employee of an employer which is a public agency who has accrued compensatory time off authorized to be provided under paragraph (1) shall, upon the voluntary or involuntary termination of employment, be paid for the unused compensatory time at a rate of compensation not less than—

''(i) the average regular rate received by such employee during the last 3 years of the employee's employment, or

''(ii) the final regular rate received by such employee,

whichever is higher.

''(C) Any payment owed to an employee under this sub-section for unused compensatory time shall, for purposes of section 16(b), be considered unpaid overtime compensation.

''(7) An employee—

''(A) who has accrued compensatory time off authorized to be provided under paragraph (1), and

''(B) who has requested the use of such compensatory time,

shall be permitted by the employee's employer to use such time within a reasonable period after making the request if the use of the compensatory time does not unduly disrupt the operations of the employer.''; and

(2) by redesignating paragraphs (6) and (7) as paragraphs (8) and (9), respectively.

SEC. 3. REMEDIES

Section 16 of the Fair Labor Standards Act of 1938 (29 U.S.C. 216) is amended—

(1) in subsection (b), by striking ''(b) Any employer'' and inserting ''(b) Except as provided in subsection (f), any employer''; and

(2) by adding at the end of the following:

''(f) An employer which is not a public agency and which willfully violates section 7(o)(3) shall be liable to the employee affected in the amount of the rate of compensation (determined in accordance with section 7(o)(6)(A)) for each hour of compensatory time accrued by the employee and in an additional equal amount as liquidated damages reduced by the amount of such rate of compensation for each hour of compensatory time used by such employee.''.

The CHAIRMAN. Before consideration of any other amendment it shall be order to consider the amendment printed in House Report 104–704 if offered by the gentleman from Pennsylvania [Mr. GOODLING], or his designee. That amendment shall be considered read, shall be debatable for 10 minutes, equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question.

If that amendment is adopted, the bill, as amended, shall be considered as an original bill for the purpose of further amendment.

No further amendment is in order except those printed in the appropriate place in the CONGRESSIONAL RECORD. Those amendments shall be considered read.

The Chairman of the Committee of the Whole may postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on amendment; and reduce to 5 minutes the minimum time for electronic voting on any postponed question that follows another electric vote without intervening business, provided that the minimum time for electronic voting on the first in any series of questions shall be 15 minutes.

AMENDMENT OFFERED BY MR. GOODLING

Mr. GOODLING. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. GOODLING: Page 3, line 20, insert ''(4) or'' after ''paragraph''.

Page 5, line 10, insert ''in excess of 80 hours'' after ''time''.

Page 5, insert after line 12 the following:

''(iii) An employer which has adopted a policy offering compensatory time to employees may discontinue such policy upon giving employees 30 days notice. An employee who is not an employee of a public agency may withdraw an agreement or understanding described in paragraph (2)(A)(ii) at any time.''.

Page 5, line 11, insert before the period the following: ''after giving the employee at least 30 days notice''.

Page 7, beginning in line 12, strike '', for purposes of section 16(b),''.

Page 8, line 9, strike ''willfully''.

Page 8, insert after line 15 the following:

SEC. 4. NOTICE TO EMPLOYEES.

Not later than 30 days after the date of the enactment of this Act, the Secretary of Labor shall revise the materials the Secretary provides, under regulations published at 29 C.F.R. 516.4, to employers for purposes of a notice explaining the Fair Labor Standards Act of 1938 to employees so that such notice reflects the amendments made to such Act by this Act.

The CHAIRMAN. Pursuant to the rule, the gentleman from Pennsylvania [Mr. GOODLING] and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. GOODLING].

Mr. GOODLING. Mr. Chairman, I yield 4 minutes to the gentleman from North Carolina [Mr. BALLENGER].

Mr. BALLENGER. Mr. Chairman, this amendment clarifies and adds a number of employee-protections which will ensure that the choice of comp time is truly the employee's choice and to give employees control over when comp time is used or cashed in.

First, the amendment requires a private sector employer to give an employee 30 days notice prior to cashing out the employee's accrued comp time. However, employers may only cash out accrued comp time in excess of 80 hours, unless the cash out is in response to an employee request.

There has been some concern expressed about the fact that would an employer could cash out comp time. But, an employer is not required to offer comp time—so to offer it and then, in effect retract it, in the absence of a very compelling reason to do so, would not be a very sensible policy for an employer. The amendment addresses this concern by assuring that the employer could not cash out the first

80 hours of accrued comp time, unless the employee requests it.

Second, the amendment clarifies that an employee may withdraw from a comp time agreement with an employer at any time. Nothing in the bill currently prohibits an employee from doing so, but I have added language which explicitly gives the employee that right.

Third, the amendment would require employers to provide employees with 30 days notice prior to withdrawing a policy of offering comp time. There may be instances where an employer decides for whatever reason that providing comp time is not a workable option for that particular business. This would accommodate that type of situation by allowing the employer to discontinue the program, so long as the employees are provided with 30 days notice.

Fourth, the amendment requires the Secretary of Labor to revise the posting requirements under the regulations of the Fair Labor Standards Act to reflect the comp time provisions of the bill. This will help to ensure that employees are informed of the circumstances under which comp time may be provided and their rights regarding the use of comp time.

Fifth, the amendment would eliminate language which limited a private sector employee's remedies against an employer to willful violations of the anti-coercion provision. I know that this particular issue was of concern to my colleague on the Economic and Educational Opportunities Committee, Congressman ANDREWS. By removing the willful requirement, the remedies in the bill would be available to an employee who is directly or indirectly coerced by an employer into selecting or using comp time.

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

PARLIAMENTARY INQUIRY

Mrs. SCHROEDER. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentlewoman will state it.

Mrs. SCHROEDER. Mr. Chairman, under rule VIII, which talks about conflicts of interest and members and their votes, my question is, can Members of this body who own substantial parts of businesses that are under the Fair Labor Standards Act vote on this bill, since obviously this would affect very much their bottom line on their balance sheet?

The CHAIRMAN. Rule VIII commends questions of that sort to individual Members. It is under the discretion of individual Members.

Mrs. SCHROEDER. Mr. Chairman, further parliamentary inquiry. The Chairman is saying it would depend on that Member's business.

The CHAIRMAN. The Chair is stating that it is left to the discretion of individual Members.

Mrs. SCHROEDER. Thank you, Mr. Chairman.

Mr. CLAY. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I am a little puzzled about this debate this afternoon. All during the debate, Members of the other side have been quoting the President as being in favor of this in concept. Now the floor manager quotes the Secretary of Labor as saying he is going to recommend to the President to veto the bill.

I am also confused about Members on the other side getting up talking about what a great thing family and medical leave is, when 190 of them voted against the Family and Medical Leave Act.

So, Mr. Chairman, I rise to oppose this manager's amendment which in my opinion is too little too late. I want to commend my Republican colleagues, the gentleman from Pennsylvania [Mr. GOODLING] and the gentleman from North Carolina [Mr. BALLENGER] for belatedly recognizing that their bill has many flaws. Frankly, the bill should not have been reported out of committee without basic employee protections in the first place. Mr. BALLENGER says that he has made 6 changes, Mr. GOODLING has referred to 20 some odd changes during this debate, which indicates to us that the bill should have been repaired in committee in a bipartisan agreement.

Apparently, there are more changes still to come if they think that this bill will meet the objections of the President and of the Democrats on this side of the aisle.

While the manager's amendment, Mr. Chairman, makes improvement in the bill, it does not make sufficient improvements to rescue a bill that is fatally flawed. H.R. 2391 still does not provide assurance that employees will be able to use the comp time they earn. The bill still permits employers to administer comp time in an arbitrary and capricious manner. The bill continues to discourage employers from offering paid leave.

□ 1530

The bill continues to encourage employers to work fewer employees for longer hours, and the bill continues to encourage further violations of the overtime law.

Most importantly, H.R. 2391 continues to undermine family income. The manager's amendment is a day late and a dollar short. I urge Members to vote against H.R. 2391 on final passage.

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

The CHAIRMAN. The gentleman from Missouri [Mr. CLAY] has the right to close.

Mr. GOODLING. Mr. Chairman, see all the rights the minority has, and they are always complaining.

Mr. Chairman, I yield the balance of my time to the gentlewoman from Connecticut [Mrs. JOHNSON] who also has cosponsored this amendment.

The CHAIRMAN. The gentlewoman from Connecticut [Mrs. JOHNSON] is recognized for 2½ minutes.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I rise in strong support of the Working Families Flexibility Act and to commend the sponsor of the bill, Mr. BALLENGER, for his enlightened leadership in bringing forward this important legislation on behalf of working families. I am pleased to have been able to join him in offering this amendment to fine tune the bill and further clarify the protections for employees. This amendment will give employees greater control over the management of their accrued compensatory time and make clear the choice of compensatory time instead of overtime wages must be voluntary. Thus, the main criticism of this bill by AFL–CIO has been addressed. No one wants management to prevent employees from getting time plus one-half in wages for overtime if the employee needs the money more than time. But as to 70 percent of working women, for some, time is a far more valuable commodity and getting 1½ hours off for every hour of overtime would be blessing. And, this amendment assures that the employee's choice rules.

First, the amendment would require a private employer to give a 30 days notice prior to cashing out accrued comp time in excess of 80 hours, unless the cash out is requested by an employee, preserving the employee's right to access to the cash if an emergency comes up, or they find the sofa they always wanted, or a car, or new eyeglasses, or, as my daughter faces, the high cost of a new hearing aid. There has been some concern expressed about the fact that the bill would allow the employer to cash out comp time. But, an employer is not required to offer comp time—so to offer it and then in effect retract it, in the absence of a very compelling reason to do so, would not be a very sensible policy for an employer. Our amendment addresses this concern by adding a provision which assures that the employer would not be able to cash out the first 80 hours of accrued comp time, unless the cash out is initiated by the employee.

Second, the amendment clarifies that an employee may withdraw from compensatory time agreement with the employer at any time. Nothing in the bill currently prohibits an employee from doing so, but we have added language which explicitly gives the employee that right.

Third, the amendment would require the employer to provide the employees with 30 days notice prior to withdrawing a policy of offering compensatory time. There may be instances where an employer decides for whatever reason that providing comp time is not a workable option for that particular business. This would accommodate that type of situation by allowing the employer to discontinue the program, so long as the employees are provided with 30 days notice.

Finally, the amendment requires the Secretary of Labor to revise the posting requirements under the regulations of the Fair Labor Standards Act to reflect the comp time provisions of the bill. This will help to ensure that employees are informed of the circumstances under which comp time may be provided and their rights regarding the use of comp time.

The changes made by this amendment along with changes which have already been made to the bill by the Economic and Educational Opportunities Committee will ensure that employees are not coerced into selecting time off instead of wages. Employees will be able to decide for themselves what form of compensation best suits their individual needs.

Mr. Chairman, I believe that this is a sound amendment which further clarifies and improves the bill and should resolve many, if not all of the remaining concerns about the bill. The strength of this legislation is that it empowers workers by giving them a choice and it creates an opportunity for working men and women to have additional time with their families or to pursue interest outside of work.

I am pleased to have been able to work with my colleague, Mr. BALLENGER on this legislation. I commend him for the process that has produced this bill. His willingness to listen to all sides and develop a bill that simply offers employees a very desirable option of time plus ½ hours off for overtime work. What a gift for parents? for dental appointments, parent conferences, sick kids, emergencies, or just a little time alone!

Terrific. And how sadly small of the public employees unions to oppose the bill. They have a form of comp time, not as generous only hour for hour, but flexibility. They want to be included in this. But sadly and shortsightedly, AFSME and others oppose this legislation. I guess because they want to do collective bargaining on it. Yet this is simply a benefit, like other FLSA rules, that assures fair treatment of all employees. So I say to unions that oppose this, open up your hearts and support the interest of all working people of America.

I commend and thank Mr. BALLENGER for his perseverance and compassion and his sensitivity to the times we live in and the tough challenges young families and all workers face in todays' workplaces.

I urge my colleagues to support this amendment.

Mr. CLAY. Mr. Chairman, I yield the balance of my time to the gentleman from California [Mr. BECERRA].

The CHAIRMAN. The gentleman from California [Mr. BECERRA] is recognized for 2½ minutes.

Mr. BECERRA. Mr. Chairman, either this is a good bill or it has got real problems. If it is a good bill, and that is what we were told when it left the committee, then why do we see more than 20 changes being made now at the last moment now that it is on the floor to try to correct all these problems in the bill?

Explain to me and explain to the American worker, who you are going to impose this upon, how a good bill comes out of committee and needs more than 20 changes through amendments that we do not have a chance to read very well because we get it at the last moment and tell American workers that these are good changes.

If they are so good, then why does the Wall Street Journal, which is not your most liberal of publications, and not your employee supporting of publications, make mention of analysis that they show that over 695,000 workers in America won settlements for overtime? Not that they claimed they were due overtime pay, they won settlements from their employers. There are estimates that two-thirds of America's workers deserve overtime and may not get it.

There is no problem in having flex time. No one here disagrees with that. What we are saying is, truly give the flex time to the person who has earned it, the employee. What you have here are too many problems in the bill because it does not give it to the employee. It gives the employer the right to determine who will take time off, how it will be called compensatory time.

Give it to them. Let us give it to them, but let us be honest and let us give them the time, not the employer. Once the employee has worked for that employer, he or she has earned either the salary or the time. But do not confuse the issues and do not deceive the American worker. Let them take the time. Do not let the employer all of a sudden have this leverage of denying overtime pay and saying, compensatory time is what you get whether you want it or not.

This is not a good bill. The 20-some-odd changes that we have had to make proves it. There will be more changes if this passes, and, hopefully, the President will veto it if it gets through here. Let us defeat this bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. GOODLING].

The amendment was agreed to.

Mr. TATE. Mr. Chairman, I ask unanimous consent to strike the last word.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. TATE. I would like to engage in a colloquy with the gentleman from North Carolina [Mr. BALLENGER].

I am concerned that it be absolutely clear that paragraph 3 of H.R. 2391 does not authorize public agencies to intimidation, threaten or coerce working police officers and firefighters in Washington State or anywhere else. Am I correct in understanding that such intimidate, threats or coercion would not be authorized under this provision in paragraph 3?

Mr. BALLENGER. Mr. Chairman, will the gentleman yield?

Mr. TATE. I yield to the gentleman from North Carolina.

Mr. BALLENGER. Yes; the gentleman is correct. The provision in paragraph 3 is not intended to authorize any public agency to intimidate, threaten or coerce any public employee. This bill is specifically designed to deal with compensatory time in the private and not the public sector.

Mr. TATE. Mr. Chairman, do I understand that public sector employees are protected by Section 15(a), the antidiscriminatory provisions of the Fair Labor Standards Act?

Mr. BALLENGER. Mr. Chairman, if the gentleman will continue to yield, yes, section 15(a) of the Fair Labor Standards Act applies to any person who is covered by the act. H.R. 2391 does not change or affect coverage of section 15(a) in any way.

Mr. TATE. Mr. Chairman, do I understand the subcommittee chairman is willing to explore this issue involving public sector use of compensatory time in the next session of Congress and review these matters more fully?

Mr. BALLENGER. The gentleman is correct.

Mr. TATE. Mr. Chairman, I thank the gentleman.

AMENDMENT OFFERED BY MS. MCKINNEY

Ms. MCKINNEY. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Ms. MCKINNEY: Page 4, line 22, strike ''240'' and insert ''222''.

Page 5, line 23, strike ''480'' and insert ''444''.

Page 6, line 1, strike ''240'' and insert ''222''.

Page 6, line 3, strike ''480 or 240'' and insert ''444 or 222''.

Page 8, insert after line 15 the following:

SEC. 4. OVERTIME.

(a) AMENDMENT.—Section 7(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 207(a)(1)) is amended by striking ''forty'' and inserting ''thirty-seven''.

(b) REVISIONS.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Labor shall report to the Committee on Economic and Educational Opportunities of the House of Representatives the revisions required to be made in the employment hours specified in section 7 of the Fair Labor Standards Act of 1938 to conform to the amendment made by subsection (a).

Mr. GOODLING. Mr. Chairman, I reserve a point of order against the amendment.

Ms. MCKINNEY. Mr. Chairman, I rise to offer this amendment because I believe that this is an amendment whose time has come. Unfortunately, I understand that it will be ruled nongermane and, therefore, I offer the amendment but I will withdraw the amendment as well.

I do want to talk about my amendment, which instead of increasing the workweek as this legislation does, my amendment reduces the workweek. In fact, while this is called the comp time bill, some of my friends have said this is the chump time bill because our colleagues on the other side of the aisle are taking the working men and women of this country for chumps.

My amendment reduces the workweek as defined in the Fair Labor Standards Act from 40 hours to 37 hours. That means that overtime pay would start at 37 hours rather than 40 hours and also that comp time would start at 37 hours rather than 40 hours.

Already the United States lags far behind other countries in terms of our time off for our workers. I would like to submit for the RECORD an article from the Atlanta Constitution that documents the fact that we lag behind other industrialized countries in the world with respect to the time off for our men and women who are in the work force.

We do not need to be talking about making our hard-pressed workers work

longer hours for even less money. If America's workers had 3 hours less work time, what would we see? I believe we would see more families together. I think we would see more fathers and mothers with quality time with their children. We would see an enhancement in the quality of life for our working men and women, our working fathers and mothers. I think if our colleagues truly supported family time, they would support this amendment.

Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of gentlewoman from Georgia?

There was no objection.

The CHAIRMAN. Are there further amendments? The question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. WELLER] having assumed the chair, Mr. LAHOOD, Chairman of the Committee of the Whole House on the State of the Union, reported that the Committee, having had under consideration the bill (H.R. 2391) to amend the Fair Labor Standards Act of 1938 to provide compensatory time for all employees, pursuant to House Resolution 488, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on the amendment to the Committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the Committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read a 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.

Mr. CLAY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 225, nays 195, not voting 14, as follows:

[Roll No. 370]

YEAS—225

Allard
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blute
Boehner
Bonilla
Bono
Brewster
Browder
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLay
Dickey
Dooley
Doolittle
Dornan
Dreier
Duncan
Dunn
Ehlers
Ehrlich
English
Ensign
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Fowler
Fox
Franks (NJ)
Frelinghuysen
Funderburk
Gallegly
Ganske
Gekas
Geren
Gilchrest
Gillmor
Gingrich
Goodlatte
Goodling
Goss
Graham
Greene (UT)
Greenwood
Gunderson
Gutknecht
Hall (TX)
Hancock
Hansen
Harman
Hastert
Hayes
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Hostettler
Hunter
Hutchinson
Hyde
Istook
Jacobs
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
LoBiondo
Longley
Lucas
Manzullo
McCollum
McCrery
McInnis
McIntosh
McKeon
Meyers
Mica
Miller (FL)
Minge
Molinari
Montgomery
Moorhead
Morella
Myers
Myrick
Nethercutt
Ney
Norwood
Nussle
Oxley
Packard
Parker
Paxon
Peterson (MN)
Petri
Pickett
Pombo
Porter
Portman
Pryce
Quillen
Radanovich
Ramstad
Regula
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Skeen
Smith (MI)
Smith (TX)
Smith (WA)
Souder
Spence
Stearns
Stenholm
Stump
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Tiahrt
Torkildsen
Upton
Vucanovich
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Zeliff

NAYS—195

Abercrombie
Ackerman
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Beilenson
Bentsen
Berman
Bevill
Bishop
Blumenauer
Boehlert
Bonior
Borski
Boucher
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Cardin
Chapman
Clay
Clayton
Clement
Clyburn
Coleman
Collins (IL)
Collins (MI)
Condit
Conyers
Costello
Coyne
Cramer
Cummings
Danner
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Diaz-Balart
Dicks
Dingell
Dixon
Doggett
Doyle
Durbin
Edwards
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Flake
Forbes
Frank (MA)
Franks (CT)
Frisa
Frost
Furse
Gejdenson
Gibbons
Gilman
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Hamilton
Hastings (FL)
Hefner
Hilliard
Hinchey
Holden
Horn
Houghton
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
King
Kleczka
Klink
LaFalce
Lantos
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McDermott
McHale
McHugh
McKinney
McNulty
Meehan
Menendez
Metcalf
Millender-McDonald
Miller (CA)
Mink
Moakley
Mollohan
Moran
Murtha
Nadler
Neal
Neumann
Oberstar
Obey
Olver
Orton
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Pomeroy
Poshard
Quinn
Rahall
Rangel
Reed
Rivers
Roemer
Rose
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schiff
Schroeder
Schumer
Scott
Serrano
Skaggs
Skelton
Slaughter
Smith (NJ)
Solomon
Spratt
Stark
Stockman
Stokes
Studds
Stupak
Tejeda
Thompson
Thornton
Thurman
Torres
Torricelli
Towns
Traficant
Velazquez
Vento
Visclosky
Volkmer
Ward
Waters
Watt (NC)
Waxman
Williams
Wilson
Wise
Woolsey
Wynn
Yates
Young (AK)

NOT VOTING—14

Foglietta
Ford
Gephardt
Hastings (WA)
Inglis
Lincoln
McDade
Meek
Ortiz
Peterson (FL)
Richardson
Sisisky
Young (FL)
Zimmer

□ 1603

Mr. LIPINSKI and Mr. BEVILL changed their vote from ''yea'' to ''nay.''

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. GOODLING. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on the bill just passed.

The SPEAKER pro tempore (Mr. WELLER). Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

VETERANS' HEALTH CARE ELIGIBILITY REFORM ACT OF 1996

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 3118, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Arizona [Mr.

STUMP] that the House suspend the rules and pass the bill, H.R. 3118, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 416, nays 0, not voting 17, as follows:

[Roll No. 371]

YEAS—416

Abercrombie	Cummings	Heineman
Ackerman	Davis	Herger
Allard	de la Garza	Hilleary
Andrews	Deal	Hilliard
Archer	DeFazio	Hinchey
Armey	DeLauro	Hobson
Bachus	DeLay	Hoekstra
Baesler	Dellums	Hoke
Baker (CA)	Deutsch	Holden
Baker (LA)	Diaz-Balart	Horn
Baldacci	Dickey	Hostettler
Ballenger	Dicks	Houghton
Barcia	Dingell	Hoyer
Barr	Dixon	Hunter
Barrett (NE)	Doggett	Hutchinson
Barrett (WI)	Dooley	Hyde
Bartlett	Doolittle	Istook
Barton	Dornan	Jackson (IL)
Bass	Doyle	Jackson-Lee
Bateman	Dreier	(TX)
Becerra	Duncan	Jacobs
Beilenson	Dunn	Jefferson
Bentsen	Durbin	Johnson (CT)
Bereuter	Edwards	Johnson (SD)
Berman	Ehlers	Johnson, E. B.
Bevill	Ehrlich	Johnson, Sam
Bilbray	Engel	Johnston
Bilirakis	English	Jones
Bishop	Ensign	Kanjorski
Bliley	Eshoo	Kaptur
Blumenauer	Evans	Kasich
Blute	Everett	Kelly
Boehlert	Ewing	Kennedy (MA)
Boehner	Farr	Kennedy (RI)
Bonilla	Fattah	Kennelly
Bonior	Fawell	Kildee
Bono	Fazio	Kim
Borski	Fields (LA)	King
Boucher	Fields (TX)	Kingston
Brewster	Filner	Kleczka
Browder	Flake	Klink
Brown (CA)	Flanagan	Klug
Brown (FL)	Foley	Knollenberg
Brown (OH)	Forbes	Kolbe
Bryant (TN)	Fowler	LaFalce
Bryant (TX)	Fox	LaHood
Bunn	Frank (MA)	Lantos
Bunning	Franks (CT)	Largent
Burr	Franks (NJ)	Latham
Burton	Frelinghuysen	LaTourette
Buyer	Frisa	Laughlin
Callahan	Frost	Lazio
Calvert	Funderburk	Leach
Camp	Furse	Levin
Campbell	Gallegly	Lewis (CA)
Canady	Ganske	Lewis (GA)
Cardin	Gejdenson	Lewis (KY)
Castle	Gekas	Lightfoot
Chabot	Geren	Linder
Chambliss	Gibbons	Lipinski
Chapman	Gilchrest	Livingston
Chenoweth	Gillmor	LoBiondo
Christensen	Gilman	Lofgren
Chrysler	Gonzalez	Longley
Clay	Goodlatte	Lowey
Clayton	Goodling	Lucas
Clement	Gordon	Luther
Clinger	Goss	Maloney
Clyburn	Graham	Manton
Coble	Green (TX)	Manzullo
Coburn	Greene (UT)	Markey
Coleman	Greenwood	Martinez
Collins (GA)	Gunderson	Martini
Collins (IL)	Gutierrez	Mascara
Collins (MI)	Gutknecht	Matsui
Combest	Hall (OH)	McCarthy
Condit	Hall (TX)	McCollum
Conyers	Hamilton	McCrery
Cooley	Hancock	McDermott
Costello	Hansen	McHale
Cox	Harman	McHugh
Coyne	Hastert	McInnis
Cramer	Hastings (FL)	McIntosh
Crane	Hayes	McKeon
Crapo	Hayworth	McKinney
Cremeans	Hefley	McNulty
Cubin	Hefner	Meehan
Menendez	Rahall	Stokes
Metcalf	Ramstad	Studds
Meyers	Rangel	Stump
Mica	Reed	Stupak
Millender-McDonald	Regula	Talent
	Riggs	Tanner
Miller (CA)	Rivers	Tate
Miller (FL)	Roberts	Tauzin
Minge	Roemer	Taylor (MS)
Mink	Rogers	Taylor (NC)
Moakley	Rohrabacher	Tejeda
Molinari	Ros-Lehtinen	Thomas
Mollohan	Rose	Thompson
Montgomery	Roth	Thornberry
Moorhead	Roukema	Thornton
Moran	Roybal-Allard	Thurman
Morella	Royce	Tiahrt
Murtha	Rush	Torkildsen
Myers	Sabo	Torres
Myrick	Salmon	Torricelli
Nadler	Sanders	Towns
Neal	Sanford	Traficant
Nethercutt	Sawyer	Upton
Neumann	Saxton	Velázquez
Ney	Scarborough	Vento
Norwood	Schaefer	Visclosky
Nussle	Schiff	Volkmer
Oberstar	Schroeder	Vucanovich
Obey	Schumer	Walker
Olver	Scott	Walsh
Orton	Seastrand	Wamp
Owens	Sensenbrenner	Ward
Oxley	Serrano	Waters
Packard	Shadegg	Watt (NC)
Pallone	Shaw	Watts (OK)
Parker	Shays	Waxman
Pastor	Shuster	Weldon (FL)
Paxon	Skaggs	Weldon (PA)
Payne (NJ)	Skeen	Weller
Payne (VA)	Skelton	White
Pelosi	Slaughter	Whitfield
Peterson (MN)	Smith (MI)	Wicker
Petri	Smith (NJ)	Williams
Pickett	Smith (TX)	Wilson
Pombo	Smith (WA)	Wise
Pomeroy	Solomon	Wolf
Porter	Souder	Woolsey
Portman	Spence	Wynn
Poshard	Spratt	Yates
Pryce	Stark	Young (AK)
Quillen	Stearns	Zeliff
Quinn	Stenholm	
Radanovich	Stockman	

NOT VOTING—17

Brownback	Hastings (WA)	Peterson (FL)
Cunningham	Inglis	Richardson
Danner	Lincoln	Sisisky
Foglietta	McDade	Young (FL)
Ford	Meek	Zimmer
Gephardt	Ortiz	

□ 1622

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 3481

Mr. CHRYSLER. Mr. Speaker, I ask unanimous consent that my name be removed from the list of cosponsors of H.R. 3481. My name was included in error.

The SPEAKER pro tempore (Mr. WELLER). Is there objection to the request of the gentleman from Illinois?

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 3540, FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 1997

Mr. CALLAHAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 3540) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1997, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

MOTION TO INSTRUCT OFFERED BY MR. WILSON

Mr. WILSON. Mr. Speaker, I offer a motion to instruct.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. WILSON moves that in resolving the differences between the House and Senate, the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill H.R. 3540, be instructed to provide funding for the United Nations Children's Fund (UNICEF) at the level specified by the House.

The SPEAKER pro tempore. Under clause 1(b) of rule XXVIII, the gentleman from Texas [Mr. WILSON] and the gentleman from Alabama [Mr. CALLAHAN] each will control 30 minutes.

The Chair recognizes the gentleman from Texas [Mr. WILSON].

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

Mr. Speaker, the House provided $100 million for the U.N. Children's Fund, commonly known as UNICEF. This is the same level of funding the UNICEF received in fiscal year 1996 and will allow them to continue their essential work around the world helping needy children.

The Senate has provided only $90 million which would be a cut of $10 million below last year's spending level and would be a setback to UNICEF's ability to make progress against childhood disease and hunger.

I know that the gentleman from Alabama [Mr. CALLAHAN], the chairman of the subcommittee, feels strongly about UNICEF and is prepared to accept this motion. I am taking my opportunity to use the motion to instruct on UNICEF because of its importance to the world's children and to demonstrate to the other body the depths of our commitment on the House side to provide the full $100 million.

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

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

Mr. Speaker, I concur with the gentleman from Texas and agree with him that the House should instruct the conferees to protect the $100 million for UNICEF and, therefore, support the motion to instruct.

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

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to instruct.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to instruct

offered by the gentleman from Texas [Mr. WILSON].

The motion to instruct was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Without objection, the Chair appoints the following conferees:

Messrs. CALLAHAN, PORTER, LIVINGSTON, LIGHTFOOT, WOLF, PACKARD, KNOLLENBERG, FORBES, BUNN of Oregon, WILSON, YATES, Ms. PELOSI, Mr. TORRES, Mrs. LOWEY, and Mr. OBEY.

There was no objection.

GENERAL LEAVE

Mr. CALLAHAN. 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. 3540 and that I may include tabular and extraneous material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

GENERAL LEAVE

Mr. LIVINGSTON. 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. 3610, Department of Defense Appropriations Act for Fiscal Year 1997.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 3610, DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 1997

Mr. LIVINGSTON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 3610) making appropriations for the Department of Defense for the fiscal year ending September 30, 1997, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana? The Chair hears none, and without objection, appoints the following conferees:

Messrs. YOUNG of Florida, MCDADE, LIVINGSTON, LEWIS of California, SKEEN, HOBSON, BONILLA, NETHERCUTT, ISTOOK, MURTHA, DICKS, WILSON, HEFNER, SABO, and OBEY.

There was no objection.

MOTION TO CLOSE CONFERENCE COMMITTEE MEETINGS ON H.R. 3610, DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 1997, WHEN CLASSIFIED NATIONAL SECURITY INFORMATION IS UNDER CONSIDERATION

Mr. LIVINGSTON. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. LIVINGSTON moves, pursuant to rule XXVIII, clause 6(a) of the House rules, that the conference meetings between the House and the Senate on the bill, H.R. 3610, making appropriations for the Department of Defense for the fiscal year ending September 30, 1997, and for other purposes, be closed to the public at such times as classified national security information is under consideration; *provided, however,* that any sitting Member of Congress shall have a right to attend any closed or open meeting.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Louisiana [Mr. LIVINGSTON].

Pursuant to clause 6 of rule XXVIII, the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 410, nays 3, not voting 20, as follows:

[Roll No. 372]

YEAS—410

Abercrombie	Clyburn	Franks (NJ)
Ackerman	Coble	Frelinghuysen
Allard	Coburn	Frisa
Andrews	Coleman	Frost
Archer	Collins (GA)	Funderburk
Armey	Collins (IL)	Furse
Bachus	Collins (MI)	Gallegly
Baesler	Combest	Ganske
Baker (CA)	Condit	Gejdenson
Baker (LA)	Conyers	Gekas
Baldacci	Cooley	Gephardt
Ballenger	Costello	Geren
Barcia	Cox	Gilchrest
Barr	Coyne	Gillmor
Barrett (NE)	Cramer	Gilman
Barrett (WI)	Crane	Gonzalez
Bartlett	Crapo	Goodlatte
Barton	Cremeans	Goodling
Bass	Cubin	Gordon
Bateman	Cummings	Goss
Becerra	Cunningham	Graham
Beilenson	Davis	Green (TX)
Bentsen	de la Garza	Greene (UT)
Bereuter	Deal	Greenwood
Berman	DeLauro	Gunderson
Bevill	DeLay	Gutierrez
Bilbray	Dellums	Gutknecht
Bilirakis	Deutsch	Hall (OH)
Bishop	Diaz-Balart	Hall (TX)
Bliley	Dickey	Hamilton
Blumenauer	Dicks	Hancock
Blute	Dingell	Hansen
Boehlert	Dixon	Harman
Boehner	Doggett	Hastert
Bonilla	Dooley	Hastings (FL)
Bonior	Doolittle	Hayes
Bono	Dornan	Hayworth
Borski	Doyle	Hefley
Boucher	Dreier	Hefner
Brewster	Duncan	Heineman
Browder	Dunn	Herger
Brown (CA)	Durbin	Hilleary
Brown (FL)	Edwards	Hilliard
Brown (OH)	Ehlers	Hinchey
Bryant (TN)	Ehrlich	Hobson
Bryant (TX)	Engel	Hoekstra
Bunn	Ensign	Hoke
Bunning	Eshoo	Holden
Burr	Evans	Horn
Burton	Everett	Hostettler
Buyer	Ewing	Houghton
Callahan	Farr	Hoyer
Calvert	Fattah	Hunter
Camp	Fawell	Hutchinson
Campbell	Fazio	Hyde
Canady	Fields (LA)	Inglis
Cardin	Fields (TX)	Istook
Castle	Filner	Jackson (IL)
Chabot	Flake	Jackson-Lee (TX)
Chambliss	Flanagan	Jacobs
Chenoweth	Foley	Jefferson
Christensen	Forbes	Johnson (CT)
Chrysler	Fowler	Johnson (SD)
Clayton	Fox	Johnson, E. B.
Clement	Frank (MA)	Johnson, Sam
Clinger	Franks (CT)	Johnston
Jones	Molinari	Serrano
Kanjorski	Mollohan	Shadegg
Kaptur	Montgomery	Shaw
Kasich	Moorhead	Shays
Kelly	Moran	Shuster
Kennedy (MA)	Murtha	Skaggs
Kennedy (RI)	Myers	Skeen
Kennelly	Myrick	Skelton
Kildee	Nadler	Slaughter
Kim	Neal	Smith (MI)
King	Nethercutt	Smith (NJ)
Kingston	Neumann	Smith (TX)
Kleczka	Ney	Smith (WA)
Klink	Norwood	Solomon
Klug	Nussle	Souder
Knollenberg	Oberstar	Spence
Kolbe	Obey	Spratt
LaFalce	Olver	Stearns
LaHood	Orton	Stenholm
Lantos	Owens	Stockman
Largent	Oxley	Stokes
Latham	Packard	Studds
LaTourette	Pallone	Stump
Laughlin	Parker	Stupak
Lazio	Pastor	Talent
Leach	Paxon	Tanner
Levin	Payne (NJ)	Tate
Lewis (CA)	Payne (VA)	Tauzin
Lewis (GA)	Pelosi	Taylor (MS)
Lewis (KY)	Peterson (MN)	Taylor (NC)
Lightfoot	Petri	Tejeda
Linder	Pickett	Thomas
Lipinski	Pombo	Thompson
Livingston	Pomeroy	Thornberry
LoBiondo	Porter	Thornton
Lofgren	Portman	Thurman
Longley	Poshard	Tiahrt
Lowey	Pryce	Torkildsen
Lucas	Quillen	Torres
Luther	Quinn	Torricelli
Maloney	Radanovich	Towns
Manton	Rahall	Traficant
Manzullo	Ramstad	Upton
Markey	Rangel	Velazquez
Martinez	Reed	Vento
Martini	Regula	Visclosky
Mascara	Riggs	Volkmer
Matsui	Rivers	Vucanovich
McCarthy	Roberts	Walker
McCollum	Roemer	Walsh
McCrery	Rogers	Wamp
McDermott	Rohrabacher	Ward
McHale	Ros-Lehtinen	Waters
McHugh	Rose	Watt (NC)
McInnis	Roth	Watts (OK)
McIntosh	Roukema	Waxman
McKeon	Roybal-Allard	Weldon (FL)
McKinney	Royce	Weldon (PA)
McNulty	Rush	Weller
Meehan	Sabo	White
Menendez	Salmon	Whitfield
Metcalf	Sanders	Wicker
Meyers	Sanford	Wilson
Mica	Sawyer	Wise
Millender-McDonald	Saxton	Wolf
Miller (CA)	Scarborough	Woolsey
Miller (FL)	Schaefer	Wynn
Minge	Schiff	Yates
Mink	Schumer	Young (AK)
Moakley	Scott	Zeliff
	Seastrand	
	Sensenbrenner	

NAYS—3

DeFazio	Schroeder	Stark

NOT VOTING—20

Brownback	Gibbons	Peterson (FL)
Chapman	Hastings (WA)	Richardson
Clay	Lincoln	Sisisky
Danner	McDade	Williams
English	Meek	Young (FL)
Foglietta	Morella	Zimmer
Ford	Ortiz	

☐ 1702

Messrs. BECERRA, TIAHRT, BOEHNER, and LONGLEY changed their vote from ''nay'' to ''yea.''

So the motion was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 3603, AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1997

Mr. SKEEN. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight tonight to file a conference report on the bill (H.R. 3603) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1997, and for other purposes.

The SPEAKER pro tempore (Mr. LATOURETTE). Is there objection to the request of the gentleman from New Mexico?

There was no objection.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 3517, MILITARY CONSTRUCTION APPROPRIATIONS ACT, 1997

Mr. SKEEN. I ask unanimous consent that the managers on the part of the House may have until midnight tonight to file the conference report on the bill (H.R. 3517) making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 1997, and for other purposes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objectin.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 3754. An act making appropriations for the Legislative Branch for the fiscal year ending September 30, 1997, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 3754) ''An Act making appropriations for the Legislative Branch for the fiscal year ending September 30, 1997, and for other purposes,'' requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MACK, Mr. BENNETT, Mr. CAMPBELL, Mr. HATFIELD, Mrs. MURRAY, Ms. MIKULSKI, and Mr. BYRD to be the conferees on the part of the Senate.

APPOINTMENT OF CONFEREES ON H.R. 3754, LEGISLATIVE BRANCH APPROPRIATIONS ACT, 1997

Mr. PACKARD. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 3754) making appropriations for the legislative branch for the fiscal year ending September 30, 1997, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

MOTION TO INSTRUCT OFFERED BY MR. THORNTON.

Mr. THORNTON. Mr. Speaker, I offer a motion to instruct.

The Clerk read as follows:

Mr. THORNTON moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill, H.R. 3754, be instructed to concur in the Senate amendments authorizing continuation of and making funds available for the American Folklife Center at the Library of Congress.

The SPEAKER pro tempore. Pursuant to clause 1(b), rule XXVIII, the gentleman from Arkansas [Mr. THORNTON] will be recognized for 30 minutes, and the gentleman from California [Mr. PACKARD] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Arkansas [Mr. THORNTON].

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

Mr. Speaker, I will not take the time. This is a motion to instruct conferees to carry out the purposes of continuing the American Folklife Center in operation at the Library of Congress as proposed in the Senate legislation.

This is a good motion to instruct.

Mr. Speaker, I yield to the gentleman from California [Mr. PACKARD].

Mr. PACKARD. Mr. Speaker, I thank the gentleman for yielding to me. I appreciate the motion to instruct and accept the motion to instruct and hope that the gentleman will pursue it in conference.

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

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

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to instruct.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to instruct offered by the gentleman from Arkansas [Mr. THORNTON].

The motion to instruct was agreed to.

The SPEAKER pro tempore. Without objection, the Chair appoints the following conferees: Messrs: PACKARD, YOUNG of Florida, TAYLOR of North Carolina, MILLER of Florida, WICKER, LIVINGSTON, THORNTON, SERRANO, FAZIO of California, and OBEY.

There was no objection.

COMMUNICATION FROM THE HON. BARBARA-ROSE COLLINS, MEMBER OF CONGRESS

The SPEAKER pro tempore laid before the House the following communication from the Hon. BARBARA-ROSE COLLINS, Member of Congress:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, July 25, 1996.

Hon. NEWT GINGRICH,
Speaker, House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: This is to formally notify you, pursuant to Rule L (50) of the Rules of the House of Representatives, that the custodian of records in my Washington office has been served with a grand jury subpoena duces tecum issued by the U.S. District Court for the Eastern District of Michigan.

After consultation with the Office of General Counsel, I have determined that compliance with the subpoena may be consistent with the precedents and privileges of the House with respect to some documents sought by the subpoena, but that the subpoena may seek other documents that are privileged from production by the Speech or Debate Clause of the Constitution.

Sincerely,

BARBARA-ROSE COLLINS,
Member of Congress.

THE SAFE MOTHERHOOD REPORT

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

Mrs. SCHROEDER. Mr. Speaker, today is my 56th birthday. I am very, very happy to be here because on my 30th birthday, 26 years ago, I spent it in intensive care, getting last rites, suffering from complications due to childbirth. Obviously, safe motherhood has always been a great concern of mine.

I am putting today in the RECORD the report that I asked for from the Department of Health and Human Services on the status of safe motherhood in America. This report goes right at the myths, and it is time we put those myths aside.

I was startled by the findings that almost 25 percent of the deliveries in America, both vaginal and caesarean, have serious maternal complications. I was startled to read that probably maternal deaths are underreported by at least half. It is time we start dealing with this health risk to women very seriously, put the myths aside, and I hope everyone reads this report.

Mr. Speaker, early this century when women were fighting for the right to vote, safe motherhood was a rallying cry for them. In 1913, more women between the age of 15 and 44 died in childbirth than from any other cause except for tuberculosis.

With all the advances in medical treatment and technology, we have moved a long way toward making the goal of safe motherhood a reality. But we are not there yet. Young, healthy women still die in this country because of complications due to pregnancy and childbirth.

I have been amazed at how little American, including Members of Congress, know about what can go wrong during pregnancy. As a woman who almost died in childbirth, I can assure you it can happen. For this reason, earlier this year, I asked the Department of Health and Human Services for a report on

the current trends and status of safe motherhood in the United States. Today I am releasing that report.

I was startled by the findings:

More than half of pregnancy-related deaths are probably still unreported. If the U.S. were to improve its surveillance, these deaths, pregnancy mortality ration would more than double.

A quarter of all deliveries—both vaginal and caesarian—are associated with serious maternal complications.

Risks of pregnancy-related deaths vary according to age and race. Women older than 40 have nine times the risk of dying compared with women ages 20–24. African American women are three to four times more likely to die due to pregnancy complications than are white women.

It's time to cut through all the cultural mystique surrounding pregnancy and childbirth and treat it as a serious women's health issue. Pregnancy is not a 9-month cruise. I hope my colleagues will read this report and then join me in introducing the safe motherhood initiative so that we can make every childbirth, a safe one.

Mr. Speaker, I include the report previously referenced. The material referred to as follows:

INFORMATION ON HEALTH ISSUES INVOLVED IN SAFE MOTHERHOOD AND IMPROVING PREGNANCY OUTCOMES

UNINTENDED PREGNANCY

More than one-half of all pregnancies in the United States are unintended. Unintended pregnancy is defined, by the National Survey of Family Growth (NSFG), as a pregnancy which, at the time of conception, was either mistimed (desired at a later time) or unwanted (not desired at any time). The proportion of unintended pregnancies, by age of mother, ranges from 21 percent for women aged 25 to 34 years to 77 percent for women over 40 years of age. It is not really surprising that 82 percent of adolescent (aged 15–19 years) pregnancies—where the young mother is probably unmarried, has not completed her education, and is not able to adequately support her child—are unintended.

The most recent information on unintended pregnancy comes from the 1995 Institute of Medicine (IOM) report The Best Intentions. This report notes that when a pregnancy is unintended, women are more likely to seek prenatal care after the first trimester or not at all.

They are also more likely to use harmful substances, such as tobacco or alcohol, during pregnancy; the newborn is more likely to be of low birth weight. A disproportionate number of women who experience an unintended pregnancy have never been married, are over 40 or under 20 years of age. An unintended pregnancy can also lead to abortion. There are an estimated 1.5 million abortions each year in the United States. If all pregnancies were intended, however, there would be a 45 percent reduction in births to unmarried women and a 90 percent reduction in births to teenagers. The IOM report states: All pregnancies should be intended—that is, they should be consciously and clearly desired at the time of conception.

MATERNAL MORTALITY

Although deaths related to pregnancy have declined dramatically in this century, our ability to fully describe the magnitude of maternal mortality in the United States is still less than optimal. Indeed, there is strong evidence that maternal mortality is underestimated in developed countries, including the United States. Not all developed countries use the same methods for identifying pregnancy-associated deaths. In the United States, although at least six different sources are used to count such deaths, the actual number and rates of maternal death are unknown. It is also difficult to discern which of these deaths are casually related to pregnancy. An understanding of the characteristics of maternal deaths is the first step toward developing appropriate prevention strategies.

The Centers for Disease Control and Prevention (CDC), in collaboration with the American College of Obstetricians and Gynecologists (ACOG), has expanded the definition of maternal mortality to pregnancy-related mortality, which includes any death caused by pregnancy or its complications during or within one year of pregnancy. Pregnancy-associated deaths, on the other hand, are those that occur during or within one year of pregnancy, regardless of the cause.

The pregnancy-related mortality ratio in the United States increased from 7.2 per 100,000 live births in 1987 to 10.0 per 100,000 live births in 1990, probably as a result of improved surveillance (Berg et al., in press). Although relatively rare, a higher risk of pregnancy-related death is observed with increasing maternal age, increasing live birth order, no prenatal care, and among unmarried women. Black women continue to have mortality ratios three to four times that of white women. The major causes of pregnancy-related deaths are hemorrhage, embolism (blood clots or amniotic fluid), pregnancy-included hypertension, and infection. The leading causes of death, however, vary by the outcome of the pregnancy.

For women who die after a spontaneous or induced abortion (6% of all pregnancy-related deaths), the leading causes of death are infection (50%), hemorrhage (19%), and embolism (11%). For women who die of ectopic pregnancy (11% of all pregnancy-related deaths), 95 percent die of hemorrhage. For women who die prior to delivery (8% of all pregnancy-related deaths), the leading causes of death are embolism (34%), hemorrhage (15%), and infection 12%). Most pregnancy-related deaths follow a live birth (55%); of these deaths, the leading causes are pregnancy-induced hypertension and embolism (23%) and hemorrhage (21%).

INTERNATIONAL COMPARISONS

Several special studies done by states using linkage of live birth vital records with deaths of women of reproductive age, as well as studies in Europe, indicate that current methods of counting pregnancy-related deaths only capture one-half to one-third of all such deaths. For example, Berg et al. (in press) describe the results from a study of all deaths to women of reproductive age in France, which found that 1.3 percent of deaths to women in this age group occurred during or within 42 days of pregnancy and were casually related to pregnancy. Assuming that the underlying risk and distribution of death among U.S. women in this same age group is comparable to that in France, Berg et al. observed that if the 1.3 percent mortality estimate is applied to the 70,130 deaths to reproductive age women in the United States, one would expect a pregnancy-related mortality ratio of roughly 23.5 per 100,000 live births. Thus, the magnitude of the problem is several times greater than generally reported.

MATERNAL MORBIDITY

Pregnancy-related morbidity is more difficult to define and is not as well studied as mortality. Pregnancy-related morbidity may occur before, during, or after delivery. Problems which occur may be untreated, treated in some type of ambulatory setting or, less frequently, may lead to hospitalization. Because of these problems, an overall picture of pregnancy-related morbidity has been difficult to assemble. With the current drive in the health care system to avoid hospitalizations, evaluating this issue presents special challenges.

Using hospitalization for pregnancy complications as a measure of serious morbidity, in 1986 and 1987, it was estimated that for every 100 deliveries, there were hospitalizations for pregnancy loss (spontaneous abortions and ectopic pregnancies), and 15 antenatal hospitalizations, mainly for preterm labor, genitourinary tract infection, diabetes mellitus, excessive vomiting, pregnancy-induced hypertension, and early pregnancy hemorrhage. Among pregnant women in the military in 1987 to 1990, complications of pregnancy resulted in about 27 percent of the women being hospitalized antenatally. The leading causes of hospitalization before delivery in this population were preterm labor, pregnancy-induced hypertension, excessive vomiting, genitourinary tract infection, vaginal bleeding, and diabetes mellitus). (See enclosed articles Hospitalization for Pregnancy Complications, United States, 1986 and 1987 and Antenatal Hospitalization Among Enlisted Servicewomen, 1987–1990)

National data on complications during labor and delivery have not yet been published. Based on a preliminary analysis using data from the 1993 National Hospital Discharge Survey, it is estimated that 24.5 percent of all deliveries (both vaginal and caesarean) are associated with a serious maternal complication. These include obstructed labor in 4.7 percent, third or fourth degree perineal lacerations in 4.8 percent, other obstetric trauma in 3.1 percent. diabetes in 2.9 percent, and pregnancy-induced hypertension in 2.6 percent.

IMPROVING SURVEILLANCE

Continuing enhancement of surveillance activities in this area will provide a more complete picture of the factors associated with pregnancy-related deaths. CDC has advocated surveillance of adverse pregnancy outcomes and pregnancy-related mortality to assess the incidence or magnitude of the problem, monitor trends, and identify risk factors and clusters. During the past 10 years, CDC staff have been working with representatives of state and local health departments as well as national organizations in charge of providing care to pregnant women, including American College of Obstetricians and Gynecologists, American College of Nurse Midwives, Association of Maternal and Child Health Programs, CityMatCH and other Federal agencies to develop surveillance activities for pregnancy-related mortality and morbidity. As a result of these collaborations, CDC collected information on over 5,000 maternal deaths for the years 1979 to 1990. CDC also funded research projects to examine issues of maternal mortality and morbidity at several universities and State health departments. Data provided by CDC can be used by other agencies, professional groups, advocacy groups, and practitioners to identify problems, plan clinical studies, and alter practices and develop appropriate interventions.

OPPORTUNITIES FOR INTERVENTION AND PREVENTION

Opportunities for preventing or reducing adverse pregnancy outcomes health status, ensuring access to and use of appropriate care, and improving the content and quality of the care provided. As noted earlier, preconception and prenatal care are important elements in promoting healthy pregnancies and optimal birth outcomes. Preconception are includes risk assessment, diagnosis, and

treatment, as well as health promotion activities such as counseling about contraception, pregnancy spacing, early entry into prenatal care, and other health practices and behaviors that should lead to optimal pregnancy outcome. It also provides an opportunity to identify psychosocial and medical risks or conditions before a pregnancy occurs, which facilitates early and appropriate intervention and treatment to address any problems that may complicate pregnancy. Such care initiated prior to pregnancy should continue during prenatal visits and subsequent educational sessions with prenatal care providers. (See attached chapter form Maternal and Child Health Practices, 4th edition, 1994)

EXPERIENCES IN OTHER INDUSTRIALIZED COUNTRIES

In essentially all countries in Europe, pregnancy services are a part of the larger, organized health care delivery system. In almost all of these countries, prenatal and delivery care are provided without any out-of-pocket expense to the woman. Some countries even pay women to attend prenatal care. All of these countries provide paid prenatal and postnatal leave for women, with job reinstatement guaranteed. Other types of financial grants and social benefits are given to pregnant women, including paid leave from work for prenatal care visits, family allowances, transportation and housing benefits, and assured day care. Extra support for single women may also be provided.

The prenatal care systems in almost all European counties include prenatal home visiting, if needed, as well as postnatal home visits. Pre- and post-natal care are viewed not just as medical check-ups but also as social and educational opportunities. Benefits are available to all women and their families in these countries.

Given the challenges of assessing maternal morbidity and mortality in these countries, as outlined above, it would be difficult to determine the impact of these social policies on maternal health.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, 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 gentlewoman from Illinois [Mrs. COLLINS] is recognized for 5 minutes.

[Mrs. COLLINS of Illinois addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.]

NATIONAL PARKS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. REGULA] is recognized for 5 minutes.

Mr. REGULA. Mr. Speaker, a special issue of the Wilderness Society's magazine is devoted to Problems and Prospects in the National Parks. The cover of Newsweek reads: ''Can We Save Our Parks?'' A report to the director of the National Park Service, National Parks for the 21st Century: The Vail Agenda, concludes that the agency is ''beset by controversy, concern, weakened morale, and declining effectiveness.''

The national and local media have been replete with these horror stories in recent months, but these particular stories were written in 1983, 1986 and 1991 respectively. In short, the problems currently facing the National Park System did not begin the day a Republican majority took over Congress, as some would like to believe. Unfortunately as the election grows closer, the rhetoric surrounding the national parks intensifies.

This campaign of misinformation is not only counterproductive but unfair to the potential visiting public, our constituents, who in effect own these national treasures. The facts do not support the fear mongering. The National Parks need not close their doors this summer because of a lack of funds. In fact, this year's operating budget for the National Park Service increased and Congress initiated a new 3-year fee demonstration program which took effect earlier this year and allows participating parks to keep 80 percent of new fees collected. Why then is the Park Service crying wolf?

For the second year in a row the National Park Service's operating budget will increase. In fiscal year 1997 under both the House and Senate passed budgets every National Park System unit will get an increase in their operating budget. Additional increases have also been recommended to address a critical and growing maintenance backlog in the system. These increases have been offset in part by slowing the growth in new facilities and acreage to help get the Park Service back on their feet and on a path to live within their means.

Operational shortfalls and a backlog of unmet maintenance needs have been perennial problems for the parks. This situation has been exacerbated by the failure of previous Congresses to institute fee and concession reform and by the addition of new units and the expansion of existing sites. In the last decade alone, 36 units and 3.7 million acres were added to the National Park System by previous Congresses.

In 1912 the fee for Yosemite National Park was $5 per vehicle. That same bargain rate is available at Yosemite today and at other crown jewels as well. Currently fees collected in the parks do not stay with the park, but rather they are returned to the Treasury. While permanent, comprehensive fee reform is still needed, this Congress has taken one important step by initiating a pilot program to expand and reform the fee collection program and allow the parks, not the Treasury, to be the beneficiary. We have given the Park Service a potentially invaluable tool to help themselves. It is now up to them to reap the full benefits.

The problems of the National Park Service are complex and longstanding. As these problems did not develop over night, neither will the solutions be immediate. Politicizing the parks, however, only serves to heighten tensions and does nothing to solve the real problems. For those of us who truly care about the health and well-being of our National Park System our mission should not be about placing blame for the situation facing the National Parks, but about working together to find creative solutions to the problems.

We have provided short-term funds and outlined a long-term strategy to accomplish the goals we all share, a National Park System which is truly the crown jewel of our Nation. While the Park Service faces challenges it also has many opportunities and tools at its disposal to meet them. Those of us who share the responsibility for shaping the future of the National Park Service—Congress, the administration, employees of the Park Service, and the parks' many outside partners—must work together to ensure that its future is as distinguished as its past.

☐ 1715

Mr. Speaker, I yield to the gentleman from Ohio [Mr. KASICH].

Mr. KASICH. Mr. Speaker, I just wanted to take a second to compliment the gentleman from Ohio [Mr. REGULA], who is the chairman of the subcommittee, the Appropriations Subcommittee; that is, the committee that provides the money to run these parks, and I think we need to make it clear, as the gentleman has, and I want to compliment him on his statement, that Republicans consider the national parks to be one of the real jewels of our Federal Government, that we not only want to maintain the parks as we know them, but we also want to begin to solve the problem of the backlogged maintenance, the fact that a lot of things have not been done over the years because there has not been adequate funding.

At the same time, of course, I think it is landmarked; they were able to let the parks keep more of what they collect, and I think the news to Americans is bipartisan support for our national parks. We believe they are a jewel. We believe we are improving them, and we believe that we are not only improving them, but we are taking care of some of the maintenance that should have been done that has not been done. So I think the word to the American citizens, the American people, are if you are looking for an incredible experience, if you are looking for an opportunity to really enrich your soul and the souls of your children, you got to head out to the national parks because there is not a better investment you can make in America, and I appreciate the gentleman's work.

Mr. REGULA. I thank the gentleman for his comments. He is absolutely right. The parks belong to all the people to be enjoyed by all of the people. We are taking care of them. There is no excuse for them not to be open

I might mention that we put additional funding in on the maintenance. We recognize, as the gentleman pointed out, that we have neglected maintenance in the parks, and we have beefed

up the funding for the maintenance programs as well as the operations.

So I want to say to the public:

Do not be afraid. The parks will be open if they are managed well for all of America to enjoy.

IN TRIBUTE TO HIS ROYAL MAJESTY KING TAUFA'AHAU TUPOU OF THE KINGDOM OF TONGA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from American Samoa [Mr. FALEOMAVAEGA] is recognized for 5 minutes.

Mr. FALEOMAVAEGA. Mr. Speaker, I rise today to pay tribute to the outstanding leadership and distinguished service of one of the South Pacific's most honored heads of state, His Majesty King Taufa'Ahau Tupou IV of the Kingdom of Tonga.

His Majesty King Taufa'Ahau Tupou IV, the eldest son in the royal family, was born at the royal palace in Nuku'alofa on July 4, 1918. As crown prince, he studied in Australia at Newington College and the University of Sydney, where he received bachelor of arts and bachelor of law degrees.

His Majesty was the first Tongan ever to receive university degrees. In addition to academic accomplishments, he excelled in athletics, being a member of the university's championship rugby and rowing teams.

Upon concluding academic studies, His Majesty was appointed to the cabinet of the Tongan Government with the portfolio of Minister of Education, and later as Minister of Health. In 1949, he became the premier of Tonga, thus acquiring additional portfolios in foreign affairs, education, and agriculture. From early on, His Majesty has carried the major burden of the kingdom of Tonga's administration as well as development.

During His Majesty's 16 year term as premier, Tonga benefited tremendously from his guiding hand, resulting in steady development and economic advancement of the kingdom. Due to his efforts, education standards were dramatically improved in Tonga with the establishment and expansion of public high school and college systems. In the business sector, His Majesty pushed for the creation of the Tongan copra board, the Tongan produce board, the agricultural council and the government fishing fleet—the backbone of the kingdom's economy. Under his able leadership, public communications and the media were also facilitated, with the establishment of the Tongan broadcasting commission and the local newspaper, the Tonga chronicle, now in its 31st year on publication.

In 1965, with the passage of her late Majesty Queen Salote Tupou III, the crown prince was proclaimed King Taufa'ahau Tupou IV and coronation ceremonies were held in 1967. The remarkable progress achieved in the kingdom of Tonga during His Majesty's years of leadership has gained the respect of overseas nations and contributed to positive relations with international neighbors. His Majesty, in particular, has fostered close relations with the United Kingdom, which provides substantial financial support for Tonga's continued economic improvement.

Mr. Speaker, this Friday in Utah, His Majesty King Taufa'ahau Tupou IV will be honored again—this time by the Seacology Foundation for His Majesty's efforts in protection of the environment.

The Seacology Foundation is a nonprofit foundation founded to help protect island ecosystems and island cultures. Seacology scientists include experts in endangered species, island Flora and Fauna, and island ecosystems. One hundred percent of the money donated to seacology goes directly to building schools, hospitals, installing safe water supplies, and meeting the other needs of the indigenous people who live near the rain forests so that these people will not have to sell off the rain forest to survive. Seacology scientists donate their time as well.

His Majesty King Taufa'ahau Tupou IV has been selected to receive this year's Seacology Foundation award as ''indigenous conservationist of the year'' for providing royal protection for the peka, or flying fox, colony in Kolovai village in Tongatapu, and for his protection of the primary forests of 'Eua island, and or supporting the establishment of a system of nature preserves throughout the kingdom of Tonga. His Majesty has also spent lifelong service as an interpreter and custondian of Tongan culture, both ancient and modern. The history and culture of the Tongan people are among the most ancient and historical among the Polynesian people. As a letter from the Seacology Foundation to His Majesty notifying him of the award explains, none of these achievements would have occurred without his strong leadership and support.

Mr. Speaker, I deeply congratulate His Majesty King Taufa'ahau Tupou IV and the Seacology Foundation for all their efforts and I would submit for the RECORD a copy of a letter from Dr. Paul Alan Cox, PH.D., chairman of the board of Seacology Foundation to His Majesty. Mr. Speaker, it is indeed an honor to call on my colleagues and our great Nation to join me in recognizing the outstanding and exemplary service of His Majesty King Taufa'ahau Tupou IV on behalf of the good people of Tonga, the Pacific region, and our global community.

Mr. Speaker, I submit for the RECORD a copy of the letter to His Majesty from Dr. Paul Cox of the Seacology Foundation.

DECEMBER 15, 1995.

His Majesty King Taufa'ahau Tupou IV,
The Kingdom of Tonga.

YOUR ROYAL HIGHNESS: It is with deepest respect that I inform your royal highness that you have been selected as the 1996 Indigenous Conservationist of the Year by the Seacology Foundation. This annual award is made to honor those indigenous people who have performed heroic service in preserving their own ecosystems and cultures.

After careful consideration of the activities of your majesty in providing royal protection for the peka or flying fox colony in Kolovai Village in Tongatapu island (which is the oldest flying fox refuge in the world), for your protection of the primary forest of 'Eua island, for your support in establishing a system of nature preserves throughout the Kingdom of Tonga, and for your life-long service as an interpreter and custodian of Tongan culture, both ancient and modern, the Scientific Advisory Board of the Seacology Foundation has unanimously voted to honor your majesty with this award, which is the most prestigious conservation award for indigenous people in the world.

The Seacology Foundation invites you, at our expense, to attend an award dinner in your honor and a presentation ceremony in Salt Lake City, Utah to receive your award, which will consist of an engraved plaque and a cash award of $1,000. Fine Nau and I will meet with you personally to arrange a convenient date for this event.

Because of your stellar service, both public and private to conservation, and because of the tremendous example of dedication and courage that you have set for your own people—the Polynesian Islanders—and for indigenous peoples throughout the world, the Seacology Foundation is pleased to bestow upon you the most distinguished award for indigenous conservation in the world by naming you 1996 Indigenous Conservationist of the Year. We offer you our sincere appreciation for your tremendous devotion to protecting this planet.

Warmest personal regards,
NAFANUS PAUL ALAN COX, PH.D,
Chairman of the Board.

Mr. Speaker, I would like to yield at this time to my good friend from the State of Utah [Mr. HANSEN].

Mr. HANSEN. Mr. Speaker, I appreciate my friend yielding in this very important assignment that you have brought up, and I concur with the gentleman from American Samoa and also would like to add the support of the people from my State who have—many, many of our people have gone to Tonga. In fact, at the school that you graduated from, BYU, there is a number of Tongans there who have shown exemplary type of performance both in athletics and academically, and it is a pleasure that we can give this tribute to His Majesty, and I join you and thank the gentleman for taking this time to bring up this, a very important thing for His Majesty from Tonga.

Mr. FALEOMAVAEGA. Mr. Speaker, I thank my good friend from Utah.

It might be of interest, Mr. Speaker, that it was since 1844 that when the Mormon Church was founded that missionaries were first sent to the South Pacific in the South Seas. So the Polynesian people have had a very long and standing relationship with the Mormon Church since 1844, and because of this, even through His Majesty is not a member of the Mormon faith, but certainly most respectful throughout the region for his energy a and certainly for his outstanding leadership as one of the great leaders in the Pacific region.

And for this, Mr. Speaker, I thank my colleagues for this opportunity and want to wish His Majesty a very most welcomed visit here in our country.

NOBODY IN AMERICA WANTS TO CLOSE THE PARKS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Utah [Mr. HANSEN] is recognized for 5 minutes.

Mr. HANSEN. Mr. Speaker, I was very interested in my friend from Ohio, Mr. REGULA talking about the national parks of America. The gentleman from Ohio is the chairman of the Subcommittee on Appropriations that handles those particular issues, and I am the chairman of the subcommittee that handles the authorization of the parks.

I think in America people should realize we have 368 units of the National Park Service. It costs an awful lot of money, and Mr. REGULA has that responsibility. I have the responsibility to make sure they are run correctly, managed correctly.

We find out, however, that we have a lot of parks that are in dire need of help. Yellowstone, for example, has 28 miles of impassable roads; Yosemite has problems, Everglades have problems. We have got problems in parking, sewer systems and culinary water systems.

We wonder why did we find ourselves in a position such as this. So we are doing everything in our power not only to appropriate money, but to come up with a better management procedure. We are trying to come up with ways to give the superintendent of the park a better way to do it.

The gentleman from Ohio [Mr. REGULA] talked about something is very interesting. We have a rec bill in now that will say: Superintendent of the park, if you will put somebody out at that gate, and they walk in, not only will you take that money and send it to the black hole in Congress, there is no incentive to do it.

So this rec bill we have got says this: You keep 70 percent of the money so the superintendent at Yellowstone can take care of the park without having to come to Mr. REGULA and having to spend the time. So there will be incentive for somebody to be in that park.

I find it interesting that the Secretary of the Interior, Mr. Babbitt, has chosen to take H.R. 260, which passed in the 103d session, 428 to nothing, and turn it into a park closing bill. He has gone around America time after time, literally dozens of places, saying Republicans want to close parks. That is absolutely false. Nothing is further from the truth. We do not want to close parks.

What we want to do is make parks that jewel in the crown Americans want. They want to go to the park and they want service. They want the concessionaire to take care. They want the roads to be right. They do not want to see the mess that we are seeing in parks today.

I cannot understand why he is doing that. In fact, the President of the United States, Mr. Clinton, stood on the Mall and thanked them for defeating this park closing bill, which there never was a park closing bill. In fact, I wrote President Clinton and asked him a question: Where is this park closing bill? Where do you want to perpetuate this myth?

I am still awaiting an answer from the President of the United States.

We find ourselves now working on a number of pieces of legislation, a concessionaire's bill that will bring more money into the Treasury, that will have more competition among concessionaires, a healthy thing for the parks. We found the rec bill that I have talked about, as the gentleman from Ohio mentioned, of Yosemite.

The oldest park is Yellowstone. In 1915, if you had gone into Yellowstone it was $10. Today it is $10 for an entire car. We just cannot afford that any more.

I must ask my friends who fall in the category of having the perpetual thing as they reach 62 they can go in free. I think it is interesting if Americans would go into the Yellowstones, and the Grand Canyons, and the Zions and the Bryces and the Yosemites and see these people going into the parks, and they are over 62, and they drive in with an $80,000 Winnebago pulling behind it a $30,000 Suburban, and they camp for 7 days. They hook up to the electricity, the sewer and the water, and they are free for that entire time.

I have made a time to stumble through those areas and talk to these folks, and I say as I talked to these CEO's and others, a lot of them want to give us money. And they sent us money saying this is the best deal in the world.

We are not in here to rip off the public, but we do want to take care of it.

Do folks in America realize how much we are in arrears in the infrastructure of the park? It is literally billions of dollars in inholdings in other areas.

Can we take care of it? Sure we can, but we have to come up with some of these recommendations that the gentleman from Ohio brought up, and those things we are trying to do.

I say to the administration, to Secretary Babbitt and others: Stop playing political games with this stuff. This is too big to be political. Do not try to ingratiate yourselves to this administration. What we want to do is we want to take care of the parks of America.

I am a little sick and tired as every day another report comes to me. They bring in a newspaper thing or radio ad. Well, all these Republicans are trying to close our park. That is nonsense. There is nobody in America who wants to close the parks.

In fact, I brought in—as chairman of the committee I brought in the man by the name of Roger Kennedy, Director of National Parks. I had him put his arm to the square.

Mr. Kennedy, do you solemnly swear to tell the whole truth, nothing but the truth, so help you God? As we have the right to do?

Mr. Kennedy said, yes.

My first question: Is there any bill that closes any parks?

One answer, one word: No.

Second question: Is there anything in H.R. 260 that privatizes any parks?

One answer: No.

The next question: Now, why is it that your Secretary, your boss, is going all over America saying we have parks to close, and he says, ''that is above my pay grade.''

So we find ourselves in a situation where these things are not happening. We put out the hand of fellowship to our friends on the other side of the aisle, to the administration saying let us work this out and take care of these 368 parks.

All right; the question comes up should we in any way close any parks? Again, let me refer to Mr. Kennedy, who I found to be an honorable man, and he was on C-SPAN with Brian Lamb, and the question came up should you close any? And he said maybe four or five.

Maybe there is four or five they should close. Let me give you an example of which I will not give you, Mr. Speaker, because I see my time is up.

Mr. Speaker, Secretary of the Interior, Bruce Babbitt has spent a great deal of time during his tenure traveling around the country trying to convince the public that our National Parks are doomed and that the Republicans are responsible for all the problems. The truth is that our park system is in trouble. Republicans inherited a park system just 2 years ago that was already in intensive care. While Republicans and Democrats have worked together in the last 2 years to address these problems, they have only been exacerbated through mismanagement by Bruce Babbitt and his inability to stay home and mind the store. Secretary Babbitt is directly responsible for our National Parks waste and misdirected priorities.

While Secretary Babbitt was taking fishing trips around the country, the GAO found that the National Park Service has no idea how it is spending its money, what its assets are and what its needs are. Perhaps, Secretary Babbitt should spend less time politicking and racking up frequent flyer miles and more time fixing the problems this Congress and the GAO pointed out to him over 2 years ago. Having spent 40 percent of his time traveling at taxpayer's expense, Secretary Babbitt has certainly seen the country but is doing very little to manage our national treasures.

Lets compare the records of the Resources Committee and Secretary Babbitt:

Secretary Babbitt has requested cuts in the funding allocation for park operating funds from 47 percent to 44 percent of the total NPS allocations in the past 2 years. While the Republican-controlled Resources Committee has never recommended cuts in basic park operating funds.

Secretary Babbitt has cut 525 Park Service personnel while the Resources Committee has never recommended any cuts in personnel.

Secretary Babbitt unilaterally sought or studied closure or termination of National Park

Service involvement at over 30 park units. Secretary Babbitt is studying transferring parks such as Redwoods National Park, Great Basin National Park, and Lake Clark National Park to different Indian tribes. In the mean time, the Resources Committee, on a bipartisan basis, has sought to set up a nonpartisan Commission to study our Park System and make recommendations to help save our Parks.

After Secretary Babbitt's first two choices for Director of the National Park Service—Robert Redford and Tom Brokaw—turned him down, Babbitt has filled more key park service positions with political appointees than the last three administrations combined. These are simply political favors for people who never worked a day in a park. The Resources Committee has moved legislation requiring that the National Park Service Director possess professional qualifications and be subject to Senate approval.

Secretary Babbitt is in charge of the waste, fraud, and abuse that runs rampant in the National Park Service. The Interior inspector general and the General Accounting Office found the Park Service's books unbalanced for 3 years and no method to ensure that the highest priority programs are funded. Instead of taking care of our parks, Secretary Babbitt has spent money on a $1.6 million personality inventory, a multi-million dollar reorganization with no benefit to the parks, and a $20,000 redecoration of the Director's hallway. While Secretary Babbitt is spending money on interior decorating—literally—the Resources Committee initiated these reports by the inspector general and the General Accounting Office to improve the operations of the Park Service, improve accountability and to help prioritize funding. Thus far, Secretary Babbitt has ignored those reports and has made few changes in his management of our Nation's parks.

Recently, Secretary Babbitt has been traveling around the country saying we need concessions reform and that we need to return more to the Federal Government. Unfortunately, the legislation Mr. Babbitt supports would exempt 80 percent of the concessionaires from competition and the Congressional Budget Office says will cost the American taxpayer $79 million over the next 5 years. The Republican proposal would open all 660 National Park Service concessions contracts to competition and will return $12 million back to the parks while providing $84 million to deficit reduction over 5 years. If Secretary Babbitt wants real reform then the Republican proposal is the only alternative.

Housing for Park Service employees has been described as third world conditions in many instances. After a photo-op and the construction of three housing units, the Secretary has dropped any further efforts to resolve this problem. Republicans in the mean time have moved legislation that would encourage private sector solutions and investments for park housing. Secretary Babbitt would rather ignore the problems that don't make political hay for him. I guess taking care of his employees is just not a priority for Secretary Babbitt.

Secretary Babbitt alleges that our National Parks are broke, yet while overall visitation has been level for the past 8 years, appropriations have increased by nearly $300 million over that same period. Where did the money go Mr. Secretary? Where did you spend it? We love our parks and so do the citizens of this country and we expect Secretary Babbitt to manage these treasures in a responsible and protective fashion. Instead, Secretary Babbitt would rather gallivant across the Nation doing political fund raisers, going fishing, and politicizing our National Parks than stay home and manage our national treasures. Our parks need our help and the goal of this Congress is to identify the problems and find creative solutions to solving those problems. Americans don't want to just throw money at the problem, they want the problems fixed. Mr. President, we need a Secretary of Interior will actually work for our National Parks and not just travel around and fish in them.

TRIBUTE TO HECTOR PEREZ GARCIA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. BROWN] is recognized for 5 minutes.

Mr. BROWN of California. Mr. Speaker, today I pay tribute to the life of Hector Perez Garcia. Dr. Garcia, a Texas physician who led the fight for equal treatment of Hispanics and who founded one of the Nation's most influential civil rights organizations, the American GI Forum in 1948, passed away on Friday, July 26 at the age of 82 in Corpus Christi, TX.

Dr. Garcia was born in the Mexican village of Llera, Tamaulipas, on Jan. 17, 1914, to a college professor and a school teacher. His family emigrated to Mercedes, in the Rio Grande Valley of Texas, in 1918 to escape the Mexican Revolution. He was one of seven children, six of whom became doctors.

He often told interviewers that he had decided to get an education soon after his family moved across the border where a high school teacher told him, ''No Mexican will ever make an 'A' in my class.'' He graduated from the University of Texas and the University of Texas Medical School in Galveston in 1940. In 1942, he volunteered for Army duty and served in Europe as an infantry officer, a combat engineer, and a medical corps officer before being discharged as a major. He was awarded a Brzone Star with six battle stars. He met his wife, Wanda Fuscillo, in Europe during the war.

Dr. Garcia founded the American G.I. Forum in 1948 to help Mexican-American veterans of World War II gain access to services of the Veterans Administration and admission to V.A. hospitals. His organization first gained widespread attention in 1949, when it took up the cause of Army Pvt. Felix Longoria, a native of the small south Texas town of Three Rivers, whose remains were returned from Luzon, in the Philippines, for burial 4 years after World War II ended. Mr. Longoria's widow had been denied use of a hometown funeral chapel because the Longorias were Mexican-American.

After several stories about Dr. Garcia's efforts were published, Lyndon B. Johnson, then a U.S. Senator, arranged for Mr. Longoria to be buried in Arlington National Cemetery with full military honors.

President John F. Kennedy asked Dr. Garcia to negotiate a defense treaty between the United States and the Federation of the West Indies. In September 1967, Johnson, then President, appointed Dr. Garcia a delegate to the United Nations with the rank of ambassador to focus on promoting better relations with Latin America and Spain. A year later, President Johnson made Dr. Garcia the first Mexican-American to serve on the U.S. Commission on Civil Rights. In 1984, President Ronald Reagan awarded Dr. Garcia the Presidential Medal of Freedom. In 1990, he received the Equestrian Order of Pope Gregory the Great from Pope John Paul II.

Upon hearing about his death, President Clinton released a statement calling Dr. Garcia a national hero who ''fought for half a century for civil and educational rights of Mexican-Americans.''

I ask my colleagues to join me in extending our condolences to the family of Hector Perez Garcia, his wife Wanda, and his three daughters, Wanda, Cecilia, and Susan. Dr. Garcia was a true American hero whose accomplishments are a testament to his humanitarian spirit.

□ 1730

REPUBLICANS INCREASE SPENDING ON MEDICARE AND VETERANS

The SPEAKER pro tempore (Mr. LATOURETTE). Under a previous order of the House, the gentleman from Florida [Mr. STEARNS] is recognized for 5 minutes.

Mr. STEARNS. Mr. Speaker, our efforts to balance the budget by the year 2002 have been a long and hard-fought process. As a party, we did not choose this fight, Mr. Speaker. The American people sent a message in the 1994 election. They made it perfectly clear that they wanted to change business here in the House, the business that has been going on for 40 years.

This weekend I held town meetings back in my district, in the State of Florida, central Florida. There were two issues that came up continually. The first, of course, was Medicare. We have a lot of seniors there, and a lot of the seniors were confused. They thought we were cutting Medicare. Of course, that is false. I will tell the Members later on why that is false.

They were also concerned about the veterans budget. Of course, we have increased the veterans benefits and the budget for the RECORD. We are not cutting Medicare, and we are not cutting veterans benefits. In both cases, they are going up over last year. President Clinton finally admitted this in an interview with Wolf Blitzer on CNN that Republicans are not cutting Medicare. He is right about that, because spending on this program will increase at twice the rate of inflation, which means that spending will rise from

$5,100 this year to $7,000 in the year 2002. So how could spending, which increases from $5,200 a year in 1996 to $7,200 a year in 2002, be a cut? Nowhere also but in Washington.

Perhaps more than any other issue, President Clinton has hammered away at the GOP's reform proposal by falsely accusing us of cutting Medicare.

It is interesting to think about it that the President, when he was talking about his health care bill back in 1993, this is what he said? ''Today, Medicare and Medicaid are going up at three times the rate of inflation. We propose to let it go up at two times the rate of inflation. This is not a Medicare or Medicaid cut. We are going to have increases in Medicare and Medicaid, but a reduction in the rate of growth.''

On April 3, 1995, the Medicare Board of Trustees, which includes three of President Clinton's Cabinet Secretaries, concluded that the Medicare hospital insurance fund will be running out of money in 1996 and will be bankrupt in the year 2002.

In its 1996 report released on June 5, it showed a $4.2 billion shortfall in this trust fund. This means that the program will be bankrupt in the year 2001 instead of 2002, so that should be a concern for all Americans.

Congress and the President are very close now on the level of increased spending on Medicare. In fact, the Republican proposal and the Democrat proposal are practically the same. So for the President to talk about cuts is incorrect, when he and I and the Republican Party have proposed practically the same thing in the amount it increases.

Not only have our efforts to preserve, protect, and strengthen Medicare been totally misrepresented, but the Speaker has been vilified for a statement which was falsely attributed to him. We hear this repeated on the House floor over and over again. They said he said, ''Now we don't get rid of it round one because we don't think that's politically smart. We don't think that's the way to do it through a transition, but we believe it's going to wither on the vine.''

He was not talking about Medicare, he was talking about the Health Care Financing Administration. This is more precisely what he said: ''Okay, what do you think the Health Care Financing Administration is? It's a centralized government bureaucracy. It's everything we're telling Boris Yeltsin to get rid of. Now, we don't get rid of it in round one.''

''We don't think that's politically smart. We don't think that's the way to do it through a transition, but we believe it's going to wither on the vine.''

So you see, they took the statement of the Speaker out of context. He was not referring, of course, to the Medicare Program. He was talking to Big Government, a Big Government bureaucratic machine that processes the laws around here that deals ultimately with health care in America but not the Medicare Program.

In fact, this is so true that 19 television stations have pulled or refused to air the AFL–CIO ads that deal with this quote. So I think we should realize that now the media, both the television and radio media, has decided to pull these ads because they are false and totally misleading.

Mr. Speaker, when we look at what the Clinton administration said back when they were running for the Presidency, let us look at their book, ''Putting People First.'' Remember that book? In that book, President Clinton and Vice President GORE said in 1992, ''We will scrap the Health Care Financing Administration and replace it with a health standards board made up of consumers, providers, business, labor, and government.'' That is interesting.

Somehow the press seemed to neglect to report that fact in the book, ''Putting People First.'' The Clinton and GORE team said the same thing which the Speaker said about the Health Care Financing Administration, that ultimately we would like to scrap it. So I do not see how they can actually criticize the Speaker when they said the same thing in their book, ''Putting People First.''

There is another program in the budget which they have attempted to politicize and misrepresent. I might add, some of the colleagues on this side of the aisle have indicated that we are cutting veterans benefits. This is also false. We have increased veterans benefits. I am a former veteran, my father was a veteran, and I believe that it is important to represent veterans. That is why I am on the Committee on Veterans' Affairs.

There is some talk about cutting veterans back in the district, but I have pointed out to them that we have actually increased the funding for the veterans, and in fact, the VA budget that the Committee on Veterans' Affairs submitted was higher than the administration's budget. That was brought out in a hearing, during the hearing in which I talked to Secretary Brown about the veterans budget. I said to him, ''What do you think about your VA budget compared to our VA budget?'' And he said, ''I just want to be put on the record, Mr. Chairman, that this committee,'' the Committee on Veterans' Affairs, ''is proposing more than the VA is offering.'' I think the Committee on Veterans' Affairs has shown its integrity even beyond what the Secretary has proposed.

I think it is admirable that he would go on record pointing out that the Committee on Veterans' Affairs has proposed and ultimately passed more money than the administration proposed.

I think that is a credit to the Secretary for being so honest. I thought it was important, Mr. Speaker, to bring these words to the House floor and to present the truth to clear up the misrepresentation on this side of the aisle with talking about reducing Medicare and veterans benefits when actually, in fact, the Republican majority has increased in both cases the amount of money spent on these two programs.

THE OLYMPIC CHALLENGE FOR AMERICA: TO DRAW TOGETHER AGAINST HATRED

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Texas [Ms. JACKSON-LEE] is recognized for 5 minutes.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I think that it is time, as we near the end of the 100-year anniversary of the modern Olympic games, that we rise to the floor of the House to provide perspective. This weekend should have brought Americans together. Many in different cities around the Nation may have initially thought of the Olympic games as Atlanta's games. But I think as we have watched the indomitable spirit of all of those who have participated, we must first acknowledge that these are world games, and that this is an honor bestowed upon America, our Nation, to be able to host this year's event.

The first recorded Olympics were held every 4 years at the ancient sanctuary in Greece from 1776 B.C. until they were abolished in 394 A.D. They were revived in the late 19th century by French baron Pierre de Coubertin with the first modern games held in Athens in 1896. This year, of course, marks the 100th anniversary.

As we have watched the games proceed, and the challenge to America and to the athletes, it stands in sharp contrast to the tragedy of this past weekend. It saddened me that the games were marred by one tragic incident of a sick and criminal act. It sickens me and saddens me that we lost a very lovely lady who had a 14-year-old daughter who loved her, and a family. Now she is gone from them and from the contributions that she has made and would have made; and then to have lost the life of a Turkish photographer because of this tragedy, and the 111 who were victims of this tragedy.

But most of all, I think we should be challenged by this Olympic challenge, if you will, to recognize that we as Americans must draw together against hatred, hateful talk, and those who would claim that they stand for what America believes in, but yet want to undermine and bring down the government of this country.

Over the last 2 years we have heard too much about what this government has not done. We have heard too much about those who want to carry guns on street corners, who want to hole up in places like Montana or bomb buildings in places like Oklahoma. I think the Olympic challenge for America is to develop the Olympic spirit. That spirit is one of a Carl Lewis, a native Houstonian from the community which I represent; someone who said, as he reflected that many said to him, having

won several medals, eight, to be exact, before this last one, ''Go out in a flare. Do not do this to yourself.'' Carl Lewis, a great humanitarian, a friend to young people, had first of all determination.

Second of all, he was a good sports person. He knew and understood what sportsmanship was all about. He had pride in himself and in his Nation. He believed, as well, in the fact that if he just simply went one more step he might be successful; 27 feet 10 inches and three-quarters. And he had a can-do attitude.

That is the Olympic challenge for America, to rise to the occasion of the U.S. women's gymnast team, something accomplished that none of us would have ever expected; or to have the strength of personality to accept the pain of a Kerri Strug from Houston, TX; or Michael Johnson, from Baylor University in Texas, who will cast his lot to historically do the 200 meters and then 500 meters; and yes, the U.S. women's basketball team, that recognizes that it is valuable to have men and women understand what sportsmanship is all about; and the gold that was won by Shannon Miller.

We as Americans have so much to be proud of; not to point the finger at Atlanta, a city that has done a very able and wonderful job, a job where it has opened its doors to all citizens around the world, representing over 197 countries. It was not that it had a tragic and terrible act, it was a tragic act of a human being gone wrong. We should embrace our sister city and congratulate them, for on behalf of Americans, they have done us proud.

□ 1745

But more importantly from the Olympic challenge, we should be able to both admire and to accept the challenge given to us by these young athletes from whatever country they have come, that they have shown determination, that they have rejected hatred, that they have embraced each other as brothers and sisters, that they have a can-do attitude, that they worked as a team and, yes, most of all that they have shown the kind of affinity for the law of rules and order that they would respect human life and human dignity. Sadly, someone in this country possibly did not.

And so it behooves this Congress to respond by leadership and recognizing that we disrespect and that we do not hold to violent talk or violent acts and that we join together as a Nation, not dividing, not castigating names but yet recognizing that we stand as one and fall divided. Be proud of Atlanta and what it has done, appreciate the Justice Department, Director Freeh and the FBI for what they have done, know that swift justice and fair justice will be brought to the perpetrator of this terrible act, but the Olympic challenge for America is for us to stand unified behind the Constitution that we all are created equal, that we have inalienable rights to pursue happiness, and that we must stand for equality and the first amendment.

Mr. Speaker, I rise to commend the wonderful work done by several of the athletes who are from my State of Texas who have brought home the gold.

The news of violence at the Olympics over this weekend could not detract from the Olympic Spirit displayed by the fans and the wonderful collection of talented athletes from around the world, nor should it have.

Each of them are heroes in their resolve not to allow terrorists or hatemongers to take away the unity of purpose that has led us to this point in world history.

The first recorded Olympics were held every 4 years at the ancient sanctuary in Greece from 776 B.C. until they were abolished in 394 B.C. They were revived in the late 19th century by French Baron Pierre de Coubertin with the first modern games held in Athens in 1896.

This year marks the 100th-year-anniversary of the modern olympic games. This is also only the fourth time in modern olympic history that the United States has been the host of the Summer Olympic Games.

The Olympic games are about challenges to the height and breadth of human physical, mental, and emotional endurance.

Today, I would like to recognize the wonderful contributions that Kerri Strug of Houston, TX, one of the members of the U.S. Gymnastics Team dubbed Mag 7 by fans of the sport, who showed real team spirit in assisting her teammates win the team gold medal.

Carl Lewis, who upon the completion of his 27 feet 10 and ¾ inches in the long jump, has achieved a record 9 gold medals. He is one of Houston's best known athletic personalities, but he is also a great humanitarian and community supporter of youth athletics.

I will not leave out those who are not from Houston, TX. Michael Johnson of Dallas, TX has also made us all proud as Texans with his gold medal performance in the 400-meter race. I would like to join many well-wishers in extending my hope for a second gold in the 200-meter race to be held later in the games.

I wish all of these fine athletes and their families my warmest congratulations and wish them a speedy and safe return home to Texas.

HOW LONG WILL WE CONTINUE TO WAIT TO SOLVE THE YEAR 2000 PROBLEM?

The SPEAKER pro tempore (Mr. LATOURETTE). Under a previous order of the House, the gentleman from California [Mr. HORN] is recognized for 5 minutes.

Mr. HORN. Mr. Speaker, a few months ago our Subcommittee on Government Management, Information and Technology held an extensive hearing on what is known as the year 2000 problem. That is a problem for those who have inputted month-day-year in most computers over the last 30 years. Three decades ago, most computers had little capacity for storage. Thus, a 2-digit figure represented the year instead of 4 digits. In other words, instead of 1966, the year was entered 66. So when it comes to the year 2000 and the computer registers 2000, it will only register 00 based on the two spaces for the year software. Thirty years ago it was difficult to find space in a computer and somebody had the bright idea: Let's save at least a few bits of spaces when we put dates in by inputting only the last part of the date, not the century part of the date.

Mr. Speaker, this will be a major problem. It is estimated by Gartner Associates, a major consulting firm, that it will take $600 billion worldwide to solve this problem. America is responsible for half of the computing usage on this planet, and it will take about $300 billion for both private and public entities to make the needed conversions. Gartner Associates believes that conversion by the Federal Government might well cost $30 billion to deal with this matter.

On April 29, I had the staff of the subcommittee send an extensive survey to the 24 Cabinet departments and agencies. We now have the results. In essence, these are some of the results:

1. Major departments are only in the initial planning stages of the Year 2000 effort.

2. Even the most advanced agencies have not reached the final stages of the solution.

3. Only six agencies have any cost estimates.

4. The Department of Defense has not yet completed its inventory of computer software code which needs to be converted.

5. The National Aeronautics and Space Administration does not anticipate having a plan completed until March 1997.

6. The Department of Transportation simply did not respond to the questions as of this date. Some departments started in on this effort the day after our survey arrived. Little attention has been paid to this coming crunch by many in the executive branch.

7. The Department of Energy did not begin to address the Year 2000 issue until a week after they received the subcommittee's survey.

Most of the departments that are in the initial planning stages need to have their systems inventoried and fixed by 1998. If they do not do so by that time, expert resources will be increasingly scarce because the private sector, State and local government will be using those resources to solve their own computer conversion problems.

Various internal codes of our computing equipment need to be changed. Some of it is just reentering the 4-digit year into new software: You would put in 1996, not just 96, so when you hit the year 2000, it is not just 00, but it is 2000 and you can subtract 1996 from 2000.

These Federal departments and agencies must ''get with it'' over the next year and a half. They need to complete their plans. They need to inventory and fix millions of lines of internal computer code while simultaneously meeting agency goals.

Basically, we asked these agencies if they had a plan, was there a program

manager? What was the estimated cost? And were they responsive to our dozen or so questions?

We have had a few stars in this affair that have been working on this problem systematically. We see that the Agency for International Development [AID]—responsible for foreign aid operations, Office of Personnel Management [OPM], Small Business, and, most important, the Social Security Administration received an ''A.'' The Social Security ''A'' is really the first of the ''A''s. Social Security did not need any prod. In Social Security, an able staff has been working on this problem—and rightly so—since 1989. They believe that by 1998 they will complete going through all of the Social Security files which affect people's benefits and pensions. We gave a very strong ''A'' to them.

These are only two in the ''B'' category. By the way, I do not grade on a curve. As a professor, I graded on an absolute. Education is in the ''B'' category. The Nuclear Regulatory Commission is a ''B''. Then after those six there are 18 below them. The three ''C''s, are followed by 10 ''D''s and 4 ''F''s. And there are dozens of other agencies that comprise all of the rest of the Federal Government.

Serious attention needs to be given to this by the responsible officials in the White House who coordinate management matters within the executive branch. They are a little weak on that. But the Office of Management and Budget needs to give this effort its full attention because both the appropriations and authorizing committees of the House will be expecting them to ask for the needed resources, or have a plan to reprogram the needed resources.

Let's get on with it. It is a serious problem that could affect each of us.

Mr. Speaker, I include for the RECORD the following material in connection with my remarks:

	Grade	Does the agency have a year 2000 plan?	Is there a year 2000 program manager?	Does the agency have any cost estimates for year 2000 solution?	Did the agency respond to the questions?
International Aid	A	X	X	X	X
Personnel (OPM)	A	X	X	X	X
Small Business	A	X	X	X	X
Social Security	A	X	X	X	X
Education	B	X	X	X	X
Nuclear Regulatory	B	X	X	.....	X
State	B	X	X	X	X
Defense	C	.....	X	X	X
Treasury	C	X	X	.....	X
Science Foundation	C	X	.....	.....	X
Agriculture	D	.....	X	.....	X
Commerce	D	.....	X	.....	X
Environmental Protection	D	.....	X	.....	X
General Services	D	.....	X	.....	X
Health and Human Services	D	.....	X	.....	X
Housing (HUD)	D	.....	X	.....	X
Interior	D	.....	X	.....	X
Justice	D	.....	X	.....	X
NASA	D	.....	X	.....	X
Veterans Affairs	D	.....	X	.....	X
FEMA	F	.....	.....	.....	X
Labor	F	.....	.....	.....	X
Energy	F	.....	.....	.....	.....
Transportation	F	.....	.....	.....	.....

Prepared for Subcommittee Chairman Stephen Horn, Subcommittee on Government Management, Information, and Technology.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey [Mr. SAXTON] is recognized for 5 minutes.

[Mr. SAXTON addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. BURTON] is recognized for 5 minutes.

[Mr. BURTON of Indiana addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington [Mr. METCALF] is recognized for 5 minutes.

[Mr. METCALF addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. RIGGS] is recognized for 5 minutes.

[Mr. RIGGS addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. KINGSTON] is recognized for 5 minutes.

[Mr. KINGSTON addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

REPORT ON RESOLUTION WAIVING REQUIREMENT OF CLAUSE 4(b) OF RULE XI WITH RESPECT TO CONSIDERATION OF A CERTAIN RESOLUTION

Mr. MCINNIS, from the Committee on Rules, submitted a privileged report (Rept. No. 104–720) on the resolution (H. Res. 492) waiving a requirement of clause 4(b) of rule XI with respect to consideration of a certain resolution reported from the Committee on Rules, which was referred to the House Calendar and ordered to be printed.

IN MEMORY OF AUGUSTA HORNBLOWER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts [Mr. TORKILDSEN] is recognized for 5 minutes.

Mr. TORKILDSEN. Mr. Speaker, tonight I rise in affectionate remembrance of a good friend and a great Republican, Augusta ''Gusty'' Hornblower.

Earlier today the House voted to name the Post Office in Gusty's hometown in her honor. Gusty Hornblower was an unwavering selfless public servant. This post office, this public space, is a fitting tribute to a woman who devoted her life to the citizens of Massachusetts.

As a sophomore on summer break from UMass-Amherst, I first met this courageous woman when we were both working on a congressional campaign. I was awed by her sense of humor, her political acumen, her colorful personality, and, most of all, her sense of commitment. Later we would both be elected to the Massachusetts House in the class of 1984 and serve together in the Committee on Taxation. There was one thing that Gusty could always be counted on to do and that was advocate for a tax cut any time of the year.

In addition to serving five terms in the Massachusetts House, Gusty sat on many boards and community efforts and worked tirelessly to preserve the Commonwealth's rich cultural heritage. She served on the Board of Overseers of the Plimoth Plantation, founded by her father Henry Hornblower II and on the board of trustees of the Schwamb Mill Preservation Trust. She also held a seat on the Martha's Vineyard Commission.

Toward the end of her life, Gusty bravely battled breast cancer, using her increasingly scarce time and energy to advocate for breast cancer education, research and awareness. Those

of us who knew Gusty were not surprised by her positive attitude and fighting approach toward the disease. We had seen her tackle every aspect of her life the same way. While the disease finally took Gusty from us, her legendary advocacy continues to reap benefits for people throughout her district, our State and our Nation.

We will always think fondly of Gusty Hornblower.

HEROES ALWAYS STEP FORWARD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. FOX] is recognized for 5 minutes.

Mr. FOX of Pennsylvania. Mr. Speaker, in the face of tragedies in America, heroes always step forward. America has faced its share of tragedies lately. The destruction of TWA flight 800, the criminal bombing of Centennial Park at the Atlanta Olympic games, the bombing of the Federal building in Oklahoma City, and the explosion at the World Trade Center in New York are among just a few.

While the Nation reacts in shock and mourns for the victim, a few put aside their grief to do a job they have been trained well to do. They move quickly and efficiently among the chaos to tend to the needs of victims, like phantoms among the smoke and debris in an effort to find a cause. They are emergency personnel, and they have never failed to bring order, provide comfort and extend needed care during our Nation's darkest hours. America's emergency personnel, Federal officers, police, firefighters and emergency medical personnel are all too familiar with crisis management, and in our anger and grief they are easily overlooked.

As I recently watched the events unfold off the coast of Long Island and in Atlanta, I was struck by the fact that there are always great Americans willing to help others in need, and at no small cost. No one can provide adequate comfort to those who have lost loved ones in the explosion of the TWA jumbo jet, but these men and women are there to try.

It is difficult to recapture the spirit of peace and joy which the Olympics are supposed to represent after a terrorist act, but these people helping others may represent the good in humanity just as surely as the young competitors do, as well.

In my own home area, we have seen in Montgomery County, PA, our volunteer firefighters, police, local police, rescue squad operators, emergency medical personnel and ambulance service professionals, how often we turn to them for assistance. How many of us have turned to a police officer for help? How many people stranded during the blizzard of 1996 turned to others for help? When the floods came to our community, our home-grown heroes responded.

Nobody knows what makes an individual respond in the face of tragedy, often without regard to his or her own safety. But that is the American spirit. Perhaps catastrophe sparks the flame, Mr. Speaker, of human compassion in them. Maybe the fires of disaster temper the steel of their resolve.

Whatever the reason, we must remember that they too are affected by such calamities, and we must do everything possible to address their needs when the work is done. Studies indicate that the emergency personnel and law enforcement officers often suffer long after the crisis is over.

Many people who assisted the victims in Oklahoma City are now trying themselves to recover from the horror that they witnessed. Many will never forget the faces of those they could not help, especially the children. Perhaps their long-term suffering is due to the fact that they put their own emotions aside at the time of crisis to help others in greater need. Whatever the reason, it is important to remember that these individuals often represent hope in a sea of despair, and we must be there for them when the crisis is past.

Americans are defiant in the face of terrorism, we are resolved in the wake of natural disasters, and these American heroes ignite the flame of the human spirit and strengthen our will in the face of all adversity. God bless our volunteers, and God bless America.

STATUS OF MEDICARE ON ITS 31ST ANNIVERSARY

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from New Jersey [Mr. PALLONE] is recognized for 60 minutes as the designee of the minority leader.

Mr. PALLONE. Mr. Speaker, today is the 31st anniversary of the creation of Medicare. On July 30, 1965, President Lyndon Johnson traveled to Independence, MO to sign Medicare into law at the home of President Harry Truman who had been fighting for Medicare for 20 years.

The Democrats today had a birthday celebration for Medicare with senior citizens and Vice President GORE. Basically, what we are celebrating is the 31st anniversary of Medicare because it has been such a success in terms of a Government program that may very well be the most successful Government program. We want to renew our commitment to protecting Medicare from deep cuts and work to continue its solvency for many years to come. That is why the families first agenda that the Democrats have put forward includes the protection of Medicare as a key element of a balanced budget proposal.

□ 1800

This followed the lead of President Clinton, who proved this winter that the budget can be balanced while still extending Medicare solvency into the next century.

Mr. Speaker, I just want to reiterate that the creation of Medicare did not happen overnight. On the contrary, it took 13 years to finally make Medicare a reality for our Nation's seniors. Against staunch Republican opposition, Medicare passed the House and the Senate in 1965.

Since the Republicans took over Congress in 1996, 30 years later, and for the first time since before the creation of Medicare, one of their first acts was to basically make significant changes or suggest significant changes in Medicare so that it would not be Medicare as we know it. A lot of this was done without hearings, without any real input, in my opinion, from the American people, and I think it was the wrong way to go.

Fortunately, Democrats spent most of 1995 and also a good part of 1996 fighting against these Republican proposals, which would have significantly changed Medicare and I think made it into a program that we would not have recognized.

I wanted to stress today, on the 31st anniversary, that prior to Medicare less than 50 percent of all seniors had any health insurance at all. Today, on the other hand, over 99 percent of America's seniors can rely on Medicare's services.

So the reason Medicare was established was primarily because many senior citizens did not have health insurance. It was a need that was very much felt back in 1965.

Prior to Medicare many seniors were faced with the dilemma of choosing between food, shelter, or health care. Now America's seniors are living longer and can be assured they will have quality health care services.

In 1965 there were Republicans in Congress, including most notably then Congressman Bob Dole, who ardently fought the creation of Medicare. In 1965, 93 percent of the House Republicans, including Bob Dole, voted for a substitute that would have killed Medicare as we know it. In 1995, 30 years later, Senator Bob Dole and Speaker GINGRICH attempted to change Medicare as we know it by cutting $270 billion for tax breaks for the wealthy.

Last October, Senator Dole stated, ''I was there fighting the fight, voting against Medicare,'' referring to his opposition to the program in 1965. It is no wonder, then, that many Democrats doubt the Republican leadership when they say that they care about Medicare or they want to fix it. We know that many of them, most of them in fact, in 1965 opposed it, including then Representative Dole, who is of course now the Republican Presidential candidate.

We also quote, and I have quoted many times on this floor, Speaker NEWT GINGRICH, who last year stated, ''We don't get rid of it,'' that is Medicare, ''in round one because we don't think that's politically smart, but we think it's going to wither on the vine.''

Again I would point out that although Speaker GINGRICH has recently said that perhaps he did not mean what he said in terms of Medicare withering

on the vine, if we look at the Republican proposals that have been put forward in this Congress, in effect what they do is they make Medicare wither on the vine because they provide a situation where there is so much money taken out of the program, again primarily to finance tax breaks for wealthy individuals, and they make so many changes in the Medicare program that essentially force seniors to choose managed care where they do not have their choice of doctors or sometimes even their choice of hospitals, so that the changes in the programs and the cuts in the program ultimately will make Medicare as we know it wither on the vine.

Just to reiterate some of the things that would come about under the initial Republican plans, again the changes have been vast. When this Congress started out in January of 1995, there were some drastic changes in Medicare that were proposed then and we have seen the Republican position change a little almost on a monthly basis ever since then. But if we go back to the initial Republican plans, those that were put forward in January of 1995 when this Congress began, when the Republican leadership was in the majority for the first time in 40 years, under that initial Republican plan, seniors would have been faced with additional copayments, increased premiums, increased deductibles, rationed care and a limited choice of doctors. Medicare eligibility would have gone from 65 years of age to 67 years of age, and Medicare availability ultimately would have only been available to the neediest of seniors.

As Democrats began to speak out against these proposals, beginning in the early part of last year, many of these proposals were dropped. But the Gingrich-Dole Medicare plan of 1995 was still a plan to end Medicare as we know it. It did call for a substantial increase in costs to seniors while, at the same time, providing less in terms of quality of service. It called for cuts of $270 billion. Seniors would have to pay more and get less. They would have been forced into managed care with no choice of doctors.

Last year I was here on the House floor on the 30th anniversary of Medicare and Democrats stood with seniors to protect Medicare from Republican raids. One year later we can say that we defeated Republican efforts to enact the Gingrich-Dole Medicare plan, but I need to stress that this war is not over. Although Medicare, because of Democratic opposition, because of President Clinton's opposition, basically these Republican proposals that change it have essentially been dropped and are really not talked about any more, but I have to stress that the war is not over.

The Republican leadership has a new budget blueprint they unveiled in 1996, earlier this year, that calls for $168 billion in cuts for a tax break slush fund. Seniors, again, would be forced to pay more and get less. In addition, this new plan will allow doctors to overcharge seniors for providing health care services. And current law of course protects seniors from these excessive charges.

All I can say is that Republicans are at it again. I think it is very important, Mr. Speaker, on Medicare's 31st anniversary today to affirm that Democrats remain committed to improving Medicare in a common sense fashion. Unlike our Republican counterparts, we are not sorry that hundreds of thousands of seniors rely on Medicare. We think it is a good program. We are pleased that it has doubled the number of seniors who now receive health care and we think it is a proven success story, certainly worth protecting.

Now, Mr. Speaker, I just wanted to make a comparison, if I could, between the Republican proposal on Medicare in 1995 and the one that we have this year, which again we have not been hearing much about anymore, but I think it is worth mentioning because it certainly is going to be an issue for many months and many years to come. I just want to go through, if I could, in a little detail, the effect of some of these proposals.

Again, I am going back to 1995, the last year when, as I said, some of the more radical Republican leadership proposals to change Medicare were brought to the floor of this House. And let me just talk about a few of them.

First of all, there was the proposal to double Medicare part B premiums. Many people know that Medicare has part A and part B. Part B covers the doctors' bills, essentially. The Republican proposal basically increased the amount that seniors would have to pay out-of-pocket every month to get their Medicare part B coverage. Again, the Democrats opposed that. And as a consequence, the actual monthly part B premium actually decreased at the end of the year instead of actually doubling as was proposed by the Republican leadership.

The last year's proposal also attempted to eliminate doctor's choice. Some of my colleagues on the other side of the aisle said, ''We want to give you more choices because we want to give you the choice of managed care.'' But as many seniors know, and most people know, managed care often does not allow you to have the doctor you are used to having.

Senior citizens tell me in my district over and over again that the biggest concern they have about Medicare is they want to be able to choose their own doctor. And how did the Republican proposal move people into managed care? It did not say you had to go into managed care, but what it said was you had to provide a higher reimbursement rate for physicians who were in managed care than for those who were not. So there were financial incentives to make doctors as well as senior citizens effectively be forced into managed care.

Another thing that was done that I think was really terrible was the Republican bill last year actually cut Medicare premium assistance for low-income seniors, and here I want to spend a little time saying that there is a relationship between Medicare, which is the health care insurance program for all seniors, and Medicaid, which is the health care insurance program for poor people, for people of low income.

Under the current Medicare law, if a senior citizen in eligible for Medicaid because of their low income, then their part B premium per month for their doctors bills is actually paid for by Medicaid. Well, the Republican proposal that came before the House last year would have eliminated that and essentially said that there was not going to be any guaranteed coverage to pay for the part B premium if you were a senior that was below a certain income.

There were other Medicaid changes that the Republican leadership had proposed that also would have had a negative impact on senior citizens. First, they suggested repealing the Federal nursing home quality standards, so basically the Federal Government would not have any say over the quality of care in nursing homes. They also put homes and family farms of elderly couples at risk for nursing home care, because under current Medicaid law the home of the senior citizen or the spouse who is in the nursing home is basically insulated from the Government's ability to take it or sell it and use it to pay for their nursing home coverage. Well, they would have changed that. It was one of the proposals they put forward in their change to Medicaid last year.

They also made the change in Medicare that would have forced adult children to be financially liable for their parent's nursing home bills. Right now, under current law, if a parent or grandparent is placed in the nursing home under Medicaid, the Government cannot go after the children or the grandchildren to pay the cost.

Some people may say, well, gee, why not let them pay the cost. But the bottom line oftentimes is that money is used by younger people to pay for their own children's college or their own children's education or other purposes and to say that we want to change the law and that they have to take care of their parents or grandparents I think does a lot of mischief.

Now, those were the proposals, those where the aspects of the Republican Medicare bill and Medicaid bill changes that I though were the most negative and had the most impact in last year's proposal on Medicare and Medicaid. But this year again we have new Republican leadership proposals on Medicare and Medicaid, and I think that the gist of it is essentially the same. Let me just highlight some of the things that I consider the most negative.

First of all, eliminating doctor and hospital choice by forcing seniors into

Medicare managed care plans. Now, again, they take a different tact on how to do this. They will say, my colleagues on the other side will say we are not forcing seniors into managed care. They can still choose between the traditional fee-for-service plan, where they have their own doctor and their own hospital or then can go into managed care. They have the choice. But what this new Medicare proposal does is to say if you stay in the traditional Medicare plan, where you choose your own doctor, then you can have unlimited what we call balance billing. In other words, the doctors can charge you an unlimited amount over and above what Medicare pays.

Obviously, we can see that the senior does not really have a choice, because if they have to pay all that extra money they will go to a managed care system because they cannot afford the extra money out of pocket. So again the seniors are forced into managed care, where they do not have a choice of doctors. The way of doing it is different from last year, but the effect is the same, the long-term effect is exactly the same.

I see my colleague from Connecticut, Congresswoman DELAURO, is here to join me, and I know she has been out there every day for the last 18 months basically bringing up how terrible these changes in Medicare are that the Republican leadership has proposed, and I would like to yield to her at this time.

Ms. DELAURO. Mr. Speaker, I want to thank my colleague very, very much for carrying the discussion and the debate on this critically important issue, and I know he shares what I do today, a sense of history, a sense of great accomplishment on the part of this great Nation of ours, when 31 years ago the Medicare system was signed into law by President Johnson.

It truly is a day of real historical value for all of us, and we congratulate those who put their vision, their commitment, their compassion, their view of what the values of this Nation is all about, they put that forward and said what we need to have to do in this Nation is that seniors need to have health insurance. Nation is that seniors need to have health insurance.

The facts spoke for themselves. In 1959, only 46 percent of seniors had any kind of health insurance. We hear the tales all of the time about there being no place to go. Families had to be the sole support for their loved ones if they were ill and that they did not have any help in doing any of that, and so many people's health was put into jeopardy.

Today what we have is a direct reversal of that problem back in 1959.

□ 1815

Today 99 percent of seniors are covered for health insurance and it is a direct result of the Medicare system. So that this is a program, it is more than a program. It is not a program. It says something about what we value in the United States, what our values are, what our priorities are. That in fact, those who reach the age of 65, those people who have played by the rules, who have contributed so much to our society, who have paid their dues, if you will, they need this opportunity to have the benefit of being able to one more time pay again but to get some assistance and have a health insurance system that is available to them, that is guaranteed to them, and that makes them independent; that does not make them dependent on their children, and it gives them a sense of dignity and a sense of security in their retirement years.

That is what is the historical value of this anniversary this, 31st anniversary of truly making health insurance for seniors one of those values on which this Nation stands.

My colleagues from New Jersey joined with me yesterday in the Families First hearing on protecting Medicare, and it was one more instance of that highlighting of the difference that this program makes in the lives of 37 million people. And what we are concerned about and what he has expressed his concern about is one more time we are looking for the second year in a row, quite frankly, though this is not also without a historical past, we have known some folks, including the current candidate for the Presidency in the Republican Party, Bob Dole, who was out there and he goes back, saying he was proud that he cast his vote against Medicare because it was a program that did not work. So he has a history on this issue.

But we have seen the unbelievable attempt to cut the Medicare Program in the last 2 years with this Republican leadership, first to the tune of $270 billion and if you juxtapose that with the $245 billion in a tax cut for the very wealthy that the Republicans wanted to provide, I do not believe that there is a coincidence in those numbers. We are now back again for the second round of cuts that talk about $168 billion and their tax package for the wealthy that runs around $176 billion. So again these numbers are not coincidental.

What I think is interesting to find out is that we have a prelude of what we are talking about in the future, and in the immediate future. The Wall Street Journal yesterday indicated, there is an article there that describes Senator Dole's new tax plan, or at least what they view as his potential new tax plan, which is expected to be released next week.

I want to read this because I think it is important about what portends for the future. Mr. Dole and his advisors now contemplate a tax cut of Reaganesque proportions. Fifteen percent across the board for individuals. That is almost five times as large as what the congressional Republicans included in their latest budget plan. Five times as large. It would cost more than $600 billion over the next 6 years, this 15 percent tax cut.

Now, there was another article in the Wall Street Journal that tried to figure out what happens, where this money begins to come from, and it is without question, I mean what they did not do was to say specifically this is the program that it comes from, but there was no indication from Bob Dole as to how he plans to pay for the massive tax break. And no one knows how he intends to pay for it, because that information is being held very closely. I hope next week, if he introduces the program that in fact what he will do is to let the public know how he intends to pay for it.

But what is clear, and at our hearing yesterday was Lawrence Shimmerin, the managing director and chief economist at the Economic Strategy Institute. He said that you are going to have to take a look at a whole variety of programs from which there will be cuts. And that includes education, it will include infrastructure, roads, bridges, the construction of schools, a whole variety of programs, again which demonstrate some values when you talk about education and the environment and what we want to do to try to put people to work, that the money is going to have to come from there. Then when we asked him, he said in effect that the money is going to have to come from programs like Medicare.

So that, in fact, we are looking at, with the introduction, the potential introduction of this tax plan by Bob Dole, what we are going to see is another round of cuts to the Medicare Program. And when you are looking at $600 billion over the next 6 years, our colleague from the other body, JIM EXON, said that we are potentially looking at $313 billion in cuts in the Medicare Program.

So that this is not something that is an idea that is not being nourished, and not being nurtured and prone to be moved. Bob Dole is going to introduce this plan in the next week or 2 weeks. So what we are going to do is to see an amazing escalation of those costs and cuts in the Medicare Program, because there are not going to be too many places to which you can go to make those kind of cuts.

If we think about future direction and we look at the historical past where we have Bob Dole saying that he was happy to fight the fight and be 1 of 12 and vote against Medicare because it did not work, we can understand the move to this massive tax cut and what that means to the Medicare Program.

Now, I will stand here and tell you as I know my colleague is, I am a believer in tax cuts. Let us make sure that working families are the beneficiary of those tax cuts. If we provide people with the opportunity to take a tax deduction of $10,000 a year in order to finance the education for their children or to have the opportunity themselves to get skills training and education, if they need that in order to further their

own job, their career ladder, we ought to target those tax cuts. But if we are looking at using Medicare as the piggy bank to finance those tax breaks, then it really is unconscionable and it is wrong and it is an outrage.

I will just make one or two other points to my colleague, as I say, to say that we have an historical legacy here. We have the Speaker of the House talking about wanting to see the Medicare Program wither on the vine, and that people will voluntarily leave it, though he is trying to walk away from those comments. But you cannot walk away from what you have said. Your actions and your words are there for people to take a look at.

We even have had BILL THOMAS, who is on the Health Subcommittee, refer to Medicare as a socialist program. The kinds of language in which people talk about the Medicare system. DICK ARMEY said he would not want to be a part of such a system in a free world. And these are the folks who come to tell us and to tell the American people, whether they are our seniors or whether they are the families of seniors that trust us, what we want to basically do is to slow the rate of growth. In fact, what they are doing is cutting the Medicare Program, jeopardizing the health care of seniors and putting them in a position where they will have to pay more, or that they will lose the choice of doctors. And in some places in this Nation, we will watch hospitals close down and, in fact, people who deserve to have health insurance and health care at this time of their life will not have the benefit of that.

It is hard, as I said, to walk away from the commentary that people have made over the recent past and the more further past and to have them now come forward and say that they are going to try to make the program a better program. Their goal truly is to dismantle this program which works. My constituents believe it works. They believe it needs to be fixed. Sure they do, and it does.

The trustees said there was $90 billion that we needed in order to, in the short term, make the program solvent. We need to have a bipartisan commission to take a look at the long term, whatever that means. Nobody disagrees with that. What they do disagree with is ending a Medicare Program, of leaving people behind, taking that 99 percent and beginning to move it back to the 46 percent of seniors who had health care in this country. That is what cannot happen.

What we ought to be debating on this floor, what we ought to be talking about is how we make the Medicare system stronger; how, in fact, we do something about long-term care for people in this country; how we do something about the cost of prescription drugs; how we deal with home health care. And that is what direction we ought to be going in.

We ought to be building on what we have, not unraveling what we have in this great country of ours. And as my colleague was talking about, this whole notion of overcharging today, of removing the restrictions on hospitals and doctors that prohibit them today from overcharging Medicare recipients, how can we in good conscience stand here and talk about that as a way to fix this program?

What is wonderfully interesting, though, is that I think in your community, in my community, the folks see through what is going on here. And that in and of itself is rewarding because they are fighting the battle against what the Republican leadership is trying to do. They made that fight last year, and I know they are going to make the fight this year.

But for today, it is happy birthday and it is happy anniversary to a health insurance system that works for the people that it was intended to help. And that is the Medicare system. And we need to once again pledge that we are going to make sure that the system stays here, that it is a better system and it is going to be a good system for people in the future, and I thank my colleague for his leadership on this issue.

Mr. PALLONE. Mr. Speaker, it is not my intention to necessarily use all of our 60 minutes that is allocated tonight, but I do think it is important and I know that the gentlewoman from Connecticut stressed some of these points, but I think that it is very important for us as Democrats to point out that right now in 1996, on July 30, 1996, the Republicans still have a plan out there to cut Medicare and to make the drastic changes in the Medicare Program that effectively would destroy Medicare as we know it.

I am afraid that not only our colleagues but certainly a lot of the American people do not really understand that at this time. There has not been that much discussion about Medicare on the Republican side in the last few weeks or months, but the fact of the matter is that there is a new plan out there to cut Medicare and to change it drastically. And I wondered if I could reiterate some of these things that are on the table right now because I think it is important to stress it.

The gentlewoman mentioned that although in 1995 we had this Republican proposal that would have cut $270 billion from Medicare primarily to pay for tax breaks for wealthy people in 1996, the budget that we are now operating on that was passed here in the House by the Republicans, without Democratic support for the most parts, calls for essentially the same kind of Medicare overhaul plan that they put forward in 1995.

□ 1830

I think the gentlewoman mentioned that the budget contains $168 billion in cuts in the Medicare Program over 6 years in order to pay for $176 billion in tax cuts, again targeted primarily on the wealthy. So I mean it really is not any different. I want to stress that because I think it is important to make it known.

Ms. DELAURO. The gentleman is absolutely right. If we take a look at it in terms of percentages, they were talking about $270 billion over 7 years. They are now talking about $168 billion over 6 years. It went from a 19-percent cut to 17-percent cut, which is just the same as you have said. So, they are doing the same exact thing that they did last year, when there was such an outcry. People really truly do need to understand that.

I want just one more point which I believe it was the pundit or the journalist Morton Kondracke asked the third person in charge of this Congress, the gentleman from Texas [Mr. DELAY] said: You know, the public thinks that the Republican leadership has been extreme or at least there is the view out there by some that the Republican leadership has truly been extreme over the last 18 or 20 months. If you are back in the majority again, will you be engaged in the same kinds of initiatives that you were in the 104th Congress?

He talked specifically about Medicare, and he said that they would once again do the same thing. So it is 270, it is 168, it is the same thing.

It was not only in this Congress, their intention is, if they get back to the leadership here again, to do the very same thing again in the future. So it is the very, very same argument. My colleague is right to point out that we cannot lose sight of that.

Mr. PALLONE. The other thing, too, that I want to stress is that these cuts are not needed to save the program. Again, we are not hearing much from the other side about Medicare anymore, so we do not hear much about their effort to save the program anymore either. But we know that this level of cuts is not necessary to save the program. Again, it is being used primarily to pay for tax breaks, and those tax breaks are primarily for wealthy Americans.

In fact, according to the Congressional Budget Office, the Medicare cuts, and again not to stress it, but there was a level of cuts much less that was proposed by the Clinton administration. And they would in fact have extended the life of the Medicare trust fund for virtually as long as the GOP Medicare plan.

So, if we simply adopted the suggestions that the Clinton administration made, which would not have made those deep cuts to finance these tax breaks for wealthy people, we would have extended the life of the Medicaid trust fund and eliminated all the questions that have been raised about potential insolvency of Medicare. Those could be brought to the floor today if the other side was willing to accommodate and go along with what the President has said. They do not want to do it because they want to keep out there those tax breaks.

Ms. DELAURO. The trustees, which were, as my colleague will remember, there were so many on the other side of the aisle that held up the trustees report day in and day out. The trustees said $90 billion for the short-term solvency of the program. As I have suggested, I think we need to have a bipartisan commission look at the long-term solvency. We did that on Social Security. We can do that here.

The President, I think he has talked about $116 billion, that you could extend the life of the program, as my colleague pointed out. But they are committed to these tax breaks for the wealthiest Americans, the wealthiest, the most privileged in our society, and they cannot get off that kick. That tax cut was what NEWT GINGRICH called the crown jewel of the Contract With America. And whether you take the $245 billion in the tax cut or you take the $176 billion that they are talking about now, and if you take that a step further and you talk about what BOB DOLE is talking about, which is $600 billion over a 6-year period of time, we all know that we are going to look at another round of cuts to the Medicare Program. There is no doubt about that; no doubt, I think, in anyone's mind.

Not only will it be Medicare, but I can tell my colleague that another area that you have great interest in is education and the environment. We are going to see massive cuts in those areas as well.

I do not happen to think that that is what this Nation is about. I think this speaks, we can balance the budget. We can do that. The question is, what are the values that we espouse in that balanced budget. I think we have been given a very, very good indication of the kinds of values that our Republican leadership here in this House espouses.

Mr. PALLONE. Again, we sort of touched on this again, but I just think it is important to stress that once again the Republicans are talking, leadership is talking right now this year about proposals for Medicare that would cost seniors a lot more out of pocket. I think a lot of people believe that because they have not heard about the increase in the Medicare part B premium.

Last year that was the crying call because so many seniors knew that the Republicans had proposed these big increases in part B premiums that they would have to pay per month. This year with the balanced billing provisions and with the level of cuts in Medicare, we will end up paying a lot more out of pocket. I think the figure right now is that under current law the physician can only charge patients up to 15 percent above what the fees are that Medicare sets. But if you stay in a traditional Medicare, under the current Republican plan that is on the floor now, that figure is unlimited.

In addition, I know that the gentlewoman has pointed out previous times on the floor that with the cuts in the level of services that would come from this level of cuts in Medicare, we are going to see tremendous increases in Medigap insurance because Medigap is going to have to cover more because of the lack of funding available for Medicare. So seniors would be faced with these overcharges by the physicians, higher Medigap premiums, and the list goes on.

Ms. DELAURO. Mr. Speaker, I think there is one point that my colleague made which I think we need to remake. It is not so much sometimes people do not understand the term balanced billing. It is the overcharging. Right now there are prohibitions on hospitals and doctors that they cannot charge the individual recipient for the difference in what Medicare will reimburse to the physician for their service. So that in fact the recipient cannot have that burden of the extra charge as put on them. That is lifted. Those prohibitions are gone, which means that doctors and hospitals can charge the individual, the Medicare recipient, for what they view as what their fee is over and above what Medicare will reimburse them for.

This is direct out-of-pocket costs, direct out-of-pocket costs.

That is real. That is what is in this proposal right now. And we cannot, people cannot lose sight of that, because it is not so much that the part B program is going to double the way they had it going last year. but this is kind of hidden in the language as to what is going on here. People truly do need to be educated and made aware of what risk they are for out-of-pocket costs.

Mr. PALLONE. I yield to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Speaker, I echo the comments of my friend from Connecticut, especially when instead of Gingrich Republicans cutting Medicare to pay for tax breaks for the wealthiest people in this country, cutting it to the tune, originally they started out at $270 billion and finally reacted, when the public reacted so much against these major Medicare cuts in order to pay for tax breaks for the wealthy under the Gingrich Medicare plan, instead of letting the Gingrich Republicans make those cuts to do that, we should be going after fraud in Medicare, the whole balanced billing issue that Ms. DELAURO mentioned that will cause more waste in Medicare and will cause more Medicare beneficiaries to have less services at higher cost.

What they tried in the Medicare and the Medicaid bills, what the Gingrich bills on Medicare and Medicaid said last year and this year, that to allow physicians to refer for any kind of services, diagnostic services, MRI's or others to facilities that those physicians own, we have in this body, long before any of the three of us were here, tried to go after some of those fraudulent aspects of Medicare anyway, to make sure that people really were getting their dollars' worth and doctors were paid properly, that hospitals were reimbursed properly and that patients had an opportunity to get good health care at the lowest cost possible.

Now we are opening the floodgates, when there is already, according to the GAO, already something like $100 billion in fraud in Medicare over 7 years that we could recover, they are opening the floodgates more so we could have maybe twice as much fraud.

The fact is, instead of giving these tax breaks, instead of cutting Medicare and giving tax breaks to the wealthiest people in the country, as Speaker GINGRICH and the Republicans want to do, we should be going after these in a variety of different ways, some of these fraudulent practices that have happened in Medicare, go after some of the double billings and some of the problems that we have seen, not opening up the floodgates so there can be more.

It is clear that that is the way to deal with the Medicare, that is the Medicare solution for now, rather than making major cuts and saying, you are trying to save it, when clearly it is almost comical, if it were not so serious, when Speaker GINGRICH and the leaders in the other body stand up and talk about, we are going to cut Medicare $180 or $270 billion, whatever their number of the day is in order to save it, it is almost comical, if it were not so serious, except that in the sense that these are the people that voted against Medicare when it was created. These are the people that have never tried to fix the program when it has needed minor fixing. These are the people that called it a socialist, no-good program. Citizen Dole has said that Medicare, he was proud of being one of 12 people that voted against Medicare because he knew it would not work, he said.

Speaker GINGRICH has said over and over that Medicare will wither on the vine under the Gingrich Republican proposals. It is clear they have never had any interest in this program. They are not trying to save it. They are trying to privatize it and ultimately turn it into a welfare program that simply will not serve the 99 percent of the senior citizen population of this country that Medicare now services.

Mr. PALLONE. I am really pleased that you brought this up because a lot of times when I talk to senior groups they will say to me, why do the Republicans want to make these changes. People generally feel that elected representatives that come down here want to help them. They do not assume the opposite.

And I say, well, on the one hand it is the tax breaks for the wealthy. But on the other hand it is the special interests. There are changes in this legislation that the Republicans proposed, changes in the Medicare program that are strictly special interest oriented for their friends. And one of them you mentioned is with regard to fraud.

One of the things you remember in the Committee on Commerce, one of the things that most upset us last year

in 1995 was the weakening of these antifraud and abuse provisions. Instead of using the opportunity to strengthen them, because we know there is a lot of fraud, the Republican leadership proposal actually weakened the antifruad and abuse provisions.

Briefly, and then I will yield to the gentlewoman from Connecticut, there was the example that I could just cite where the GOP bill relieved hospitals and doctors of the legal duty to use reasonable diligence for ensuring that the claims they submit to Medicare are true and accurate. That sounds like a lot of legalese but it is very important, because if you weaken that standard, then it is much easier for doctors or hospitals to abuse the system. That was actually in the bill. We fought very hard to point that out and to stop it from becoming law.

Ms. DELAURO. My colleague is absolutely right. It is a question of who they want to help. We do come here to help, but it is a question of who they want to help. And you will hear the argument over and over again that what they want to do is to save the program, that they want to slow the rate of growth. And nobody suggests that we should not deal with the fraud and abuse pieces because fraud and abuse in the entire health care system is about 10 percent. We spend about $800 billion for health care in this country every year so it is about $80 billion roughly.

There is fraud and abuse in the Medicare system. We ought to go at it and root it out. As both of you have pointed out, what they did was absolutely contrary to that goal by making it easier for people to abuse the system.

□ 1845

But what I find that is rankling in the argument that is made is that what we want to do is to hold the cost of Medicare down. Noble cause. Noble cause. However, why are we trying to hold the cost down of private insurance? Why are we not trying to hold the cost down of prescription drugs? Why are we not holding the costs down in every other section of our health care system but only want to hold the cost down and stick it to seniors?

We tried in the last session of Congress to pass health care reform and we failed. I think the goal was good, but we may have moved too quickly, too fast, taken on too much. But the issue there, the single biggest issue, was to slow the rate of growth down for the entire health system, not just one piece of it, and everybody agreed that you could not just hold the costs down in one place while everything else was still rising.

Why are we not going after some of the other parts of this health care system in the same way that they would like to go after the Medicare system and particularly the beneficiaries in the Medicare system by increasing their out-of-pocket costs, allowing them to have limited or no choice in their doctors and helping to close down health care facilities in this country, and all, all of that, not to save the system, but to provide a tax cut for those who through their own wherewithal have done very well; nobody takes that away from them, but the most wealthy and the privileged should not increase their wealth at the expense of people who are vulnerable and in the senior years of their lives.

Mr. BROWN of Ohio. I would add, if the gentleman would yield, to what the gentlewoman from Connecticut said about the efforts to hold costs down or to cut the growth in Medicare. I mean I have heard over and over and over again from the most conservative people in this House, who on the Republican side have always opposed any program like Medicare, calling it socialism, saying it is a terrible program, it is big government, all of that.

They have all said we are not cutting Medicare, we are slowing the rate of growth, and that is what they say over and over and over again and try to drum that into the heads of America's elderly, saying we are not threatening Medicare.

The fact is slowing the rate of growth when more people are on Medicare means less money for each older beneficiary. It also means there is a higher cost for medicine which goes up and for health care. It means less per person, and third what it means, as the gentlewoman from Connecticut was alluding to, is as special interests cash in more and more on the Gingrich Medicare plan, it means less monies available.

So you already have a shrinking pot of money for America's ever increasing number of elderly, and that pot shrinks even further when more people are, to mix a metaphor, when more people are at the trough, more special interest groups that have fought to have all of these antifraud provisions taken out.

So we are going to see more fraud. While GINGRICH is trying to cut Medicare, if he is successful, and the number of dollars does not go as far as they do today, we are also going to see more special interests feeding at the trough and taking even more dollars away, which will mean ultimately fewer dollars for Medicare beneficiaries. It will mean fewer services. It will mean higher premiums and copays and deductibles. It will mean ultimately a privatization of Medicare which spells the end, and that is why Speaker GINGRICH talking to that group of insurance executives, talked about Medicare withering on the vine.

If you remember what he said when he was talking to insurance executives who salivate in a sense over what he wants to do with Medicare so insurance companies can get more and more, as Medicare is privatized under the Gingrich plan insurance companies can get more and more involved in it. That is why the Speaker said:

> We didn't get rid of Medicare in round one because we don't think that's politically smart. We don't think that's the right way to go through a transition. But we believe it's going to wither on the vine.

And under his plan he is right. It will wither on the vine as more and more private interests, special interests, get involved in Medicare and take more money out leaving less money for the beneficiaries that have paid into Medicare their entire lives leading up to their retirement and continue to pay into Medicare through their whole lives into part A and part B.

That is in the end; right. The Gingrich plan is bad for older people. It is bad for Medicare; ultimately bad for all of us as a country to just give up on our elderly like that, which is what will happen if it withers on the vine.

Mr. PALLONE. Well, as my colleagues know, the best example I think of that is how they included, the Republican leadership included the provision for Medicare savings accounts. Because as we know, the MSA's is another word for them, I guess, were primarily touted by this one insurance company, Golden Rule Insurance Co., that had contributed over a million dollars to the Republican campaign.

Ms. DELAURO. If my colleague will just yield on that point?

Mr. PALLONE. Sure.

Ms. DELAURO. The third largest contributor to the Republican Party, Golden Rule Insurance.

Mr. BROWN of Ohio. And yield a moment further. Not only did that company give a whole lot of money to the Republican campaign funds, all of their different funds and all of their different guises that Speaker GINGRICH has set up, but the Speaker has absolutely gone to the wall for this concept for this company, medical savings account, time after time after time when we have tried to pass legislation that would deal with preexisting condition.

We have tried to pass legislation that deals with portability so someone can move from one job to another job and without losing their insurance. Every time we have tried to legislatively find a solution to that, which we have been able to do in both Houses in a bipartisan way, the Speaker is always saying we have to have medical savings accounts as part of this deal, and that is how it has failed because medical savings accounts do not work, particularly in Medicare they do not work, and it will ultimately cause the Medicare withering on the vine.

The withering on the vine statement by Speaker GINGRICH is because of medical savings accounts, and the reason that will work that way is Medicare beneficiaries that are particularly healthy, that are 80, 68 years old and in very good health might leave Medicare temporarily to join a medical savings account, will not cost much to insure that person in those years, and the sickest people will stay in Medicare, and the Government will pay more for those people that are the most ill.

Then, when that 68-year-old gets to be 75 and begins to get sicker, that woman or that man would go back into Medicare, and the Government would have to pay more and more money to

insure them while the insurance companies—company or companies that write these medical savings accounts will reap all kinds of benefits from the Medicare Program.

So in addition to that $180 billion that GINGRICH wants to cut Medicare, you are going to see more money of what is left going into these insurance companies through these medical savings accounts and the elderly and the beneficiaries for Medicare will have fewer and fewer dollars, will pay more and more for those benefits as they continue to decline and wither.

Mr. PALLONE. I do not have the exact number, but I know that the Congressional Budget Office actually estimated that the medical savings accounts would cost the Medicare system billions, billions and billions, in extra dollars.

So here we have a Republican plan that supposedly is cutting Medicare to save money for whatever reason we know as tax breaks for the wealthy, and the CBO is telling us it is actually going to cost more because of the special interests and the save provision.

Ms. DELAURO. The Consumers Union; those are the people who publish the Consumer Reports that so many people in this country rely on if they are going to buy an automobile or an appliance or, you know, they take a look at that and they can tell you what the best, you know, what the best buy is, has described the medical savings accounts as a time bomb and that it will just, you know—has a potential of skimming off the top the healthy, the healthiest and the wealthiest of seniors out of the system leaving the most frail, the most ill, and thereby driving the costs of premiums up. In addition to that, of shifting, helping to shift once again, the cost shifting argument of people who are in traditional programs having to pick up the costs of some of these, you know, the increased costs and these premiums.

But there again that is all for, you know, the special interest effort of the Golden Rule Insurance Co.

Mr. PALLONE. I know that we are running out of time here tonight, but I just wanted to thank the gentlewoman from Connecticut [Ms. DELAURO] and the gentleman from Ohio [Mr. BROWN] for joining me and again all we are trying to point out on this 31st anniversary of Medicare is how important the program is and how the Republican efforts basically to cut Medicare to pay for these tax breaks for the wealthy and the changes that they are proposing in the Medicare program will essentially do what the Republicans have said they wanted to do from the beginning, either eliminate Medicare or change it so much that it really does not provide the quality of health care services and the level of health care services that senior citizens should have, and I just want to thank both of you for fighting this battle now.

You pointed out to me, Congresswoman DELAURO, that it is actually 20 months now; I am losing track of time. It is not 18 months, it is 20 months that we have been fighting this battle, and, of course, so far we have been winning, but we do not want people to forget that the Republicans are still out there trying to essentially destroy Medicare as we know it.

Ms. DELAURO. And they will tell you that they are trying to save it, but let me just say this is a value, health insurance for seniors, that has stood the test of time. In fact, let us try to make it better. Let us build on the quality that has allowed for 99 percent of our seniors to have health insurance.

Let us look at how we can make sure that we bring down the cost of prescription drugs, that we provide for home health care which can help bring down the cost of health care, look at long-term health care so people get some relief in that area.

Why are we wanting to take the system that is truly working? Let us fix what is wrong, but let us not destroy something that people have come to rely on in their lives.

Mr. PALLONE. You know, it is sort of ironic because when we started our health care task force, which all three of us are part of, our Democratic health care tax force last year, we established two basic principles. One was that we wanted to get more people insured, and the other was that we wanted to improve the quality of care, and it is unfortunate that that is not what the debate has been about. That is what we would like to see, but that is not what the debate has been about.

Mr. BROWN of Ohio. All you have to do is look back 30 years, 31 years in the celebration today of the 31 years since Medicare was signed. Thirty-one years ago half the people in, half the elderly in this country had no health insurance. This is a Government program that works. Ninety-nine percent of America's elderly now have health insurance. We can make it better, but do not dismantle it, do not privatize it, do not turn it over to these special interest groups, these big insurance companies that have given a lot of money to politicians just so they can play with this huge program that has served the American public well.

We have got to deal with costs, we have got to deal with some of the difficulties of Medicare, but it is a program that works. It is a program that has taken care of our parents and our grandparents, and we have got to make sure it takes care of them and it takes care of our generation and the next generation, and we can do that. But it works because it is universal. It works because it insures everybody. It insures black people, and white people, and brown people. It insures Republicans and Democrats. It does not matter, the rich and the poor. It insures everybody, and it works because it is a broad-based insurance program.

Do not let insurance companies peel off the most healthy people and let them benefit from that and leave everybody else in a sinking ship. Medicare works because it is universal, because it helps everybody in this country, and we just should not mess with it that way.

Ms. DELAURO. We know that in order to bring the cost of health care down that more people have to be insured so that the costs are shared, and we are struggling with how we do that. One of the pieces that we have in the families' first agenda is trying to insure children from zero to 13 years old. But we are trying to get to a point where—because when people are not insured, those, when they get sick, the cost of that health care goes someplace. It just does not evaporate, or disappear.

It winds up that everybody else picks up a portion of it. That is this whole cost shifting idea, and sometimes it is mind-boggling to me that the one system that we have that insures 99 percent of the particular population which helps to keep the costs down is the one that they are going after to try to dissipate to break up, to dismantle, when what we ought to be doing is finding out how we can insure children from zero to 13.

How do we get more people insured who are sharing the costs, not getting a free ride? Nobody should get a free ride, but are sharing the cost of picking up their health care costs or a portion of their health care costs so that those who are insured are not having to pay twice, their own and someone else's.

That is what this is about.

Mr. PALLONE. I think you are making a good point. The bottom line is we know if you see these cuts in Medicare that the Republican leadership is proposing, it is going to have a negative impact on the health care system in general. In my district, and I am sure in the gentlewoman's, I have so many hospitals that are over 50 percent, some over 60 percent, Medicare- and Medicaid-dependent. If you make these cuts you are going to hurt the health care system in general.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Edwin Thomas, one of his secretaries.

AUTHORIZING THE CLERK TO CORRECT SECTION 585 IN ENGROSSMENT OF H.R. 3592, WATER RESOURCES DEVELOPMENT ACT

Mr. BORSKI. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill, H.R. 3592, the Clerk be directed to make a correction to section 585 to change the reference from ''Evansville, Illinois'' to make it ''Evanston, Illinois.''

Mr. Speaker, this request has been cleared with the majority.

The SPEAKER pro tempore (Mr. LATOURETTE). Is there objection to the

request of the gentleman from Pennsylvania?

There was no objection.

INCREASES, NOT CUTS, IN MEDICARE, MEDICAID, AND STUDENT LOANS

The Speaker pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Connecticut [Mr. SHAYS] is recognized for 60 minutes as the designee of the majority leader.

Mr. SHAYS. Mr. Speaker, I would say right off that I have tremendous disagreement with the presentation that was just made by my distinguished colleagues on the other side of the aisle. I look forward to filling in some of the missing pieces that I think were left out, to give people a better idea of clearly what happened last year and what we are attempting to have happen this year.

Mr. Speaker, we have three primary objectives in this new Republican majority. Our first objective is to get our financial house in order and balance the Federal budget, not because balancing the Federal budget is the end-all and be-all, it is just the basic commonsense logic that is required before you build on top of it. We want a strong foundation.

But the foundation is not what we want to have as the ultimate. We want to have a stronger economy that has to be built on a strong foundation of getting our financial house in order and balancing the Federal budget.

Our second interest and concern is to save our trust funds, particularly Medicare, for future generations. I will get into great depth about the reason why we need to save this trust fund and the reason why our plan did save this trust fund.

Our third objective is to transform our caretaking social and corporate and, frankly, farming welfare state into a caring opportunity society. We want to teach people how to fish, not just give them the fish. We just do not have that problem in social welfare for welfare mothers, where we have had now three generations of welfare mothers, but we have the same challenge in corporate assistance that is not necessary, that is carved out for special interests, that was created basically during the last 40 years when this majority was in the minority. We see it as well with our effort to reduce the subsidies that exist to our agricultural sector.

Mr. Speaker, getting our financial house is order to us is kind of basic stuff. The challenge is that one-third of the budget is what we call discretionary spending. We vote on a third of the budget each and
not vote on 50 percent of the budget. Fifty percent of the budget are entitlements: Medicare, which is health care for the elderly and health care for the disabled; Medicaid, which is health care for the poor and nursing care for the elderly poor; and programs like agricultural subsidies, food stamps. You fit the title, you get the money, you get a benefit from the program, even, in fact, without a specific vote each and every year by Congress.

So Congress votes on a third of the budget. Fifty percent of the budget is on automatic pilot. Then there is about 15 percent left, which is interest on the national debt, also on automatic pilot.

What we did was we cut domestic spending. We made Government smaller. In the parts of the budget, the 13 bills that we report out each and every year, we made the Government smaller. We eliminated 240 program. Some of them might have been large programs, some were small, but we eliminated 240 programs in Government and made Government smaller.

We had a freeze on defense spending; not an increase, not a cut. We basically attempted to freeze defense spending last year when we voted out our budget. Then what we looked to do was slow the growth of entitlements.

My colleagues on the other side of the aisle made reference to the fact the Republicans are claiming we are slowing the growth of entitlements. We are not claiming it, that is what we are doing, we are slowing the growth of entitlements. Some entitlements were growing at 10 percent and 11 percent and 12 percent a year. We are allowing them to grow at 7 percent a year. We are going to spend 7 percent more on some entitlements, where before we spent 10 percent. We are slowing the growth of entitlements. That is the reality.

Look at what we did and then tell me if you think it is a cut. Last year we looked to slow the growth of the school lunch program from $5.2 billion to allow it to grow to $6.8 billion. Last year it was $5.2 billion, and in 2002, the 7th year, it would be $6.8 billion.

If Members remember, the President of the United States actually went to schools and told young schoolchildren and the world community that we wanted to cut the student loan program. When I heard the President do that, I was pretty outraged, because I thought, my gosh, what are we doing? Who in my conference, Republican Conference, would do that?

When I got back over the weekend and came back down to Washington, I immediately went to the individuals who were on the committee that would have jurisdiction, pretty unhappy that they would ''cut the school lunch program.'' I learned they were going to allow it to grow from $5.2 billion to $6.8. That is obviously not a cut, that is an increase. What they did do is they slowed its growth ever so slightly, but hen allowed 20 percent of the funds to be reallocated to the most needy areas.

I represent three urban areas. I represent Bridgeport, Connecticut, a middle class community with a lot of poor people and a declining tax base. I represent a community, the city of Norwalk, and another city of Stamford. These cities have young children, in particular, who need school lunches. I represent some very wealthy communities, vibrant, wonderful communities, suburban communities around these cities.

Under our present school lunch program, these students are subsidized. My daughter is subsidized, as all students are in the country, 13 cents per lunch. I am hard-pressed to know why my daughter, who has a father who is a Congressman and a mother who teaches, whose income collectively is quite satisfactory, obviously more than satisfactory, well above the median income, why does my daughter need to be subsidized? She does not. Republicans passed a bill allowing 20 percent of the program to be reallocated to the most needy areas, our urban and rural areas, where we may have young children who need a better school lunch program. So we allowed the program to grow from $5.2 to $6.8 billion, still staying in the school system.

The student loan program last year was $24 billion, $24.5 billion. Members have been told that we cut the student loan program, yet the student loan program under our plan will be, in the seventh year, $36 billion. That is a 50-percent increase in the program in a 7-year period. Only in this place, and frankly, from my colleagues on the other side of the aisle, when you spend 50 percent more do people call it a cut. Every student will be given the same basic grant programs that they had in the past. They will be given the same grant program.

What we did try to do, and we ultimately withdrew this, and I regret that we did, we said that students would pay the interest from when they graduate to the 6-month grace period before they have to start paying the loan. Taxpayers were required in the past to pay for that and presently pay for it. Taxpayers pay that interest.

What we said is the student can pay for it, and it would be amortized during the life of the loan, the 10 to 15 years students are allowed to pay back the loan. That meant for an average student loan, it means $9 more a month. So we were asking students once they were out of school, 6 months later when they were working, to pay $9 more a month. That is the price in my area of a movie and a Coca-Cola, or basically the price of a pizza.

That is what we did. We allowed the program to grow from $24 billion to $36 billion, and then said students would pay the interest after they graduated, 6 months after they graduated, and they could amortize that part of the interest and pay it over the course of the next 10 years. I have no problem looking at any student and saying, for the good of the country, you can afford and should pay that $9 more a month.

Why would we want to ask anyone to make any sacrifice, if it is viewed as even a sacrifice? I view that as an opportunity, because during the last 22 years our national debt has grown 10 times. It has grown from about $480 billion, that is what it was 22 years ago,

and now it is over $5,000 billion, or actually it is $5.1 trillion. So we have a situation where during our lifetime, during the last 22 years, during a time of relative peace, we have allowed the national debt to increase tenfold.

What we are trying to do is get our financial house in order. We are trying to balance the budget and we are trying to say to all Americans, if we all do our part, we can eliminate those deficits that are robbing future economic growth and basically bankrupting our children. That is what it is doing, it is basically saying to our children that they have to pay the bill for our expenditures.

Mr. Speaker, we did not cut the student loan program, it grows from $5.2 billion to $6.8 billion, and allow for 20 percent of the program to be reprogrammed, so allow the wealthier kids, basically allow communities to take these sums that go to people like me, who do not need to have our families subsidized, and provide it for children in urban areas and rural areas and some suburban areas, where they simply cannot afford and sometimes actually go hungry at night. We can help them.

We allow the student loan program to grow 50 percent, from $24 billion to $36 billion. Again, I would say, only when you increase 50 percent do people call it a cut. They call it a cut usually on that side of the aisle.

Mr. Speaker, the earned income tax credit is a program that a lot of people believe in. I sure believe in it. The earned income tax credit is a program that basically says, you are working but you do not make enough money to really survive, pay your room and board; basically, to pay your living accommodations, pay for your food. You just simply do not have enough.

What we do is for people who earn so little, they do not pay it. Under the earned income tax credit, they are actually given money from other taxpayers. Taxpayers are giving some taxpayers or some working Americans money. They do not pay a tax, they are given the money. That is called the earned income tax credit for the very poor. We allow that program to grow from $19.9 billion to $25.4 billion in the next 7 years, last year versus now in the year 2002. Only in Washington when you go from $19.9 billion to $25 billion do people call it a cut.

What I want to get into is just two very important programs. They are sure important to me, and I think most Members on both sides of the aisle. Medicaid, under our plan on Medicaid, we allow the program, which is $89 billion of expenditure on health care for the poor and nursing care for the elderly, which also has a State match in addition to that money, to grow from the seventh year to $127 billion, so going from $89 billion to $127 billion. Only when you grow that much do people call it a cut. It is not a cut. It was $89 billion. It is growing to $127 billion, a significant increase in the program.

What I am going to talk about in more detail, though, however, because my colleagues on the other side of the aisle basically totally, frankly, got it all wrong—that is a generous way to say it. The ungenerous way would basically be to say that they simply do not have their facts right, and they do not. I know they would not intentionally mislead people, but the end result of their presentation was misleading.

Because our Medicare program last year, on a basis of $178 billion, grew to $289 billion. So that is a 60 percent increase in our program. Basically what we said was that Medicare would grow at 10 percent a year, the traditional Medicare program would grow at 10 percent a year. We want it to grow a 7 percent a year. Want it to grow 60 percent, from last year to the seventh year, the year 2002. When you grow from $178 billion to $289 billion, my colleagues call it a cut on the other side of the aisle, even though it is a 60 percent increase.

One of my colleagues on the other side of the aisle, said, they may have spent more and are slowing the growth, but there are more people in the system. That is a fair point. There are more people in the system. So what we did is we broke it down on a per person basis to know if we were cutting the program, because the last thing we want to do and can afford to do is literally cut the program. Health care costs more. We are going to need more to pay for additional health care costs.

Last year we spent $4,800 per senior, per senior on Medicare. Under our plan, the plan went to $7,100. That is a 49 percent increase, a 49 percent increase in Medicare. Now, per person, only when you go from $4,800 per person to $7,100 per person do people call it a cut. That is not a cut. By any definition, when you go from $4,800 per person to $7,100 per person, growing at 50 percent per person, that is not a cut. In terms of total dollars, when you go from $178 billion to $289 billion, that is a 60 percent increase. You cannot call it a cut. It is a 60 percent increase in spending.

How were we able to do it? How were we able to have the program grow from $178 billion to $289 billion, and save, our colleagues said $270 billion, which they call a cut, how were we able to save $240 billion? Because that is how CBO scored that number. As one time they said it was $270 billion. Then they rescored it to say it was $240 billion.

□ 1915

When we allowed the program to grow overall 60 percent, per person 49 percent, we still save $240 billion.

How can it save $240 billion? What happens is, instead of allowing it to grow at 10 percent a year, we allow it to grow at 7 percent a year. How do we do that? How can we provide the same level of service and have it grow at 7 percent a year instead of 10 percent? The fact is we not only do that but we provide a better service. How could that be? How could you have a program that is growing at 10 percent a year, now you say it is going to grow at 7 percent a year, you are going to save $240 billion, and you say it is going to be a better program?

The fact is, it is quite simple to understand. We did not do it, contrary to what my colleague said, by increasing the co-payment. We did not do it by increasing the deductible that seniors pay. We did not do it by increasing the premiums that seniors pay except for the very wealthiest. This is something that some people on my side do not always like to acknowledge. We are asking the wealthiest to pay more on premium, the very wealthy. We are saying that the very wealthy should not get free Medicare services premium without paying more.

So we say that someone who is single that makes over $100,000 should pay all of Medicare Part B. We are saying a married couple that earns $175,000 should pay all of Medicare part B. So we are asking the very wealthiest under our plan to pay more. But the 99.5 percent of the American people, we are not increasing the premium at all. We did not increase the deduction, we did not increase the copayment, we kept the premium at 31.5 percent.

What happened? What was so significant about 31.5 percent? The taxpayer pays 68.5 percent of Medicare Part B. Why would we want to save $240 billion? The reason we want to save $240 billion is that is wasted money. The program is gong bankrupt. Medicare is going bankrupt. The program my colleagues on that side of the aisle and this side of the aisle appreciate, respect, know it is very important for our country, that program is going bankrupt.

Mr. Speaker, the problem is that my colleagues on that side of the aisle choose not to deal with the issue. Our colleagues on this side of the aisle had the courage, frankly, to deal with the issue and deal straight with the American people. We said that the premium should stay at 31.5 percent.

What is significant about that? Taxpayers are paying 68.5 percent. What some may not know is that the premium under the tax plan that President Clinton passed in 1993 had the seniors pay increases up to 31.5 percent by last year, but then in the election year, they allowed it to drop to 25 percent. So seniors last year were paying $46 per month. Now they are paying $42 a month. It dropped $4. We said keep it at 46; not increase it, keep it at the 31.5 percent.

Why would we have wanted to do it? Because the program is literally running out of money. So we kept the copayment the same, the deduction the same, the premium the same. We did not let the premium drop, and we saved $240 billion.

How would we save $240 billion? Because we went to the private sector. Why would we have gone to the private sector? We went to the private sector because we felt that the public sector

was providing a plan with too much waste, fraud, and abuse. We said that the Federal Government simply was not policing the system well.

So we asked people in the private sector, if we allowed Medicare to grow at 7 percent a year, could you provide a better program? They said we could provide the same level of program. They said we not only can provide the same level, we can provide a better program at 7 percent. We can provide eye care, dental care, maybe a rebate on the co-payment and the deductible. Some plans said we could even pay all of the premium. Some even went to say we can do a rebate on the co-payment, the deduction, pay all the premium and MediGap, MediGap which is paid by the seniors, the 20 percent paid by seniors for health care services. These plans said we could do it.

How could they do it? They said, if you allow it to grow at 7 percent a year, you are spending 7 percent each year; that is a lot of new money. They know we are going from $178 to $289 billion. We are not spending less, we are spending more. They know, if we spend more they can provide more.

What we did is we devised a plan that my constituents have asked for for a long time. They said you, meaning me, a Member of the Federal Government, a Member of Congress, have many choices of health care. We want the same kind of choices you have. So what we did is we devised a plan to give them choice. Seniors will be allowed under our plan to keep their traditional fee-for-service plan or they can get all these different private health care plans that will provide the eye care, the dental care, a rebate on the co-payment and the deductible, no premium cost or maybe even some reduction or contribution to the MediGap payment. They will get those benefits and get better care.

Mr. Speaker, I was trying to understand how the President of the United States first off would veto that plan. We made, this side of the aisle, a very real mistake. We did not think the President of the United States would veto a plan that did not increase the co-payment on the deductible or the premium, gave seniors a choice. We simply did not think he would veto it. Maybe we should have realized that, this being a political year, it was too tempting not to demagogue the issue and veto it.

This is ultimately what the President did. He vetoed a plan that would have taken that $240 billion and put it into the program so that Medicare parts A and B would have been solvent to 2010. What we have learned subsequent to his veto, that the health care providers, the people who administer the Medicare plan have pointed out, that the plan now goes bankrupt, not in 2002. And by bankrupt I mean there is no money left in the fund. What is that money that goes in the fund? It is the money that every taxpayer pays, the 1.45 percent that the employee pays and the 1.45 percent matching that the employer pays. If you are self-employed, the 2.9 percent that you pay for Medicare goes into a trust fund.

Last year that fund lost $35 million. This year it is losing already over $5 billion, and it is going to go bankrupt by 2001, not the end of 2001, the beginning of 2001, basically at the end of 2000. That plan is going bankrupt. Our plan would have injected into Medicare Part B about half of that $240 billion and saved that fund to 2010 when our big challenge is that we start to have the children that are basically the baby boomers.

Our challenge is quite simple: We passed a plan that did not increase the co-payment, did not increase the deduction, did not increase the premium, allowed the program to grow from $4,800 to $7,100, a 49-percent increase per beneficiary, a 60-percent increase in total cost, gave seniors choice. The President vetoed the plan.

How would I explain the effect of that? The only way I have come up with to explain how stupid it was and how irresponsible it was for that plan to be vetoed is to basically give the following analogy.

If I had, and I would not do this for my daughter, but if I said to my daughter she could have $20,000 to buy a basic, say, Taurus automobile which would not give her bucket seats and leather seats, power windows, and it would not give her basically, say, a sunroof, some of the amenities, I would say: Honey, you cannot buy those things. Here is the money. You are to buy a basic car that will serve you well in the years to come.

I give my daughter $20,000, which I will not do. So I say: Honey, do not think you will get that. But if I did and she went out and she looked at different automobiles and she came back to me with tears in her eyes because she had disobeyed me, and I said: Honey, did you get a car? She said: I bought a car, Dad. And I said: Now, Jeramy, you got the kind of car I asked you to get, right? She said: Well, Dad, not quite. I said: What do you mean not quite? I gave you $20,000 to buy a basic Taurus automobile. And she said: Dad, well, I did not do what you asked; I did not do what you asked. I bought a car with leather seats, a sunroof, and other amenities. I even got not a cassette, but I got a better hi-fi system.

I start to get mad at her. She says: And furthermore, Dad, I did not spend $20,000; here is $2,000 back. She hands me that $2,000. She bought a better automobile, but she disobeyed me.

I say to her: Honey, you did not do what I asked; you cut $2,000.

Well, obviously she did not cut $2,000. She saved $2,000, and obviously I would not be unhappy with it. I would have said that she did the right thing, and I would have congratulated her on saving $2,000 and getting a better product.

That is what we did with Medicare.

And so what is the tragedy? The tragedy is that we could have saved $240 billion over the next 7 years. Now we have not. It is an opportunity lost. Our failure to save the Medicare system, slow its growth, provide a better program, and our failure to do that means that we are going to have to make severe reductions in other programs because it is a basic concept of opportunity lost.

If you continue to spend so much money on entitlements, your other programs are going to have to be reduced more. If you can make some savings here, your programs here do not have to be as tightly regulated and cut as much, because we are cutting some programs; not cutting the earned income tax credit, not cutting the school lunch program, not cutting the student loan program, not cutting Medicaid, not cutting Medicare and allowing all those programs to increase.

This get me to a basic point, the third point. We want to get our financial house in order and balance the Federal budget. We cannot allow these gigantic annual deficits to continue at the end of each year to add to our national debt. We want to save our trust funds, particularly Medicare, from bankruptcy, and we did that with our plan. Regrettably the plan was vetoed by the President. But the third thing we want to do is we want to transform this caretaking social and corporate and agricultural welfare state into a caring opportunity society. We want to help people in this country grow the seeds, we want to help people in this country learn how to grow the food, and want to help people in this country to fish rather than to be given the fish, and it seems kind of basic, and I have to say as a centrist or moderate Republican, someone who has voted for some programs that were meant to do good things but ultimately did not accomplish what we wanted to accomplish, I have had to say we have to be up-front with ourselves and with the country. Some of what we have done has been destructive. We do not have 12-year-olds having babies and 13-year-olds and 14-year-olds having babies by accident. We do not have young people selling drugs without some factors contributing to it. We do not have 15-year-olds killing each other without some factors contributing to it. We do not have 18-year-olds who cannot read their diplomas and not recognize that the government has been a contributor to that. Or the fact that 24-year-olds have never held a job, not because jobs do not exist. Jobs exist. The problem is that some people think it is a dead-end job.

If I had ever said to my dad that I did not want that job because it was a dead-end job, my dad would have asked me how long I had worked there and doubled the amount of time I worked. Because my dad would have known that a job teaches you to get up in the morning, it teaches you to be of service to people, it teaches you to recognize that you do something, you make a contribution, and in return you are

paid for it. A job that some would call a dead-end job is the beginning to a job of greater opportunity when you learn basic skills.

This Republican majority wants to end welfare as we know it. We do it by providing day care and job training. We just want the job training and the day care to be purposeful to helping get people off welfare.

When I was growing up, my dad used to commute into New York. When he commuted into New York, he would read three papers in the morning and he would read three papers in the evening and he would come back filled with so many wonderful stories. My three older brothers were 11, 8, and 7 years older, so for part of my childhood in junior high school and high school and part of even elementary school, I was really an only child. My dad would come home at night and we would talk about so many different issues. Sometimes he would come back and read something that maybe Ann Landers had said, a crazy question someone asked Ann Landers and her response that usually was quite sensible and we would always try and anticipate what she would say. My dad would say this was the question, what do you think she is going to say?

I was looking at a calendar I have and each day there is a kind of a quote identified with someone who is usually a well-known person.

□ 1930

It is really the quote of that day. On April 3, I was looking at my calendar, thinking about the very things I am talking about now, and there was a quote from Ann Landers. In the quote she said, ''In the final analysis, it is not what you do for your children, but what you have taught them to do for themselves that will make them successful human beings.''

I want to read that again. This is her quote. She said, ''In the final analysis, it is not what you do for your children but what you have taught them to do for themselves that will make them successful human beings.''

I began to think about this and think of what I have done in the last few years. Whenever I have someone in my office who talks to me or I am meeting with someone who really started at a lower economic echelon in terms of they just grew, they are not poor now but they were poor, and they did not particularly have a life where their mom and dad had the kind of hopes and dreams that they have, but they have become very successful, I ask them why. What was it that enabled them to be successful?

To a person they had someone who cared about them, someone who loved them, who mentored them, who sometimes basically kicked them in the butt and told them to get off their rear end and get working; who did not give them excuses about maybe they had encountered something and they wanted to feel like a victim. Their mentor got them to stop thinking of themselves as victims and realize they could take control. What a gift to teach someone, that they can take control. They also said they had people who taught them to dream.

Now, we have to wrestle with the fact that we have young kids who basically have a disadvantage because they do not have someone giving them a lift, they do not have good parenting, they do not have the advantage of someone who helps them to realize they are not a victim, that they have the ability. But every one who I have encountered has made it clear to me that in their case they did.

So I have asked them if they would do for their child what government does for so many of our citizens, and they have said there is not a chance that they would ever do that. They know that the kind of welfare system we have now is a caretaking type of system. It makes us feel good because we care for them and we are being caretakers, but we truly are not caring for them because if we cared for them our focus would be on what we have taught them to do for themselves.

We know that is what is going to make them successful human beings. It is not giving, it is teaching, it is guiding, it is helping people dream. That is the motivation, the very caring motivation of this Republican majority.

Out the window goes this caretaking approach. We want a caring society. We want health care, we want day care, we want job training for our poor, but we want to encourage them, push them out a little bit, help them know that they are going to have to get a job, and we are going to have to encourage them and guide them and teach them how to dream. We are going to have to teach parents how to be parents, when we have kids raising kids. We are going to have to do all of that. That is caring.

We have to stop just giving people something and then allowing them to just expect that more is going to be given to them. This is probably the most important thing that can come from this new Republican majority.

Now, I cannot say that this new Republican majority is going to win reelection, because we have had to deal with a tremendous amount of demagoguery. We have had to deal with people who have said we are cutting Medicare and Medicaid and we are cutting welfare when we are not doing those things.

I talked about what happened last year, and what I want to do is just talk about what is in our plan for the next 6 years and use these charts. During the last 6 years we spent $8.7 billion. During the next 6 years we are looking to spend $10.4 billion. We are looking to have basically a $2 billion increase in the total. Trillion, I am sorry. This is $8.7 trillion spent in the last 6 years and this is $10.4 trillion spent in the next 6 years. We are basically looking to spend in the next 6 years $2 trillion more than we spent in the last 6 years.

Now, I talked about what we did with the student loan program in our budget last year. Now we are in the next year of the budget. It is not $24 billion, it is $26 billion, as we expected. This is the student loan program. We are allowing the student loan program, now not in the next 7 years in the next 6 years, it is going to grow 42 percent. In 7 years it would grow more than 50 percent, but in the next 6 years it will grow 42 percent.

Our budget is identical, basically in the turquoise, with the President's budget, which is in the red: $26 billion this year, $37 billion in the 6th year of our program, by the year 2002. Both the President and this Congress want to spend the same amount for the student loans.

The earned income tax credit. During the last 6 years we spent $109 billion on the Earned Income Tax Credit. Now, the earned income tax credit is money that is given to people who work who make very little, so little, in fact, that they do not pay taxes other than social security. They actually get money back from the taxpayers, and it cost us during the last 6 years $109 billion. In the next 6 years it is going to cost us $156 billion.

Only in Washington, when we have spent in the last 6 years $109 billion and then have it grow to $156 billion, do people call it a cut. But some on the other side of the aisle actually call that a cut. And by the way, that program, like the student loan program, grows over 40 percent during that 6-year period.

Welfare spending. We have heard the Republicans are basically cutting welfare spending. But how is it, if welfare spending was for the last 6 years $441 billion and in the next 6 years, under our plan, we are going to spend $576 billion? How is it when it grows 30 percent, we are going to spend 30 percent more dollars, can people call it a cut? It is an increase and, frankly, it is a sizable increase. We are talking about well over $100 billion of new additional dollars being spent.

In our plan what we do is we get welfare recipients off welfare and we get them back into work, and they are provided job training and day care and health care benefits. They are allowed to keep their health care benefits even though they are working. They are allowed to keep some of their welfare benefits, even though they will be working.

Medicaid spending. During the last 6 years we spent $463 billion. During the next 6 years we are going to spend $731 billion. This is the Medicaid program. The Medicaid program was $463 billion. We will be, in terms of the last 6 years and in the next 6 years, it will grow to $731 billion. Only when we grow from $463 billion to $731 billion do people call it a cut, but they call it a cut. It blows my mind. They call it a cut when we are spending so much more.

This gets me now to the Medicare trust fund. The Medicare trust fund is

going bankrupt. It is kind of a scary thing to contemplate, because basically this side of the aisle is really the only one who has truly attempted to deal with the issue of making sure that it will not go bankrupt by the year 2001, right here.

Now, we are in the year 1996, and we know that the program is losing billions of dollars. This chart here illustrates how much it is losing. Last year we were told the program was going to grow by $4 billion. Instead of being zero, we were going to add $4 billion to the trust fund. Now, it is kind of hard to see, but there is a small red line here and it amounts to $35 million less money in the fund at the beginning of 1995 until the end of 1995. The fiscal year 1995.

So we ended up with less money, $35 million less. Now, in terms of this fund, that is not a tremendous amount of dollars, considering how many dollars are in the fund. But when we realize we were not supposed to have a $35 million loss, we were supposed to have over a $5 billion increase, and then in this year, when we were told the program was going to begin to go bankrupt already, and I am talking by April, we have $4.2 billion less in the fund than we started out in the beginning of that fiscal year.

We are being told now by the trust fund that in spite of the fact and because of, frankly, the President vetoing our bill, that the trust fund is going to go bankrupt not at the end of the year 2002 but beginning in the year 2001. And that was just a nice political way to say the end of the year 2000. It will go bankrupt 2 years sooner.

I just have two more charts, and I would just love to just point out that our Medicare spending during the last 6 years, we spent $920 billion. In the next 6 years we are going to spend $1.4 trillion. Only in this place, when we have spent $920 billion and then we are going to spend $1.4 trillion, do people call it a cut. It is a 61-percent increase in a 6-year period of more dollars spent.

On a per-person basis, now remembering that this plan is now a 6-year plan instead of a 7, it grows from $5.2 to 7,000.

I have a colleague who would like to join me, but I would just like to touch on one last point. When I was elected in this last election and I was meeting with people from the editorial boards, they asked how could I as a moderate Republican have signed on to the Contract With America. I answered them by asking them a question.

Now, remember, we were many the minority then. We were in the minority. And we came out with a Contract With America which said the eight reforms we wanted to do on opening day and the ten major reforms we wanted to do in the first 100 days. I answered their question by asking a question. I said, ''What do you think of the majority party's Contract With America?'' Meaning in this case the Democrats who had been in control for 40 years and still were in control.

I just enjoyed the silence, because there was no plan. They had no plan. I said is it not amazing that the minority party then, the Republican Party, had a plan of reforms for the first day, eight reforms, and a plan for the first 100 days, major reforms, balancing the Federal budget, dealing with tort reform, malpractice reform, saving our trust funds, all of those very viable important programs, I said is it not amazing that the minority party has a plan and the majority party does not?

Then I said something that means more to me than almost anything else. First off, there was not a Member who signed that who did not have a role to play in fitting it together, and I am joined now by my colleague who played a major role in making sure that this contract actually came to fruition, who was not an incumbent at the time, who helped us write it. And the exciting thing was that this was put together by over 390 Members of Congress or challengers. This was a positive plan that did not criticize President Clinton, did not criticize Congress, it just said if you elect us, this is what we will do.

I want to emphasize before yielding to my colleague this point. The press is constantly saying why do we always criticize the other side? Why are we so partisan? I am thinking, when we finally had a clear-cut plan that did not criticize the President, did not criticize Congress, then the Democrats in Congress, but just simply said you elect us and this is what we will do, they were critical of it. Then when we started to implement it and do what we said we would do, they started to criticize us again.

It just made me realize that doing the kind of changes that we need to do to save this country are not easy, but I count my blessings each and every day that I have the opportunity to be part of that change.

Mr. Speaker, with that, I would like to recognize my colleague, who I am very pleased has joined me.

Mr. GUTKNECHT. Mr. Speaker, I thank the gentleman for yielding to me, and it is almost like yesterday. In some respects it is like yesterday and in some respects it is like many, many years ago, when we stood on the floor of this House on the very first day of this 104th Congress and I was given the high honor of representing the freshmen and being the freshmen spokesman in leading the debate on the adoption of the rule for the Shays Act.

A lot of people have forgotten how important that was, but I think that was a very, very important act. In it we said that Congress is now going to have to live by the same laws as everybody else. And the interesting thing is, outside of Washington, outside of the circle that we call Washington, DC, beyond the Potomac, that made perfect sense. But here in Washington, that was considered sort of a radical idea.

□ 1945

Because for many, many years, we had developed this reputation here in Washington, particularly in Congress, that everybody else had to live by this set of rules, but Congress somehow would exempt itself from those same rules. And today we had a vote on a very important bill which allowed for employers and employees to negotiate and work together to say, would you like to have time and a half for overtime or would you like to have compensatory time?

One of the reasons I think that bill passed today and one of the reasons it became an important bill is all of a sudden Congress had to live by the Fair Labor Standards Act. And some weeks our staff work 60 hours and some weeks we are on district work period and they do not have to work quite as many hours. So many of us thought why can we not give our staff some time off in months where the workload is a little lighter around here because we know there are going to be months when we have to work them even harder.

So I was so pleased and honored and privileged to have been an important part of the debate on that very first bill. And frankly, and you know this, Representative SHAYS, that I became the first freshman in over 100 years to be invited to the first bill signing down at the White House. And my staff, I remember that day they thought it was a much bigger deal than I did. But I have had a chance to reflect on that and it was really a very historic moment to have a freshman for the first bill signing.

Mr. SHAYS. I have to say when you brought out the rule on the congressional accountability bill which was to get Congress to live by all the laws that we impose on everyone else, you were not speaking for the freshmen, you were speaking for the majority in this Congress and the vast majority of American people who knew it was ludicrous, immoral, and harmful for Congress not to be under the laws that we impose on the rest of the country.

Our Founding Fathers, as you pointed out in that early debate, and I have used your quote since, our Founding Fathers, Madison in particular, and in his Paper 57, basically said, of course, the protection to the people would be that of course Congress would live under the same laws it imposes on the people and it would not impose laws on itself that it could not live by. Little did Madison know that for about a 30-year period, Congress did not want to live under certain laws but was willing to impose the laws on everyone else.

If the gentleman would allow me to continue, you did a superb job of just making sure that the American people heard the plainness and sensibility of that effort. And I was instantly very proud. I have to tell you, at first my nose was a little out of joint. I have to tell you I thought these freshmen, they are just here and they are taking over. And I said, thank God, because you all did us proud. You took the floor that opening day on every rule, and you spoke for all of us. And I was never

more proud to be associated with an effort than when you came and brought this bill to the Chamber and to join you when it was signed and it was a bipartisan effort. It happened under this Republican Congress but it was a bipartisan effort.

The interesting thing, and I am holding the floor probably longer than I should, but you talked about today what we did. What we did today, or what we had not had to do before, was before this bill passed we did not have to give overtime and we did not have to give compensatory time. We did not have to pay someone 40 hours plus time and a half. And we did not have to live under OSHA and a lot other laws. But now all of a sudden we are living under the laws that we impose on others, the 40-hour work week and time and a half.

In the past, there are some employees who are actually behind you, who were unhappy that we had a situation where we were denying them the opportunity to have compensatory time. I am talking generally about employees who worked in Congress. And so today what did we do? We passed a law, with basically very little support from the other side of the aisle, that said if an employer is willing and an employee wants, and the employee has to want this, an employee can get instead of time and a half pay, they can get time and a half overtime. So, if they worked 20 days, they can get 30 days off with pay. Or they can cash in their 20 days of work and get 30 days of pay immediately and continue to work.

We gave that choice to the employee and employer. And amazingly, some of my colleagues on the other side of the aisle just thought that was wrong.

Mr. GUTKNECHT. If the gentleman would yield back, and this is where it began to ring home, when the various agencies started to report to us exactly what we were going to have to live by, and the Fair Labor Standards Act was one of them, I remember in our office I said, why can we not just say that obviously there are some weeks when the legislative business is so rigorous around here that our staff has to work 45, 50, even 60, perhaps even 75 hours. Why in some of these other weeks, can we not give them time off? And frankly, some of my staff said gee, we would love to have some time off to go shopping, or visit our family, or do some other things. And we came right up against the Fair Labor Standards Act that said you cannot do that.

The beauty of the bill that we passed today, and hopefully the President will sign it, I do not know what the President is going to do. I understand there are certain special interest groups who want to block this legislation, but the beauty is that it gives not only us the opportunity to work with our employees, but it gives all Americans, all employers around the country, the same. And the beauty of the Congressional Accountability Act, and I told people, the point was not to punish Congress. The point was to sensitize Congress to what every employer around the United States has to deal with, whether it is an insurance agency or a large corporation, small business, whatever it happens to be. And once you begin to see how difficult it is for us to deal with it, then you realize how difficult it is for that three-person insurance agency, or that large independent company, whatever it happens to be.

The point was not to punish us, the point was to sensitize us to how difficult it is to deal with. That was a very, very important role

I appreciate all the work that you have done on the Shays Act, and making Congress live by the same laws, but one of the things that brought me down to the well, and you were showing in your charts, because I think there are still an awful lot of Americans who do not understand how much under the House-passed plan we are going to increase Medicare spending, a lot of people keep using the term ''Medicare cuts.'' As a matter of fact, we cannot require this by statute, but I would hope that responsible members of the press, every time they hear or quote someone from this body, or Washington, or the administration, or whomever, whenever they use the term ''Medicare cuts,'' I wish they would put ''from $4,800 to $7,100.'' Put that in parentheses: The Republican Medicare cuts from $4,800 to $7,100, whatever the numbers are, or from $5,000 to approximately $7,200.

But the point is, no Americans really believe that when you increase spending from $4,800 to $7,100 over a 6-year period that that is a cut. But if we can do that, we can actually increase the life, make the Medicare trust fund solvent not only for this generation of Americans, but hopefully as we begin to make these reforms we can save the Medicare system for the next generation.

Mr. SHAYS. It is a fair debate to say you are spending $4,800. Let us take what we did last year that the President vetoed. We went from $4,800 per beneficiary to $7,100, a 49-percent increase in terms of per-beneficiary costs. We allowed it to grow 49 percent from $4,800 to $7,100. Now, it is fair to say if someone wants to, well, you are allowing it to increase and you are allowing it to increase quite significantly because that is not enough. We want it to grow to $7,500. That is a debate that is valid and then we have that debate.

But what happened was that I would go back to my district and my constituents would say well, some of your congressional colleagues from around the State said that you have cut Medicare, and I give them the number and they say that is not a cut.

Mr. GUTKNECHT. Please hold up that chart again. I do not think you can hold it up too many times.

Mr. SHAYS. This chart that I have here is what we are doing this year. This is Medicare in terms of what we are spending over the last 6 years versus——

Mr. GUTKNECHT. Those are the gross dollars.

Mr. SHAYS. The collective gross dollars. We are spending $920 billion, or we spent in the last 6 years $920 billion. In the next 6 years, $1,479 billion or $1.4 trillion. This clearly is a significant increase. Now if our colleagues on the other side of the aisle say we should be spending $1.6 trillion, then let us have that debate.

But then the question is why? I ask myself why would we want to spend more when we did not increase the copayment, did not increase the deductible, did not increase the premium except for the very wealthy? And if they do not like the choice programs, they do not have to go to the choice programs. They can stay in the traditional fee-for-service. But if they went to a program that had eye care and dental care and did not like the doctor, they can go right back to their traditional fee-for-service Medicare plan. And we saved $240 billion. If we saved $240 billion, what happened it? What happened is it went into the program to make sure it does not go bankrupt for the next 14 years.

Mr. GUTKNECHT. And the other point that our colleagues sometimes make is they say you are cutting Medicare to offer tax cuts to the rich. And I will tell you, that is one charge that absolutely makes me furious. But they know, we know, and I think everyone in this body knows that that is a separate trust fund and it is completely divorced from whatever happens on the other side of the budget. We cannot use changes in the Medicare system to fund a tax cut. That is absolutely false. And they know it is false because it is a trust fund, and nothing that we do on the other side of the budget can be used to alter the Medicare trust fund. And that really disturbs me when people say that because they absolutely know that that is not true.

Mr. SHAYS. It is inaccurate for two reasons. First off, recognizing that part of it is a trust fund, the Medicare Part A is a trust fund and Medicare Part B is funded out of the taxes. And we tax revenues and the premium that people pay. By our saving $240 billion, half of that goes into the trust fund and the other half basically reduces the burden to the taxpayer of continuing to spend more for a program where we do not have to spend more.

But the other part is that they are not tax cuts for the wealthy. The two-thirds of the tax cut that we proposed was a $500 tax cut basically, not a tax cut, well it was a tax cut, $500 tax credit per child for families making under $100,000. So if you had a family of four children, and you were making under $100,000, you would have in your payroll $2,000 more.

What was the logic of that? It is not a tax cut to the wealthy; it is a tax cut to families. And if you were making $30,000 or $40,000, you may end up paying no taxes because that $2,000 reduction may eliminate all of your Federal

taxes except for the Social Security tax. That was a tax cut, a tax credit for families. Not wealthy people, for families.

Mr. GUTKNECHT. And it was based on the basic notion that families can spend this money far more efficiently than the Federal bureaucracy. And I doubt if there is anybody in this room or anybody in Congress or anybody who is watching this at home who doubts the basic wisdom of that. Families are very responsible for the resources that they have.

Let me tell a quick personal story. We have just a couple of minutes and I will close with this. I was raised in a family with three boys. My dad was a life-long member of the AFL–CIO. He worked in a factory. The largest single payment that my family made when I was growing up was their house payment. But for the average family today, the largest payment they make is to the government. The average family trying to raise three kids today spends more for taxes than for food, clothing, and shelter combined, and we believe that they ought to have some tax relief.

Mr. SHAYS. Thirty-eight percent of their income is paid in taxes, where when my parents were raising me it was about 15 percent. And my parents were allowed a much larger deduction per child than families are today.

Let me close and thank my colleagues for joining me by saying that this new Republican majority has three basic objectives: to get our financial house in order and balance the budget; and the second, to save our trust funds particularly Medicare from bankruptcy; and our third effort is to transform our caretaking society into a caring society, to transform our caretaking social and corporate and agricultural welfare state into a caring opportunity society.

We are looking to bring money, power, and influence out of Washington back to people in local communities. And we are going to do this for the good of the children because, as Mr. Rabin said, the former Prime Minister of Israel, politicians are elected by adults to represent the children. And this Republican Congress is looking to represent the children so that they have a brighter future than we had.

With that, Mr. Speaker, I truly thank you for giving us this opportunity, and I am going to yield back the balance of my time.

□ 2000

TEAMWORK FOR EMPLOYEES AND MANAGERS ACT OF 1995—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 104–251)

The SPEAKER pro tempore (Mr. MCINNIS) laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I am returning herewith without my approval, H.R. 743, the ''Teamwork for Employees and Managers Act of 1995.'' This act would undermine crucial employee protections.

I strongly support workplace practices that promote cooperative labor-management relations. In order for the United States to remain globally competitive into the next century, employees must recognize their stake in their employer's business, employers must value their employees' labor, and each must work in partnership with the other. Cooperative efforts, by promoting mutual trust and respect, can encourage innovation, improve productivity, and enhance the efficiency and performance of American workplaces.

Current law provides for a wide variety of cooperative workplace efforts. It permits employers to work with employees in quality circles to improve quality, efficiency, and productivity. Current law also allows employers to delegate significant managerial responsibilities to employee work teams, sponsor brainstorming sessions, and solicit employee suggestions and criticisms. Today, 30,000 workplaces across the country has employee involvement plans. According to one recent survey, 96 percent of large employers already have established such programs.

I strongly support further labor-management cooperation within the broad parameters allowed under current law. To the extent that recent National Labor Relations Board (NLRB) decisions have created uncertinty as to the scope of permissible cooperation, the NLRB, in the exercise of its independent authority, should provide guidance to clarify the broad legal boundaries of the labor-management teamwork. The Congress rejected a more narrowly defined proposal designed to accomplish that objective.

Instead, this legislation, rather than promoting gueuine teamwork, would undermine the system of collective bargaining that has served this country so well for many decades. It would do this by allowing employers to establish company unions where no union currently exists and permitting company dominated unions where employees are in the process of determining whether to be represented by a union. Rather than encouraging true workplace cooperation, this bill would abolish protections that ensure independent and democratic representation in the workplace.

True cooperative efforts must be based on must partnerships. A context of mutual trust and respect encourages the prospect or achieving workplace innovation, improved productivity, and enhanced efficiency and workplace performance. Any ambiguities in he situation should be resolved, but without weakening or eliminating the fundamental right of employees to collective bargaining.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *July 30, 1996.*

The SPEAKER pro tempore. The objections of the President will be spread at large upon the Journal, and the message and bill will be printed as a House document.

Mr. GUTKNECHT. Mr. Speaker, I ask unanimous consent that further consideration of the veto message on the bill, H.R. 743, be postponed until Wednesday, July 31, 1996.

The SPEAKER pro tempore (Mr. MCINNIS). Is there objection to the request of the gentleman from Minnesota?

There was no objection.

PARTIAL BIRTH ABORTIONS

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Minnesota [Mr. GUTKNECHT] is recognized for 60 minutes.

Mr. GUTKNECHT. Mr. Speaker, I thank the House for the opportunity to spend some time tonight to talk about an issue that has probably generated more mail and more phone calls and more responses from our constituents than virtually any issue since I joined the Congress just 18 months ago. I speak tonight about the issue of partial birth abortions.

I think we need to first of all talk a little bit about what in fact a partial birth abortion is. I had hoped to have some charts to show to my colleagues and those who may be watching on cable TV tonight what exactly a partial birth abortion is. But let me just say that in many respects it is a late term abortion in which the baby is virtually completely delivered and only the head of the baby is allowed to remain inside the womb, and then the doctor, the abortionist I think is a more accurate term, the abortionist takes a scissors and inserts that scissors into the back of the baby's brain, then using a very powerful suction device actually sucks out the brains of the baby. Then the baby is delivered. Of course, the baby is delivered dead.

It is true that in many respects in some of the abortions that are performed using this procedure, the babies are badly deformed and they have very little chance of surviving. I think we have to be honest and say that in some respects that is true. But in many respects, that is not true. Many times this is used just as a simple late term, what I would describe as a late term version of protracted birth control, where the baby is actually being destroyed simply because the baby is inconvenient to the mother at that particular point in her life.

On April 10, 1996, President Bill Clinton used his veto pen to perpetuate a tragedy that results in the destruction of innocent babies. It was on that date that the President vetoed H.R. 1833, the Partial Birth Abortion Ban Act.

I believe that every abortion actually involves two victims, both the baby and the mother, and I believe that every abortion sadly takes the life of an innocent child. I do understand politically that the American people and

the Nation has not yet reached a consensus on saying that all abortions should be banned in this country. But I do believe that in late term abortions like this, particularly when they are performed with this grisly procedure, that I think most Americans are prepared to say that this procedure ought to be outlawed and we ought to say that this is one procedure that is not legal under our system of laws.

As I said, in most respects the baby is pulled from the mother's womb legs first, and then a scissors is inserted in the baby's skull, opening them to enlarge a hole so that a suction catheter can then be inserted and the baby's brains are sucked out, causing the skull to collapse. The difference between this heinous procedure and homicide is literally only a matter of inches.

Regardless of one's position on abortion, and I do understand and I try to be empathetic and sympathetic to those who have different views than mine about the whole system of abortion and what should be legal and what should not be legal in this United States, it is clear that a vast majority of Americans supporting banning this particular procedure. In fact, I think the more that the American people learn about this particular procedure, the more that they say that we cannot be a society that tolerates this.

If you look back to our history in our earlier discussions about the budget and other issues, there was some reference to our Founding Fathers. I would like to share with you a couple of things that our Founding Fathers said that I think in some respects reflect upon this particular issue.

Thomas Jefferson said that if you give the American people the truth, the Republic will be saved. I think the more that the American people learn about this particular procedure, the more they learn the truth about this procedure, the more that they will demand that public policymakers take the correct action and make it illegal.

Jefferson also wrote these immortal words when he talked about we the people, he said that we were endowed by our Creator with certain inalienable rights and that among those are the right to life, liberty and the pursuit of happiness.

I for one do not believe that it was purely coincidence that he listed the right to life as chief among them. And I think that he understood, the Founding Fathers understood and, frankly, I think if Americans are honest with themselves they understand, that life is something more than just a biological accident, that it is a gift from a power greater than that of any government.

While I have already admitted that we probably do not have the political consensus to eliminate abortion from our American system today, I think that there is a growing consensus that this particular procedure can be and should be outlawed.

It is not really surprising that the American Medical Association's legislative counsel, a panel consisting of 12 doctors, unanimously voted last year to recommend banning this procedure. One of the doctors, the AMA counsel, described the partial birth abortion procedure as ''basically repulsive.''

Proponents of this heinous partial birth abortion procedure, including President Clinton, contend that there are legitimate reasons for doctors to use it. But under closer scrutiny, it is clear that their defense of this procedure is akin to infanticide and is based on inaccurate or false information.

First, Mr. Speaker, let me say that partial birth abortion proponents contend that this procedure is primarily used on babies with abnormalities or deformities. Well, Dr. Martin Haskell, who has performed more than 1,000 partial birth abortions told the American Medical News that 80 percent of the partial birth abortions he performed between 20 and 25 weeks, or about 4½ to 5½ months of gestation, were ''purely elective.''

Second, partial birth abortion proponents claim that babies die in the womb as a result of the anesthesia administered to the mother and therefore they do not feel any pain from the procedure. The American Society of Anesthesiologists set the record straight. When its president, Dr. Norig Ellison, said that those claims have ''absolutely no basis in scientific fact.''

Third, partial birth abortion proponents argue that this procedure is often necessary to protect the health of the mother. But again, Dr. Pamela Smith, director of medical education in the department of obstetrics and gynecology at Mt. Sinai Hospital in Chicago, says ''there are absolutely no obstetrical situations encountered in this country which require a partially delivered human fetus to be destroyed to preserve the life or health of the mother.''

I might add, Mr. Speaker, that in the bill that was drafted and sent to the President, we made certain allowances where if in fact the health or the life of the mother was at stake, that these procedures could go forward.

Moreover, though, Dr. Smith says that the partial birth abortion itself poses maternal health risks. Because the procedure involves 3 days of forceful dilation to the cervix, the mother risks damaging her reproductive organs. Uterine rupture is also a documented complication associated with this procedure.

Opponents of the partial birth abortion ban advocate including an exception to the ban of the health of the mother, as I said. Why? Because the ban opponents know that the exception would render these bills meaningless. The U.S. Supreme Court has defined health as including ''all factors—physical, psychological, familial, and the women's age—relevant to the well-being of the patient.'' Therefore, the health exception would allow abortionists to continue to perform these partial birth abortions for reasons such as depression or youth of the mother.

Despite the misinformation campaign being waged by the proponents of this violent procedure, President Clinton and the abortion advocates have placed themselves outside the mainstream of American thinking. In fact, the Roman Catholic Church and the leaders of that church are so upset with the President's veto that they held a press conference to denounce his decision. They also recently distributed over 27 million postcards at churches all across the Nation. They have been mobilizing their parishioners to bombard Congress with one message: ''Override the President's veto and outlaw certain late-term abortions.''

We checked with the post office here at the U.S. House of Representatives today, and they tell us there is a backlog of over 1.1 million of these cards which are coming to Members of Congress.

I want to talk also tonight a little bit about one particular hero, a gentleman by the name of John Joyce who is the president of the International Union of Bricklayers and Allied Craftsmen. He is one person who broke ranks with the AFL–CIO and rejected its endorsement of President Clinton because of President's veto of partial birth abortions. I want to talk a little bit about that. This is a gentleman I think some Members will remember. We have probably remembered the book that was written by John Kennedy called ''Profiles in Courage.'' And I would say that if a new version of that book were being written, certainly John Joyce, the president of the International Union of Bricklayers and Allied Craftsmen would certainly deserve a chapter because it took an enormous amount of courage for him to stand up and say that President Clinton was wrong because of his veto of partial birth abortions and that he could not support him.

Joyce said that the veto is so, and I quote, he said: It so outraged him that he could not support President Clinton even though he thought the President would be much better for working people than would Bob Dole. I could only go so far as my mind and conscience are willing to take me.

This is one example, and I think there are many examples, of Americans across the country who have said that enough is enough. This is one area where I think the President has gone too far. John Joyce, as I say, should find himself a chapter in the next version of ''Profiles in Courage'' because he had the courage to stand up and say this is wrong and, despite what my union says, despite what the members say, despite what the labor bosses in Washington say, I cannot support President Clinton because of this particular issue.

I am pleased to have with me tonight and join with me someone who has been a longtime advocate for the rights

of the unborn and someone who particularly understands the whole issue of partial birth abortions, probably is much more of an expert in Roman Catholic teaching than I have ever been. I am pleased to have join me tonight the gentleman from Orange County, CA, the Honorable ROBERT K. DORNAN. I would yield to him for a few moments to talk a little bit about this issue, what we can do, where we stand and perhaps where we can go from here.

□ 2015

Mr. DORNAN. Mr. Speaker, I thank the gentleman. If there is anything I know about theology or philosophy or rhetoric or logic or ethics more than you do, it is only because I am years older than you are and you are catching fast on me. Before you are my tender years you will have gone beyond me.

My wife was down in the cellar filing unbelievable reams of mimeographed documents, books, and paperwork, and she came across the House Ethics Manual. You got one a long time ago. They gave you one over a year and a half ago.

Mr. GUTKNECHT. Was not that long ago.

Mr. DORNAN. Right. And this particular one, this current Congress, it is not the last Congress, it is the 102d Congress, April 1992, and it is published by the Committee on Standards of Official Conduct, which is loosely referred to as the Ethics Committee, probably because their manual is called the House Ethics Manual.

Now my wife opened this up because of a recent dust-up around here between Republican Members, and she came to the opening page. It has the committee two Congresses ago. LOU STOKES was the chairman. Half of these people are defeated or left, like Fred Grandy and others. JON KYL has moved on with distinction to the U.S. Senate from his great State of Arizona.

And my wife looked at the first page, and it says: ''The code of official conduct, House rule 43,'' and it is good ethics material. ''A member, officer, employee of the House of Representatives shall conduct himself at all times in a manner which shall reflect credibly upon the House of Representatives.''

Give me a drum roll; that is a given.

Do not seduce a page.

Do not seduce or corrupt the pages or you get kicked out.

Wrong. You can do that; not get kicked out, only get a censor. turn your back on the House, use the Lord's name in vain in the Speakers lobby, and get reelected in one of our original 13 colonies five more times. That was the darkest day in the history of this House in this century.

Then my wife comes to, still in the prologue, those little tiny roman numeral fives and so forth, Roman numeral V: Code of Ethics for Government Service. And this comes to the core of what you were saying about the head of that union. Which union was it; not the Carpenters and Joiners, the——

Mr. GUTKNECHT. Bricklayers.

Mr. DORNAN. Bricklayers Union, where you put principle above everything, faith, family, and freedom. Faith comes first before your country and freedom.

Code of Ethics for Government Service:

''Resolved by the House of Representatives, the Senate concurring'', passed 1958. The year I got off active duty I was 24 years old, flying F–100 supersonic Sabres. Fifty-eight. Jim Wright, the former Speaker, was only in his sophomore year here. Ike was still President. Go down to only 143 Republicans from 221 when he got elected. So this is Ike's third to last year:

''Resolved by the House, Senate concurring, that it is the sense of the Congress that the following Code of Ethics should be adhered to by all government employees, including officers.''

Mr. GUTKNECHT, Mr. DORNAN are included here.

Code of ethics for Government service; there are 10 of them. Ten commandments.

Any person in service should, colon, 10 things listed.

First, put loyalty to the highest moral principles and to country above loyalty to government persons, to party or to your department, talking to the executive branch out there, but this would apply to the Supreme Court, to every branch of government, every elected person, and it is applicable to the States, the counties and cities: loyalty to the highest moral principles, above everything, and to your country, above loyalty to any government person from a President to a Speaker to a Senate leader to the Chief Justice of the Supreme Court, and ahead of your party certainly and your department. It is high moral principle; that is, the principles of our Creator that was mentioned several times in the Declaration of Independence.

Now what happened with the head of the Bricklayers Union and what happened with the Democratic Governor of one of our biggest States, the Commonwealth of Pennsylvania, with Bob Casey, was they said:

Look, I want to go to heaven.

I hope they thought that. I know Bob Casey did.

I want to go to heaven here. I want to do what is right.

If they are a good Protestant, they say:

Wait a minute. Billy Graham went to the White House on May 1 and told the President you cannot veto something that is passed with a huge majority in the House and Senate that involves delivering a baby into this world four-fifths, and then you stop the birth process, bringing distress to the delivery mother, and hold the head inside the birth canal while you attack it in the back, stab it in the back of that perfectly formed little head formed by God, stab it in the back of its head and remove its brains, suction out that perfect little formed brain. You cannot do that.

What is the gentleman's name, the head of the Bricklayers Union; I want to——

Mr. GUTKNECHT. John, and I am sorry I turned it over to the—John Joyce was the gentleman's name, an American hero. And if the gentleman——

Mr. DORNAN. Bob Casey, John Joyce. American heroes, yes.

Mr. GUTKNECHT. Absolutely, and the world is full of them. But I just want to bring to your attention a quote also from one of the Framers of our Constitution.

John Adams said that our Constitution was intended for a moral and religious people. It would be wholly inadequate for any other.

I think they understood, and I think we understand, and I think the American people understand the morality, principles, values; you cannot separate them from our Constitution or even from our codified law. In fact, I think many Americans forget sometimes that the Founding Fathers believed that the law, the body of law, was the bare minimum of expectation from moral behavior, that there ought to be actually a higher standard, and yet somehow we have been reduced to the lowest common denominator.

And I think one of the reasons this whole issue of the partial-birth abortion, the reason I think it cuts so many people right down to the bone and the reason it has generated so much interest and so many letters and so many calls and so many postcards from our constituents is because I think they begin to understand that there is something happening in this country, and it is not just partial-birth abortion. It is about the basic unraveling of the moral fiber of this culture, and our Constitution was intended for a moral and religious people. It would be wholly inadequate for any other.

Those words were true when John Adams said them almost 200 years ago. They are absolutely true today, and I think—so in many respects partial-birth abortion and the unraveling of our society, the unraveling of the moral fabric, are all sort of symptoms of a greater disease.

That is not to say that I think the American people are turning to the Congress or they are turning to politicians to become the keepers of the moral flame, but I do think that they expect us to be a good example, and I think they do expect us to set certain standards and certain minimum standards, and whether or not we can totally make all abortions illegal or whether we even should, I think is a separate question. We certainly can, and I think the American people are saying loudly and clearly we can and we should make this particular grisly procedure illegal here in the United States.

Mr. DORNAN. Well let me show how the courage of a John Joyce, of a Robert Casey, former Governor of the

State where my mother was raised, the beautiful Pennsylvania; let me tell you about a letter dated today that was just given to me by Edward J. O'Hearn, the chairman of the pro-life committee of the Ancient Order of Hibernians.

Look at that beautiful Irish flag with an American flag.

Mr. GUTKNECHT. Are not they Irish? Is that not the ultimate Irish organization?

Mr. DORNAN. Roman name for Ireland, Hibernia; and Caldonia for Scotland.

Now this out of Louisville, KY. Edward O'Hearn is, as I said, chairman of pro-life. Listen to what he writes to NEWT GINGRICH.

Dear Mr. Speaker, since 1992 Republican elected officials and Republican spokespeople have been critical of the Democratic Party for the treatment of Gov. Robert Patrick Casey at the 1992 Democratic Convention because of his refusal to back down on a matter of conscious and religious conviction, the abortion issue.

Well, he says with exclamation points, no more. Your treatment of Congressman CHRIS SMITH of New Jersey, an Irish Catholic, and I am going to leave out the next Irish Catholics because I am cooling my jets here as the conference chairman suggested, on the same issue ranks right up there with the insult to Casey and Catholics in general by the Clinton team in 1992, and that insult continues.

Remember that George Bush was on the ramp of Detroit with the Holy Father when the Pope said, stand up for life. And Barbara and George Bush, then the President and First Lady, went yes, yes, yes. And the last time Clinton stiffed him because he was leaving from Baltimore Airport, I was there, and the Pope said again, we must defend and protect innocent human life.

The Governor sat on his hands, the Catholic Lieutenant Governor, Kathleen Kennedy Townsend, sat on her hands, Polish Catholic BARBARA MIKULSKI sat on her hands. I started applauding with my grandson who is 14, and we made enough noise for all the other VIP's and the whole crowd behind started to cheer. But PAUL SARBANES, a Greek Orthodox Christian, he would not applaud; JOE BIDEN would not applaud, Catholic Senator from Delaware; nobody would applaud the Pope except me in the second row. And then later, the Secret Service brought me up and stood me next to a wonderful lady, Tipper Gore, and we said goodbye to the Pope, and I did not know if he would ever have the health to come back here again. But what a courageous and saintly fight this man has made for life.

And he said this culture of death in Europe and in this country has got to be reversed if we are to survive in this mortal existence of ours. And instead of surviving, we have upped the ante so one Republican and one independent and 65 people in this House a couple of days ago voted for homosexual marriage, and 15 Republicans, 15 out of 236, voted for infanticide.

So I continue from the Ancient Order of Hibernians. In April of this year the Ancient Order of Hibernians rescinded our invitation to President Clinton to address our national convention because he vetoed the partial-birth abortion ban, hereafter known as the partial birth infanticide. Your actions against Representative SMITH are directly related to their refusal—I left somebody else out there—to compromise their convictions on partial-birth abortion.

Not really so in my case. I had known about votes involved at the time.

We would be remiss if we did not also blast your actions as publicly and forthrightly as we condemn the actions of President Clinton. It should come as no surprise that we support the declaration of conscience resolution—this is making the rounds around here now. A copy of our letter is being sent to the American bishops, the American cardinals, the Ancient Order of Hibernian membership, and leaders of other Catholic organizations in America, plus Catholic newspaper in the United States of America. Sincerely Edward J. O'Hearn, chairman, pro-life committee, Ancient Order of Hibernians.

Now, Mr. GUTKNECHT, we do not need to create fights like that. There are votes that above and beyond any votes. As I told all of our leadership today quite respectfully and quite politely why this infanticide vote was different, I pointed out to Speaker GINGRICH, to Majority Leader ARMEY, to Majority Whip DELAY, to conference Chairman JOHN BOEHNER, and to fighting BILL PAXON of New York, chairman of the National Republican Congressional Committee, I said: Mr. PAXON, with all due respect, if your wonderful wife, a fighting Member here, had not broken her unbroken string, and I use their language of pro-choice votes, and if she had not voted to ban partial-birth infanticide abortion, she would not be the keynote speaker at our convention.

□ 2030

He was silent. Some others conceded it. The gentlewoman from New York [Mrs. KELLY], who is the cause of all this controversy, because she is 1 of the 15 that voted for infanticide, she is a polite, wonderful lady. She conceded to me standing right there that if the gentlewoman from New York, Ms. MOLINARI, had not voted with the majority of both parties to ban this infanticide, partial birth abortion, she said, using the verb, concede, ''I,'' this is SUE KELLY, ''I concede SUSAN would not be the keynote speaker of the convention.''

I said, ''Pardon me for using a double entendre, and I do do deliberately, this is a killer vote.'' In other words, if it can kill your speaking at the convention, then it has an aspect to it that is beyond a 1,000 out of 1,001 votes around here.

It is like the homosexual marriage vote, homosexual marriage. If anybody other than a lame duck or possibly a write-in Member from your neck of the woods, the gentleman from Wisconsin [Mr. GUNDERSON], if anybody but him had voted for this, they would be in deep trouble getting reelected in a Republican primary or even in a Republican or in a general election as a Republican.

We have pushed the envelope here, if I may use a test pilot's term. That is why I said in this well, standing right where you are at that leadership lectern, and the gentleman from Massachusetts, Mr. FRANK, said, if you want this whole debate to be characterized by the last speaker's mention, so be it. Do you know what I said? I predicted in 3 years we would be debating pedophilia.

When I left the floor I started thinking about it. Other Members came up to me and said, how about a year or two from now? How about a year from now? Because there is already a term for it by the activist movements around this country, the hedonist and sodomy movements, transgenerational sex. That is all. That is what they want to call it.

If an adult, as in ancient Greece, which destroyed the Golden Age of Pericles, if an adult can con a child into consensual sex, which is impossible by the laws of all States when you involve a minor, that is what statutory rape is about. But if you can somehow or other act like the child seduced you or it was consensual, then who is to stand in the way of that? And it is now called pedophilia chic, and the movement is beginning.

For anybody whose brain circuits are being short-circuited by me tonight, this is the way we all felt about homosexual marriage last year, certainly 5 years ago, and certainly when I got here. I never thought we would ever debate in this Chamber, after I was sworn in in 1977, delivering a child four-fifths of the way in the birth process, from the birth canal, hold it in the mother's womb—I wish I had had this line in the debate—causing distress of the mother; where is the help to the mother and the relief—causing distress, an interruption in the birth process, so they can stab it in the back with a pair of Mendelson scissors and open up a wound to suction out the brains?

This is unbelievable. And what is absolutely short-circuiting my centers of logic is that in California there should be a 29 percent gap between Clinton, who faced off against Billy Graham, the head of his own Southern Baptist Church; the Pope in Rome; the Greek Orthodox; the folks in all of Islam, that is why they call us the Great Satan; all ethicists around the world worth a farthing, he faces the whole world down and vetoes the majority in both Houses, and does not drop a point in the polls. How do you fathom that, my distinguished colleague?

Mr. GUTKNECHT. Mr. Speaker, I would say to the gentleman from California [Mr. DORNAN], I am afraid I cannot explain that. It is one of the most troubling things we have confronted in this Congress, that we have watched the unraveling of our moral fabric. And somehow the media, and I am not one to point fingers or point blame, because I am not a fault-finder. The bad news is that I think the American people have somewhat become numbed to this kind of thing.

I think there needs to be a reawakening. When the Pope and the Catholic Church, and there have only been a handful of people who have received official condemnation of this Vatican, of the Vatican in general. It is a very short list. It is a rather infamous list. Yet, he now finds himself on that list.

Mr. DORNAN. Let us reconstruct that list that Mr. Clinton finds himself on: Fidel Castro, Bill Clinton, Mu'ammar Qadhafi of Libya, and is Hafez Assad from Syria on there? But Rafsanjani is, the Iranian controlling oligarchy there in Tehran.

Mr. GUTKNECHT. There are only about four or five of some of the most despicable people in the world.

Mr. DORNAN. Pol Pot, Pol Pot, from the Killing Fields. He is on that list that the Pope has condemned. He came into office in 1978 in the killing fields in Cambodia, with the death after 33 days of John Paul I, making him the first. That was in 1978.

I remember I was correcting remarks, I had to intercept them at the general Post Office, and I thought, this is worth reflecting upon. I said, my Lord, the college of cardinals met for days. The puffs of white smoke went up, they picked somebody, and I said, God said no, I am taking him to heaven. Try again. I did not want that. And they picked, instead of the wonderful Italian, the bishop of Venice, the Cardinal of Venice, they picked this Polish Pope.

Mr. GUTKNECHT. Karol Wojtyla.

Mr. DORNAN. Karol Wojtyla. And Ronald Reagan, Margaret Thatcher and a couple of Catholics, Lech Walesa, pulled down the evil empire. It is amazing.

Mr. GUTKNECHT. I will never forget, and I think the American People and the American press did not really pick up on this, but there was a particular pint in history when there was a lot of fear that the Soviets were going to—when Lech Walesa was leading the Solidarity movement in Poland, there was a lot of belief that the Soviets were going to move in with tanks to reoccupy Poland. There was one particular moment in history where a man of enormous courage literally sent a message to the Soviets that if you come to Poland, I will be there to meet you. That is the kind of courage that it took.

Mr. DORNAN. That was the Pope.

Mr. GUTKNECHT. He looked them down. It was a moment in history that, again. I do not think most people realize, or it did not get the kind of publicity it needed. But it took an enormous amount of courage for the Holy Father to say to the Soviet empire that ''If you invade my motherland, I will be there to meet you.'' And I think in some respects, that, and the time that Ronald Reagan went to Berlin and he stood before the wall and he said, ''Mr. Gorbachev, if you mean what you say, then tear down this wall.''

Mr. DORNAN. It echoed.

Mr. GUTKNECHT. If you look at the story of history, it has been extraordinarily brave people who have had the courage to say, this is wrong and it must stop. And I think we have reached a point, particularly on the issue of partial birth abortions, where people of courage must stand and say, this is wrong and it must stop. And whether it is the gentleman from California, ROBERT K. DORNAN, or the gentleman from Minnesota, GIL GUTKNECHT, or thousands and millions of Americans, saying to this Congress and to this Government that ''You've gone too far; that the moral fabric has frayed too far. We must take back our country. We must be a people of moral conscience. We must be a people of moral fiber,'' because we cannot survive.

We have lots of problems, and a lot of them are economic. We talk about the budget and we talk about the deficit. But if we really boil them down, they really come down to this basic view of morality, and our responsibility not only to ourselves but our responsibility to our fellow human beings.

As someone who came from my State, the late Senator Hubert Humphrey, one of the most famous quotes I remember from Hubert Humphrey was this. He said ''If you love your God, you must love his children.'' If we must love our children, we must love the smallest and the most innocent of them.

We cannot stop all abortions. I will agree, this is a political environment, and we are a nation of laws and not of men. I cannot enforce my morality or my views on other people. But when you have 70 to 80 to 90 percent of the American people saying that partial birth abortion is wrong and it ought to be outlawed in the United States of America, then the Congress ought to respond.

That is the bad news, that we have gone this far. The good news is this: That we are only a few votes away in the House and in the Senate of overriding this terrible veto. I think we are going to be given an opportunity, if not in the next week, then certainly when we come back after the August recess, to correct this wrong.

I think if the American people, and I am not just talking about the Catholic people, I am talking about people of faith of every religion, and I am even talking about people who are not necessarily religious people, but who do have a very deep and abiding sense of fundamental morality, if they will send a clear message to the Congress and to this government here in Washington, I think we have a golden opportunity to reverse the course and begin to say that life is sacred, it is a gift from a power greater than that of any government, and there are some points where we can honestly say that we have gone too far. This certainly is one of them.

I have a deep and abiding faith in the American people, as Ronald Reagan did. Ronald Reagan believed in the honesty and the integrity and the morality of the American people. If you give the people the truth, the Republic will be saved. That is what this debate is about.

This is one point where I think we can made a difference. Frankly, as John Kennedy said, this is one point where we must.

Mr. DORNAN. Mr. Speaker, I just wanted to recall something, if the gentleman will yield further.

On May 2, the day after Rev. Billy Graham, who has given his whole life to preaching morality, ethics, and the good news of our Savior, he met with Clinton in the Oval Office and he said to him, respectfully, you must not let your veto stand. Let them override it, or encourage it. I do not know how we are going to break some hearts over there in the other Chamber.

The next day he came to what I have taken to calling, because it is, the secular nave of our cathedral of government, the rotunda of our Capitol. The first time I went in there as a little kid, it was like a church. I ask that of constituents. They say, ''It is like a cathedral. It is like the nave of a beautiful cathedral, St. Paul's in London, St. Peter's in Rome, to a much smaller degree.''

In there, with about five rows of international press bleachers built on the east wing, and with Billy Graham and his wife of 53 years, Ruth, with their back to Grant and Lincoln, and a POW-MIA flag, and I want to speak about that for the better part of an hour tonight, how we have sold out our missing-in-action families, he very thoughtfully, to all the leadership, Bob Dole was still there as the leader with his wonderful wife, Elizabeth, TOM DASCHLE, my friend from many years in this House was there as the Democrat leader in the Senate, and there was Senator BYRD looking up with respectful awe as a member of his particular denomination, all the Senate leaders on our side, I did not see Marianne, the First Lady of this House, but I saw Speaker GINGRICH and I saw the gentlemen from Texas, Mr. ARMEY, and Mr. DELAY, right down the line of our leaders, the gentleman from Missouri, DICK GEPHARDT, the Democratic leader, the gentleman from Michigan, DAVID BONIOR, they were all there.

Billy Graham said ''This is a Nation on the brink of self-destruction.'' You could have heard a pin drop, except I involuntarily let out one of these youthful ''yeses,'' ''yes,'' and scared

the press, because I was standing back by them. I just kind of looked up and, ''That is right.'' There was this quiet. That was May 2; June 2, July 2. We are coming up on August 2, almost 3 months later.

I honestly feel, I would say to the gentleman, that is went in one ear and went out the other of all of our leaders. Because they understand what I say to them. Billy Graham was not addressing—the occasion was he was getting the Congressional Gold Medal unanimously from both Chambers. He was not talking about a 21st B–2 bomber. He was not even talking about the budget battle, although there are huge moral ramifications to unloading immorally a ton of debt, $5.5 trillion worth of debt on grandchildren not even born yet. He was talking about these social issues: Homosexual marriage and infanticide abortion. He is talking about the unraveling of the family and our social fabric, that we are on the verge of self-destruction.

In a wonderful meeting at 1:30 this afternoon, with those five leaders on our side and the gentleman from New Jersey, CHRIS SMITH and myself, CHRIS said if he were an activist, pro-abortion activist, he would not try to join the Democratic Party. They own that party, temporarily, praise God, we pray. He said ''I would come in the Republican party and keep it,'' and CHRIS SMITH's words were good, he said ''Keep our party conflicted and confounded and confused.''

I added to it, and nobody wanted to hear this, that if I were a homosexual activist, starting my career, instead of ending it 16 years later under a cloud, I would join the Republican Party to also work within this party, because they open the other temporarily, good Lord, we hope, to come into the Republican Party and create conflict, to conflict us, to use it as a verb, conflict, to confound people and to confuse people. The battleground has become the Republican Party.

□ 2045

That is why, deliberately paraphrasing Billy Graham, now that I have time to say it, I paraphrase Reverend Graham, the Republican party is a party on the brink of self-destruction. We have 99 days, let us make it 98 when we wake up in the morning, 98 days when we wake up to election night.

I saw George Bush, our President, alone in the Oval Office, just the two of us, for 20 minutes, 97 days before the election of 1992 when he lost, November 3, so the date would have been July 27. He had 2 days less to campaign than Bob Dole will have.

I said, ''Chief,'' the only time I addressed President Bush other than ''Mr. President'' was a term of affection, I said, ''Chief, when do we fight? When do we begin to fight back? This guy's ahead of you,'' meaning Clinton. ''You've got to fight. Do you want him walking around the hallowed halls of this White House?''

And George Bush, an honorable 1958 veteran, Navy combat carrier attack pilot, flinched, ''Ooh, Bob.'' He did not want to think about Clinton. I said ''We've got to fight.''

Now here we are 98 days out in the morning. I am not going to be meeting ex-Senator Bob Dole in any White House, with Air Force One and marshaling the whole impact of the incumbency. Mr. Clinton has got all that going for him. I think in 4 more years of what we have seen in the last 3½ years, we are not just a party on the brink of self-destruction, kick it up to what Billy Graham said, we are a nation on the brink. On the brink.

It is these issues that brought the gentleman to the floor with his wonderful special order tonight that better kick the American people into high gear, and really everybody who understands what family is, even if it is a single mother, because our friend Vice President Dan Quayle was always misunderstood, misquoted.

I had a CEO of one of the biggest communication outfits in the world say, and this was just the other night, and this man is big, Manhattan. He said, ''You know, they may have killed the messenger, Dan Quayle, politically but, boy, he changed the landscape of America.''

Values is the core of all our issues that we are fighting, and if you do not think so, listen to how many times the Clintons use the word values, values, values, values, over and over. So I am sure certainly happy that the gentleman took this special order tonight.

Mr. GUTKNECHT. Mr. Speaker, I am not nearly as pessimistic as the gentleman from California, because if we look at history, and it was sort of underscored when we talked about what happened with the Polish Pope who warned the Soviets, or when Ronald Reagan went to Berlin and he said that if the Soviets, if Mikhail Gorbachev meant what he said, then he should tear down this wall. I happen to believe that words have meaning, that ideas matter, and that actions have consequences. If you study history, every great movement, every great change in national attitudes has started with one person or a handful of people who had the courage to speak the truth.

There is a book coming out that was written by all of us freshmen. One of the chapters is written by one of my colleagues from Indiana, JOHN HOSTETTLER. He wrote a chapter about a gentleman by the name of Maplethorpe who was a member of the British House of Commons in the late 18th and early 19th century in Great Britain.

One of the things that Mr. Maplethorpe tried to do was to end the slave trade in Europe. Basically he said, ''This is morally wrong and it must stop.'' At first he was laughed out of the House of Commons. Particularly the elites of that particular point in history said that he was ridiculous, they demeaned him in every way they could, but Maplethorpe did not give up.

Mr. Speaker, the one thing that we know is that facts are stubborn things and truth is an incredibly powerful weapon. The more we learn about this partial-birth abortion, the more we realize that the American people can see through this smoke screen, they know that it is wrong, they know that it is morally wrong, they know that it should stop, and if only a handful of us have the courage to say to the American people that partial-birth abortions are wrong and they should be stopped, and we have got to stop unraveling this moral fabric that has made this country the greatest country in the history of the world, then I think we can begin to roll back the clock, because facts are stubborn things. Truth is a powerful weapon. All we have to do is speak the truth.

The gentleman quoted Billy Graham. It is a great quote, that this society is on the brink of destruction. It was barely reported in the next day's press.

Mr. DORNAN. It did not make the evening news at all. It just showed in silent that he got the Gold Medal from Congress.

Mr. GUTKNECHT. But, nonetheless, I believe that words have meaning, that actions have consequences, and that ideas matter. In the long light of history, whether or not it was well reported beyond the dome of this Capitol building, I think the American people believe that Billy Graham was right.

He recently came to Minneapolis and he spoke to I do not know how many hundreds of thousands of people, both directly and indirectly through television. Billy Graham is one who has the courage of his convictions. He, like the Pope, has been willing to stand up and say, this is right, this is wrong, and this should stop.

Mr. DORNAN. Would the gentleman want to add a note of excitement to his special order tonight? My middle daughter of 5 sons and daughters just called in a play. She did not mean to, but she knew it was your special order and I maybe could bolt for the Cloakroom phone booth for just a second.

She told me that it is all over the news, they are speculating on who our good friend Bob Dole's Vice President might be. It is an outsider, never been elected to office, but he wrote a book that had to do with that subject of values, and it is called the Book of Virtues.

Bill Bennett, former Secretary of Labor, for 2 weeks head of the Republican Party, former drug czar, Director of National Drug Policy, and Secretary of Education. He appears at the moment at least, these things may come and go, to be the front runner. He has had a few dustups with the Republican Party of late, but this is a man that knows we are a country on the brink of self-destruction. Billy Graham did not have to tell Bill Bennett that.

He is a son of North Carolina, educated in Massachusetts, and he is traveling around the country right now with Bob Dole. This is a no-nonsense

guy, quite frankly he always reminds me of a grizzly bear who has just kind of rubbed his eyes and messed his hair a little, and you are going to get direct from him.

He has this great friendship with this wonderful black American, this lady of African-American descent, Delores Tucker. They have traveled together on the rock lyrics and how it is poisoning a whole generation of white Americans, Hispanic Americans, African-heritage Americans.

This will be very interesting. This could be one heck of a debate, because although the Bible is on one of the two nightstands on either side of our bed, I have to concede the Book of Virtues is on the other one.

I just put him to one test. I said, ''Let me ask you something, Bill.'' He told me the book was coming out. I introduced him at a Christian Coalition meeting 2 or 3 years ago. I said, ''What's this new book you've got coming out? Explain it to me.'' As I am just going up to introduce him, I lean back, I say, ''It's got everything in it, Aesop's Fables, everything?''

He says, ''Yeah.''

I said, ''Here is the acid test. My favorite most impressive morality story as a young man, other than all the scriptures I was getting from my family, it was a Disney film but it was from an Italian classic, Pinocchio. Is Pinocchio in that book?''

''Absolutely it is.'' Lampwick, Pleasure Island, smoking cigars, and shooting pool. Today it is Michael McCurry talking about toking a few joints and doing more than shooting pool, taking your pleasures wherever you may, and all of a sudden you are a jackass and suddenly you are enslaved to something, enslaved to a sex addiction, enslaved to drugs, enslaved to something, but you lose your freedom when you indulge yourself hedonistically to the extreme.

That Pinocchio story is a powerful story because what was it about? A little boy with no feelings who developed feelings and it turned him into a real boy. And whatever happened to Lampwick, the party guy? We do not know. But he said, ''It's in there,'' and sure enough it was. Everything is in there.

What Bill Bennett was trying to respect was the wisdom of the ages, that absolute truth exists. There are certain core values. The 10 Commandments are not new and they are not old. They are just eternal.

So I think that might be an interesting development, and it will certainly keep my classmate AL GORE on his toes, and it may add a dimension, if it turns out to be true, to this race.

The other thing was, get this little play by my daughter Theresa Ann Dornan Cobban, who ran one of the best and cheapest presidential campaigns in the country, mine. She said, ''Dad, the jury in Little Rock, AR, is deadlocked, and the judge said you go back in there and you come to a decision.''

Deadlock is no good for the Clintons because that means they will call for a new trial and they will just keep going, and it will just take it right into September and October. The prosecution, when they wrapped up down there, said the monkey does not get the monkey grinder to dance to his tune. The monkey grinder, the owner of the banks, spreading all the money illegally into Clinton's gubernatorial races, the junior associate in the bank, that would be the monkey, he danced to the bank president's tune, and he is the one who has plead guilty, turned State's evidence and taken his lumps.

I do not know what is going to happen with that trial, but we may end up with something beyond Nixon. Because when Nixon won in 1972, nobody knew that Watergate was going to come back to cause him to fire his Doberman pinschers, Haldermann and Erlichman, on April 30, 1973. Nobody dreamed it would pull him down on August 9, 1974.

But this time, if Dole cannot save the country, then we are going to have impeachment proceedings in the spring of next year, of 1997, with all of this weight of scandalous material building up, building up, building up, until, as two Democrats told me on the center of the aisle back there, it is kind of dangerous to be a friend of the Clintons because you either end up dead or in jail. So we have got a moral crisis in this country.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. MCINNIS). The Chair would just remind the gentleman at the microphone that Members are to address their remarks to the Chair and not to the viewing audience, if the gentleman from California could observe that.

Also, as a reminder, the gentleman from Minnesota has 2 minutes remaining.

Mr. DORNAN. I thank the gentleman. I certainly yield back to the distinguished gentleman from Minnesota.

Mr. GUTKNECHT. I thank the gentleman. I just want to close this, and I know that he is going to have an hour to talk about some other issues that are important to us and the American people.

But I wanted to talk a little bit tonight about the partial-birth abortion issue, because I think it is one point where the American people can begin to turn the clock back, that they can begin to recover the lost moral ground that we have already seen.

We have heard some of the quotes from Billy Graham, we have heard some of the quotes from our Founding Fathers. We have talked a little bit about Robert Maplethorpe and what he did in Great Britain in terms of recovering the fumble of slavery and beginning to return Great Britain to a much more morally oriented society. As a result, the British are a much more moral and better society because of that.

I think the news that Bill Bennett may well be the vice presidential nominee of the Republican party is very good news, because I have known Bill Bennett for a number of years. He is one person who has probably the strongest sense of truth and morality and character of any human being that I have met. He is an intellectual. He is a Ph.D., I believe from Harvard, and perhaps Congressman DORNAN can correct me, but he is an intellectual as well as being someone who is well grounded in basic American values.

I would hope that the American people would not lose faith, would not lose hope in this American system that we have, that we can somehow recover this fumble. As I said earlier to Congressman DORNAN, we are only a handful of votes away from overriding the veto of this grisly procedure we call partial-birth abortions. I think if the American people join forces, if they send one loud, clear, demanding signal to the American Congress, that somehow we can find the votes to override that veto and once and for all begin to send a message that there are points beyond which the American people simply will not retreat.

COMPELLING ISSUES OF NATIONAL DEFENSE

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from California [Mr. DORNAN] is recognized for 60 minutes.

Mr. DORNAN. Mr. Speaker, I want to talk this evening—this evening, it is 6 at night in Los Angeles, Mr. Speaker, and only 4 in the afternoon in Hawaii—I want to speak tonight about one of the most heartbreaking, agonizing, complex stories of American history that has haunted me my entire life and came to another tragic conclusion this evening.

□ 2100

It is the story of the world's greatest Nation, the United States of America, the most noble Nation to ever exist, with all due respect to the mother country, Great Britain, to wonderful little homogeneous nations like Norway or New Zealand, and to a multilingual nation who has avoided war and persecution for almost 500 years, Switzerland.

Given our size, the problems we have overcome, the destructive moral evil that destroyed our morality for our first four score and 7 years, then four score and 10 years, then a century, then another century of neglect, slavery and its aftermath, we have overcome so much. And just in this century, when we could have been isolationists, and were at first, we entered a war called the Great War. And because it broke out again, bringing fathers back into conflict with their own sons, World War II, we put Roman numeral one on

the Great War, where my father won three Wound Chevrons, now called Purple Hearts.

World War II, the greatest cataclysm of pain and suffering and evil of all time, with the Communists weighing in with all of the war crimes and tragedy and even greater loss of life inflicted by Stalin and his Communist thugs, as did Hitler and his gang of cutthroats. We entered that. And we probably could have cut an isolationist path in spite of the war in the Pacific brought on us by the warlords of Japan.

We have expended in this century more blood and more treasure than any nation, without any strings attached, with no territorial gain, no economic gain, no oil leases, in spite of what cynics said about our noble cause in trying to keep at least half of Indochina, Vietnam, Cambodia, and Laos, trying to keep them free, part of the free world, as we had kept half of the Korean Peninsula free at great loss of treasure and great loss of young life, it appears that this noble Nation, in this century, in all of those conflicts that we probably could have avoided, as immoral as that would have been, it appears we have left live American heroes behind to the not so tender mercies of their captors.

That is what I want to talk about tonight. And to do it I will take a book that has been absolutely my bible on the POW crisis in Vietnam. It is simply called, ''POW,'' by John Hubbell and published in our bicentennial year, 1976, by Readers Digest Press, and read through you, Mr. Speaker, to 1.3 million, maybe 1.5 million now, listeners to our C–SPAN televised preceedings.

I am afraid that to 99 percent of the audience listening tonight, Mr. Speaker, they will have not heard these facts, because this wonderful book, ''POW,'' that was painful and yet ennobling and uplifting to read was not a best seller. Let me retrieve it.

Last night, at 2 a.m. in the morning, Mr. Speaker, the Armed Services Committee brought down its conference report between the House and the Senate on the 1997 Defense authorization bill. Like most authorization conference reports, or appropriations conference reports, there was much compromise and some gnashing of teeth on both sides.

The POW–MIA issue, frankly, took severe hits, and in this case the gnashing of teeth is by those families that would be described in scripture as ''the salt of the earth,'' who gave us their sons, their young fathers, their husbands to fight for freedom in Korea and Vietnam and were left behind.

First, Mr. Speaker, a recapitulation of what was just proposed to all the conferees from the Senate and the House, of which I was one. And let me put a rumor to rest right now. I was a conferee at every meeting. I did not miss one, right down to the wire at 4:30 tonight. Treated with the ultimate of respect by my chairman, and I return that respect, the gentleman from South Carolina, Navy Captain FLOYD SPENCE, a medical walking miracle and one heck of an American hero.

FLOYD SPENCE treated me with dignity and let me do the lead-off report at all the conference meetings, when my conferee status was in doubt with the media, and because there were so many personnel issues involved, he always let me lead off, as I engaged in the conference discussion tonight at the last lap more than anyone else.

Here is what the Clinton administration said they were going to veto if it was in the final House-Senate product. They said if there was anything in there on demarcation of theater missile defense, they would veto it. They want to get by on the cheap. Even if he gets 4 more years he will leave office without this country being defended from missile attack.

The ABM Treaty. Multilateralization. If the House had prevailed, Clinton said he would veto it. And then two of them, the only two others that are what they called ''veto bait'' were BOB DORNAN's, mine. HIV-positive discharge. I had a partial victory there. And homosexuals trying to join the military not being asked. Returning to the Ronald Reagan-George Bush policy on homosexuals in the military. Clinton said he would veto that.

I think that is a big bluff. Scared the pants off the other Chamber, not me. Because if he was going to veto something where the conference of the Senate and the House said we are returning to a clear, simple, nonconfusing policy of no homosexuals in the military, to use Senator SAM NUNN's language, homosexuality is incompatible with military service, he would not have dared touch it. But he bluffed and we caved. So all of that is out.

Homosexuals in the military is a tiny little thing. As I told some press people who said, ''Did you lose that one?'' I said, ''Not hardly.'' If you will go back on a nexus search of everything I said in 1993, that under the Nunn-Skelton-Dornan language we got 95 or 98 percent of what we wanted, and they are putting out more homosexuals now than ever in history. This year we are running at a rate of a thousand this year, if we continue this rate up through July. And last year it was 777 homosexuals were pulled out of the military. The highest in a decade.

So, obviously, whatever Clinton thought he was implementing, what the courts are looking at is the Nunn-Skelton-Dornan language, and that was 98 percent there. All I wanted to do was close that 2 percent gap. And I have been told no because Clinton bluffed on that 2 percent.

The 2 percent was merely saying to a young man or woman, after we had told them, through the recruiter, we do not want to recruit homosexuals and then said to them, here it is in writing, and put it in front of them and got them to sign to it. All the gentleman from California, Congressman DUNCAN HUNTER, and I wanted to do was to merely say, by the way, no Communist days of have you ever been, just are you now a practicing homosexual or do you think you ever will practice if we recruit you into the Army. A ''yes'' answer to those two simple questions and we could say politely, young man, young lady, we do not want you to join the military.

That way they cannot say I was confused, I do not read too well, I was so scared when I was joining, or misty-eyed because I was going to serve my country that I did not hear all of this. Why did they not tell me they did not want homosexuals, it would have saved them 5 months of training and a waste of all these uniforms and schooling and everything. So I will fight that battle next year.

On the HIV-positive discharge, I am so right on this that it hurts. Here is a letter from the Marine Corps. A letter from the Bureau of the Navy, Headquarters of the Marine Corps, Annex 2 up here. There are no, no Marines on active duty out of 56 who were HIV who got it from tainted blood or any infected tissue or blood product at all. That means that all 56 got it by violating rules and restrictions on off-limit bars or houses of prostitution, which is almost zero to a handful, and all the rest got it by homosexual conduct or dirty drug needles. That means they violated military rules. It is down to about 850 now, not a thousand.

We are going to keep this regiment of people on active duty because of Clinton and the failure of this conference to face up to the truth. I had it passed as law on February 10, when Clinton signed the Defense authorization bill for this year, 5 months late. He dismissed that he had made us, had not bluffed, he had made us take out defending the homeland from one nuclear rogue missile. He had forced us to take out the provisions where we do not want U.S. soldiers under foreign or U.N. command, took that out, and he took out a provision I helped to write that this Congress, House and Senate concurring, decides where American troops serve.

In World War I, in World War II, and it fell apart in Korea, became a U.N. action. It certainly fell apart after the Tonkin Gulf resolution. No declared war. And we had prisoners being dragged through the streets of Hanoi, July 6, 1966.

The liberal Washington Post had to editorialize on Bastille Day, July 14, that if the North Vietnamese kept continuing to treat our men as criminals and air pirates and were going to put them on trial and possibly even execute them, then the results would be absolutely horrendous.

Senator Russell, who the Russell Building is named after, Senator Russell said we would turn North Vietnam into a desert. A lot of people misquote that as a parking lot. We were not going to pave it, it would be a desert. A moon landscape. And it worked. They never again talked about trying them, but they beat 20 or more to

death, they executed 100 in the villages, and they killed lots of civilians that had been captured during the Tet offensive. They kept on torturing our men horribly for 4 or 5 more years, but they never again talked openly about putting them on a public trial. But no declaration of was in Vietnam. It fell apart there.

This House and Senate should lay down the constitutional hard line that the President in article II, section 2 is only referred to by the Framers of our constitution as the Commander in Chief of the forces. And then there is a comment, it says and when the militia, that is the National Guard, is called up, he is the commander there, too.

All of the authority over the armies and the navy, they use plural for armies, armies and the navy, resides under article I, section 8, in this Congress, the House and the Senate. Foreign treaties over on the north side of the beltway, but both of it, and all spending and appropriations and tax bills over here, start here, but we share the authority and the control over our military in every aspect except the commander at the top, where only one person can speak, over the quality, the size of the military, how many people will be on active duty, whether women will or will not go into combat, whether homosexuals will or will not serve, what the colors of the uniform will be, what their weapons will be, their pistols, their rifles, their tanks, their artillery, their ships, their planes, their helicopters, and in how many numbers, and what kind of fuel they will use, and where we will preposition ships, and it should include where they will fight and die under Old Glory.

And it should be whether we decide they will serve under a NATO command with a ratified treaty under SEATO, which died because we could not stand up to communism to the bitter and there, or in CENTO, which fell apart when a good man, Jimmy Carter, inadvertently cut the legs out from under the Shah of Iran, and then he passed away with cancer.

This was all stripped out by Mr. Clinton on February 10. But he only griped about one thing that day, just 5 months and 3 weeks ago, he said the Dornan amendment on HIV, people carrying the fatal venereal disease, AIDS virus, they can disobey the law if they want and I will not order Janet Reno and my Attorney General to defend this law that I am signing into law.

And then a few Republican lameducks around here, and a few Democrats, including a few that I think are utterly corrupt and brought about the death of people, in one case the death of a woman, they gutted this out of the bill, and they did it again.

☐ 2115

Well, they did not get a total victory because I won as the Chairman of Military Personnel on something called end strength. I vowed that every time Clinton or any President want to keep this regiment of people, and I said it before and I will say it again, God love them, they are on a track to death. I am fighting to get the money to extend their lives. I want them to have good care. But they have admitted to me, quote, a Navy chief petty officer, ''I know I should not hold down this billet.'' Another said, ''I know I am not doing right by the military. I'm going to too many medical appointments, taking too much toxic medicine like AZT. I am not performing my job. I know I caused another man or woman to be fired when I was fired off of my aviation job and I have been retrained into their job.''

Whenever Presidents want to keep HIV-positive AIDS-infected personal on active duty, I will always consider them of line. They can stay on active duty and draw pay, but I am always going to add a thousand people, men and women who can as healthy people be trained for combat and be deployed anywhere in the world, even though I do not think we should go there, until we wake up and decide where they should go, people who can be deployed, trained for combat, and do not have to take toxic medicines like AZT. I will keep that thousand on active duty to weight off against this politically protected group of people who need our prayers and super medical aid and should not have to play this game of pretending they can cut it, when in all but a few muscular cases they cannot, and they should be home with their families with as much money as they can make on active duty doing everything they can to extend their lives.

I am always going to add to the end strength more people. And guess what, Mr. Speaker, I did not just add a thousand; I did not add 5,000; I added 20,000 or more over and above what Clinton wanted to cut military down to.

Now, that is HIV and homosexuals in the military. I won two big ones, Mr. Speaker. It looks like this conference has signed off on no Hustler magazines, pornography and soft core pornography, if that is what you want to call Playboy Magazine, or Penthouse, which outsells Playboy, and Hustler outsells them both. This garbage, this direct assault on my mother who has long gone to heaven, my wife who is very much alive, my sisters-in law, my aunt who is alive in her 90's, and my three daughters and five granddaughters and maybe a sixth granddaughter on the way.

Pornography is a frontal, direct, vicious, specific assault upon women. It treats them—well, some homosexual pornography is a direct assault upon boys or young men or ephebes—young men 18, 19, 20—just barely over the age in most States of maturity. Most pornography is a direct assault on women, cheapening down like slavery to a product, meat on a rack. And we have gotten this first behind the counters. Just by ROSCOE BARTLETT of Maryland proposing it, all these PX managers started to hide this stuff and make the young, macho guys who think demeaning women by buying this garbage is manly, and it is not. It is unmanly. They started hiding all of this stuff.

Some of them with guts, practicing Protestants and Christians and observant Jews who work in the PX system saying, Hey, this is enough. Just threaten to take it out, and I want to junk it anyway. But when this is signed into law by Clinton, that is the end of our PX's facilitating pornography.

No freedom of speech problem here. They can get it at the local drug store or they can keep it in their footlocker, but it helps the Navy to tell these guys, stop putting these graphic, gynecological exam shots up on the walls of the carrier hangar deck. Stop that. You can stick it in your footlocker and corrupt yourselves, but you are not going to put it on the walls.

That helps commanders to take that, not puritanical, but strong, manly, decent line, or if it is a female officer, an ethically womanly line, to not have this garbage up. It helps by doing this. So that is a big victory.

And the biggest one of all for me personally, was Clinton signed five Executive Orders, what the Pope called culture of death, Executive Orders on his first day on the job, second day in Office. January 22, 1993, 20th anniversary of the *Roe* v. *Wade* decision; a lying decision based on a gang rape that never took place. There was not a rape that took place or an abortion that took place. Norma McCorvey, the Roe in *Roe* v. *Wade*, is now reconciled with her three daughters. Each one she had threatened to abort, and all of them are alive, praise the Lord. And she has reconciled with them and become a Christian. It took her a couple of steps in how hard to fly in the face of Kate Michaelman and Eleanor Schmiel and Patricia Ireland. But she has squared herself away with the Lord and that phony decision, *Roe* v. *Wade*, on its 20th anniversary with 35 American babies at various stages of gestation killed in their mother's wombs, on that 20th anniversary, Clinton, with a smile from ear to ear, signed those five Executive death orders. Only one has been reversed.

I do not say this pridefully; I say it so they will know where to come and get me to try to reverse it or put some blame, the pro-abortion movement. I reversed one of his five Executive death orders and he signed it into law on February 10, and the Senate tried to strip out and it went through conference and it is there. Why? I will give away a secret. Because I put in closing that 2 percent gap on homosexuals in the military. I knew I would not win that in this election year, given the complexion of both bodies. But sure enough, it worked. They played off that.

If DORNAN will drop the homosexuals in the military, we will leave his Public Law alone and that is in spite of a vote in the Senate 51 to 45 to take out

DORNAN's no abortions in military hospitals. So there are those four.

There are some other things that are kind of strange. Senator BYRD protected two SR–71's. That is fine. We lost our Buy America. To you working Americans out there, DUNCAN HUNTER of San Diego fought hard. Mr. JIM TRAFICANT on this side. Try again next year.

And then there was some other small things. One Senator put in a policy on nondeployables. All the nondeploy ables; not just those with the AIDS virus, and it was a phony attempt to counter me. Once I said I will accept it, they did not even want their own. They dropped it.

We won on the House side on getting work on four beautiful F–18 Hornet fighter aircraft. We are going to get that work done in depots Funding for depots is a 60/40 split on U.S. versus outside work. And that is the report, except for the House receding to the U.S. Senate on POW/MIA language.

Now, Mr. Speaker, I will not be able to vote for the Defense authorization bill on this floor tomorrow if it comes up or when we come back in September. I will have to vote against it in spite of getting nine out of 11 things in the bill, in spite of being the point man with OWEN PICKETT, my Democratic vice chairman from Virginia, at my side on everything, including the multiple POW/MIA hearings, including one that lasted 11 hours and 45 minutes, half a day, with no breaks. We only used the breaks to come over and vote and ate on the run.

Mr. PICKETT and I stood by our men and women in uniform with pay increases, basic allowance for quarters, health provisions refined. Most of my work was on the grinding routine of the military personnel subcommittee, as DAN COATS of Indiana and now the new chairman, DIRK KEMPTHORNE of Idaho, did so assiduously on the other side.

But now without mentioning any names, here comes the POW/MIA tragedy, and what a tragedy it is.

On February 10, again that same day that Clinton signed the Dornan abortion language, the HIV which was stripped out by my own party 3 months after it was in law, a mistake, against the will of 99 percent of all the men and women who are at the E–1 enlisted level E–2, E–3, the sergeants, the NCOs and most of the field officers, all the junior company grade officers that I have spoken to, this House in a gutless move pulled it out. However we did trade it for two pro-life positions in what was called the continuing appropriations bill a few weeks back.

Now, here is what Clinton signed into law: The Missing Persons Act. The guts of it, the core of it, basically were nine things. I will leave it up, Mr. Speaker, to every American who tracks us in this Chamber and follows the proceedings of this House. If we were debating this right now in the Committee of the Whole for the Armed Services Committee, and I was controlling the debate and yield myself such time as I might consume, I would march down these nine points and I would hope, Mr. Speaker, that all Americans would evaluate these.

I will take them the way they were stripped out or allowed to stay, nine of them. I fought for three, and I held three, but six will be stripped out when Clinton signs this bill.

Section 1902(a) of the 1996 Missing Persons Act designates a period of not longer than 48 hours for a unit commander; that is, a squadron commander, Marine company commander, or higher, to report to the theater commander in the theater. That could be very small. The *Mayaguez*, that was a small theater of action off the main port of Cambodia. When a person is missing, it is 48 hours for the unit commander to say to the theater commander, Two days ago Lieutenant Dornan never came back from that patrol. Only one of his radiomen made it back. It was 2 days ago. Let us move on this.

Now that has been moved to 10 days. I ask any person with any logic, what about Scott O'Grady? Scott O'Grady came up on the radio. He told me this in my own office, Tip O'Neill's old district office, Tom Foley's old district office, Jim Wright's old district office in the Rayburn Building. It is my office now, and in that office he told me, I came up on the radio, Congressman, every night for 6 nights and nobody heard me. Only on the sixth night.

Imagine, he was rescued the sixth night and nobody thought he was alive. I said, ''I didn't think you were alive, Scott. I gave up on you.'' He said, ''Don't feel bad, my mom and dad had given up, my sister and my brother, and so had my unit and all but a few of my wingmen.''

One close friend that I met in Aviano told me that he diverted from another capping mission, another deny-flight mission over Bosnia, deny flight to the Serbians, that he flew back in the general direction of where Scott went down, and when he came up on the radio, he got so excited. They played the tapes for me there at the fighter squadron headquarters in that front base at Aviano, Italy. And he said, ''Is that really you, Scott? What was your call sign in Onsong, Korea?'' And he came up with it and he said, ''It is you. It is you.'' He is telling him, ''It is you. It is you.'' Very dramatic.

Day six, now it has been moved to day 10. Ten days not to report that someone is missing? If it is your fault that someone is missing, you have 10 days to cover your tail.

Number 2, section 1502(b), the theater commander after receiving a report from a unit command that a person is missing has 14 days to forward a report to the Secretary concerned, Navy, Air Force, Army, the Navy takes care of the Marine Corps, that all necessary actions were taken, that all appropriate assets were used.

This is called accountability, Mr. Speaker, to resolve the status of the missing person and that all pertinent information was safeguarded. This new gutting of this provision has a unit commander, that can be a company commander on a small ship off the coast, coastal ship, reporting directly to the secretary of some service back in the Pentagon. What kind of an idiotic disconnect is that?

This next one, number 3, is one that I managed to save. But as JIM TALENT of Missouri said, it is worthless without all the other ones that are stripped out of this.

Section 1503.4, a legal counsel will be appointed by the Secretary of the services, or of Defense, to represent a missing person's interest at all boards of inquiry. You know how this is handled most of the time? Go look at that movie ''A Few Good Men.'' Tom Cruise plays a lawyer new on the base. They gave him what they thought was a nothing case and he turned out to be a good lawyer and a big star, but that is what happens. They give to the lowest person in the Judge Advocate office, generally, this nonwinable case.

☐ 2130

So a young captain is told, you will help this missing person's interests at all boards of inquiry. And he says, I do not know the issue. I do not know the theater. I have not been overseas yet. And what are the regs here? What do I base all this on?

No teeth to back up this appointed legal counsel. I fought for it and got that one, but I am wondering what it is worth now.

Number 4, 1505(b), for missing persons last known or suspected of being alive, a board of inquiry will be convened every 3 years after the initial report of disappearance. Chairman DIRK KEMPTHORNE of Idaho had a good point. What about if a family does not want to have this brought up every 3 years, that they have made peace. They are convinced their son was killed, died in captivity. They want to let him rest in peace.

I called it the Kempthorne provision. Good, let us have the families opt out. Then we made it better than that. Everybody is considered opted out except for those who do not think that they got justice and that their son, last known alive, and in the case of the gulf war could be a daughter now, a daughter, suspected of being alive or last known alive, you opt in and want to review every 3 years. Killed. Stripped out.

I am telling you, Mr. Speaker, as I stand here and you sit there, the missing in action, POW families in your State of Colorado are distraught. They are enraged. They are heartbroken. They are literally crying angry tears that this is stripped out.

Now, number 5, 1506, penalizes any Government official who knowingly willingly withholds information related to the disappearance, whereabouts or status of a missing person from his case file. Anyone who knowingly and

willingly, DUNCAN HUNTER of San Diego wanted to add maliciously, they would not accept that, withholds information from the case files because their tail is on the line, the have done shoddy work about someone, their whereabouts, about their disappearance or their status, stripped out, no accountability.

And they know that I am on the brink of bringing charges against two Americans who are innocent until proven guilty, but I want to bring charges against Robert Destat, French name, and Chuck Trowbridge for I think wrongfully and willfully withholding information from one of my best friends in the Air Force, Carol Hrdlicka over her husband.

Remember, Mr. Speaker, I started the POW bracelet at the inspiration of a young 16-year-old named Kaye Hunter who then left for school in Taiwan the next week. She said, I want to wear a POW bracelet, when I had referred to this Montagnard bracelet, on the debut of the Robert K. Dornan show, February 7, 1970. I said that I would wear this Montagnard bracelet, never take it off until the POW's are accounted for. I have never had it off, since September of 1968. That is 28 years I have had this on.

Out of this round Montagnard bracelet that I got at the little village of Kontum, north of Pleiku, 13,000 of these POW bracelets were born. And here is David Hrdlicka's, May 18, 1965, my best friend from the Air Force. Carol, his wife, called me at midnight last night. His son has gone through a full Naval career flying F–18 Hornets, now a first officer with American Airlines. She said, we have not lost yet. We are going to keep the accountability for people who knowingly and willfully withheld information from me. I have to tell Carol, Mr. Speaker, it is gone, stripped out.

Number 6 prevents a missing person from being declared dead without credible proof that if a body is recovered and is not identifiable through visual means, a certification by a practitioner of an appropriate forensic science, pretty broad, a practitioner of an appropriate forensic science, usually a mortician, says that the body recovered is definitely the missing person. Stripped out. We cannot even get this provision through that says a credible practitioner of a forensic science must say, if a body is not visually identifiable, this is the person we are saying it is.

Now we can go back to this routine of a chip, a bone, without even any DNA material to extract from it, that a little chip of a bone in a mass grave, as happened with the case of a C–130 crew in a terrible rain storm. They buried in a mass grave a bag of 10 bodies mixed together, pieces of bones of bodies where not one piece of one bone was able to identify one person. All the families were rolled on that. So there is number 6, stripped out.

Now, numbers 7 and 8, I held for three out of nine. I held these. Section 1508 permits the primary next of kin to seek judicial review at a U.S. district court but only on the basis that there is information that could affect the status of a missing person, new information that was not adequately considered during the DOD administrative review process. That is pretty new. That means new information. And somebody can block new information from coming forward if it makes it look like he has done a shoddy job and he has nothing to worry about because we took out the penalty provision.

So like the young captain being assigned as legal counsel but without any trail of records that he can base his research on, what is that worth? Now we have judicial review but people can obfuscate this thing.

I have never been into conspiracies on this, but always been suspicious of people who homesteaded in this gut-wrenching tragic area for their whole career, giving up promotion and advancement and confusing the relative sometimes and then holding back information when the enemy was being given the information in Hanoi, but they held it back from the families.

The third out of the three that I managed to hold on to was section 1509(b)(1), which permits retroactive review of the case of missing persons known to be suspected of being alive or whose capture was possible at the end of the Korean war or cold war.

This is an important one. If I had not gotten this back, the POW families from the Korean war, where we left, I always have used the figure in this Chamber, 389 known, healthy prisoners were left behind when others came across Freedom Bridge.

Now in my research, when magazine articles from the Times declassified documents that terrific people at the DMPO, that is the Defense Missing Persons Office, have been finding at the Eisenhower Library and in other research documents, and tell Mr. Gudaboi or whatever your name is over there, you better stay out of the way of these honorable, hot analysts and researchers. I will get your name correct. I am masacring it here, but you know who you are, you are a financial person.

Mr. Speaker, this financial person is not an analyst and he must not stop people from traveling to Russia or to anywhere else or doing their work at the Eisenhower Library and think that he is going to replace them as an analyst, when he has been an obstructionist or like Bob Destat and Chuck Trowbridge, you will find yourself, until this bill is overthrown with Clinton's signature, I am moving on this penalty provision while the sun is shining. I am going to bring some justice to these families.

So I got the Korean war and cold war prisoners back into this because Col. Philip Corso, now in his 80's, I have seen him on film saying that he himself went in the Oval Office to a boyhood hero of mine, Gen. Dwight D. Eisenhower, one of only 8 five-star generals, the man who drove Hitler to suicide in less than 3 years and 5 months, the President of the United States for 8 years, one of our rare two-term Presidents in this century. And he said to Colonel Corso, whose heart is bleeding over this now, I accept your recommendation, declare them all dead, even though we knew, I will accept your recommendation to write off these hundreds, not 389 but 900 people we left behind in Korea. That group just coming up to speed.

They had one 2-hour hearing in the Senate and my long hearing over here in the House. And that is the first time there was a House hearing from this chairman in almost half a century for these people whose young men, their husbands and sons, started going missing when first the North Koreans attacked across the 38th parallel and then when they drove us down to the Pusan pocket and we fought back under General MacArthur with the brilliant Inchon landing in October 1950 and then hit the boarder with China. And then in comes the Chinese, because of cabal of perverts in the British system, perverts that all went to Cambridge, Burgess, MacLean, Andrew Blount, Philby, a gang of homosexual spies gave away our secrets that they learned through the British foreign ministry, gave them to the Russians and the Russians gave them to the Chinese in Beijing and they told the Koreans, keep fighting, the United States will never bomb the allied bridges.

There is a chain of death and treason for you, and now we leave behind hundreds of prisoners, just as they are finding out. This was attempted to be repealed and stripped out by one person in the Congress of the United States.

Then we come to number 9, stripped out, 1513(b), permits the civilian Defense Department employees who serve with or accompany the Armed Forces in the field under orders who become missing as a result of hostile action to be covered by this act. It is stripped out, Mr. Speaker.

Let us clarify this. I will read it slowly and then I will flesh it out with some anecdotal true historical circumstances.

Section 1513(b), now public law since February 10, about to be stripped out if this conference passes tomorrow and is sent and Clinton signs it into law in October. It is in the public law now. All of you, all of these Defense Department employees who back up our men all around the world, civilian tech reps at Aviano right now, some that are accompanying our forces, State Department and/or otherwise AID people, Agency for International Development, all around the world, they were in Somalia, they are in Haiti, they are in Bosnia, listen to this, if you are a wife at home or a husband at home and your wife is overseas as a civilian defense employee under orders, accompanying our Armed Forces in the field and you become missing as a result of hostile

action, you are now covered by law since February 10 and you are going to be stripped out of law because people did not listen to what we were doing and saying.

They did not listen to all these letters I have here from the American Legion, Disabled American Veterans, President Dole's Veterans for Dole, the Dole campaign, some Democrat Senators and Congressmen, they listened to nobody. They just deferred to one human being and this is stripped out.

Here are those examples. Wake Island. The then War Department and the Navy Department, each one had its own separate status, answers to Franklin Delano Roosevelt, no overriding Defense Department or Secretary of Defense. They both recruited in the western United States, actually all over the country and brought young college kids, maybe their studies were getting then down, they said, I will go make some good money on a little tiny atoll called Wake Island and Guam and Midway, but Wake Island is the one I am thinking of.

They went out there, hundreds of them, and began to build up the pill boxes, the revetments, the buildings to fortify Wake Island. Before they hardly got started, Wake Island was attacked by the Japanese on December 8.

Wake Island held out miraculously. I was 8 years old and tracked every day of it. They held out until the 23d of December, 2 days before Christmas 1941.

The marine major who served here as a Congressman from Maryland for 10 years, Devereaux, under his commander, who got short shrift, he answered to him but Marines, somehow or other, they earn it most of the time, they get the glory. But Sprig, that was the nickname, Cunningham was the Naval commander in boss of Wake Island. He could have laughed and jumped on the last PBY out. Instead he put some women on it and sent one of his lieutenants to tell the story. They held out. One last F–4F Wildcat pilot sunk a Japanese destroyer, a light cruiser, amazing story, and Sprig Cunningham and his marine commander, Major Devereaux, took all these construction workers and said, if it was the old west it would have been called deputizing them, we make you a part of the U.S. defense force here.

Here is a pot, the old World War I style helmet my Dad wore a couple of decades before. Here is a rifle, Springfield 1903, A–3 bolt action, no M–1 at the time, defend this island. And they fought and died alongside the military, just like a lot AID people in Vietnam, which I am coming to in a minute.

□ 2145

When the island fell the Japanese had hundreds of these civilian War Department or Navy Department workers, hundreds of them. Some died in the hospitals, some were shipped off to Japan to die in the mines in Manchuria, but most were kept to continue doing what they were hired to do, but doing it for the evil war lords of Japan. They started again pouring concrete, building, carpentry, all the skills they were hired for, and they built up Wake Island into a fortress that it never was under us, and we correctly bypassed it, headed for the heartland for islands where we could have B–29 bomber distance to the heartland of Japan. So we went for Saipan, Guam, Tinian, Rota and then up to Okinawa and kept getting closer, and we bypassed Wake. We did hit Guam and liberate Guam.

When we bypassed Wake Island, what happened to all these civilian contract workers? With the war only months from ending, with us only bombarding Wake a couple of times with ships passing on the way to the bigger battles at Leyte and Okinawa, the Japanese lined them all up and murdered them, assassinated them, executed them. They worked as slaves for the imperial war lords of Japan. The Wake Island commandant was executed for this war crime, and they were all executed.

When I brought that case up, when I brought up a friend of mine named Tom Hayden, not the evil Tom Hayden who is a State senator who gave aid and comfort, and this time I use that language because nobody is protected by Rule 18; Tom Hayden of California gave aid and comfort, sustenance, encouragement of morale building strength to the enemy in Vietnam, arrived in Hanoi, received champagne and roses at the airport; not that Tom Hayden. Not the one who betrayed freedom and serves as a State senator in Sacramento against the Constitution of the great State of California which does not require a declared war, which federally we require to use that term, aid and comfort; but in California it just says giving aid and comfort, assistance, sustenance and encouragement to an enemy engaged in conflict with American fighting forces. Not that Tom Hayden. Another Tom Hayden as handsome as a movie star, carried a 45, was the youngest AID, Agency for International Development, person representing the Mekong Delta, Corps IV in Vietnam, and was under combat conditions several times, won a Purple Heart and was given the highest civilian decorations for fighting during the Tet offensive when Communist forces were coming at people. He is now somebody like the good Tom Hayden, and like those people in Wake Island will not be covered as they are covered today since February 10 when this provision is stripped out.

So I saved legal counsel, it is almost meaningless without the rest of this, I saved judicial review, only on new information, allied people, and that is kind of worthless without the rest of this, and then I did save the Korean War, Cold War and Indochina War missing persons known or suspected of being alive.

Mr. Speaker, might I inquire, please, how much time I have left?

The SPEAKER pro tempore (Mr. MCINNIS). The gentleman from California has about 11 minutes and 35 seconds.

Mr. DORNAN. Thank you, Mr. Speaker.

I wish that I had a national radio show where the producers or syndication owners would allow me to read for about a week from this great book with a plain brown cover, POW, a definitive history of the American prisoner of war experience in Vietnam, 1964 to 1973, by John G. Hubbell in association with Andrew Jones and Kenneth Y. Tomlinson. I just saw him out in the hall recently. I believe he still works for Readers Digest.

Listen to some of our workers, civilian workers in Vietnam and what happened to them during the Tet offensive. I called this provision of the Missing Service Personnel Act written by Bob Dole and Chairman BEN GILMAN of this House and by liberal Democrat of honor FRANK LAUTENBERG of New Jersey and gutted last night at 2 o'clock in the Senate House conference; I called this last amendment to protect civilians under orders traveling with our Armed Forces in the field, I called it the Mike Benge amendment.

And here is why. Page 424. This chapter has a Latin title. I remember it in my Latin. Jesuit priest taught me. Illegitamae Non Carborundum. Do not let the bastards get you down, talking about these vicious Communist captures.

''After being captured during the Tet offensive, Mike Benge, the Agency for International Development agriculture adviser, Betty Ann Olsen, a missionary nurse, and Hank Blood, a missionary linguist, had walked the jungle trails together for months. At first the three were kept chained.

The first reference in the book to them is their terrible circumstance of capture. Now this book is episodic and comes back to them.

At first the three were kept chained together by their North Vietnamese army escorts who ate well themselves but kept the prisoners on a starvation diet until they were too weak to attempt escape. Then the chains were removed. The diet was not improved, though it was always a small serving of rice, manioc, and only occasionally a piece of fish or meat, terrapin, turtle, iguana or gibbon ape.

The spring of 1968, they were captured on 1 February, throughout the spring of 1968, the party would camp by rivers. Here Benge contracted malaria. For most of 35 days he remained delirious or blind. Betty Ann Olsen cared for him, keeping him warm when the chills took him, feeding him, bathing him. At length the attacks began to subside.

Betty Ann was seized with a fever, headache, severe pains in the joints and muscles.

You ladies across America, you young women, you women analyzing the glory of the Olympics, think about Betty Ann Olsen. For freedom and Jesus Christ she finds herself undergoing the tortures of the damned. She

was diagnosed with dengue fever. She rested as much as she was allowed to, increased her fluid intake and recovered within a few weeks.

The party kept moving all summer trending southwesterly toward Cambodia. Betty Ann and Hank both developed malaria. Hank, who is 53, a decade younger than I as this moment, was 16 years older than Mike, who was 37. By the way, Michael Benge survived all of this, and 20 years older than Betty Ann who was 33. He seemed to get much sicker than they did and have more difficulty recovering.

And in addition to the malaria, the terrible jungle skin diseases tore ugly running sores into him, and these itched maddeningly. Their North Vietnamese captors would do nothing for them, and there was little the Americans could do for each other except to huddle together for warmth against the cold monsoon rains which were now upon the land.

One morning Blood complained of chest pains. Betty Ann examined him and told Benge the older man had pneumonia. A short walk away was a Communist base camp, complete with hospital facilities. Mike pleaded with the officer in charge of the group that Blood be taken there. His pleas were denied. It took Hank three days to die. He was buried in a shallow, unmarked grave beside a jungle trail. His earthly remains are still there. Mike and Betty Ann were allowed to say prayers over the grave. Then the party moved on.

They crossed into Cambodia, turned north, then east. By late summer, they were back in the vicinity of Ban Me Thuot, where they had been captured. By now, scurvy had loosened their teeth, and their gums bled constantly. Mike and Betty Ann were covered with running sores; their hair had turned white and came out by the fistful. Betty Ann was anemic and suffering terribly from dysentery. They wondered to what purpose they had traveled and suffered all these months; they seemed to be going nowhere.

Still, they encouraged each other and tried to keep each other's spirits up. Mike told Betty Ann of his family's ranch in Oregon and of his three-year hitch in the Marine Corps. Betty Ann told Mike of growing up in Africa's Ivory Coast, where her American parents were missionaries. They starved. They chewed at pieces of buffalo hide they found on the mountain trails; and they grabbed bamboo shoots and munched at them.

Ill and tired himself, Mike worried more and more about Betty Ann. She seemed to be giving out. Their captors showed her no mercy. When she lagged on the trails, they would slap her, knock her down, pick her up, drag her. She kept getting to her feet, moving on.

The monsoon rains hatched out the worst scourge of the Asian jungle, the blood-sucking leech. By September the jungle foliage was covered with leeches. They were shiny black, and some were enormous. They brushed off by the hundreds onto all who passed. One day Mike found himself following a trail of blood—anemic, dysentery-wracked Betty Ann's. When they made camp that evening, she was too weak to pick off the leeches that covered her. Mike removed them, then tried to carry water from a nearby creek to bathe her. He was not strong enough, though, and could get no help. Again he implored the officer in charge, pointing out that there was a North Vietnamese battalion encamped close by. Surely, it would have a doctor or a medic who could help Betty Ann. Perhaps he would have some medicine, some food for her, something. She was dying. The officer in charge was not interested.

Betty Ann was five days dying. Like Hank Blood, she was laid in a shallow, unmarked grave near a jungle trail. Mike prayed over her. Then the party moved on.

Mike developed beriberi. His legs swelled so that he could barely lift them. When he came to a log he had to sit down and lift one leg at a time over it with his hands; and he dared not sit down unless there was a tree close by, so he could pull himself up again. His captors continued to do nothing for him but to keep him moving and to feed him a small ration of rice daily. It occurred to him that they were waiting for him to die. But, suddenly, he knew something they did not know; he was not going to die. Someone had to survive, to make it known what had happened to Hank Blood and Betty Ann Olsen. It was up to him and he would do it, no matter what it took. He would do it by putting one foot ahead of the other, living one hour at a time, for as many steps and years as it took. He was going to do it.

They walked on, into a village near the Cambodian border. The wretched prisoner was displayed to the locals. ''Look at this American,'' his guards shouted. ''He's been riding in cars and airplanes too long. He can't even walk.''

Benge, who was fluent in Vietnamese, spoke up in reply: ''It is not true,'' he shouted. ''I have walked halfway across your country. These men have starved me almost to death. I have beriberi and dysentery and malaria, and they have given me no medicine, no care of any kind. And yet I am alive, and I go wherever they take me.''

The villagers muttered among themselves. The soldiers hustled Mike Benge out of the place. They took him back into Cambodia, which they called the Land of Milk and Honey.

And the story goes on and on. They take him into a village. Here Mike was ushered to a cage-like hut in a stockade area of the base. U.S. Army Lieutenant Stephen R. Leopold, captured on May 9 of 1968, 3 months after Mike, a green beret officer who occupied a cage of his own, he watched Benge approach. He guessed him to be over 60 with his white-haired beard and the way he used a stick to limp along. Soon the two were communicating.

Benge discovered that Leopold learned new Latin and asked to learn the language. Leopold's presence in a Communist cage was ironic. Only 24, he was not long from the campus of Stanford where in 1965 and 1966 he had been editor of the Daily, the Stanford newspaper.

In that capacity he had mounted cogent stands, like I was doing at the time on a television show, I, BOB DORNAN, against the conduct of the war under LBJ and had favored restricting American involvement only to military advisers, only to trained South Vietnamese to fight their own war, and like so many other editorialists at the time, BOB DORNAN on television and radio, he had not had his way. I always had what I call the Dornan pipeline: air power, sea power, and nobody on the ground in Vietnam until they could speak Vietnamese, and that would choke it down through the language schools at Monterey and what eventually became Rosslyn, and yes, I was not just a willing person to sign off on this undeclared war.

The point I am making here, Mr. Speaker, is that although Hank Blood and Betty Ann Olsen were civilian missionaries, Michael Benge, if he had died on that trail with them was a worker for the United States Government sent into a combat area working in the field with our men under orders, and someone said to me:

''Who cares about these civilians? They all make $100,000 a month while I, flying naval aircraft, was only making 5,000.''

☐ 2200

Wait a minute. Wait a minute. Michael Benge was not making $100,000 a month. He was making a GS salary lower than probably an Army major or Navy lieutenant commander. No. Just this one civilian aspect is treacherous.

Let me tell the Members about this book. There are passages in here of such medieval, unholy, vicious torture, with 20 of our men beaten to death by three Cubans, that the fact that someone who had dodged the draft three times, the third time actually giving up an induction date of July 28, 1969, to have an administration led under those circumstances, removing the trade restrictions, normalizing relations, removing the combat status, so if we located live Americans we could not even pull off a covert raid, although I would hope somebody would do something like that, direct action; and now we are driving for the Vietnamese to get an ambassador appointed, and then the battle starts for most-favored-nation status.

The people who gave the orders to torture to death our military men, like Ron Stewart, Norm Schmidt, Ed Attergerry, J.J. Connell, ''Freddy'' Frederick, Ken Cameron, a man called, in the forefront of the book, ''the faker'', who now we know was Major Earl Cobiel, beaten insensate, lashed across his face with a strip of rubber from a tire, and would not even blink, and this foul-mouthed Cuban who became a brigadier general and was sent to the U.N. named Fernandez, and nobody in my country had the guts to arrest him. These people were tortured to death: Tom Benson, Roberts, and then it is dedicated to Betty Olsen and Hank Blood. I will read again from this book.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the House stands in recess subject to the call of the Chair.

Accordingly (at 10 o'clock and 1 minute p.m.), the House stood in recess subject to the call of the Chair.

☐ 2355

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro

tempore [Mr. MCINNIS] at 11 o'clock and 55 minutes p.m.

CONFERENCE REPORT ON H.R. 3230, NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1997

Mr. KASICH submitted the following conference report and statement on the bill (H.R. 3230) to authorize appropriations for fiscal year 1997 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year for the Armed Forces, and for other purposes:

[Will be printed in a future issue of the CONGRESSIONAL RECORD.]

CONFERENCE REPORT ON H.R. 3734, PERSONAL RESPONSIBILITY AND WORK OPPORTUNITY RECONCILIATION ACT OF 1996

Mr. KASICH submitted the following conference report and statement on the bill (H.R. 3734) to provide for reconciliation pursuant to section 201(a)(1) of the concurrent resolution on the budget for fiscal year 1997:

CONFERENCE REPORT (H. REPT. 104–725)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 3734), to provide for reconciliation pursuant to section 201(a)(1) of the concurrent resolution on the budget for fiscal year 1997, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Personal Responsibility and Work Opportunity Reconciliation Act of 1996''.

SEC. 2. TABLE OF CONTENTS.

The table of contents for this Act is as follows:

TITLE I—BLOCK GRANTS FOR TEMPORARY ASSISTANCE FOR NEEDY FAMILIES

Sec. 101. Findings.
Sec. 102. Reference to Social Security Act.
Sec. 103. Block grants to States.
Sec. 104. Services provided by charitable, religious, or private organizations.
Sec. 105. Census data on grandparents as primary caregivers for their grandchildren.
Sec. 106. Report on data processing.
Sec. 107. Study on alternative outcomes measures.
Sec. 108. Conforming amendments to the Social Security Act.
Sec. 109. Conforming amendments to the Food Stamp Act of 1977 and related provisions.
Sec. 110. Conforming amendments to other laws.
Sec. 111. Development of prototype of counterfeit-resistant social security card required.
Sec. 112. Modifications to the job opportunities for certain low-income individuals program.
Sec. 113. Secretarial submission of legislative proposal for technical and conforming amendments.
Sec. 114. Assuring medicaid coverage for low-income families.
Sec. 115. Denial of assistance and benefits for certain drug-related convictions.
Sec. 116. Effective date; transition rule.

TITLE II—SUPPLEMENTAL SECURITY INCOME

Sec. 200. Reference to Social Security Act.

Subtitle A—Eligibility Restrictions

Sec. 201. Denial of SSI benefits for 10 years to individuals found to have fraudulently misrepresented residence in order to obtain benefits simultaneously in 2 or more States.
Sec. 202. Denial of SSI benefits for fugitive felons and probation and parole violators.
Sec. 203. Treatment of prisoners.
Sec. 204. Effective date of application for benefits.

Subtitle B—Benefits for Disabled Children

Sec. 211. Definition and eligibility rules.
Sec. 212. Eligibility redeterminations and continuing disability reviews.
Sec. 213. Additional accountability requirements.
Sec. 214. Reduction in cash benefits payable to institutionalized individuals whose medical costs are covered by private insurance.
Sec. 215. Regulations.

Subtitle C—Additional Enforcement Provision

Sec. 221. Installment payment of large past-due supplemental security income benefits.
Sec. 222. Regulations.

Subtitle D—Studies Regarding Supplemental Security Income Program

Sec. 231. Annual report on the supplemental security income program.
Sec. 232. Study by General Accounting Office.

TITLE III—CHILD SUPPORT

Sec. 300. Reference to Social Security Act.

Subtitle A—Eligibility for Services; Distribution of Payments

Sec. 301. State obligation to provide child support enforcement services.
Sec. 302. Distribution of child support collections.
Sec. 303. Privacy safeguards.
Sec. 304. Rights to notification of hearings.

Subtitle B—Locate and Case Tracking

Sec. 311. State case registry.
Sec. 312. Collection and disbursement of support payments.
Sec. 313. State directory of new hires.
Sec. 314. Amendments concerning income withholding.
Sec. 315. Locator information from interstate networks.
Sec. 316. Expansion of the Federal parent locator service.
Sec. 317. Collection and use of social security numbers for use in child support enforcement.

Subtitle C—Streamlining and Uniformity of Procedures

Sec. 321. Adoption of uniform State laws.
Sec. 322. Improvements to full faith and credit for child support orders.
Sec. 323. Administrative enforcement in interstate cases.
Sec. 324. Use of forms in interstate enforcement.
Sec. 325. State laws providing expedited procedures.

Subtitle D—Paternity Establishment

Sec. 331. State laws concerning paternity establishment.
Sec. 332. Outreach for voluntary paternity establishment.
Sec. 333. Cooperation by applicants for and recipients of part A assistance.

Subtitle E—Program Administration and Funding

Sec. 341. Performance-based incentives and penalties.
Sec. 342. Federal and State reviews and audits.
Sec. 343. Required reporting procedures.
Sec. 344. Automated data processing requirements.
Sec. 345. Technical assistance.
Sec. 346. Reports and data collection by the Secretary.

Subtitle F—Establishment and Modification of Support Orders

Sec. 351. Simplified process for review and adjustment of child support orders.
Sec. 352. Furnishing consumer reports for certain purposes relating to child support.
Sec. 353. Nonliability for financial institutions providing financial records to State child support enforcement agencies in child support cases.

Subtitle G—Enforcement of Support Orders

Sec. 361. Internal Revenue Service collection of arrearages.
Sec. 362. Authority to collect support from Federal employees.
Sec. 363. Enforcement of child support obligations of members of the Armed Forces.
Sec. 364. Voiding of fraudulent transfers.
Sec. 365. Work requirement for persons owing past-due child support.
Sec. 366. Definition of support order.
Sec. 367. Reporting arrearages to credit bureaus.
Sec. 368. Liens.
Sec. 369. State law authorizing suspension of licenses.
Sec. 370. Denial of passports for nonpayment of child support.
Sec. 371. International support enforcement.
Sec. 372. Financial institution data matches.
Sec. 373. Enforcement of orders against paternal or maternal grandparents in cases of minor parents.
Sec. 374. Nondischargeability in bankruptcy of certain debts for the support of a child.
Sec. 375. Child support enforcement for Indian tribes.

Subtitle H—Medical Support

Sec. 381. Correction to ERISA definition of medical child support order.
Sec. 382. Enforcement of orders for health care coverage.

Subtitle I—Enhancing Responsibility and Opportunity for Non-Residential Parents

Sec. 391. Grants to States for access and visitation programs.

Subtitle J—Effective Dates and Conforming Amendments

Sec. 395. Effective dates and conforming amendments.

TITLE IV—RESTRICTING WELFARE AND PUBLIC BENEFITS FOR ALIENS

Sec. 400. Statements of national policy concerning welfare and immigration.

Subtitle A—Eligibility for Federal Benefits

Sec. 401. Aliens who are not qualified aliens ineligible for Federal public benefits.

Sec. 402. Limited eligibility of qualified aliens for certain Federal programs.
Sec. 403. Five-year limited eligibility of qualified aliens for Federal means-tested public benefit.
Sec. 404. Notification and information reporting.
Subtitle B—Eligibility for State and Local Public Benefits Programs
Sec. 411. Aliens who are not qualified aliens or nonimmigrants ineligible for State and local public benefits.
Sec. 412. State authority to limit eligibility of qualified aliens for State public benefits.
Subtitle C—Attribution of Income and Affidavits of Support
Sec. 421. Federal attribution of sponsor's income and resources to alien.
Sec. 422. Authority for States to provide for attribution of sponsors income and resources to the alien with respect to State programs.
Sec. 423. Requirements for sponsor's affidavit of support.
Subtitle D—General Provisions
Sec. 431. Definitions.
Sec. 432. Verification of eligibility for Federal public benefits.
Sec. 433. Statutory construction.
Sec. 434. Communication between State and local government agencies and the Immigration and Naturalization Service.
Sec. 435. Qualifying quarters.
Subtitle E—Conforming Amendments Relating to Assisted Housing
Sec. 441. Conforming amendments relating to assisted housing.
Subtitle F—Earning Income Credit Denied to Unauthorized Employees
Sec. 451. Earned income credit denied to individuals not authorized to be employed in the United States.
TITLE V—CHILD PROTECTION
Sec. 501. Authority of States to make foster care maintenance payments on behalf of children in any private child care institution.
Sec. 502. Extension of enhanced match for implementation of statewide automated child welfare information systems.
Sec. 503. National random sample study of child welfare.
Sec. 504. Redesignation of section 1123.
Sec. 505. Kinship care.
TITLE VI—CHILD CARE
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Sec. 602. Goals.
Sec. 603. Authorization of appropriations and entitlement authority.
Sec. 604. Lead agency.
Sec. 605. Application and plan.
Sec. 606. Limitation on State allotments.
Sec. 607. Activities to improve the quality of child care.
Sec. 608. Repeal of early childhood development and before- and after-school care requirement.
Sec. 609. Administration and enforcement.
Sec. 610. Payments.
Sec. 611. Annual report and audits.
Sec. 612. Report by the Secretary.
Sec. 613. Allotments.
Sec. 614. Definitions.
Sec. 615. Effective date.
TITLE VII—CHILD NUTRITION PROGRAMS
Subtitle A—National School Lunch Act
Sec. 701. State disbursement to schools.
Sec. 702. Nutritional and other program requirements.
Sec. 703. Free and reduced price policy statement.
Sec. 704. Special assistance.
Sec. 705. Miscellaneous provisions and definitions.
Sec. 706. Summer food service program for children.
Sec. 707. Commodity distribution.
Sec. 708. Child and adult care food program.
Sec. 709. Pilot projects.
Sec. 710. Reduction of paperwork.
Sec. 711. Information on income eligibility.
Sec. 712. Nutrition guidance for child nutrition programs.
Subtitle B—Child Nutrition Act of 1966
Sec. 721. Special milk program.
Sec. 722. Free and reduced price policy statement.
Sec. 723. School breakfast program authorization.
Sec. 724. State administrative expenses.
Sec. 725. Regulations.
Sec. 726. Prohibitions.
Sec. 727. Miscellaneous provisions and definitions.
Sec. 728. Accounts and records.
Sec. 729. Special supplemental nutrition program for women, infants, and children.
Sec. 730. Cash grants for nutrition education.
Sec. 731. Nutrition education and training.
Subtitle C—Miscellaneous Provisions
Sec. 741. Coordination of school lunch, school breakfast, and summer food service programs.
Sec. 742. Requirements relating to provision of benefits based on citizenship, alienage, or immigration status under the National School Lunch Act, the Child Nutrition Act of 1966, and certain other acts.
TITLE VIII—FOOD STAMPS AND COMMODITY DISTRIBUTION
Subtitle A—Food Stamp Program
Sec. 801. Definition of certification period.
Sec. 802. Definition of coupon.
Sec. 803. Treatment of children living at home.
Sec. 804. Adjustment of thrifty food plan.
Sec. 805. Definition of homeless individual.
Sec. 806. State option for eligibility standards.
Sec. 807. Earnings of students.
Sec. 808. Energy assistance.
Sec. 809. Deductions from income.
Sec. 810. Vehicle allowance.
Sec. 811. Vendor payments for transitional housing counted as income.
Sec. 812. Simplified calculation of income for the self-employed.
Sec. 813. Doubled penalties for violating food stamp program requirements.
Sec. 814. Disqualification of convicted individuals.
Sec. 815. Disqualification.
Sec. 816. Caretaker exemption.
Sec. 817. Employment and training.
Sec. 818. Food stamp eligibility.
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Sec. 821. Disqualification of fleeing felons.
Sec. 822. Cooperation with child support agencies.
Sec. 823. Disqualification relating to child support arrears.
Sec. 824. Work requirement.
Sec. 825. Encouragement of electronic benefit transfer systems.
Sec. 826. Value of minimum allotment.
Sec. 827. Benefits on recertification.
Sec. 828. Optional combined allotment for expedited households.
Sec. 829. Failure to comply with other means-tested public assistance programs.
Sec. 830. Allotments for households residing in centers.
Sec. 831. Condition precedent for approval of retail food stores and wholesale food concerns.
Sec. 832. Authority to establish authorization periods.
Sec. 833. Information for verifying eligibility for authorization.
Sec. 834. Waiting period for stores that fail to meet authorization criteria.
Sec. 835. Operation of food stamp offices.
Sec. 836. State employee and training standards.
Sec. 837. Exchange of law enforcement information.
Sec. 838. Expedited coupon service.
Sec. 839. Withdrawing fair hearing requests.
Sec. 840. Income, eligibility, and immigration status verification systems.
Sec. 841. Investigations.
Sec. 842. Disqualification of retailers who intentionally submit falsified applications.
Sec. 843. Disqualification of retailers who are disqualified under the WIC program.
Sec. 844. Collection of overissuances.
Sec. 845. Authority to suspend stores violating program requirements pending administrative and judicial review.
Sec. 846. Expanded criminal forfeiture for violations.
Sec. 847. Limitation on Federal match.
Sec. 848. Standards for administration.
Sec. 849. Work supplementation or support program.
Sec. 850. Waiver authority.
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Sec. 853. Reauthorization.
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Sec. 903. Elimination of housing assistance with respect to fugitive felons and probation and parole violators.
Sec. 904. Sense of the Senate regarding the inability of the noncustodial parent to pay child support.
Sec. 905. Establishing national goals to prevent teenage pregnancies.
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Sec. 907. Provisions to encourage electronic benefit transfer systems.
Sec. 908. Reduction of block grants to States for social services; use of vouchers.
Sec. 909. Rules relating to denial of earned income credit on basis of disqualified income.

Sec. 910. Modification of adjusted gross income definition for earned income credit.
Sec. 911. Fraud under means-tested welfare and public assistance programs.
Sec. 912. Abstinence education.
Sec. 913. Change in reference.
TITLE I—BLOCK GRANTS FOR TEMPORARY ASSISTANCE FOR NEEDY FAMILIES

SEC. 101. FINDINGS.

The Congress makes the following findings:

(1) Marriage is the foundation of a successful society.

(2) Marriage is an essential institution of a successful society which promotes the interests of children.

(3) Promotion of responsible fatherhood and motherhood is integral to successful child rearing and the well-being of children.

(4) In 1992, only 54 percent of single-parent families with children had a child support order established and, of that 54 percent, only about one-half received the full amount due. Of the cases enforced through the public child support enforcement system, only 18 percent of the caseload has a collection.

(5) The number of individuals receiving aid to families with dependent children (in this section referred to as ''AFDC'') has more than tripled since 1965. More than two-thirds of these recipients are children. Eighty-nine percent of children receiving AFDC benefits now live in homes in which no father is present.

(A)(i) The average monthly number of children receiving AFDC benefits—

(I) was 3,300,000 in 1965;

(II) was 6,200,000 in 1970;

(III) was 7,400,000 in 1980; and

(IV) was 9,300,000 in 1992.

(ii) While the number of children receiving AFDC benefits increased nearly threefold between 1965 and 1992, the total number of children in the United States aged 0 to 18 has declined by 5.5 percent.

(B) The Department of Health and Human Services has estimated that 12,000,000 children will receive AFDC benefits within 10 years.

(C) The increase in the number of children receiving public assistance is closely related to the increase in births to unmarried women. Between 1970 and 1991, the percentage of live births to unmarried women increased nearly threefold, from 10.7 percent to 29.5 percent.

(6) The increase of out-of-wedlock pregnancies and births is well documented as follows:

(A) It is estimated that the rate of nonmarital teen pregnancy rose 23 percent from 54 pregnancies per 1,000 unmarried teenagers in 1976 to 66.7 pregnancies in 1991. The overall rate of nonmarital pregnancy rose 14 percent from 90.8 pregnancies per 1,000 unmarried women in 1980 to 103 in both 1991 and 1992. In contrast, the overall pregnancy rate for married couples decreased 7.3 percent between 1980 and 1991, from 126.9 pregnancies per 1,000 married women in 1980 to 117.6 pregnancies in 1991.

(B) The total of all out-of-wedlock births between 1970 and 1991 has risen from 10.7 percent to 29.5 percent and if the current trend continues, 50 percent of all births by the year 2015 will be out-of-wedlock.

(7) An effective strategy to combat teenage pregnancy must address the issue of male responsibility, including statutory rape culpability and prevention. The increase of teenage pregnancies among the youngest girls is particularly severe and is linked to predatory sexual practices by men who are significantly older.

(A) It is estimated that in the late 1980's, the rate for girls age 14 and under giving birth increased 26 percent.

(B) Data indicates that at least half of the children born to teenage mothers are fathered by adult men. Available data suggests that almost 70 percent of births to teenage girls are fathered by men over age 20.

(C) Surveys of teen mothers have revealed that a majority of such mothers have histories of sexual and physical abuse, primarily with older adult men.

(8) The negative consequences of an out-of-wedlock birth on the mother, the child, the family, and society are well documented as follows:

(A) Young women 17 and under who give birth outside of marriage are more likely to go on public assistance and to spend more years on welfare once enrolled. These combined effects of ''younger and longer'' increase total AFDC costs per household by 25 percent to 30 percent for 17-year-olds.

(B) Children born out-of-wedlock have a substantially higher risk of being born at a very low or moderately low birth weight.

(C) Children born out-of-wedlock are more likely to experience low verbal cognitive attainment, as well as more child abuse, and neglect.

(D) Children born out-of-wedlock were more likely to have lower cognitive scores, lower educational aspirations, and a greater likelihood of becoming teenage parents themselves.

(E) Being born out-of-wedlock significantly reduces the chances of the child growing up to have an intact marriage.

(F) Children born out-of-wedlock are 3 times more likely to be on welfare when they grow up.

(9) Currently 35 percent of children in single-parent homes were born out-of-wedlock, nearly the same percentage as that of children in single-parent homes whose parents are divorced (37 percent). While many parents find themselves, through divorce or tragic circumstances beyond their control, facing the difficult task of raising children alone, nevertheless, the negative consequences of raising children in single-parent homes are well documented as follows:

(A) Only 9 percent of married-couple families with children under 18 years of age have income below the national poverty level. In contrast, 46 percent of female-headed households with children under 18 years of age are below the national poverty level.

(B) Among single-parent families, nearly ½ of the mothers who never married received AFDC while only ⅕ of divorced mothers received AFDC.

(C) Children born into families receiving welfare assistance are 3 times more likely to be on welfare when they reach adulthood than children not born into families receiving welfare.

(D) Mothers under 20 years of age are at the greatest risk of bearing low-birth-weight babies.

(E) The younger the single parent mother, the less likely she is to finish high school.

(F) Young women who have children before finishing high school are more likely to receive welfare assistance for a longer period of time.

(G) Between 1985 and 1990, the public cost of births to teenage mothers under the aid to families with dependent children program, the food stamp program, and the medicaid program has been estimated at $120,000,000,000.

(H) The absence of a father in the life of a child has a negative effect on school performance and peer adjustment.

(I) Children of teenage single parents have lower cognitive scores, lower educational aspirations, and a greater likelihood of becoming teenage parents themselves.

(J) Children of single-parent homes are 3 times more likely to fail and repeat a year in grade school than are children from intact 2-parent families.

(K) Children from single-parent homes are almost 4 times more likely to be expelled or suspended from school.

(L) Neighborhoods with larger percentages of youth aged 12 through 20 and areas with higher percentages of single-parent households have higher rates of violent crime.

(M) Of those youth held for criminal offenses within the State juvenile justice system, only 29.8 percent lived primarily in a home with both parents. In contrast to these incarcerated youth, 73.9 percent of the 62,800,000 children in the Nation's resident population were living with both parents.

(10) Therefore, in light of this demonstration of the crisis in our Nation, it is the sense of the Congress that prevention of out-of-wedlock pregnancy and reduction in out-of-wedlock birth are very important Government interests and the policy contained in part A of title IV of the Social Security Act (as amended by section 103(a) of this Act) is intended to address the crisis.

SEC. 102. REFERENCE TO SOCIAL SECURITY ACT.

Except as otherwise specifically provided, wherever in this title an amendment 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 other provision of the Social Security Act.

SEC. 103. BLOCK GRANTS TO STATES.

(a) IN GENERAL.—Part A of title IV (42 U.S.C. 601 et seq.) is amended—

(1) by striking all that precedes section 418 (as added by section 603(b)(2) of this Act) and inserting the following:

''PART A—BLOCK GRANTS TO STATES FOR TEMPORARY ASSISTANCE FOR NEEDY FAMILIES

''SEC. 401. PURPOSE.

''(a) IN GENERAL.—The purpose of this part is to increase the flexibility of States in operating a program designed to—

''(1) provide assistance to needy families so that children may be cared for in their own homes or in the homes of relatives;

''(2) end the dependence of needy parents on government benefits by promoting job preparation, work, and marriage;

''(3) prevent and reduce the incidence of out-of-wedlock pregnancies and establish annual numerical goals for preventing and reducing the incidence of these pregnancies; and

''(4) encourage the formation and maintenance of two-parent families.

''(b) NO INDIVIDUAL ENTITLEMENT.—This part shall not be interpreted to entitle any individual or family to assistance under any State program funded under this part.

''SEC. 402. ELIGIBLE STATES; STATE PLAN.

''(a) IN GENERAL.—As used in this part, the term 'eligible State' means, with respect to a fiscal year, a State that, during the 2-year period immediately preceding the fiscal year, has submitted to the Secretary a plan that the Secretary has found includes the following:

''(1) OUTLINE OF FAMILY ASSISTANCE PROGRAM.—

''(A) GENERAL PROVISIONS.—A written document that outlines how the State intends to do the following:

''(i) Conduct a program, designed to serve all political subdivisions in the State (not necessarily in a uniform manner), that provides assistance to needy families with (or expecting) children and provides parents with job preparation, work, and support services to enable them to leave the program and become self-sufficient.

''(ii) Require a parent or caretaker receiving assistance under the program to engage

in work (as defined by the State) once the State determines the parent or caretaker is ready to engage in work, or once the parent or caretaker has received assistance under the program for 24 months (whether or not consecutive), whichever is earlier.

''(iii) Ensure that parents and caretakers receiving assistance under the program engage in work activities in accordance with section 407.

''(iv) Take such reasonable steps as the State deems necessary to restrict the use and disclosure of information about individuals and families receiving assistance under the program attributable to funds provided by the Federal Government.

''(v) Establish goals and take action to prevent and reduce the incidence of out-of-wedlock pregnancies, with special emphasis on teenage pregnancies, and establish numerical goals for reducing the illegitimacy ratio of the State (as defined in section 403(a)(2)(B)) for calendar years 1996 through 2005.

''(vi) Conduct a program, designed to reach State and local law enforcement officials, the education system, and relevant counseling services, that provides education and training on the problem of statutory rape so that teenage pregnancy prevention programs may be expanded in scope to include men.

''(B) SPECIAL PROVISIONS.—

''(i) The document shall indicate whether the State intends to treat families moving into the State from another State differently than other families under the program, and if so, how the State intends to treat such families under the program.

''(ii) The document shall indicate whether the State intends to provide assistance under the program to individuals who are not citizens of the United States, and if so, shall include an overview of such assistance.

''(iii) The document shall set forth objective criteria for the delivery of benefits and the determination of eligibility and for fair and equitable treatment, including an explanation of how the State will provide opportunities for recipients who have been adversely affected to be heard in a State administrative or appeal process.

''(iv) Not later than 1 year after the date of enactment of this Act, unless the chief executive officer of the State opts out of this provision by notifying the Secretary, a State shall, consistent with the exception provided in section 407(e)(2), require a parent or caretaker receiving assistance under the program who, after receiving such assistance for 2 months is not exempt from work requirements and is not engaged in work, as determined under section 407(c), to participate in community service employment, with minimum hours per week and tasks to be determined by the State.

''(2) CERTIFICATION THAT THE STATE WILL OPERATE A CHILD SUPPORT ENFORCEMENT PROGRAM.—A certification by the chief executive officer of the State that, during the fiscal year, the State will operate a child support enforcement program under the State plan approved under part D.

''(3) CERTIFICATION THAT THE STATE WILL OPERATE A FOSTER CARE AND ADOPTION ASSISTANCE PROGRAM.—A certification by the chief executive officer of the State that, during the fiscal year, the State will operate a foster care and adoption assistance program under the State plan approved under part E, and that the State will take such actions as are necessary to ensure that children receiving assistance under such part are eligible for medical assistance under the State plan under title XIX.

''(4) CERTIFICATION OF THE ADMINISTRATION OF THE PROGRAM.—A certification by the chief executive officer of the State specifying which State agency or agencies will administer and supervise the program referred to in paragraph (1) for the fiscal year, which shall include assurances that local governments and private sector organizations—

''(A) have been consulted regarding the plan and design of welfare services in the State so that services are provided in a manner appropriate to local populations; and

''(B) have had at least 45 days to submit comments on the plan and the design of such services.

''(5) CERTIFICATION THAT THE STATE WILL PROVIDE INDIANS WITH EQUITABLE ACCESS TO ASSISTANCE.—A certification by the chief executive officer of the State that, during the fiscal year, the State will provide each member of an Indian tribe, who is domiciled in the State and is not eligible for assistance under a tribal family assistance plan approved under section 412, with equitable access to assistance under the State program funded under this part attributable to funds provided by the Federal Government.

''(6) CERTIFICATION OF STANDARDS AND PROCEDURES TO ENSURE AGAINST PROGRAM FRAUD AND ABUSE.—A certification by the chief executive officer of the State that the State has established and is enforcing standards and procedures to ensure against program fraud and abuse, including standards and procedures concerning nepotism, conflicts of interest among individuals responsible for the administration and supervision of the State program, kickbacks, and the use of political patronage.

''(7) OPTIONAL CERTIFICATION OF STANDARDS AND PROCEDURES TO ENSURE THAT THE STATE WILL SCREEN FOR AND IDENTIFY DOMESTIC VIOLENCE.—

''(A) IN GENERAL.—At the option of the State, a certification by the chief executive officer of the State that the State has established and is enforcing standards and procedures to—

''(i) screen and identify individuals receiving assistance under this part with a history of domestic violence while maintaining the confidentiality of such individuals;

''(ii) refer such individuals to counseling and supportive services; and

''(iii) waive, pursuant to a determination of good cause, other program requirements such as time limits (for so long as necessary) for individuals receiving assistance, residency requirements, child support cooperation requirements, and family cap provisions, in cases where compliance with such requirements would make it more difficult for individuals receiving assistance under this part to escape domestic violence or unfairly penalize such individuals who are or have been victimized by such violence, or individuals who are at risk of further domestic violence.

''(B) DOMESTIC VIOLENCE DEFINED.—For purposes of this paragraph, the term 'domestic violence' has the same meaning as the term 'battered or subjected to extreme cruelty', as defined in section 408(a)(7)(C)(iii).

''(b) PUBLIC AVAILABILITY OF STATE PLAN SUMMARY.—The State shall make available to the public a summary of any plan submitted by the State under this section.

''SEC. 403. GRANTS TO STATES.

''(a) GRANTS.—

''(1) FAMILY ASSISTANCE GRANT.—

''(A) IN GENERAL.—Each eligible State shall be entitled to receive from the Secretary, for each of fiscal years 1996, 1997, 1998, 1999, 2000, 2001, and 2002, a grant in an amount equal to the State family assistance grant.

''(B) STATE FAMILY ASSISTANCE GRANT DEFINED.—As used in this part, the term 'State family assistance grant' means the greatest of—

''(i) ⅓ of the total amount required to be paid to the State under former section 403 (as in effect on September 30, 1995) for fiscal years 1992, 1993, and 1994 (other than with respect to amounts expended by the State for child care under subsection (g) or (i) of former section 402 (as so in effect));

''(ii)(I) the total amount required to be paid to the State under former section 403 for fiscal year 1994 (other than with respect to amounts expended by the State for child care under subsection (g) or (i) of former section 402 (as so in effect)); plus

''(II) an amount equal to 85 percent of the amount (if any) by which the total amount required to be paid to the State under former section 403(a)(5) for emergency assistance for fiscal year 1995 exceeds the total amount required to be paid to the State under former section 403(a)(5) for fiscal year 1994, if, during fiscal year 1994 or 1995, the Secretary approved under former section 402 an amendment to the former State plan with respect to the provision of emergency assistance; or

''(iii) ⅔ of the total amount required to be paid to the State under former section 403 (as in effect on September 30, 1995) for the 1st 3 quarters of fiscal year 1995 (other than with respect to amounts expended by the State under the State plan approved under part F (as so in effect) or for child care under subsection (g) or (i) of former section 402 (as so in effect)), plus the total amount required to be paid to the State for fiscal year 1995 under former section 403(l) (as so in effect).

''(C) TOTAL AMOUNT REQUIRED TO BE PAID TO THE STATE UNDER FORMER SECTION 403 DEFINED.—As used in this part, the term 'total amount required to be paid to the State under former section 403' means, with respect to a fiscal year—

''(i) in the case of a State to which section 1108 does not apply, the sum of—

''(I) the Federal share of maintenance assistance expenditures for the fiscal year, before reduction pursuant to subparagraph (B) or (C) of section 403(b)(2) (as in effect on September 30, 1995), as reported by the State on ACF Form 231;

''(II) the Federal share of administrative expenditures (including administrative expenditures for the development of management information systems) for the fiscal year, as reported by the State on ACF Form 231;

''(III) the Federal share of emergency assistance expenditures for the fiscal year, as reported by the State on ACF Form 231;

''(IV) the Federal share of expenditures for the fiscal year with respect to child care pursuant to subsections (g) and (i) of former section 402 (as in effect on September 30, 1995), as reported by the State on ACF Form 231; and

''(V) the Federal obligations made to the State under section 403 for the fiscal year with respect to the State program operated under part F (as in effect on September 30, 1995), as determined by the Secretary, including additional obligations or reductions in obligations made after the close of the fiscal year; and

''(ii) in the case of a State to which section 1108 applies, the lesser of—

''(I) the sum described in clause (i); or

''(II) the total amount certified by the Secretary under former section 403 (as in effect during the fiscal year) with respect to the territory.

''(D) INFORMATION TO BE USED IN DETERMINING AMOUNTS.—

''(i) FOR FISCAL YEARS 1992 AND 1993.—

''(I) In determining the amounts described in subclauses (I) through (IV) of subparagraph (C)(i) for any State for each of fiscal years 1992 and 1993, the Secretary shall use information available as of April 28, 1995.

''(II) In determining the amount described in subparagraph (C)(i)(V) for any State for

each of fiscal years 1992 and 1993, the Secretary shall use information available as of January 6, 1995.

''(ii) FOR FISCAL YEAR 1994.—In determining the amounts described in subparagraph (C)(i) for any State for fiscal year 1994, the Secretary shall use information available as of April 28, 1995.

''(iii) FOR FISCAL YEAR 1995.—

''(I) In determining the amount described in subparagraph (B)(ii)(II) for any State for fiscal year 1995, the Secretary shall use the information which was reported by the States and estimates made by the States with respect to emergency assistance expenditures and was available as of August 11, 1995.

''(II) In determining the amounts described in subclauses (I) through (III) of subparagraph (C)(i) for any State for fiscal year 1995, the Secretary shall use information available as of October 2, 1995.

''(III) In determining the amount described in subparagraph (C)(i)(IV) for any State for fiscal year 1995, the Secretary shall use information available as of February 28, 1996.

''(IV) In determining the amount described in subparagraph (C)(i)(V) for any State for fiscal year 1995, the Secretary shall use information available as of October 5, 1995.

''(E) APPROPRIATION.—Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated for fiscal years 1996, 1997, 1998, 1999, 2000, 2001, and 2002 such sums as are necessary for grants under this paragraph.

''(2) BONUS TO REWARD DECREASE IN ILLEGITIMACY.—

''(A) IN GENERAL.—Each eligible State shall be entitled to receive from the Secretary a grant for each bonus year for which the State demonstrates a net decrease in out-of-wedlock births.

''(B) AMOUNT OF GRANT.—

''(i) IF 5 ELIGIBLE STATES.—If there are 5 eligible States for a bonus year, the amount of the grant shall be $20,000,000.

''(ii) IF FEWER THAN 5 ELIGIBLE STATES.—If there are fewer than 5 eligible States for a bonus year, the amount of the grant shall be $25,000,000.

''(C) DEFINITIONS.—As used in this paragraph:

''(i) ELIGIBLE STATE.—

''(I) IN GENERAL.—The term 'eligible State' means a State that the Secretary determines meets the following requirements:

''(aa) The State demonstrates that the number of out-of-wedlock births that occurred in the State during the most recent 2-year period for which such information is available decreased as compared to the number of such births that occurred during the previous 2-year period, and the magnitude of the decrease for the State for the period is not exceeded by the magnitude of the corresponding decrease for 5 or more other States for the period.

''(bb) The rate of induced pregnancy terminations in the State for the fiscal year is less than the rate of induced pregnancy terminations in the State for fiscal year 1995.

''(II) DISREGARD OF CHANGES IN DATA DUE TO CHANGED REPORTING METHODS.—In making the determination required by subclause (I), the Secretary shall disregard—

''(aa) any difference between the number of out-of-wedlock births that occurred in a State for a fiscal year and the number of out-of-wedlock births that occurred in a State for fiscal year 1995 which is attributable to a change in State methods of reporting data used to calculate the number of out-of-wedlock births; and

''(bb) any difference between the rate of induced pregnancy terminations in a State for a fiscal year and such rate for fiscal year 1995 which is attributable to a change in State methods of reporting data used to calculate such rate.

''(ii) BONUS YEAR.—The term 'bonus year' means fiscal years 1999, 2000, 2001, and 2002.

''(D) APPROPRIATION.—Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated for fiscal years 1999 through 2002, such sums as are necessary for grants under this paragraph.

''(3) SUPPLEMENTAL GRANT FOR POPULATION INCREASES IN CERTAIN STATES.—

''(A) IN GENERAL.—Each qualifying State shall, subject to subparagraph (F), be entitled to receive from the Secretary—

''(i) for fiscal year 1998 a grant in an amount equal to 2.5 percent of the total amount required to be paid to the State under former section 403 (as in effect during fiscal year 1994) for fiscal year 1994; and

''(ii) for each of fiscal years 1999, 2000, and 2001, a grant in an amount equal to the sum of—

''(I) the amount (if any) required to be paid to the State under this paragraph for the immediately preceding fiscal year; and

''(II) 2.5 percent of the sum of—

''(aa) the total amount required to be paid to the State under former section 403 (as in effect during fiscal year 1994) for fiscal year 1994; and

''(bb) the amount (if any) required to be paid to the State under this paragraph for the fiscal year preceding the fiscal year for which the grant is to be made.

''(B) PRESERVATION OF GRANT WITHOUT INCREASES FOR STATES FAILING TO REMAIN QUALIFYING STATES.—Each State that is not a qualifying State for a fiscal year specified in subparagraph (A)(ii) but was a qualifying State for a prior fiscal year shall, subject to subparagraph (F), be entitled to receive from the Secretary for the specified fiscal year, a grant in an amount equal to the amount required to be paid to the State under this paragraph for the most recent fiscal year for which the State was a qualifying State.

''(C) QUALIFYING STATE.—

''(i) IN GENERAL.—For purposes of this paragraph, a State is a qualifying State for a fiscal year if—

''(I) the level of welfare spending per poor person by the State for the immediately preceding fiscal year is less than the national average level of State welfare spending per poor person for such preceding fiscal year; and

''(II) the population growth rate of the State (as determined by the Bureau of the Census) for the most recent fiscal year for which information is available exceeds the average population growth rate for all States (as so determined) for such most recent fiscal year.

''(ii) STATE MUST QUALIFY IN FISCAL YEAR 1997.—Notwithstanding clause (i), a State shall not be a qualifying State for any fiscal year after 1998 by reason of clause (i) if the State is not a qualifying State for fiscal year 1998 by reason of clause (i).

''(iii) CERTAIN STATES DEEMED QUALIFYING STATES.—For purposes of this paragraph, a State is deemed to be a qualifying State for fiscal years 1998, 1999, 2000, and 2001 if—

''(I) the level of welfare spending per poor person by the State for fiscal year 1994 is less than 35 percent of the national average level of State welfare spending per poor person for fiscal year 1994; or

''(II) the population of the State increased by more than 10 percent from April 1, 1990 to July 1, 1994, according to the population estimates in publication CB94–204 of the Bureau of the Census.

''(D) DEFINITIONS.—As used in this paragraph:

''(i) LEVEL OF WELFARE SPENDING PER POOR PERSON.—The term 'level of State welfare spending per poor person' means, with respect to a State and a fiscal year—

''(I) the sum of—

''(aa) the total amount required to be paid to the State under former section 403 (as in effect during fiscal year 1994) for fiscal year 1994; and

''(bb) the amount (if any) paid to the State under this paragraph for the immediately preceding fiscal year; divided by

''(II) the number of individuals, according to the 1990 decennial census, who were residents of the State and whose income was below the poverty line.

''(ii) NATIONAL AVERAGE LEVEL OF STATE WELFARE SPENDING PER POOR PERSON.—The term 'national average level of State welfare spending per poor person' means, with respect to a fiscal year, an amount equal to—

''(I) the total amount required to be paid to the States under former section 403 (as in effect during fiscal year 1994) for fiscal year 1994; divided by

''(II) the number of individuals, according to the 1990 decennial census, who were residents of any State and whose income was below the poverty line.

''(iii) STATE.—The term 'State' means each of the 50 States of the United States and the District of Columbia.

''(E) APPROPRIATION.—Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated for fiscal years 1998, 1999, 2000, and 2001 such sums as are necessary for grants under this paragraph, in a total amount not to exceed $800,000,000.

''(F) GRANTS REDUCED PRO RATA IF INSUFFICIENT APPROPRIATIONS.—If the amount appropriated pursuant to this paragraph for a fiscal year is less than the total amount of payments otherwise required to be made under this paragraph for the fiscal year, then the amount otherwise payable to any State for the fiscal year under this paragraph shall be reduced by a percentage equal to the amount so appropriated divided by such total amount.

''(G) BUDGET SCORING.—Notwithstanding section 257(b)(2) of the Balanced Budget and Emergency Deficit Control Act of 1985, the baseline shall assume that no grant shall be made under this paragraph after fiscal year 2001.

''(4) BONUS TO REWARD HIGH PERFORMANCE STATES.—

''(A) IN GENERAL.—The Secretary shall make a grant pursuant to this paragraph to each State for each bonus year for which the State is a high performing State.

''(B) AMOUNT OF GRANT.—

''(i) IN GENERAL.—Subject to clause (ii) of this subparagraph, the Secretary shall determine the amount of the grant payable under this paragraph to a high performing State for a bonus year, which shall be based on the score assigned to the State under subparagraph (D)(i) for the fiscal year that immediately precedes the bonus year.

''(ii) LIMITATION.—The amount payable to a State under this paragraph for a bonus year shall not exceed 5 percent of the State family assistance grant.

''(C) FORMULA FOR MEASURING STATE PERFORMANCE.—Not later than 1 year after the date of the enactment of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, the Secretary, in consultation with the National Governors' Association and the American Public Welfare Association, shall develop a formula for measuring State performance in operating the State program funded under this part so as to achieve the goals set forth in section 401(a).

''(D) SCORING OF STATE PERFORMANCE; SETTING OF PERFORMANCE THRESHOLDS.—For each bonus year, the Secretary shall—

''(i) use the formula developed under subparagraph (C) to assign a score to each eligible State for the fiscal year that immediately precedes the bonus year; and

''(ii) prescribe a performance threshold in such a manner so as to ensure that—

''(I) the average annual total amount of grants to be made under this paragraph for each bonus year equals $200,000,000; and

''(II) the total amount of grants to be made under this paragraph for all bonus years equals $1,000,000,000.

''(E) DEFINITIONS.—As used in this paragraph:

''(i) BONUS YEAR.—The term 'bonus year' means fiscal years 1999, 2000, 2001, 2002, and 2003.

''(ii) HIGH PERFORMING STATE.—The term 'high performing State' means, with respect a bonus year, an eligible State whose score assigned pursuant to subparagraph (D)(i) for the fiscal year immediately preceding the bonus year equals or exceeds the performance threshold prescribed under subparagraph (D)(ii) for such preceding fiscal year.

''(F) APPROPRIATION.—Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated for fiscal years 1999 through 2003 $1,000,000,000 for grants under this paragraph.

''(b) CONTINGENCY FUND.—

''(1) ESTABLISHMENT.—There is hereby established in the Treasury of the United States a fund which shall be known as the 'Contingency Fund for State Welfare Programs' (in this section referred to as the 'Fund').

''(2) DEPOSITS INTO FUND.—Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated for fiscal years 1997, 1998, 1999, 2000, and 2001 such sums as are necessary for payment to the Fund in a total amount not to exceed $2,000,000,000.

''(3) GRANTS.—

''(A) PROVISIONAL PAYMENTS.—If an eligible State submits to the Secretary a request for funds under this paragraph during an eligible month, the Secretary shall, subject to this paragraph, pay to the State, from amounts appropriated pursuant to paragraph (2), an amount equal to the amount of funds so requested.

''(B) PAYMENT PRIORITY.—The Secretary shall make payments under subparagraph (A) in the order in which the Secretary receives requests for such payments.

''(C) LIMITATIONS.—

''(i) MONTHLY PAYMENT TO A STATE.—The total amount paid to a single State under subparagraph (A) during a month shall not exceed 1/12 of 20 percent of the State family assistance grant.

''(ii) PAYMENTS TO ALL STATES.—The total amount paid to all States under subparagraph (A) during fiscal years 1997 through 2001 shall not exceed the total amount appropriated pursuant to paragraph (2).

''(4) ANNUAL RECONCILIATION.—Notwithstanding paragraph (3), at the end of each fiscal year, each State shall remit to the Secretary an amount equal to the amount (if any) by which the total amount paid to the State under paragraph (3) during the fiscal year exceeds—

''(A) the Federal medical assistance percentage for the State for the fiscal year (as defined in section 1905(b), as in effect on September 30, 1995) of the amount (if any) by which—

''(i) if the Secretary makes a payment to the State under section 418(a)(2) in the fiscal year—

''(I) the expenditures under the State program funded under this part for the fiscal year, excluding any amounts made available by the Federal Government (except amounts paid to the State under paragraph (3) during the fiscal year that have been expended by the State) and any amounts expended by the State during the fiscal year for child care; exceeds

''(II) historic State expenditures (as defined in section 409(a)(7)(B)(iii)), excluding the expenditures by the State for child care under subsection (g) or (i) of section 402 (as in effect during fiscal year 1994) for fiscal year 1994 minus any Federal payment with respect to such child care expenditures; or

''(ii) if the Secretary does not make a payment to the State under section 418(a)(2) in the fiscal year—

''(I) the expenditures under the State program funded under this part for the fiscal year (excluding any amounts made available by the Federal Government, except amounts paid to the State under paragraph (3) during the fiscal year that have been expended by the State); exceeds

''(II) historic State expenditures (as defined in section 409(a)(7)(B)(iii)); multiplied by

''(B) 1/12 times the number of months during the fiscal year for which the Secretary makes a payment to the State under this subsection.

''(5) ELIGIBLE MONTH.—As used in paragraph (3)(A), the term 'eligible month' means, with respect to a State, a month in the 2-month period that begins with any month for which the State is a needy State.

''(6) NEEDY STATE.—For purposes of paragraph (5), a State is a needy State for a month if—

''(A) the average rate of—

''(i) total unemployment in such State (seasonally adjusted) for the period consisting of the most recent 3 months for which data for all States are published equals or exceeds 6.5 percent; and

''(ii) total unemployment in such State (seasonally adjusted) for the 3-month period equals or exceeds 110 percent of such average rate for either (or both) of the corresponding 3-month periods ending in the 2 preceding calendar years; or

''(B) as determined by the Secretary of Agriculture (in the discretion of the Secretary of Agriculture), the monthly average number of individuals (as of the last day of each month) participating in the food stamp program in the State in the then most recently concluded 3-month period for which data are available exceeds by not less than 10 percent the lesser of—

''(i) the monthly average number of individuals (as of the last day of each month) in the State that would have participated in the food stamp program in the corresponding 3-month period in fiscal year 1994 if the amendments made by titles IV and VIII of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 had been in effect throughout fiscal year 1994; or

''(ii) the monthly average number of individuals (as of the last day of each month) in the State that would have participated in the food stamp program in the corresponding 3-month period in fiscal year 1995 if the amendments made by titles IV and VIII of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 had been in effect throughout fiscal year 1995.

''(7) OTHER TERMS DEFINED.—As used in this subsection:

''(A) STATE.—The term 'State' means each of the 50 States of the United States and the District of Columbia.

''(B) SECRETARY.—The term 'Secretary' means the Secretary of the Treasury.

''(8) ANNUAL REPORTS.—The Secretary shall annually report to the Congress on the status of the Fund.

''SEC. 404. USE OF GRANTS.

''(a) GENERAL RULES.—Subject to this part, a State to which a grant is made under section 403 may use the grant—

''(1) in any manner that is reasonably calculated to accomplish the purpose of this part, including to provide low income households with assistance in meeting home heating and cooling costs; or

''(2) in any manner that the State was authorized to use amounts received under part A or F, as such parts were in effect on September 30, 1995.

''(b) LIMITATION ON USE OF GRANT FOR ADMINISTRATIVE PURPOSES.—

''(1) LIMITATION.—A State to which a grant is made under section 403 shall not expend more than 15 percent of the grant for administrative purposes.

''(2) EXCEPTION.—Paragraph (1) shall not apply to the use of a grant for information technology and computerization needed for tracking or monitoring required by or under this part.

''(c) AUTHORITY TO TREAT INTERSTATE IMMIGRANTS UNDER RULES OF FORMER STATE.—A State operating a program funded under this part may apply to a family the rules (including benefit amounts) of the program funded under this part of another State if the family has moved to the State from the other State and has resided in the State for less than 12 months.

''(d) AUTHORITY TO USE PORTION OF GRANT FOR OTHER PURPOSES.—

''(1) IN GENERAL.—A State may use not more than 30 percent of the amount of any grant made to the State under section 403(a) for a fiscal year to carry out a State program pursuant to any or all of the following provisions of law:

''(A) Title XX of this Act.

''(B) The Child Care and Development Block Grant Act of 1990.

''(2) LIMITATION ON AMOUNT TRANSFERABLE TO TITLE XX PROGRAMS.—Notwithstanding paragraph (1), not more than 1/3 of the total amount paid to a State under this part for a fiscal year that is used to carry out State programs pursuant to provisions of law specified in paragraph (1) may be used to carry out State programs pursuant to title XX.

''(3) APPLICABLE RULES.—

''(A) IN GENERAL.—Except as provided in subparagraph (B) of this paragraph, any amount paid to a State under this part that is used to carry out a State program pursuant to a provision of law specified in paragraph (1) shall not be subject to the requirements of this part, but shall be subject to the requirements that apply to Federal funds provided directly under the provision of law to carry out the program, and the expenditure of any amount so used shall not be considered to be an expenditure under this part.

''(B) EXCEPTION RELATING TO TITLE XX PROGRAMS.—All amounts paid to a State under this part that are used to carry out State programs pursuant to title XX shall be used only for programs and services to children or their families whose income is less than 200 percent of the income official poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981) applicable to a family of the size involved.

''(e) AUTHORITY TO RESERVE CERTAIN AMOUNTS FOR ASSISTANCE.—A State may reserve amounts paid to the State under this part for any fiscal year for the purpose of providing, without fiscal year limitation, assistance under the State program funded under this part.

''(f) AUTHORITY TO OPERATE EMPLOYMENT PLACEMENT PROGRAM.—A State to which a grant is made under section 403 may use the grant to make payments (or provide job

placement vouchers) to State-approved public and private job placement agencies that provide employment placement services to individuals who receive assistance under the State program funded under this part.

''(g) IMPLEMENTATION OF ELECTRONIC BENEFIT TRANSFER SYSTEM.—A State to which a grant is made under section 403 is encouraged to implement an electronic benefit transfer system for providing assistance under the State program funded under this part, and may use the grant for such purpose.

''(h) USE OF FUNDS FOR INDIVIDUAL DEVELOPMENT ACCOUNTS.—

''(1) IN GENERAL.—A State to which a grant is made under section 403 may use the grant to carry out a program to fund individual development accounts (as defined in paragraph (2)) established by individuals eligible for assistance under the State program funded under this part.

''(2) INDIVIDUAL DEVELOPMENT ACCOUNTS.—

''(A) ESTABLISHMENT.—Under a State program carried out under paragraph (1), an individual development account may be established by or on behalf of an individual eligible for assistance under the State program operated under this part for the purpose of enabling the individual to accumulate funds for a qualified purpose described in subparagraph (B).

''(B) QUALIFIED PURPOSE.—A qualified purpose described in this subparagraph is 1 or more of the following, as provided by the qualified entity providing assistance to the individual under this subsection:

''(i) POSTSECONDARY EDUCATIONAL EXPENSES.—Postsecondary educational expenses paid from an individual development account directly to an eligible educational institution.

''(ii) FIRST HOME PURCHASE.—Qualified acquisition costs with respect to a qualified principal residence for a qualified first-time homebuyer, if paid from an individual development account directly to the persons to whom the amounts are due.

''(iii) BUSINESS CAPITALIZATION.—Amounts paid from an individual development account directly to a business capitalization account which is established in a federally insured financial institution and is restricted to use solely for qualified business capitalization expenses.

''(C) CONTRIBUTIONS TO BE FROM EARNED INCOME.—An individual may only contribute to an individual development account such amounts as are derived from earned income, as defined in section 911(d)(2) of the Internal Revenue Code of 1986.

''(D) WITHDRAWAL OF FUNDS.—The Secretary shall establish such regulations as may be necessary to ensure that funds held in an individual development account are not withdrawn except for 1 or more of the qualified purposes described in subparagraph (B).

''(3) REQUIREMENTS.—

''(A) IN GENERAL.—An individual development account established under this subsection shall be a trust created or organized in the United States and funded through periodic contributions by the establishing individual and matched by or through a qualified entity for a qualified purpose (as described in paragraph (2)(B)).

''(B) QUALIFIED ENTITY.—As used in this subsection, the term 'qualified entity' means—

''(i) a not-for-profit organization described in section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code; or

''(ii) a State or local government agency acting in cooperation with an organization described in clause (i).

''(4) NO REDUCTION IN BENEFITS.—Notwithstanding any other provision of Federal law (other than the Internal Revenue Code of 1986) that requires consideration of 1 or more financial circumstances of an individual, for the purpose of determining eligibility to receive, or the amount of, any assistance or benefit authorized by such law to be provided to or for the benefit of such individual, funds (including interest accruing) in an individual development account under this subsection shall be disregarded for such purpose with respect to any period during which such individual maintains or makes contributions into such an account.

''(5) DEFINITIONS.—As used in this subsection—

''(A) ELIGIBLE EDUCATIONAL INSTITUTION.—The term 'eligible educational institution' means the following:

''(i) An institution described in section 481(a)(1) or 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1088(a)(1) or 1141(a)), as such sections are in effect on the date of the enactment of this subsection.

''(ii) An area vocational education school (as defined in subparagraph (C) or (D) of section 521(4) of the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2471(4))) which is in any State (as defined in section 521(33) of such Act), as such sections are in effect on the date of the enactment of this subsection.

''(B) POST-SECONDARY EDUCATIONAL EXPENSES.—The term 'post-secondary educational expenses' means—

''(i) tuition and fees required for the enrollment or attendance of a student at an eligible educational institution, and

''(ii) fees, books, supplies, and equipment required for courses of instruction at an eligible educational institution.

''(C) QUALIFIED ACQUISITION COSTS.—The term 'qualified acquisition costs' means the costs of acquiring, constructing, or reconstructing a residence. The term includes any usual or reasonable settlement, financing, or other closing costs.

''(D) QUALIFIED BUSINESS.—The term 'qualified business' means any business that does not contravene any law or public policy (as determined by the Secretary).

''(E) QUALIFIED BUSINESS CAPITALIZATION EXPENSES.—The term 'qualified business capitalization expenses' means qualified expenditures for the capitalization of a qualified business pursuant to a qualified plan.

''(F) QUALIFIED EXPENDITURES.—The term 'qualified expenditures' means expenditures included in a qualified plan, including capital, plant, equipment, working capital, and inventory expenses.

''(G) QUALIFIED FIRST-TIME HOMEBUYER.—

''(i) IN GENERAL.—The term 'qualified first-time homebuyer' means a taxpayer (and, if married, the taxpayer's spouse) who has no present ownership interest in a principal residence during the 3-year period ending on the date of acquisition of the principal residence to which this subsection applies.

''(ii) DATE OF ACQUISITION.—The term 'date of acquisition' means the date on which a binding contract to acquire, construct, or reconstruct the principal residence to which this subparagraph applies is entered into.

''(H) QUALIFIED PLAN.—The term 'qualified plan' means a business plan which—

''(i) is approved by a financial institution, or by a nonprofit loan fund having demonstrated fiduciary integrity,

''(ii) includes a description of services or goods to be sold, a marketing plan, and projected financial statements, and

''(iii) may require the eligible individual to obtain the assistance of an experienced entrepreneurial advisor.

''(I) QUALIFIED PRINCIPAL RESIDENCE.—The term 'qualified principal residence' means a principal residence (within the meaning of section 1034 of the Internal Revenue Code of 1986), the qualified acquisition costs of which do not exceed 100 percent of the average area purchase price applicable to such residence (determined in accordance with paragraphs (2) and (3) of section 143(e) of such Code).

(i) SANCTION WELFARE RECIPIENTS FOR FAILING TO ENSURE THAT MINOR DEPENDENT CHILDREN ATTEND SCHOOL.—A State to which a grant is made under section 403 shall not be prohibited from sanctioning a family that includes an adult who has received assistance under any State program funded under this part attributable to funds provided by the Federal Government or under the food stamp program, as defined in section 3(h) of the Food Stamp Act of 1977, if such adult fails to ensure that the minor dependent children of such adult attend school as required by the law of the State in which the minor children reside.

(j) REQUIREMENT FOR HIGH SCHOOL DIPLOMA OR EQUIVALENT.—A State to which a grant is made under section 403 shall not be prohibited from sanctioning a family that includes an adult who is older than age 20 and younger than age 51 and who has received assistance under any State program funded under this part attributable to funds provided by the Federal Government or under the food stamp program, as defined in section 3(h) of the Food Stamp Act of 1977, if such adult does not have, or is not working toward attaining, a secondary school diploma or its recognized equivalent unless such adult has been determined in the judgment of medical, psychiatric, or other appropriate professionals to lack the requisite capacity to complete successfully a course of study that would lead to a secondary school diploma or its recognized equivalent.

''SEC. 405. ADMINISTRATIVE PROVISIONS.

''(a) QUARTERLY.—The Secretary shall pay each grant payable to a State under section 403 in quarterly installments, subject to this section.

''(b) NOTIFICATION.—Not later than 3 months before the payment of any such quarterly installment to a State, the Secretary shall notify the State of the amount of any reduction determined under section 412(a)(1)(B) with respect to the State.

''(c) COMPUTATION AND CERTIFICATION OF PAYMENTS TO STATES.—

''(1) COMPUTATION.—The Secretary shall estimate the amount to be paid to each eligible State for each quarter under this part, such estimate to be based on a report filed by the State containing an estimate by the State of the total sum to be expended by the State in the quarter under the State program funded under this part and such other information as the Secretary may find necessary.

''(2) CERTIFICATION.—The Secretary of Health and Human Services shall certify to the Secretary of the Treasury the amount estimated under paragraph (1) with respect to a State, reduced or increased to the extent of any overpayment or underpayment which the Secretary of Health and Human Services determines was made under this part to the State for any prior quarter and with respect to which adjustment has not been made under this paragraph.

''(d) PAYMENT METHOD.—Upon receipt of a certification under subsection (c)(2) with respect to a State, the Secretary of the Treasury shall, through the Fiscal Service of the Department of the Treasury and before audit or settlement by the General Accounting Office, pay to the State, at the time or times fixed by the Secretary of Health and Human Services, the amount so certified.

''SEC. 406. FEDERAL LOANS FOR STATE WELFARE PROGRAMS.

''(a) LOAN AUTHORITY.—

''(1) IN GENERAL.—The Secretary shall make loans to any loan-eligible State, for a period to maturity of not more than 3 years.

''(2) LOAN-ELIGIBLE STATE.—As used in paragraph (1), the term 'loan-eligible State' means a State against which a penalty has not been imposed under section 409(a)(1).

''(b) RATE OF INTEREST.—The Secretary shall charge and collect interest on any loan made under this section at a rate equal to the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the period to maturity of the loan.

''(c) USE OF LOAN.—A State shall use a loan made to the State under this section only for any purpose for which grant amounts received by the State under section 403(a) may be used, including—

''(1) welfare anti-fraud activities; and

''(2) the provision of assistance under the State program to Indian families that have moved from the service area of an Indian tribe with a tribal family assistance plan approved under section 412.

''(d) LIMITATION ON TOTAL AMOUNT OF LOANS TO A STATE.—The cumulative dollar amount of all loans made to a State under this section during fiscal years 1997 through 2002 shall not exceed 10 percent of the State family assistance grant.

''(e) LIMITATION ON TOTAL AMOUNT OF OUTSTANDING LOANS.—The total dollar amount of loans outstanding under this section may not exceed $1,700,000,000.

''(f) APPROPRIATION.—Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated such sums as may be necessary for the cost of loans under this section.

''SEC. 407. MANDATORY WORK REQUIREMENTS.

''(a) PARTICIPATION RATE REQUIREMENTS.—

''(1) ALL FAMILIES.—A State to which a grant is made under section 403 for a fiscal year shall achieve the minimum participation rate specified in the following table for the fiscal year with respect to all families receiving assistance under the State program funded under this part:

''If the fiscal year is:	The minimum participation rate is:
1997	25
1998	30
1999	35
2000	40
2001	45
2002 or thereafter	50.

''(2) 2-PARENT FAMILIES.—A State to which a grant is made under section 403 for a fiscal year shall achieve the minimum participation rate specified in the following table for the fiscal year with respect to 2-parent families receiving assistance under the State program funded under this part:

''If the fiscal year is:	The minimum participation rate is:
1997	75
1998	75
1999 or thereafter	90.

''(b) CALCULATION OF PARTICIPATION RATES.—

''(1) ALL FAMILIES.—

''(A) AVERAGE MONTHLY RATE.—For purposes of subsection (a)(1), the participation rate for all families of a State for a fiscal year is the average of the participation rates for all families of the State for each month in the fiscal year.

''(B) MONTHLY PARTICIPATION RATES.—The participation rate of a State for all families of the State for a month, expressed as a percentage, is—

''(i) the number of families receiving assistance under the State program funded under this part that include an adult or a minor child head of household who is engaged in work for the month; divided by

''(ii) the amount by which—

''(I) the number of families receiving such assistance during the month that include an adult or a minor child head of household receiving such assistance; exceeds

''(II) the number of families receiving such assistance that are subject in such month to a penalty described in subsection (e)(1) but have not been subject to such penalty for more than 3 months within the preceding 12-month period (whether or not consecutive).

''(2) 2-PARENT FAMILIES.—

''(A) AVERAGE MONTHLY RATE.—For purposes of subsection (a)(2), the participation rate for 2-parent families of a State for a fiscal year is the average of the participation rates for 2-parent families of the State for each month in the fiscal year.

''(B) MONTHLY PARTICIPATION RATES.—The participation rate of a State for 2-parent families of the State for a month shall be calculated by use of the formula set forth in paragraph (1)(B), except that in the formula the term 'number of 2-parent families' shall be substituted for the term 'number of families' each place such latter term appears.

''(3) PRO RATA REDUCTION OF PARTICIPATION RATE DUE TO CASELOAD REDUCTIONS NOT REQUIRED BY FEDERAL LAW.—

''(A) IN GENERAL.—The Secretary shall prescribe regulations for reducing the minimum participation rate otherwise required by this section for a fiscal year by the number of percentage points equal to the number of percentage points (if any) by which—

''(i) the average monthly number of families receiving assistance during the immediately preceding fiscal year under the State program funded under this part is less than

''(ii) the average monthly number of families that received aid under the State plan approved under part A (as in effect on September 30, 1995) during fiscal year 1995.

The minimum participation rate shall not be reduced to the extent that the Secretary determines that the reduction in the number of families receiving such assistance is required by Federal law.

''(B) ELIGIBILITY CHANGES NOT COUNTED.—The regulations required by subparagraph (A) shall not take into account families that are diverted from a State program funded under this part as a result of differences in eligibility criteria under a State program funded under this part and eligibility criteria under the State program operated under the State plan approved under part A (as such plan and such part were in effect on September 30, 1995). Such regulations shall place the burden on the Secretary to prove that such families were diverted as a direct result of differences in such eligibility criteria.

''(4) STATE OPTION TO INCLUDE INDIVIDUALS RECEIVING ASSISTANCE UNDER A TRIBAL FAMILY ASSISTANCE PLAN.—For purposes of paragraphs (1)(B) and (2)(B), a State may, at its option, include families in the State that are receiving assistance under a tribal family assistance plan approved under section 412.

''(5) STATE OPTION FOR PARTICIPATION REQUIREMENT EXEMPTIONS.—For any fiscal year, a State may, at its option, not require an individual who is a single custodial parent caring for a child who has not attained 12 months of age to engage in work, and may disregard such an individual in determining the participation rates under subsection (a) for not more than 12 months.

''(c) ENGAGED IN WORK.—

''(1) GENERAL RULES.—

''(A) ALL FAMILIES.—For purposes of subsection (b)(1)(B)(i), a recipient is engaged in work for a month in a fiscal year if the recipient is participating in work activities for at least the minimum average number of hours per week specified in the following table during the month, not fewer than 20 hours per week of which are attributable to an activity described in paragraph (1), (2), (3), (4), (5), (6), (7), (8), or (12) of subsection (d), subject to this subsection:

''If the month is in fiscal year:	The minimum average number of hours per week is:
1997	20
1998	20
1999	25
2000 or thereafter ...	30.

''(B) 2-PARENT FAMILIES.—For purposes of subsection (b)(2)(B), an individual is engaged in work for a month in a fiscal year if—

''(i) the individual is making progress in work activities for at least 35 hours per week during the month, not fewer than 30 hours per week of which are attributable to an activity described in paragraph (1), (2), (3), (4), (5), (6), (7), (8), or (12) of subsection (d), subject to this subsection; and

''(ii) if the family of the individual receives federally-funded child care assistance and an adult in the family is not disabled or caring for a severely disabled child, the individual's spouse is making progress in work activities during the month, not fewer than 20 hours per week of which are attributable to an activity described in paragraph (1), (2), (3), (4), (5), or (7) of subsection (d).

''(2) LIMITATIONS AND SPECIAL RULES.—

''(A) NUMBER OF WEEKS FOR WHICH JOB SEARCH COUNTS AS WORK.—

''(i) LIMITATION.—Notwithstanding paragraph (1) of this subsection, an individual shall not be considered to be engaged in work by virtue of participation in an activity described in subsection (d)(6) of a State program funded under this part, after the individual has participated in such an activity for 6 weeks (or, if the unemployment rate of the State is at least 50 percent greater than the unemployment rate of the United States, 12 weeks), or if the participation is for a week that immediately follows 4 consecutive weeks of such participation.

''(ii) LIMITED AUTHORITY TO COUNT LESS THAN FULL WEEK OF PARTICIPATION.—For purposes of clause (i) of this subparagraph, on not more than 1 occasion per individual, the State shall consider participation of the individual in an activity described in subsection (d)(6) for 3 or 4 days during a week as a week of participation in the activity by the individual.

''(B) SINGLE PARENT WITH CHILD UNDER AGE 6 DEEMED TO BE MEETING WORK PARTICIPATION REQUIREMENTS IF PARENT IS ENGAGED IN WORK FOR 20 HOURS PER WEEK.—For purposes of determining monthly participation rates under subsection (b)(1)(B)(i), a recipient in a 1-parent family who is the parent of a child who has not attained 6 years of age is deemed to be engaged in work for a month if the recipient is engaged in work for an average of at least 20 hours per week during the month.

''(C) TEEN HEAD OF HOUSEHOLD WHO MAINTAINS SATISFACTORY SCHOOL ATTENDANCE DEEMED TO BE MEETING WORK PARTICIPATION REQUIREMENTS.—For purposes of determining monthly participation rates under subsection (b)(1)(B)(i), a recipient who is a single head of household and has not attained 20 years of age is deemed, subject to subparagraph (D) of this paragraph, to be engaged in work for a month in a fiscal year if the recipient—

''(i) maintains satisfactory attendance at secondary school or the equivalent during the month; or

''(ii) participates in education directly related to employment for at least the minimum average number of hours per week

specified in the table set forth in paragraph (1)(A) of this subsection.

''(D) NUMBER OF PERSONS THAT MAY BE TREATED AS ENGAGED IN WORK BY VIRTUE OF PARTICIPATION IN VOCATIONAL EDUCATION ACTIVITIES OR BEING A TEEN HEAD OF HOUSEHOLD WHO MAINTAINS SATISFACTORY SCHOOL ATTENDANCE.—For purposes of determining monthly participation rates under paragraphs (1)(B)(i) and (2)(B) of subsection (b), not more than 20 percent of individuals in all families and in 2-parent families may be determined to be engaged in work in the State for a month by reason of participation in vocational educational training or deemed to be engaged in work by reason of subparagraph (C) of this paragraph.

''(d) WORK ACTIVITIES DEFINED.—As used in this section, the term 'work activities' means—

''(1) unsubsidized employment;

''(2) subsidized private sector employment;

''(3) subsidized public sector employment;

''(4) work experience (including work associated with the refurbishing of publicly assisted housing) if sufficient private sector employment is not available;

''(5) on-the-job training;

''(6) job search and job readiness assistance;

''(7) community service programs;

''(8) vocational educational training (not to exceed 12 months with respect to any individual);

''(9) job skills training directly related to employment;

''(10) education directly related to employment, in the case of a recipient who has not received a high school diploma or a certificate of high school equivalency;

''(11) satisfactory attendance at secondary school or in a course of study leading to a certificate of general equivalence, in the case of a recipient who has not completed secondary school or received such a certificate; and

''(12) the provision of child care services to an individual who is participating in a community service program.

''(e) PENALTIES AGAINST INDIVIDUALS.—

''(1) IN GENERAL.—Except as provided in paragraph (2), if an individual in a family receiving assistance under the State program funded under this part refuses to engage in work required in accordance with this section, the State shall—

''(A) reduce the amount of assistance otherwise payable to the family pro rata (or more, at the option of the State) with respect to any period during a month in which the individual so refuses; or

''(B) terminate such assistance,

subject to such good cause and other exceptions as the State may establish.

''(2) EXCEPTION.—Notwithstanding paragraph (1), a State may not reduce or terminate assistance under the State program funded under this part based on a refusal of an individual to work if the individual is a single custodial parent caring for a child who has not attained 6 years of age, and the individual proves that the individual has a demonstrated inability (as determined by the State) to obtain needed child care, for 1 or more of the following reasons:

''(A) Unavailability of appropriate child care within a reasonable distance from the individual's home or work site.

''(B) Unavailability or unsuitability of informal child care by a relative or under other arrangements.

''(C) Unavailability of appropriate and affordable formal child care arrangements.

''(f) NONDISPLACEMENT IN WORK ACTIVITIES.—

''(1) IN GENERAL.—Subject to paragraph (2), an adult in a family receiving assistance under a State program funded under this part attributable to funds provided by the Federal Government may fill a vacant employment position in order to engage in a work activity described in subsection (d).

''(2) NO FILLING OF CERTAIN VACANCIES.—No adult in a work activity described in subsection (d) which is funded, in whole or in part, by funds provided by the Federal Government shall be employed or assigned—

''(A) when any other individual is on layoff from the same or any substantially equivalent job; or

''(B) if the employer has terminated the employment of any regular employee or otherwise caused an involuntary reduction of its workforce in order to fill the vacancy so created with an adult described in paragraph (1).

''(3) GRIEVANCE PROCEDURE.—A State with a program funded under this part shall establish and maintain a grievance procedure for resolving complaints of alleged violations of paragraph (2).

''(4) NO PREEMPTION.—Nothing in this subsection shall preempt or supersede any provision of State or local law that provides greater protection for employees from displacement.

''(g) SENSE OF THE CONGRESS.—It is the sense of the Congress that in complying with this section, each State that operates a program funded under this part is encouraged to assign the highest priority to requiring adults in 2-parent families and adults in single-parent families that include older preschool or school-age children to be engaged in work activities.

''(h) SENSE OF THE CONGRESS THAT STATES SHOULD IMPOSE CERTAIN REQUIREMENTS ON NONCUSTODIAL, NONSUPPORTING MINOR PARENTS.—It is the sense of the Congress that the States should require noncustodial, nonsupporting parents who have not attained 18 years of age to fulfill community work obligations and attend appropriate parenting or money management classes after school.

''(i) REVIEW OF IMPLEMENTATION OF STATE WORK PROGRAMS.—During fiscal year 1999, the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate shall hold hearings and engage in other appropriate activities to review the implementation of this section by the States, and shall invite the Governors of the States to testify before them regarding such implementation. Based on such hearings, such Committees may introduce such legislation as may be appropriate to remedy any problems with the State programs operated pursuant to this section.

''SEC. 408. PROHIBITIONS; REQUIREMENTS.

''(a) IN GENERAL.—

''(1) NO ASSISTANCE FOR FAMILIES WITHOUT A MINOR CHILD.—A State to which a grant is made under section 403 shall not use any part of the grant to provide assistance to a family—

''(A) unless the family includes—

''(i) a minor child who resides with a custodial parent or other adult caretaker relative of the child; or

''(ii) a pregnant individual; and

''(B) if the family includes an adult who has received assistance under any State program funded under this part attributable to funds provided by the Federal Government, for 60 months (whether or not consecutive) after the date the State program funded under this part commences (unless an exception described in subparagraph (B), (C), or (D) of paragraph (7) applies).

''(2) REDUCTION OR ELIMINATION OF ASSISTANCE FOR NONCOOPERATION IN ESTABLISHING PATERNITY OR OBTAINING CHILD SUPPORT.—If the agency responsible for administering the State plan approved under part D determines that an individual is not cooperating with the State in establishing paternity or in establishing, modifying, or enforcing a support order with respect to a child of the individual, and the individual does not qualify for any good cause or other exception established by the State pursuant to section 454(29), then the State—

''(A) shall deduct from the assistance that would otherwise be provided to the family of the individual under the State program funded under this part an amount equal to not less than 25 percent of the amount of such assistance; and

''(B) may deny the family any assistance under the State program.

''(3) NO ASSISTANCE FOR FAMILIES NOT ASSIGNING CERTAIN SUPPORT RIGHTS TO THE STATE.—

''(A) IN GENERAL.—A State to which a grant is made under section 403 shall require, as a condition of providing assistance to a family under the State program funded under this part, that a member of the family assign to the State any rights the family member may have (on behalf of the family member or of any other person for whom the family member has applied for or is receiving such assistance) to support from any other person, not exceeding the total amount of assistance so provided to the family, which accrue (or have accrued) before the date the family leaves the program, which assignment, on and after the date the family leaves the program, shall not apply with respect to any support (other than support collected pursuant to section 464) which accrued before the family received such assistance and which the State has not collected by—

''(i) September 30, 2000, if the assignment is executed on or after October 1, 1997, and before October 1, 2000; or

''(ii) the date the family leaves the program, if the assignment is executed on or after October 1, 2000.

''(B) LIMITATION.—A State to which a grant is made under section 403 shall not require, as a condition of providing assistance to any family under the State program funded under this part, that a member of the family assign to the State any rights to support described in subparagraph (A) which accrue after the date the family leaves the program.

''(4) NO ASSISTANCE FOR TEENAGE PARENTS WHO DO NOT ATTEND HIGH SCHOOL OR OTHER EQUIVALENT TRAINING PROGRAM.—A State to which a grant is made under section 403 shall not use any part of the grant to provide assistance to an individual who has not attained 18 years of age, is not married, has a minor child at least 12 weeks of age in his or her care, and has not successfully completed a high-school education (or its equivalent), if the individual does not participate in—

''(A) educational activities directed toward the attainment of a high school diploma or its equivalent; or

''(B) an alternative educational or training program that has been approved by the State.

''(5) NO ASSISTANCE FOR TEENAGE PARENTS NOT LIVING IN ADULT-SUPERVISED SETTINGS.—

''(A) IN GENERAL.—

''(i) REQUIREMENT.—Except as provided in subparagraph (B), a State to which a grant is made under section 403 shall not use any part of the grant to provide assistance to an individual described in clause (ii) of this subparagraph if the individual and the minor child referred to in clause (ii)(II) do not reside in a place of residence maintained by a parent, legal guardian, or other adult relative of the individual as such parent's, guardian's, or adult relative's own home.

''(ii) INDIVIDUAL DESCRIBED.— For purposes of clause (i), an individual described in this clause is an individual who—

''(I) has not attained 18 years of age; and

''(II) is not married, and has a minor child in his or her care.

''(B) EXCEPTION.—

''(i) PROVISION OF, OR ASSISTANCE IN LOCATING, ADULT-SUPERVISED LIVING ARRANGEMENT.—In the case of an individual who is described in clause (ii), the State agency referred to in section 402(a)(4) shall provide, or assist the individual in locating, a second chance home, maternity home, or other appropriate adult-supervised supportive living arrangement, taking into consideration the needs and concerns of the individual, unless the State agency determines that the individual's current living arrangement is appropriate, and thereafter shall require that the individual and the minor child referred to in subparagraph (A)(ii)(II) reside in such living arrangement as a condition of the continued receipt of assistance under the State program funded under this part attributable to funds provided by the Federal Government (or in an alternative appropriate arrangement, should circumstances change and the current arrangement cease to be appropriate).

''(ii) INDIVIDUAL DESCRIBED.—For purposes of clause (i), an individual is described in this clause if the individual is described in subparagraph (A)(ii), and—

''(I) the individual has no parent, legal guardian or other appropriate adult relative described in subclause (II) of his or her own who is living or whose whereabouts are known;

''(II) no living parent, legal guardian, or other appropriate adult relative, who would otherwise meet applicable State criteria to act as the individual's legal guardian, of such individual allows the individual to live in the home of such parent, guardian, or relative;

''(III) the State agency determines that—

''(aa) the individual or the minor child referred to in subparagraph (A)(ii)(II) is being or has been subjected to serious physical or emotional harm, sexual abuse, or exploitation in the residence of the individual's own parent or legal guardian; or

''(bb) substantial evidence exists of an act or failure to act that presents an imminent or serious harm if the individual and the minor child lived in the same residence with the individual's own parent or legal guardian; or

''(IV) the State agency otherwise determines that it is in the best interest of the minor child to waive the requirement of subparagraph (A) with respect to the individual or the minor child.

''(iii) SECOND-CHANCE HOME.—For purposes of this subparagraph, the term 'second-chance home' means an entity that provides individuals described in clause (ii) with a supportive and supervised living arrangement in which such individuals are required to learn parenting skills, including child development, family budgeting, health and nutrition, and other skills to promote their long-term economic independence and the well-being of their children.

''(6) NO MEDICAL SERVICES.—

''(A) IN GENERAL.—A State to which a grant is made under section 403 shall not use any part of the grant to provide medical services.

''(B) EXCEPTION FOR PREPREGNANCY FAMILY PLANNING SERVICES.—As used in subparagraph (A), the term 'medical services' does not include prepregnancy family planning services.

''(7) NO ASSISTANCE FOR MORE THAN 5 YEARS.—

''(A) IN GENERAL.—A State to which a grant is made under section 403 shall not use any part of the grant to provide assistance to a family that includes an adult who has received assistance under any State program funded under this part attributable to funds provided by the Federal Government, for 60 months (whether or not consecutive) after the date the State program funded under this part commences, subject to this paragraph.

''(B) MINOR CHILD EXCEPTION.—In determining the number of months for which an individual who is a parent or pregnant has received assistance under the State program funded under this part, the State shall disregard any month for which such assistance was provided with respect to the individual and during which the individual was—

''(i) a minor child; and

''(ii) not the head of a household or married to the head of a household.

''(C) HARDSHIP EXCEPTION.—

''(i) IN GENERAL.—The State may exempt a family from the application of subparagraph (A) by reason of hardship or if the family includes an individual who has been battered or subjected to extreme cruelty.

''(ii) LIMITATION.—The number of families with respect to which an exemption made by a State under clause (i) is in effect for a fiscal year shall not exceed 20 percent of the average monthly number of families to which assistance is provided under the State program funded under this part.

''(iii) BATTERED OR SUBJECT TO EXTREME CRUELTY DEFINED.—For purposes of clause (i), an individual has been battered or subjected to extreme cruelty if the individual has been subjected to—

''(I) physical acts that resulted in, or threatened to result in, physical injury to the individual;

''(II) sexual abuse;

''(III) sexual activity involving a dependent child;

''(IV) being forced as the caretaker relative of a dependent child to engage in nonconsensual sexual acts or activities;

''(V) threats of, or attempts at, physical or sexual abuse;

''(VI) mental abuse; or

''(VII) neglect or deprivation of medical care.

''(D) DISREGARD OF MONTHS OF ASSISTANCE RECEIVED BY ADULT WHILE LIVING ON AN INDIAN RESERVATION OR IN AN ALASKAN NATIVE VILLAGE WITH 50 PERCENT UNEMPLOYMENT.—In determining the number of months for which an adult has received assistance under the State program funded under this part, the State shall disregard any month during which the adult lived on an Indian reservation or in an Alaskan Native village if, during the month—

''(i) at least 1,000 individuals were living on the reservation or in the village; and

''(ii) at least 50 percent of the adults living on the reservation or in the village were unemployed.

''(E) RULE OF INTERPRETATION.—Subparagraph (A) shall not be interpreted to require any State to provide assistance to any individual for any period of time under the State program funded under this part.

''(F) RULE OF INTERPRETATION.—This part shall not be interpreted to prohibit any State from expending State funds not originating with the Federal Government on benefits for children or families that have become ineligible for assistance under the State program funded under this part by reason of subparagraph (A).

''(8) DENIAL OF ASSISTANCE FOR 10 YEARS TO A PERSON FOUND TO HAVE FRAUDULENTLY MISREPRESENTED RESIDENCE IN ORDER TO OBTAIN ASSISTANCE IN 2 OR MORE STATES.—A State to which a grant is made under section 403 shall not use any part of the grant to provide cash assistance to an individual during the 10-year period that begins on the date the individual is convicted in Federal or State court of having made a fraudulent statement or representation with respect to the place of residence of the individual in order to receive assistance simultaneously from 2 or more States under programs that are funded under this title, title XIX, or the Food Stamp Act of 1977, or benefits in 2 or more States under the supplemental security income program under title XVI. The preceding sentence shall not apply with respect to a conviction of an individual, for any month beginning after the President of the United States grants a pardon with respect to the conduct which was the subject of the conviction.

''(9) DENIAL OF ASSISTANCE FOR FUGITIVE FELONS AND PROBATION AND PAROLE VIOLATORS.—

''(A) IN GENERAL.—A State to which a grant is made under section 403 shall not use any part of the grant to provide assistance to any individual who is—

''(i) fleeing to avoid prosecution, or custody or confinement after conviction, under the laws of the place from which the individual flees, for a crime, or an attempt to commit a crime, which is a felony under the laws of the place from which the individual flees, or which, in the case of the State of New Jersey, is a high misdemeanor under the laws of such State; or

''(ii) violating a condition of probation or parole imposed under Federal or State law.

The preceding sentence shall not apply with respect to conduct of an individual, for any month beginning after the President of the United States grants a pardon with respect to the conduct.

''(B) EXCHANGE OF INFORMATION WITH LAW ENFORCEMENT AGENCIES.—If a State to which a grant is made under section 403 establishes safeguards against the use or disclosure of information about applicants or recipients of assistance under the State program funded under this part, the safeguards shall not prevent the State agency administering the program from furnishing a Federal, State, or local law enforcement officer, upon the request of the officer, with the current address of any recipient if the officer furnishes the agency with the name of the recipient and notifies the agency that—

''(i) the recipient—

''(I) is described in subparagraph (A); or

''(II) has information that is necessary for the officer to conduct the official duties of the officer; and

''(ii) the location or apprehension of the recipient is within such official duties.

''(10) DENIAL OF ASSISTANCE FOR MINOR CHILDREN WHO ARE ABSENT FROM THE HOME FOR A SIGNIFICANT PERIOD.—

''(A) IN GENERAL.—A State to which a grant is made under section 403 shall not use any part of the grant to provide assistance for a minor child who has been, or is expected by a parent (or other caretaker relative) of the child to be, absent from the home for a period of 45 consecutive days or, at the option of the State, such period of not less than 30 and not more than 180 consecutive days as the State may provide for in the State plan submitted pursuant to section 402.

''(B) STATE AUTHORITY TO ESTABLISH GOOD CAUSE EXCEPTIONS.—The State may establish such good cause exceptions to subparagraph (A) as the State considers appropriate if such exceptions are provided for in the State plan submitted pursuant to section 402.

''(C) DENIAL OF ASSISTANCE FOR RELATIVE WHO FAILS TO NOTIFY STATE AGENCY OF ABSENCE OF CHILD.—A State to which a grant is made under section 403 shall not use any part of the grant to provide assistance for an individual who is a parent (or other caretaker relative) of a minor child and who fails to notify the agency administering the State

program funded under this part of the absence of the minor child from the home for the period specified in or provided for pursuant to subparagraph (A), by the end of the 5-day period that begins with the date that it becomes clear to the parent (or relative) that the minor child will be absent for such period so specified or provided for.

''(11) MEDICAL ASSISTANCE REQUIRED TO BE PROVIDED FOR CERTAIN FAMILIES HAVING EARNINGS FROM EMPLOYMENT OR CHILD SUPPORT.—

''(A) EARNINGS FROM EMPLOYMENT.—A State to which a grant is made under section 403 and which has a State plan approved under title XIX shall provide that in the case of a family that is treated (under section 1931(b)(1)(A) for purposes of title XIX) as receiving aid under a State plan approved under this part (as in effect on July 16, 1996), that would become ineligible for such aid because of hours of or income from employment of the caretaker relative (as defined under this part as in effect on such date) or because of section 402(a)(8)(B)(ii)(II) (as so in effect), and that was so treated as receiving such aid in at least 3 of the 6 months immediately preceding the month in which such ineligibility begins, the family shall remain eligible for medical assistance under the State's plan approved under title XIX for an extended period or periods as provided in section 1925 or 1902(e)(1) (as applicable), and that the family will be appropriately notified of such extension as required by section 1925(a)(2).

''(B) CHILD SUPPORT.—A State to which a grant is made under section 403 and which has a State plan approved under title XIX shall provide that in the case of a family that is treated (under section 1931(b)(1)(A) for purposes of title XIX) as receiving aid under a State plan approved under this part (as in effect on July 16, 1996), that would become ineligible for such aid as a result (wholly or partly) of the collection of child or spousal support under part D and that was so treated as receiving such aid in at least 3 of the 6 months immediately preceding the month in which such ineligibility begins, the family shall remain eligible for medical assistance under the State's plan approved under title XIX for an extended period or periods as provided in section 1931(c)(1).

''(b) INDIVIDUAL RESPONSIBILITY PLANS.—

''(1) ASSESSMENT.—The State agency responsible for administering the State program funded under this part shall make an initial assessment of the skills, prior work experience, and employability of each recipient of assistance under the program who—

''(A) has attained 18 years of age; or

''(B) has not completed high school or obtained a certificate of high school equivalency, and is not attending secondary school.

''(2) CONTENTS OF PLANS.—

''(A) IN GENERAL.—On the basis of the assessment made under subsection (a) with respect to an individual, the State agency, in consultation with the individual, may develop an individual responsibility plan for the individual, which—

''(i) sets forth an employment goal for the individual and a plan for moving the individual immediately into private sector employment;

''(ii) sets forth the obligations of the individual, which may include a requirement that the individual attend school, maintain certain grades and attendance, keep school age children of the individual in school, immunize children, attend parenting and money management classes, or do other things that will help the individual become and remain employed in the private sector;

''(iii) to the greatest extent possible is designed to move the individual into whatever private sector employment the individual is capable of handling as quickly as possible, and to increase the responsibility and amount of work the individual is to handle over time;

''(iv) describes the services the State will provide the individual so that the individual will be able to obtain and keep employment in the private sector, and describe the job counseling and other services that will be provided by the State; and

''(v) may require the individual to undergo appropriate substance abuse treatment.

''(B) TIMING.—The State agency may comply with paragraph (1) with respect to an individual—

''(i) within 90 days (or, at the option of the State, 180 days) after the effective date of this part, in the case of an individual who, as of such effective date, is a recipient of aid under the State plan approved under part A (as in effect immediately before such effective date); or

''(ii) within 30 days (or, at the option of the State, 90 days) after the individual is determined to be eligible for such assistance, in the case of any other individual.

''(3) PENALTY FOR NONCOMPLIANCE BY INDIVIDUAL.—In addition to any other penalties required under the State program funded under this part, the State may reduce, by such amount as the State considers appropriate, the amount of assistance otherwise payable under the State program to a family that includes an individual who fails without good cause to comply with an individual responsibility plan signed by the individual.

''(4) STATE DISCRETION.—The exercise of the authority of this subsection shall be within the sole discretion of the State.

''(c) NONDISCRIMINATION PROVISIONS.—The following provisions of law shall apply to any program or activity which receives funds provided under this part:

''(1) The Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.).

''(2) Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794).

''(3) The Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.).

''(4) Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.).

''(d) ALIENS.—For special rules relating to the treatment of aliens, see section 402 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.

''SEC. 409. PENALTIES.

''(a) IN GENERAL.—Subject to this section:

''(1) USE OF GRANT IN VIOLATION OF THIS PART.—

''(A) GENERAL PENALTY.—If an audit conducted under chapter 75 of title 31, United States Code, finds that an amount paid to a State under section 403 for a fiscal year has been used in violation of this part, the Secretary shall reduce the grant payable to the State under section 403(a)(1) for the immediately succeeding fiscal year quarter by the amount so used.

''(B) ENHANCED PENALTY FOR INTENTIONAL VIOLATIONS.—If the State does not prove to the satisfaction of the Secretary that the State did not intend to use the amount in violation of this part, the Secretary shall further reduce the grant payable to the State under section 403(a)(1) for the immediately succeeding fiscal year quarter by an amount equal to 5 percent of the State family assistance grant.

''(2) FAILURE TO SUBMIT REQUIRED REPORT.—

''(A) IN GENERAL.—If the Secretary determines that a State has not, within 1 month after the end of a fiscal quarter, submitted the report required by section 411(a) for the quarter, the Secretary shall reduce the grant payable to the State under section 403(a)(1) for the immediately succeeding fiscal year by an amount equal to 4 percent of the State family assistance grant.

''(B) RESCISSION OF PENALTY.—The Secretary shall rescind a penalty imposed on a State under subparagraph (A) with respect to a report if the State submits the report before the end of the fiscal quarter that immediately succeeds the fiscal quarter for which the report was required.

''(3) FAILURE TO SATISFY MINIMUM PARTICIPATION RATES.—

''(A) IN GENERAL.—If the Secretary determines that a State to which a grant is made under section 403 for a fiscal year has failed to comply with section 407(a) for the fiscal year, the Secretary shall reduce the grant payable to the State under section 403(a)(1) for the immediately succeeding fiscal year by an amount equal to not more than the applicable percentage of the State family assistance grant.

''(B) APPLICABLE PERCENTAGE DEFINED.—As used in subparagraph (A), the term 'applicable percentage' means, with respect to a State—

''(i) if a penalty was not imposed on the State under subparagraph (A) for the immediately preceding fiscal year, 5 percent; or

''(ii) if a penalty was imposed on the State under subparagraph (A) for the immediately preceding fiscal year, the lesser of—

''(I) the percentage by which the grant payable to the State under section 403(a)(1) was reduced for such preceding fiscal year, increased by 2 percentage points; or

''(II) 21 percent.

''(C) PENALTY BASED ON SEVERITY OF FAILURE.—The Secretary shall impose reductions under subparagraph (A) with respect to a fiscal year based on the degree of noncompliance, and may reduce the penalty if the noncompliance is due to circumstances that caused the State to become a needy State (as defined in section 403(b)(6)) during the fiscal year.

''(4) FAILURE TO PARTICIPATE IN THE INCOME AND ELIGIBILITY VERIFICATION SYSTEM.—If the Secretary determines that a State program funded under this part is not participating during a fiscal year in the income and eligibility verification system required by section 1137, the Secretary shall reduce the grant payable to the State under section 403(a)(1) for the immediately succeeding fiscal year by an amount equal to not more than 2 percent of the State family assistance grant.

''(5) FAILURE TO COMPLY WITH PATERNITY ESTABLISHMENT AND CHILD SUPPORT ENFORCEMENT REQUIREMENTS UNDER PART D.—Notwithstanding any other provision of this Act, if the Secretary determines that the State agency that administers a program funded under this part does not enforce the penalties requested by the agency administering part D against recipients of assistance under the State program who fail to cooperate in establishing paternity or in establishing, modifying, or enforcing a child support order in accordance with such part and who do not qualify for any good cause or other exception established by the State under section 454(29), the Secretary shall reduce the grant payable to the State under section 403(a)(1) for the immediately succeeding fiscal year (without regard to this section) by not more than 5 percent.

''(6) FAILURE TO TIMELY REPAY A FEDERAL LOAN FUND FOR STATE WELFARE PROGRAMS.—If the Secretary determines that a State has failed to repay any amount borrowed from the Federal Loan Fund for State Welfare Programs established under section 406 within the period of maturity applicable to the loan, plus any interest owed on the loan, the Secretary shall reduce the grant payable to the State under section 403(a)(1) for the immediately succeeding fiscal year quarter (without regard to this section) by the outstanding loan amount, plus the interest owed

on the outstanding amount. The Secretary shall not forgive any outstanding loan amount or interest owed on the outstanding amount.

''(7) FAILURE OF ANY STATE TO MAINTAIN CERTAIN LEVEL OF HISTORIC EFFORT.—

''(A) IN GENERAL.—The Secretary shall reduce the grant payable to the State under section 403(a)(1) for fiscal year 1998, 1999, 2000, 2001, 2002, or 2003 by the amount (if any) by which qualified State expenditures for the then immediately preceding fiscal year are less than the applicable percentage of historic State expenditures with respect to such preceding fiscal year.

''(B) DEFINITIONS.—As used in this paragraph:

''(i) QUALIFIED STATE EXPENDITURES.—

''(I) IN GENERAL.—The term 'qualified State expenditures' means, with respect to a State and a fiscal year, the total expenditures by the State during the fiscal year, under all State programs, for any of the following with respect to eligible families:

''(aa) Cash assistance.

''(bb) Child care assistance.

''(cc) Educational activities designed to increase self-sufficiency, job training, and work, excluding any expenditure for public education in the State except expenditures which involve the provision of services or assistance to a member of an eligible family which is not generally available to persons who are not members of an eligible family.

''(dd) Administrative costs in connection with the matters described in items (aa), (bb), (cc), and (ee), but only to the extent that such costs do not exceed 15 percent of the total amount of qualified State expenditures for the fiscal year.

''(ee) Any other use of funds allowable under section 404(a)(1).

''(II) EXCLUSION OF TRANSFERS FROM OTHER STATE AND LOCAL PROGRAMS.—Such term does not include expenditures under any State or local program during a fiscal year, except to the extent that—

''(aa) the expenditures exceed the amount expended under the State or local program in the fiscal year most recently ending before the date of the enactment of this part; or

''(bb) the State is entitled to a payment under former section 403 (as in effect immediately before such date of enactment) with respect to the expenditures.

''(III) ELIGIBLE FAMILIES.—As used in subclause (I), the term 'eligible families' means families eligible for assistance under the State program funded under this part, and families that would be eligible for such assistance but for the application of section 408(a)(7) of this Act or section 402 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.

''(ii) APPLICABLE PERCENTAGE.—The term 'applicable percentage' means for fiscal years 1997 through 2002, 80 percent (or, if the State meets the requirements of section 407(a) for the fiscal year, 75 percent) reduced (if appropriate) in accordance with subparagraph (C)(ii).

''(iii) HISTORIC STATE EXPENDITURES.—The term 'historic State expenditures' means, with respect to a State, the lesser of—

''(I) the expenditures by the State under parts A and F (as in effect during fiscal year 1994) for fiscal year 1994; or

''(II) the amount which bears the same ratio to the amount described in subclause (I) as—

''(aa) the State family assistance grant, plus the total amount required to be paid to the State under former section 403 for fiscal year 1994 with respect to amounts expended by the State for child care under subsection (g) or (i) of section 402 (as in effect during fiscal year 1994); bears to

''(bb) the total amount required to be paid to the State under former section 403 (as in effect during fiscal year 1994) for fiscal year 1994.

Such term does not include any expenditures under the State plan approved under part A (as so in effect) on behalf of individuals covered by a tribal family assistance plan approved under section 412, as determined by the Secretary.

''(iv) EXPENDITURES BY THE STATE.—The term 'expenditures by the State' does not include—

''(I) any expenditures from amounts made available by the Federal Government;

''(II) any State funds expended for the medicaid program under title XIX;

''(III) any State funds which are used to match Federal funds; or

''(IV) any State funds which are expended as a condition of receiving Federal funds under Federal programs other than under this part.

Notwithstanding subclause (IV) of the preceding sentence, such term includes expenditures by a State for child care in a fiscal year to the extent that the total amount of such expenditures does not exceed an amount equal to the amount of State expenditures in fiscal year 1994 or 1995 (whichever is greater) that equal the non-Federal share for the programs described in section 418(a)(1)(A).

''(8) SUBSTANTIAL NONCOMPLIANCE OF STATE CHILD SUPPORT ENFORCEMENT PROGRAM WITH REQUIREMENTS OF PART D.—

''(A) IN GENERAL.—If a State program operated under part D is found as a result of a review conducted under section 452(a)(4) not to have complied substantially with the requirements of such part for any quarter, and the Secretary determines that the program is not complying substantially with such requirements at the time the finding is made, the Secretary shall reduce the grant payable to the State under section 403(a)(1) for the quarter and each subsequent quarter that ends before the 1st quarter throughout which the program is found to be in substantial compliance with such requirements by—

''(i) not less than 1 nor more than 2 percent;

''(ii) not less than 2 nor more than 3 percent, if the finding is the 2nd consecutive such finding made as a result of such a review; or

''(iii) not less than 3 nor more than 5 percent, if the finding is the 3rd or a subsequent consecutive such finding made as a result of such a review.

''(B) DISREGARD OF NONCOMPLIANCE WHICH IS OF A TECHNICAL NATURE.—For purposes of subparagraph (A) and section 452(a)(4), a State which is not in full compliance with the requirements of this part shall be determined to be in substantial compliance with such requirements only if the Secretary determines that any noncompliance with such requirements is of a technical nature which does not adversely affect the performance of the State's program operated under part D.

''(9) FAILURE TO COMPLY WITH 5-YEAR LIMIT ON ASSISTANCE.—If the Secretary determines that a State has not complied with section 408(a)(1)(B) during a fiscal year, the Secretary shall reduce the grant payable to the State under section 403(a)(1) for the immediately succeeding fiscal year by an amount equal to 5 percent of the State family assistance grant.

''(10) FAILURE OF STATE RECEIVING AMOUNTS FROM CONTINGENCY FUND TO MAINTAIN 100 PERCENT OF HISTORIC EFFORT.—If, at the end of any fiscal year during which amounts from the Contingency Fund for State Welfare Programs have been paid to a State, the Secretary finds that the expenditures under the State program funded under this part for the fiscal year (excluding any amounts made available by the Federal Government) are less than 100 percent of historic State expenditures (as defined in paragraph (7)(B)(iii) of this subsection), the Secretary shall reduce the grant payable to the State under section 403(a)(1) for the immediately succeeding fiscal year by the total of the amounts so paid to the State.

''(11) FAILURE TO MAINTAIN ASSISTANCE TO ADULT SINGLE CUSTODIAL PARENT WHO CANNOT OBTAIN CHILD CARE FOR CHILD UNDER AGE 6.—

''(A) IN GENERAL.—If the Secretary determines that a State to which a grant is made under section 403 for a fiscal year has violated section 407(e)(2) during the fiscal year, the Secretary shall reduce the grant payable to the State under section 403(a)(1) for the immediately succeeding fiscal year by an amount equal to not more than 5 percent of the State family assistance grant.

''(B) PENALTY BASED ON SEVERITY OF FAILURE.—The Secretary shall impose reductions under subparagraph (A) with respect to a fiscal year based on the degree of noncompliance.

''(12) FAILURE TO EXPEND ADDITIONAL STATE FUNDS TO REPLACE GRANT REDUCTIONS.—If the grant payable to a State under section 403(a)(1) for a fiscal year is reduced by reason of this subsection, the State shall, during the immediately succeeding fiscal year, expend under the State program funded under this part an amount equal to the total amount of such reductions.

''(b) REASONABLE CAUSE EXCEPTION.—

''(1) IN GENERAL.—The Secretary may not impose a penalty on a State under subsection (a) with respect to a requirement if the Secretary determines that the State has reasonable cause for failing to comply with the requirement.

''(2) EXCEPTION.—Paragraph (1) of this subsection shall not apply to any penalty under paragraph (7) or (8) of subsection (a).

''(c) CORRECTIVE COMPLIANCE PLAN.—

''(1) IN GENERAL.—

''(A) NOTIFICATION OF VIOLATION.—Before imposing a penalty against a State under subsection (a) with respect to a violation of this part, the Secretary shall notify the State of the violation and allow the State the opportunity to enter into a corrective compliance plan in accordance with this subsection which outlines how the State will correct the violation and how the State will insure continuing compliance with this part.

''(B) 60-DAY PERIOD TO PROPOSE A CORRECTIVE COMPLIANCE PLAN.—During the 60-day period that begins on the date the State receives a notice provided under subparagraph (A) with respect to a violation, the State may submit to the Federal Government a corrective compliance plan to correct the violation.

''(C) CONSULTATION ABOUT MODIFICATIONS.—During the 60-day period that begins with the date the Secretary receives a corrective compliance plan submitted by a State in accordance with subparagraph (B), the Secretary may consult with the State on modifications to the plan.

''(D) ACCEPTANCE OF PLAN.— A corrective compliance plan submitted by a State in accordance with subparagraph (B) is deemed to be accepted by the Secretary if the Secretary does not accept or reject the plan during 60-day period that begins on the date the plan is submitted.

''(2) EFFECT OF CORRECTING VIOLATION.—The Secretary may not impose any penalty under subsection (a) with respect to any violation covered by a State corrective compliance plan accepted by the Secretary if the State corrects the violation pursuant to the plan.

''(3) EFFECT OF FAILING TO CORRECT VIOLATION.—The Secretary shall assess some or all

of a penalty imposed on a State under subsection (a) with respect to a violation if the State does not, in a timely manner, correct the violation pursuant to a State corrective compliance plan accepted by the Secretary.

''(4) INAPPLICABILITY TO FAILURE TO TIMELY REPAY A FEDERAL LOAN FUND FOR A STATE WELFARE PROGRAM.—This subsection shall not apply to the imposition of a penalty against a State under subsection (a)(6).

''(d) LIMITATION ON AMOUNT OF PENALTIES.—

''(1) IN GENERAL.—In imposing the penalties described in subsection (a), the Secretary shall not reduce any quarterly payment to a State by more than 25 percent.

''(2) CARRYFORWARD OF UNRECOVERED PENALTIES.—To the extent that paragraph (1) of this subsection prevents the Secretary from recovering during a fiscal year the full amount of penalties imposed on a State under subsection (a) of this section for a prior fiscal year, the Secretary shall apply any remaining amount of such penalties to the grant payable to the State under section 403(a)(1) for the immediately succeeding fiscal year.

''SEC. 410. APPEAL OF ADVERSE DECISION.

''(a) IN GENERAL.—Within 5 days after the date the Secretary takes any adverse action under this part with respect to a State, the Secretary shall notify the chief executive officer of the State of the adverse action, including any action with respect to the State plan submitted under section 402 or the imposition of a penalty under section 409.

''(b) ADMINISTRATIVE REVIEW.—

''(1) IN GENERAL.—Within 60 days after the date a State receives notice under subsection (a) of an adverse action, the State may appeal the action, in whole or in part, to the Departmental Appeals Board established in the Department of Health and Human Services (in this section referred to as the 'Board') by filing an appeal with the Board.

''(2) PROCEDURAL RULES.—The Board shall consider an appeal filed by a State under paragraph (1) on the basis of such documentation as the State may submit and as the Board may require to support the final decision of the Board. In deciding whether to uphold an adverse action or any portion of such an action, the Board shall conduct a thorough review of the issues and take into account all relevant evidence. The Board shall make a final determination with respect to an appeal filed under paragraph (1) not less than 60 days after the date the appeal is filed.

''(c) JUDICIAL REVIEW OF ADVERSE DECISION.—

''(1) IN GENERAL.—Within 90 days after the date of a final decision by the Board under this section with respect to an adverse action taken against a State, the State may obtain judicial review of the final decision (and the findings incorporated into the final decision) by filing an action in—

''(A) the district court of the United States for the judicial district in which the principal or headquarters office of the State agency is located; or

''(B) the United States District Court for the District of Columbia.

''(2) PROCEDURAL RULES.—The district court in which an action is filed under paragraph (1) shall review the final decision of the Board on the record established in the administrative proceeding, in accordance with the standards of review prescribed by subparagraphs (A) through (E) of section 706(2) of title 5, United States Code. The review shall be on the basis of the documents and supporting data submitted to the Board.

''SEC. 411. DATA COLLECTION AND REPORTING.

''(a) QUARTERLY REPORTS BY STATES.—

''(1) GENERAL REPORTING REQUIREMENT.—

''(A) CONTENTS OF REPORT.—Each eligible State shall collect on a monthly basis, and report to the Secretary on a quarterly basis, the following disaggregated case record information on the families receiving assistance under the State program funded under this part:

''(i) The county of residence of the family.

''(ii) Whether a child receiving such assistance or an adult in the family is disabled.

''(iii) The ages of the members of such families.

''(iv) The number of individuals in the family, and the relation of each family member to the youngest child in the family.

''(v) The employment status and earnings of the employed adult in the family.

''(vi) The marital status of the adults in the family, including whether such adults have never married, are widowed, or are divorced.

''(vii) The race and educational status of each adult in the family.

''(viii) The race and educational status of each child in the family.

''(ix) Whether the family received subsidized housing, medical assistance under the State plan approved under title XIX, food stamps, or subsidized child care, and if the latter 2, the amount received.

''(x) The number of months that the family has received each type of assistance under the program.

''(xi) If the adults participated in, and the number of hours per week of participation in, the following activities:

''(I) Education.

''(II) Subsidized private sector employment.

''(III) Unsubsidized employment.

''(IV) Public sector employment, work experience, or community service.

''(V) Job search.

''(VI) Job skills training or on-the-job training.

''(VII) Vocational education.

''(xii) Information necessary to calculate participation rates under section 407.

''(xiii) The type and amount of assistance received under the program, including the amount of and reason for any reduction of assistance (including sanctions).

''(xiv) Any amount of unearned income received by any member of the family.

''(xv) The citizenship of the members of the family.

''(xvi) From a sample of closed cases, whether the family left the program, and if so, whether the family left due to—

''(I) employment;

''(II) marriage;

''(III) the prohibition set forth in section 408(a)(7);

''(IV) sanction; or

''(V) State policy.

''(B) USE OF ESTIMATES.—

''(i) AUTHORITY.—A State may comply with subparagraph (A) by submitting an estimate which is obtained through the use of scientifically acceptable sampling methods approved by the Secretary.

''(ii) SAMPLING AND OTHER METHODS.—The Secretary shall provide the States with such case sampling plans and data collection procedures as the Secretary deems necessary to produce statistically valid estimates of the performance of State programs funded under this part. The Secretary may develop and implement procedures for verifying the quality of data submitted by the States.

''(2) REPORT ON USE OF FEDERAL FUNDS TO COVER ADMINISTRATIVE COSTS AND OVERHEAD.—The report required by paragraph (1) for a fiscal quarter shall include a statement of the percentage of the funds paid to the State under this part for the quarter that are used to cover administrative costs or overhead.

''(3) REPORT ON STATE EXPENDITURES ON PROGRAMS FOR NEEDY FAMILIES.—The report required by paragraph (1) for a fiscal quarter shall include a statement of the total amount expended by the State during the quarter on programs for needy families.

''(4) REPORT ON NONCUSTODIAL PARENTS PARTICIPATING IN WORK ACTIVITIES.—The report required by paragraph (1) for a fiscal quarter shall include the number of noncustodial parents in the State who participated in work activities (as defined in section 407(d)) during the quarter.

''(5) REPORT ON TRANSITIONAL SERVICES.—The report required by paragraph (1) for a fiscal quarter shall include the total amount expended by the State during the quarter to provide transitional services to a family that has ceased to receive assistance under this part because of employment, along with a description of such services.

''(6) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to define the data elements with respect to which reports are required by this subsection.

''(b) ANNUAL REPORTS TO THE CONGRESS BY THE SECRETARY.—Not later than 6 months after the end of fiscal year 1997, and each fiscal year thereafter, the Secretary shall transmit to the Congress a report describing—

''(1) whether the States are meeting—

''(A) the participation rates described in section 407(a); and

''(B) the objectives of—

''(i) increasing employment and earnings of needy families, and child support collections; and

''(ii) decreasing out-of-wedlock pregnancies and child poverty;

''(2) the demographic and financial characteristics of families applying for assistance, families receiving assistance, and families that become ineligible to receive assistance;

''(3) the characteristics of each State program funded under this part; and

''(4) the trends in employment and earnings of needy families with minor children living at home.

''SEC. 412. DIRECT FUNDING AND ADMINISTRATION BY INDIAN TRIBES.

''(a) GRANTS FOR INDIAN TRIBES.—

''(1) TRIBAL FAMILY ASSISTANCE GRANT.—

''(A) IN GENERAL.—For each of fiscal years 1997, 1998, 1999, 2000, 2001, and 2002, the Secretary shall pay to each Indian tribe that has an approved tribal family assistance plan a tribal family assistance grant for the fiscal year in an amount equal to the amount determined under subparagraph (B), and shall reduce the grant payable under section 403(a)(1) to any State in which lies the service area or areas of the Indian tribe by that portion of the amount so determined that is attributable to expenditures by the State.

''(B) AMOUNT DETERMINED.—

''(i) IN GENERAL.—The amount determined under this subparagraph is an amount equal to the total amount of the Federal payments to a State or States under section 403 (as in effect during such fiscal year) for fiscal year 1994 attributable to expenditures (other than child care expenditures) by the State or States under parts A and F (as so in effect) for fiscal year 1994 for Indian families residing in the service area or areas identified by the Indian tribe pursuant to subsection (b)(1)(C) of this section.

''(ii) USE OF STATE SUBMITTED DATA.—

''(I) IN GENERAL.—The Secretary shall use State submitted data to make each determination under clause (i).

''(II) DISAGREEMENT WITH DETERMINATION.—If an Indian tribe or tribal organization disagrees with State submitted data described under subclause (I), the Indian tribe or tribal organization may submit to the Secretary

such additional information as may be relevant to making the determination under clause (i) and the Secretary may consider such information before making such determination.

''(2) GRANTS FOR INDIAN TRIBES THAT RECEIVED JOBS FUNDS.—

''(A) IN GENERAL.—The Secretary shall pay to each eligible Indian tribe for each of fiscal years 1997, 1998, 1999, 2000, 2001, and 2002 a grant in an amount equal to the amount received by the Indian tribe in fiscal year 1994 under section 482(i) (as in effect during fiscal year 1994).

''(B) ELIGIBLE INDIAN TRIBE.—For purposes of subparagraph (A), the term 'eligible Indian tribe' means an Indian tribe or Alaska Native organization that conducted a job opportunities and basic skills training program in fiscal year 1995 under section 482(i) (as in effect during fiscal year 1995).

''(C) USE OF GRANT.—Each Indian tribe to which a grant is made under this paragraph shall use the grant for the purpose of operating a program to make work activities available to members of the Indian tribe.

''(D) APPROPRIATION.—Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated $7,638,474 for each fiscal year specified in subparagraph (A) for grants under subparagraph (A).

''(b) 3-YEAR TRIBAL FAMILY ASSISTANCE PLAN.—

''(1) IN GENERAL.—Any Indian tribe that desires to receive a tribal family assistance grant shall submit to the Secretary a 3-year tribal family assistance plan that—

''(A) outlines the Indian tribe's approach to providing welfare-related services for the 3-year period, consistent with this section;

''(B) specifies whether the welfare-related services provided under the plan will be provided by the Indian tribe or through agreements, contracts, or compacts with intertribal consortia, States, or other entities;

''(C) identifies the population and service area or areas to be served by such plan;

''(D) provides that a family receiving assistance under the plan may not receive duplicative assistance from other State or tribal programs funded under this part;

''(E) identifies the employment opportunities in or near the service area or areas of the Indian tribe and the manner in which the Indian tribe will cooperate and participate in enhancing such opportunities for recipients of assistance under the plan consistent with any applicable State standards; and

''(F) applies the fiscal accountability provisions of section 5(f)(1) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450c(f)(1)), relating to the submission of a single-agency audit report required by chapter 75 of title 31, United States Code.

''(2) APPROVAL.—The Secretary shall approve each tribal family assistance plan submitted in accordance with paragraph (1).

''(3) CONSORTIUM OF TRIBES.—Nothing in this section shall preclude the development and submission of a single tribal family assistance plan by the participating Indian tribes of an intertribal consortium.

''(c) MINIMUM WORK PARTICIPATION REQUIREMENTS AND TIME LIMITS.—The Secretary, with the participation of Indian tribes, shall establish for each Indian tribe receiving a grant under this section minimum work participation requirements, appropriate time limits for receipt of welfare-related services under the grant, and penalties against individuals—

''(1) consistent with the purposes of this section;

''(2) consistent with the economic conditions and resources available to each tribe; and

''(3) similar to comparable provisions in section 407(e).

''(d) EMERGENCY ASSISTANCE.—Nothing in this section shall preclude an Indian tribe from seeking emergency assistance from any Federal loan program or emergency fund.

''(e) ACCOUNTABILITY.—Nothing in this section shall be construed to limit the ability of the Secretary to maintain program funding accountability consistent with—

''(1) generally accepted accounting principles; and

''(2) the requirements of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.).

''(f) PENALTIES.—

''(1) Subsections (a)(1), (a)(6), and (b) of section 409, shall apply to an Indian tribe with an approved tribal assistance plan in the same manner as such subsections apply to a State.

''(2) Section 409(a)(3) shall apply to an Indian tribe with an approved tribal assistance plan by substituting 'meet minimum work participation requirements established under section 412(c)' for 'comply with section 407(a)'.

''(g) DATA COLLECTION AND REPORTING.—Section 411 shall apply to an Indian tribe with an approved tribal family assistance plan.

''(h) SPECIAL RULE FOR INDIAN TRIBES IN ALASKA.—

''(1) IN GENERAL.—Notwithstanding any other provision of this section, and except as provided in paragraph (2), an Indian tribe in the State of Alaska that receives a tribal family assistance grant under this section shall use the grant to operate a program in accordance with requirements comparable to the requirements applicable to the program of the State of Alaska funded under this part. Comparability of programs shall be established on the basis of program criteria developed by the Secretary in consultation with the State of Alaska and such Indian tribes.

''(2) WAIVER.—An Indian tribe described in paragraph (1) may apply to the appropriate State authority to receive a waiver of the requirement of paragraph (1).

''SEC. 413. RESEARCH, EVALUATIONS, AND NATIONAL STUDIES.

''(a) RESEARCH.—The Secretary shall conduct research on the benefits, effects, and costs of operating different State programs funded under this part, including time limits relating to eligibility for assistance. The research shall include studies on the effects of different programs and the operation of such programs on welfare dependency, illegitimacy, teen pregnancy, employment rates, child well-being, and any other area the Secretary deems appropriate. The Secretary shall also conduct research on the costs and benefits of State activities under section 409.

''(b) DEVELOPMENT AND EVALUATION OF INNOVATIVE APPROACHES TO REDUCING WELFARE DEPENDENCY AND INCREASING CHILD WELL-BEING.—

''(1) IN GENERAL.—The Secretary may assist States in developing, and shall evaluate, innovative approaches for reducing welfare dependency and increasing the well-being of minor children living at home with respect to recipients of assistance under programs funded under this part. The Secretary may provide funds for training and technical assistance to carry out the approaches developed pursuant to this paragraph.

''(2) EVALUATIONS.—In performing the evaluations under paragraph (1), the Secretary shall, to the maximum extent feasible, use random assignment as an evaluation methodology.

''(c) DISSEMINATION OF INFORMATION.—The Secretary shall develop innovative methods of disseminating information on any research, evaluations, and studies conducted under this section, including the facilitation of the sharing of information and best practices among States and localities through the use of computers and other technologies.

''(d) ANNUAL RANKING OF STATES AND REVIEW OF MOST AND LEAST SUCCESSFUL WORK PROGRAMS.—

''(1) ANNUAL RANKING OF STATES.—The Secretary shall rank annually the States to which grants are paid under section 403 in the order of their success in placing recipients of assistance under the State program funded under this part into long-term private sector jobs, reducing the overall welfare caseload, and, when a practicable method for calculating this information becomes available, diverting individuals from formally applying to the State program and receiving assistance. In ranking States under this subsection, the Secretary shall take into account the average number of minor children living at home in families in the State that have incomes below the poverty line and the amount of funding provided each State for such families.

''(2) ANNUAL REVIEW OF MOST AND LEAST SUCCESSFUL WORK PROGRAMS.—The Secretary shall review the programs of the 3 States most recently ranked highest under paragraph (1) and the 3 States most recently ranked lowest under paragraph (1) that provide parents with work experience, assistance in finding employment, and other work preparation activities and support services to enable the families of such parents to leave the program and become self-sufficient.

''(e) ANNUAL RANKING OF STATES AND REVIEW OF ISSUES RELATING TO OUT-OF-WEDLOCK BIRTHS.—

''(1) ANNUAL RANKING OF STATES.—

''(A) IN GENERAL.—The Secretary shall annually rank States to which grants are made under section 403 based on the following ranking factors:

''(i) ABSOLUTE OUT-OF-WEDLOCK RATIOS.—The ratio represented by—

''(I) the total number of out-of-wedlock births in families receiving assistance under the State program under this part in the State for the most recent fiscal year for which information is available; over

''(II) the total number of births in families receiving assistance under the State program under this part in the State for such year.

''(ii) NET CHANGES IN THE OUT-OF-WEDLOCK RATIO.—The difference between the ratio described in subparagraph (A)(i) with respect to a State for the most recent fiscal year for which such information is available and the ratio with respect to the State for the immediately preceding year.

''(2) ANNUAL REVIEW.—The Secretary shall review the programs of the 5 States most recently ranked highest under paragraph (1) and the 5 States most recently ranked the lowest under paragraph (1).

''(f) STATE-INITIATED EVALUATIONS.—A State shall be eligible to receive funding to evaluate the State program funded under this part if—

''(1) the State submits a proposal to the Secretary for the evaluation;

''(2) the Secretary determines that the design and approach of the evaluation is rigorous and is likely to yield information that is credible and will be useful to other States, and

''(3) unless otherwise waived by the Secretary, the State contributes to the cost of the evaluation, from non-Federal sources, an amount equal to at least 10 percent of the cost of the evaluation.

''(g) REPORT ON CIRCUMSTANCES OF CERTAIN CHILDREN AND FAMILIES.—

''(1) IN GENERAL.—Beginning 3 years after the date of the enactment of this Act, the Secretary of Health and Human Services shall prepare and submit to the Committees on Ways and Means and on Economic and Educational Opportunities of the House of Representatives and to the Committees on Finance and on Labor and Resources of the Senate annual reports that examine in detail the matters described in paragraph (2) with respect to each of the following groups for the period after such enactment:

''(A) Individuals who were children in families that have become ineligible for assistance under a State program funded under this part by reason of having reached a time limit on the provision of such assistance.

''(B) Children born after such date of enactment to parents who, at the time of such birth, had not attained 20 years of age.

''(C) Individuals who, after such date of enactment, became parents before attaining 20 years of age.

''(2) MATTERS DESCRIBED.—The matters described in this paragraph are the following:

''(A) The percentage of each group that has dropped out of secondary school (or the equivalent), and the percentage of each group at each level of educational attainment.

''(B) The percentage of each group that is employed.

''(C) The percentage of each group that has been convicted of a crime or has been adjudicated as a delinquent.

''(D) The rate at which the members of each group are born, or have children, out-of-wedlock, and the percentage of each group that is married.

''(E) The percentage of each group that continues to participate in State programs funded under this part.

''(F) The percentage of each group that has health insurance provided by a private entity (broken down by whether the insurance is provided through an employer or otherwise), the percentage that has health insurance provided by an agency of government, and the percentage that does not have health insurance.

''(G) The average income of the families of the members of each group.

''(H) Such other matters as the Secretary deems appropriate.

''(h) FUNDING OF STUDIES AND DEMONSTRATIONS.—

''(1) IN GENERAL.—Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated $15,000,000 for each of fiscal years 1997 through 2002 for the purpose of paying—

''(A) the cost of conducting the research described in subsection (a);

''(B) the cost of developing and evaluating innovative approaches for reducing welfare dependency and increasing the well-being of minor children under subsection (b);

''(C) the Federal share of any State-initiated study approved under subsection (f); and

''(D) an amount determined by the Secretary to be necessary to operate and evaluate demonstration projects, relating to this part, that are in effect or approved under section 1115 as of September 30, 1995, and are continued after such date.

''(2) ALLOCATION.—Of the amount appropriated under paragraph (1) for a fiscal year—

''(A) 50 percent shall be allocated for the purposes described in subparagraphs (A) and (B) of paragraph (1), and

''(B) 50 percent shall be allocated for the purposes described in subparagraphs (C) and (D) of paragraph (1).

''(3) DEMONSTRATIONS OF INNOVATIVE STRATEGIES.—The Secretary may implement and evaluate demonstrations of innovative and promising strategies which—

''(A) provide one-time capital funds to establish, expand, or replicate programs;

''(B) test performance-based grant-to-loan financing in which programs meeting performance targets receive grants while programs not meeting such targets repay funding on a prorated basis; and

''(C) test strategies in multiple States and types of communities.

''(i) CHILD POVERTY RATES.—

''(1) IN GENERAL.—Not later than 90 days after the date of the enactment of this part, and annually thereafter, the chief executive officer of each State shall submit to the Secretary a statement of the child poverty rate in the State as of such date of enactment or the date of the most recent prior statement under this paragraph.

''(2) SUBMISSION OF CORRECTIVE ACTION PLAN.—Not later than 90 days after the date a State submits a statement under paragraph (1) which indicates that, as a result of the amendments made by section 103 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, the child poverty rate of the State has increased by 5 percent or more since the most recent prior statement under paragraph (1), the State shall prepare and submit to the Secretary a corrective action plan in accordance with paragraph (3).

''(3) CONTENTS OF PLAN.—A corrective action plan submitted under paragraph (2) shall outline that manner in which the State will reduce the child poverty rate in the State. The plan shall include a description of the actions to be taken by the State under such plan.

''(4) COMPLIANCE WITH PLAN.—A State that submits a corrective action plan that the Secretary has found contains the information required by this subsection shall implement the corrective action plan until the State determines that the child poverty rate in the State is less than the lowest child poverty rate on the basis of which the State was required to submit the corrective action plan.

''(5) METHODOLOGY.—The Secretary shall prescribe regulations establishing the methodology by which a State shall determine the child poverty rate in the State. The methodology shall take into account factors including the number of children who receive free or reduced-price lunches, the number of food stamp households, and the county-by-county estimates of children in poverty as determined by the Census Bureau.

''SEC. 414. STUDY BY THE CENSUS BUREAU.

''(a) IN GENERAL.—The Bureau of the Census shall continue to collect data on the 1992 and 1993 panels of the Survey of Income and Program Participation as necessary to obtain such information as will enable interested persons to evaluate the impact of the amendments made by title I of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 on a random national sample of recipients of assistance under State programs funded under this part and (as appropriate) other low income families, and in doing so, shall pay particular attention to the issues of out-of-wedlock birth, welfare dependency, the beginning and end of welfare spells, and the causes of repeat welfare spells, and shall obtain information about the status of children participating in such panels.

''(b) APPROPRIATION.—Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated $10,000,000 for each of fiscal years 1996, 1997, 1998, 1999, 2000, 2001, and 2002 for payment to the Bureau of the Census to carry out subsection (a).

''SEC. 415. WAIVERS.

''(a) CONTINUATION OF WAIVERS.—

''(1) WAIVERS IN EFFECT ON DATE OF ENACTMENT OF WELFARE REFORM.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), if any waiver granted to a State under section 1115 of this Act or otherwise which relates to the provision of assistance under a State plan under this part (as in effect on September 30, 1996) is in effect as of the date of the enactment of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, the amendments made by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (other than by section 103(c) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996) shall not apply with respect to the State before the expiration (determined without regard to any extensions) of the waiver to the extent such amendments are inconsistent with the waiver.

''(B) FINANCING LIMITATION.—Notwithstanding any other provision of law, beginning with fiscal year 1996, a State operating under a waiver described in subparagraph (A) shall be entitled to payment under section 403 for the fiscal year, in lieu of any other payment provided for in the waiver.

''(2) WAIVERS GRANTED SUBSEQUENTLY.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), if any waiver granted to a State under section 1115 of this Act or otherwise which relates to the provision of assistance under a State plan under this part (as in effect on September 30, 1996) is submitted to the Secretary before the date of the enactment of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 and approved by the Secretary on or before July 1, 1997, and the State demonstrates to the satisfaction of the Secretary that the waiver will not result in Federal expenditures under title IV of this Act (as in effect without regard to the amendments made by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996) that are greater than would occur in the absence of the waiver, the amendments made by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (other than by section 103(c) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996) shall not apply with respect to the State before the expiration (determined without regard to any extensions) of the waiver to the extent the amendments made by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 are inconsistent with the waiver.

''(B) NO EFFECT ON NEW WORK REQUIREMENTS.—Notwithstanding subparagraph (A), a waiver granted under section 1115 or otherwise which relates to the provision of assistance under a State program funded under this part (as in effect on September 30, 1996) shall not affect the applicability of section 407 to the State.

''(b) STATE OPTION TO TERMINATE WAIVER.—

''(1) IN GENERAL.—A State may terminate a waiver described in subsection (a) before the expiration of the waiver.

''(2) REPORT.—A State which terminates a waiver under paragraph (1) shall submit a report to the Secretary summarizing the waiver and any available information concerning the result or effect of the waiver.

''(3) HOLD HARMLESS PROVISION.—

''(A) IN GENERAL.—Notwithstanding any other provision of law, a State that, not later than the date described in subparagraph (B) of this paragraph, submits a written request to terminate a waiver described in subsection (a) shall be held harmless for accrued cost neutrality liabilities incurred under the waiver.

''(B) DATE DESCRIBED.—The date described in this subparagraph is 90 days following the

adjournment of the first regular session of the State legislature that begins after the date of the enactment of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.

''(c) SECRETARIAL ENCOURAGEMENT OF CURRENT WAIVERS.—The Secretary shall encourage any State operating a waiver described in subsection (a) to continue the waiver and to evaluate, using random sampling and other characteristics of accepted scientific evaluations, the result or effect of the waiver.

''(d) CONTINUATION OF INDIVIDUAL WAIVERS.—A State may elect to continue 1 or more individual waivers described in subsection (a).

''SEC. 416. ADMINISTRATION.

''The programs under this part and part D shall be administered by an Assistant Secretary for Family Support within the Department of Health and Human Services, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall be in addition to any other Assistant Secretary of Health and Human Services provided for by law, and the Secretary shall reduce the Federal workforce within the Department of Health and Human Services by an amount equal to the sum of 75 percent of the full-time equivalent positions at such Department that relate to any direct spending program, or any program funded through discretionary spending, that has been converted into a block grant program under the Personal Responsibility and Work Opportunity Act of 1996 and the amendments made by such Act, and by an amount equal to 75 percent of that portion of the total full-time equivalent departmental management positions at such Department that bears the same relationship to the amount appropriated for any direct spending program, or any program funded through discretionary spending, that has been converted into a block grant program under the Personal Responsibility and Work Opportunity Act of 1996 and the amendments made by such Act, as such amount relates to the total amount appropriated for use by such Department, and, notwithstanding any other provision of law, the Secretary shall take such actions as may be necessary, including reductions in force actions, consistent with sections 3502 and 3595 of title 5, United States Code, to reduce the full-time equivalent positions within the Department of Health and Human Services by 245 full-time equivalent positions related to the program converted into a block grant under the amendment made by section 2103 of the Personal Responsibility and Work Opportunity Act of 1996, and by 60 full-time equivalent managerial positions in the Department.

''SEC. 417. LIMITATION ON FEDERAL AUTHORITY.

''No officer or employee of the Federal Government may regulate the conduct of States under this part or enforce any provision of this part, except to the extent expressly provided in this part.''; and

(2) by inserting after such section 418 the following:

''SEC. 419. DEFINITIONS.

''As used in this part:

''(1) ADULT.—The term 'adult' means an individual who is not a minor child.

''(2) MINOR CHILD.—The term 'minor child' means an individual who—

''(A) has not attained 18 years of age; or

''(B) has not attained 19 years of age and is a full-time student in a secondary school (or in the equivalent level of vocational or technical training).

''(3) FISCAL YEAR.—The term 'fiscal year' means any 12-month period ending on September 30 of a calendar year.

''(4) INDIAN, INDIAN TRIBE, AND TRIBAL ORGANIZATION.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), the terms 'Indian', 'Indian tribe', and 'tribal organization' have the meaning given such terms by section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

''(B) SPECIAL RULE FOR INDIAN TRIBES IN ALASKA.—The term 'Indian tribe' means, with respect to the State of Alaska, only the Metlakatla Indian Community of the Annette Islands Reserve and the following Alaska Native regional nonprofit corporations:

''(i) Arctic Slope Native Association.

''(ii) Kawerak, Inc.

''(iii) Maniilaq Association.

''(iv) Association of Village Council Presidents.

''(v) Tanana Chiefs Conference.

''(vi) Cook Inlet Tribal Council.

''(vii) Bristol Bay Native Association.

''(viii) Aleutian and Pribilof Island Association.

''(ix) Chugachmuit.

''(x) Tlingit Haida Central Council.

''(xi) Kodiak Area Native Association.

''(xii) Copper River Native Association.

''(5) STATE.—Except as otherwise specifically provided, the term 'State' means the 50 States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, and American Samoa.''.

(b) GRANTS TO OUTLYING AREAS.—Section 1108 (42 U.S.C. 1308) is amended—

(1) by striking subsections (d) and (e);

(2) by redesignating subsection (c) as subsection (f); and

(3) by striking all that precedes subsection (c) and inserting the following:

''SEC. 1108. ADDITIONAL GRANTS TO PUERTO RICO, THE VIRGIN ISLANDS, GUAM, AND AMERICAN SAMOA; LIMITATION ON TOTAL PAYMENTS.

''(a) LIMITATION ON TOTAL PAYMENTS TO EACH TERRITORY.—Notwithstanding any other provision of this Act, the total amount certified by the Secretary of Health and Human Services under titles I, X, XIV, and XVI, under parts A and E of title IV, and under subsection (b) of this section, for payment to any territory for a fiscal year shall not exceed the ceiling amount for the territory for the fiscal year.

''(b) ENTITLEMENT TO MATCHING GRANT.—

''(1) IN GENERAL.—Each territory shall be entitled to receive from the Secretary for each fiscal year a grant in an amount equal to 75 percent of the amount (if any) by which—

''(A) the total expenditures of the territory during the fiscal year under the territory programs funded under parts A and E of title IV; exceeds

''(B) the sum of—

''(i) the amount of the family assistance grant payable to the territory without regard to section 409; and

''(ii) the total amount expended by the territory during fiscal year 1995 pursuant to parts A and F of title IV (as so in effect), other than for child care.

''(2) APPROPRIATION.—Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated for fiscal years 1997 through 2002, such sums as are necessary for grants under this paragraph.

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

''(1) TERRITORY.—The term 'territory' means Puerto Rico, the Virgin Islands, Guam, and American Samoa.

''(2) CEILING AMOUNT.—The term 'ceiling amount' means, with respect to a territory and a fiscal year, the mandatory ceiling amount with respect to the territory, reduced for the fiscal year in accordance with subsection (e), and reduced by the amount of any penalty imposed on the territory under any provision of law specified in subsection (a) during the fiscal year.

''(3) FAMILY ASSISTANCE GRANT.—The term 'family assistance grant' has the meaning given such term by section 403(a)(1)(B).

''(4) MANDATORY CEILING AMOUNT.—The term 'mandatory ceiling amount' means—

''(A) $107,255,000 with respect to for Puerto Rico;

''(B) $4,686,000 with respect to Guam;

''(C) $3,554,000 with respect to the Virgin Islands; and

''(D) $1,000,000 with respect to American Samoa.

''(5) TOTAL AMOUNT EXPENDED BY THE TERRITORY.—The term 'total amount expended by the territory'—

''(A) does not include expenditures during the fiscal year from amounts made available by the Federal Government; and

''(B) when used with respect to fiscal year 1995, also does not include—

''(i) expenditures during fiscal year 1995 under subsection (g) or (i) of section 402 (as in effect on September 30, 1995); or

''(ii) any expenditures during fiscal year 1995 for which the territory (but for section 1108, as in effect on September 30, 1995) would have received reimbursement from the Federal Government.

''(d) AUTHORITY TO TRANSFER FUNDS TO CERTAIN PROGRAMS.—A territory to which an amount is paid under subsection (b) of this section may use the amount in accordance with section 404(d).

''(e) MAINTENANCE OF EFFORT.—The ceiling amount with respect to a territory shall be reduced for a fiscal year by an amount equal to the amount (if any) by which—

''(1) the total amount expended by the territory under all programs of the territory operated pursuant to the provisions of law specified in subsection (a) (as such provisions were in effect for fiscal year 1995) for fiscal year 1995; exceeds

''(2) the total amount expended by the territory under all programs of the territory that are funded under the provisions of law specified in subsection (a) for the fiscal year that immediately precedes the fiscal year referred to in the matter preceding paragraph (1).''.

(c) ELIMINATION OF CHILD CARE PROGRAMS UNDER THE SOCIAL SECURITY ACT.—

(1) AFDC AND TRANSITIONAL CHILD CARE PROGRAMS.—Section 402 (42 U.S.C. 602) is amended by striking subsection (g).

(2) AT-RISK CHILD CARE PROGRAM.—

(A) AUTHORIZATION.—Section 402 (42 U.S.C. 602) is amended by striking subsection (i).

(B) FUNDING PROVISIONS.—Section 403 (42 U.S.C. 603) is amended by striking subsection (n).

SEC. 104. SERVICES PROVIDED BY CHARITABLE, RELIGIOUS, OR PRIVATE ORGANIZATIONS.

(a) IN GENERAL.—

(1) STATE OPTIONS.—A State may—

(A) administer and provide services under the programs described in subparagraphs (A) and (B)(i) of paragraph (2) through contracts with charitable, religious, or private organizations; and

(B) provide beneficiaries of assistance under the programs described in subparagraphs (A) and (B)(ii) of paragraph (2) with certificates, vouchers, or other forms of disbursement which are redeemable with such organizations.

(2) PROGRAMS DESCRIBED.—The programs described in this paragraph are the following programs:

(A) A State program funded under part A of title IV of the Social Security Act (as amended by section 103(a) of this Act).

(B) Any other program established or modified under title I or II of this Act, that—

(i) permits contracts with organizations; or

(ii) permits certificates, vouchers, or other forms of disbursement to be provided to beneficiaries, as a means of providing assistance.

(b) RELIGIOUS ORGANIZATIONS.—The purpose of this section is to allow States to contract with religious organizations, or to allow religious organizations to accept certificates, vouchers, or other forms of disbursement under any program described in subsection (a)(2), on the same basis as any other nongovernmental provider without impairing the religious character of such organizations, and without diminishing the religious freedom of beneficiaries of assistance funded under such program.

(c) NONDISCRIMINATION AGAINST RELIGIOUS ORGANIZATIONS.—In the event a State exercises its authority under subsection (a), religious organizations are eligible, on the same basis as any other private organization, as contractors to provide assistance, or to accept certificates, vouchers, or other forms of disbursement, under any program described in subsection (a)(2) so long as the programs are implemented consistent with the Establishment Clause of the United States Constitution. Except as provided in subsection (k), neither the Federal Government nor a State receiving funds under such programs shall discriminate against an organization which is or applies to be a contractor to provide assistance, or which accepts certificates, vouchers, or other forms of disbursement, on the basis that the organization has a religious character.

(d) RELIGIOUS CHARACTER AND FREEDOM.—

(1) RELIGIOUS ORGANIZATIONS.—A religious organization with a contract described in subsection (a)(1)(A), or which accepts certificates, vouchers, or other forms of disbursement under subsection (a)(1)(B), shall retain its independence from Federal, State, and local governments, including such organization's control over the definition, development, practice, and expression of its religious beliefs.

(2) ADDITIONAL SAFEGUARDS.—Neither the Federal Government nor a State shall require a religious organization to—

(A) alter its form of internal governance; or

(B) remove religious art, icons, scripture, or other symbols;

in order to be eligible to contract to provide assistance, or to accept certificates, vouchers, or other forms of disbursement, funded under a program described in subsection (a)(2).

(e) RIGHTS OF BENEFICIARIES OF ASSISTANCE.—

(1) IN GENERAL.—If an individual described in paragraph (2) has an objection to the religious character of the organization or institution from which the individual receives, or would receive, assistance funded under any program described in subsection (a)(2), the State in which the individual resides shall provide such individual (if otherwise eligible for such assistance) within a reasonable period of time after the date of such objection with assistance from an alternative provider that is accessible to the individual and the value of which is not less than the value of the assistance which the individual would have received from such organization.

(2) INDIVIDUAL DESCRIBED.—An individual described in this paragraph is an individual who receives, applies for, or requests to apply for, assistance under a program described in subsection (a)(2).

(f) EMPLOYMENT PRACTICES.—A religious organization's exemption provided under section 702 of the Civil Rights Act of 1964 (42 U.S.C. 2000e–1a) regarding employment practices shall not be affected by its participation in, or receipt of funds from, programs described in subsection (a)(2).

(g) NONDISCRIMINATION AGAINST BENEFICIARIES.—Except as otherwise provided in law, a religious organization shall not discriminate against an individual in regard to rendering assistance funded under any program described in subsection (a)(2) on the basis of religion, a religious belief, or refusal to actively participate in a religious practice.

(h) FISCAL ACCOUNTABILITY.—

(1) IN GENERAL.—Except as provided in paragraph (2), any religious organization contracting to provide assistance funded under any program described in subsection (a)(2) shall be subject to the same regulations as other contractors to account in accord with generally accepted auditing principles for the use of such funds provided under such programs.

(2) LIMITED AUDIT.—If such organization segregates Federal funds provided under such programs into separate accounts, then only the financial assistance provided with such funds shall be subject to audit.

(i) COMPLIANCE.—Any party which seeks to enforce its rights under this section may assert a civil action for injunctive relief exclusively in an appropriate State court against the entity or agency that allegedly commits such violation.

(j) LIMITATIONS ON USE OF FUNDS FOR CERTAIN PURPOSES.—No funds provided directly to institutions or organizations to provide services and administer programs under subsection (a)(1)(A) shall be expended for sectarian worship, instruction, or proselytization.

(k) PREEMPTION.—Nothing in this section shall be construed to preempt any provision of a State constitution or State statute that prohibits or restricts the expenditure of State funds in or by religious organizations.

SEC. 105. CENSUS DATA ON GRANDPARENTS AS PRIMARY CAREGIVERS FOR THEIR GRANDCHILDREN.

(a) IN GENERAL.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Commerce, in carrying out section 141 of title 13, United States Code, shall expand the data collection efforts of the Bureau of the Census (in this section referred to as the ''Bureau'') to enable the Bureau to collect statistically significant data, in connection with its decennial census and its mid-decade census, concerning the growing trend of grandparents who are the primary caregivers for their grandchildren.

(b) EXPANDED CENSUS QUESTION.—In carrying out subsection (a), the Secretary of Commerce shall expand the Bureau's census question that details households which include both grandparents and their grandchildren. The expanded question shall be formulated to distinguish between the following households:

(1) A household in which a grandparent temporarily provides a home for a grandchild for a period of weeks or months during periods of parental distress.

(2) A household in which a grandparent provides a home for a grandchild and serves as the primary caregiver for the grandchild.

SEC. 106. REPORT ON DATA PROCESSING.

(a) IN GENERAL.—Within 6 months after the date of the enactment of this Act, the Secretary of Health and Human Services shall prepare and submit to the Congress a report on—

(1) the status of the automated data processing systems operated by the States to assist management in the administration of State programs under part A of title IV of the Social Security Act (whether in effect before or after October 1, 1995); and

(2) what would be required to establish a system capable of—

(A) tracking participants in public programs over time; and

(B) checking case records of the States to determine whether individuals are participating in public programs of 2 or more States.

(b) PREFERRED CONTENTS.—The report required by subsection (a) should include—

(1) a plan for building on the automated data processing systems of the States to establish a system with the capabilities described in subsection (a)(2); and

(2) an estimate of the amount of time required to establish such a system and of the cost of establishing such a system.

SEC. 107. STUDY ON ALTERNATIVE OUTCOMES MEASURES.

(a) STUDY.—The Secretary shall, in cooperation with the States, study and analyze outcomes measures for evaluating the success of the States in moving individuals out of the welfare system through employment as an alternative to the minimum participation rates described in section 407 of the Social Security Act. The study shall include a determination as to whether such alternative outcomes measures should be applied on a national or a State-by-State basis and a preliminary assessment of the effects of section 409(a)(7)(C) of such Act.

(b) REPORT.—Not later than September 30, 1998, the Secretary shall submit to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives a report containing the findings of the study required by subsection (a).

SEC. 108. CONFORMING AMENDMENTS TO THE SOCIAL SECURITY ACT.

(a) AMENDMENTS TO TITLE II.—

(1) Section 205(c)(2)(C)(vi) (42 U.S.C. 405(c)(2)(C)(vi)), as so redesignated by section 321(a)(9)(B) of the Social Security Independence and Program Improvements Act of 1994, is amended—

(A) by inserting ''an agency administering a program funded under part A of title IV or'' before ''an agency operating''; and

(B) by striking ''A or D of title IV of this Act'' and inserting ''D of such title''.

(2) Section 228(d)(1) (42 U.S.C. 428(d)(1)) is amended by inserting ''under a State program funded under'' before ''part A of title IV''.

(b) AMENDMENTS TO PART B OF TITLE IV.—Section 422(b)(2) (42 U.S.C. 622(b)(2)) is amended—

(1) by striking ''plan approved under part A of this title'' and inserting ''program funded under part A''; and

(2) by striking ''part E of this title'' and inserting ''under the State plan approved under part E''.

(c) AMENDMENTS TO PART D OF TITLE IV.—

(1) Section 451 (42 U.S.C. 651) is amended by striking ''aid'' and inserting ''assistance under a State program funded''.

(2) Section 452(a)(10)(C) (42 U.S.C. 652(a)(10)(C)) is amended—

(A) by striking ''aid to families with dependent children'' and inserting ''assistance under a State program funded under part A'';

(B) by striking ''such aid'' and inserting ''such assistance''; and

(C) by striking ''under section 402(a)(26) or'' and inserting ''pursuant to section 408(a)(3) or under section''.

(3) Section 452(a)(10)(F) (42 U.S.C. 652(a)(10)(F)) is amended—

(A) by striking ''aid under a State plan approved'' and inserting ''assistance under a State program funded''; and

(B) by striking ''in accordance with the standards referred to in section 402(a)(26)(B)(ii)'' and inserting ''by the State''.

(4) Section 452(b) (42 U.S.C. 652(b)) is amended in the first sentence by striking ''aid under the State plan approved under

part A'' and inserting ''assistance under the State program funded under part A''.

(5) Section 452(d)(3)(B)(i) (42 U.S.C. 652(d)(3)(B)(i)) is amended by striking ''1115(c)'' and inserting ''1115(b)''.

(6) Section 452(g)(2)(A)(ii)(I) (42 U.S.C. 652(g)(2)(A)(ii)(I)) is amended by striking ''aid is being paid under the State's plan approved under part A or E'' and inserting ''assistance is being provided under the State program funded under part A''.

(7) Section 452(g)(2)(A) (42 U.S.C. 652(g)(2)(A)) is amended in the matter following clause (iii) by striking ''aid was being paid under the State's plan approved under part A or E'' and inserting ''assistance was being provided under the State program funded under part A''.

(8) Section 452(g)(2) (42 U.S.C. 652(g)(2)) is amended in the matter following subparagraph (B)—

(A) by striking ''who is a dependent child'' and inserting ''with respect to whom assistance is being provided under the State program funded under part A'';

(B) by inserting ''by the State'' after ''found''; and

(C) by striking ''to have good cause for refusing to cooperate under section 402(a)(26)'' and inserting ''to qualify for a good cause or other exception to cooperation pursuant to section 454(29)''.

(9) Section 452(h) (42 U.S.C. 652(h)) is amended by striking ''under section 402(a)(26)'' and inserting ''pursuant to section 408(a)(3)''.

(10) Section 453(c)(3) (42 U.S.C. 653(c)(3)) is amended by striking ''aid under part A of this title'' and inserting ''assistance under a State program funded under part A''.

(11) Section 454(5)(A) (42 U.S.C. 654(5)(A))) is amended—

(A) by striking ''under section 402(a)(26)'' and inserting ''pursuant to section 408(a)(3)''; and

(B) by striking ''; except that this paragraph shall not apply to such payments for any month following the first month in which the amount collected is sufficient to make such family ineligible for assistance under the State plan approved under part A;'' and inserting a comma.

(12) Section 454(6)(D) (42 U.S.C. 654(6)(D)) is amended by striking ''aid under a State plan approved'' and inserting ''assistance under a State program funded''.

(13) Section 456(a)(1) (42 U.S.C. 656(a)(1)) is amended by striking ''under section 402(a)(26)''.

(14) Section 466(a)(3)(B) (42 U.S.C. 666(a)(3)(B)) is amended by striking ''402(a)(26)'' and inserting ''408(a)(3)''.

(15) Section 466(b)(2) (42 U.S.C. 666(b)(2)) is amended by striking ''aid'' and inserting ''assistance under a State program funded''.

(16) Section 469(a) (42 U.S.C. 669(a)) is amended—

(A) by striking ''aid under plans approved'' and inserting ''assistance under State programs funded''; and

(B) by striking ''such aid'' and inserting ''such assistance''.

(d) AMENDMENTS TO PART E OF TITLE IV.—

(1) Section 470 (42 U.S.C. 670) is amended—

(A) by striking ''would be'' and inserting ''would have been''; and

(B) by inserting ''(as such plan was in effect on June 1, 1995)'' after ''part A''.

(2) Section 471(a)(17) (42 U.S.C. 671(a)(17)) is amended by striking ''plans approved under parts A and D'' and inserting ''program funded under part A and plan approved under part D''.

(3) Section 472(a) (42 U.S.C. 672(a)) is amended—

(A) in the matter preceding paragraph (1)—

(i) by striking ''would meet'' and inserting ''would have met'';

(ii) by inserting ''(as such sections were in effect on June 1, 1995)'' after ''407''; and

(iii) by inserting ''(as so in effect)'' after ''406(a)''; and

(B) in paragraph (4)—

(i) in subparagraph (A)—

(I) by inserting ''would have'' after ''(A)''; and

(II) by inserting ''(as in effect on June 1, 1995)'' after ''section 402''; and

(ii) in subparagraph (B)(ii), by inserting ''(as in effect on June 1, 1995)'' after ''406(a)''.

(4) Section 472(h) (42 U.S.C. 672(h)) is amended to read as follows:

''(h)(1) For purposes of title XIX, any child with respect to whom foster care maintenance payments are made under this section is deemed to be a dependent child as defined in section 406 (as in effect as of June 1, 1995) and deemed to be a recipient of aid to families with dependent children under part A of this title (as so in effect). For purposes of title XX, any child with respect to whom foster care maintenance payments are made under this section is deemed to be a minor child in a needy family under a State program funded under part A of this title and is deemed to be a recipient of assistance under such part.

''(2) For purposes of paragraph (1), a child whose costs in a foster family home or child care institution are covered by the foster care maintenance payments being made with respect to the child's minor parent, as provided in section 475(4)(B), shall be considered a child with respect to whom foster care maintenance payments are made under this section.''.

(5) Section 473(a)(2) (42 U.S.C. 673(a)(2)) is amended—

(A) in subparagraph (A)(i)—

(i) by inserting ''(as such sections were in effect on June 1, 1995)'' after ''407'';

(ii) by inserting ''(as so in effect)'' after ''specified in section 406(a)''; and

(iii) by inserting ''(as such section was in effect on June 1, 1995)'' after ''403'';

(B) in subparagraph (B)(i)—

(i) by inserting ''would have'' after ''(B)(i)''; and

(ii) by inserting ''(as in effect on June 1, 1995)'' after ''section 402''; and

(C) in subparagraph (B)(ii)(II), by inserting ''(as in effect on June 1, 1995)'' after ''406(a)''.

(6) Section 473(b) (42 U.S.C. 673(b)) is amended to read as follows:

''(b)(1) For purposes of title XIX, any child who is described in paragraph (3) is deemed to be a dependent child as defined in section 406 (as in effect as of June 1, 1995) and deemed to be a recipient of aid to families with dependent children under part A of this title (as so in effect) in the State where such child resides.

''(2) For purposes of title XX, any child who is described in paragraph (3) is deemed to be a minor child in a needy family under a State program funded under part A of this title and deemed to be a recipient of assistance under such part.

''(3) A child described in this paragraph is any child—

''(A)(i) who is a child described in subsection (a)(2), and

''(ii) with respect to whom an adoption assistance agreement is in effect under this section (whether or nor adoption assistance payments are provided under the agreement or are being made under this section), including any such child who has been placed for adoption in accordance with applicable State and local law (whether or not an interlocutory or other judicial decree of adoption has been issued), or

''(B) with respect to whom foster care maintenance payments are being made under section 472.

''(4) For purposes of paragraphs (1) and (2), a child whose costs in a foster family home or child-care institution are covered by the foster care maintenance payments being made with respect to the child's minor parent, as provided in section 475(4)(B), shall be considered a child with respect to whom foster care maintenance payments are being made under section 472.''.

(e) REPEAL OF PART F OF TITLE IV.—Part F of title IV (42 U.S.C. 681–687) is repealed.

(f) AMENDMENT TO TITLE X.—Section 1002(a)(7) (42 U.S.C. 1202(a)(7)) is amended by striking ''aid to families with dependent children under the State plan approved under section 402 of this Act'' and inserting ''assistance under a State program funded under part A of title IV''.

(g) AMENDMENTS TO TITLE XI.—

(1) Section 1109 (42 U.S.C. 1309) is amended by striking ''or part A of title IV,''.

(2) Section 1115 (42 U.S.C. 1315) is amended—

(A) in subsection (a)(2)—

(i) by inserting ''(A)'' after ''(2)'';

(ii) by striking ''403,'';

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

(iv) by adding at the end the following new subparagraph:

''(B) costs of such project which would not otherwise be a permissible use of funds under part A of title IV and which are not included as part of the costs of projects under section 1110, shall to the extent and for the period prescribed by the Secretary, be regarded as a permissible use of funds under such part.'';

(B) in subsection (c)(3), by striking ''the program of aid to families with dependent children'' and inserting ''part A of such title''; and

(C) by striking subsection (b) and redesignating subsections (c) and (d) as subsections (b) and (c), respectively.

(3) Section 1116 (42 U.S.C. 1316) is amended—

(A) in each of subsections (a)(1), (b), and (d), by striking ''or part A of title IV,''; and

(B) in subsection (a)(3), by striking ''404,''.

(4) Section 1118 (42 U.S.C. 1318) is amended—

(A) by striking ''403(a),'';

(B) by striking ''and part A of title IV,''; and

(C) by striking '', and shall, in the case of American Samoa, mean 75 per centum with respect to part A of title IV''.

(5) Section 1119 (42 U.S.C. 1319) is amended—

(A) by striking ''or part A of title IV''; and

(B) by striking ''403(a),''.

(6) Section 1133(a) (42 U.S.C. 1320b–3(a)) is amended by striking ''or part A of title IV,''.

(7) Section 1136 (42 U.S.C. 1320b–6) is repealed.

(8) Section 1137 (42 U.S.C. 1320b–7) is amended—

(A) in subsection (b), by striking paragraph (1) and inserting the following:

''(1) any State program funded under part A of title IV of this Act;''; and

(B) in subsection (d)(1)(B)—

(i) by striking ''In this subsection—'' and all that follows through ''(ii) in'' and inserting ''In this subsection, in'';

(ii) by redesignating subclauses (I), (II), and (III) as clauses (i), (ii), and (iii); and

(iii) by moving such redesignated material 2 ems to the left.

(h) AMENDMENT TO TITLE XIV.—Section 1402(a)(7) (42 U.S.C. 1352(a)(7)) is amended by striking ''aid to families with dependent children under the State plan approved under section 402 of this Act'' and inserting ''assistance under a State program funded under part A of title IV''.

(i) AMENDMENT TO TITLE XVI AS IN EFFECT WITH RESPECT TO THE TERRITORIES.—Section 1602(a)(11), as in effect without regard to the amendment made by section 301 of the Social Security Amendments of 1972 (42 U.S.C. 1382 note), is amended by striking ''aid under the State plan approved'' and inserting ''assistance under a State program funded''.

(j) AMENDMENT TO TITLE XVI AS IN EFFECT WITH RESPECT TO THE STATES.—Section 1611(c)(5)(A) (42 U.S.C. 1382(c)(5)(A)) is amended to read as follows: ''(A) a State program funded under part A of title IV,''.

(k) AMENDMENT TO TITLE XIX.—Section 1902(j) (42 U.S.C. 1396a(j)) is amended by striking ''1108(c)'' and inserting ''1108(f)''.

SEC. 109. CONFORMING AMENDMENTS TO THE FOOD STAMP ACT OF 1977 AND RELATED PROVISIONS.

(a) Section 5 of the Food Stamp Act of 1977 (7 U.S.C. 2014) is amended—

(1) in the second sentence of subsection (a), by striking ''plan approved'' and all that follows through ''title IV of the Social Security Act'' and inserting ''program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.)'';

(2) in subsection (d)—

(A) in paragraph (5), by striking ''assistance to families with dependent children'' and inserting ''assistance under a State program funded''; and

(B) by striking paragraph (13) and redesignating paragraphs (14), (15), and (16) as paragraphs (13), (14), and (15), respectively;

(3) in subsection (j), by striking ''plan approved under part A of title IV of such Act (42 U.S.C. 601 et seq.)'' and inserting ''program funded under part A of title IV of the Act (42 U.S.C. 601 et seq.)''; and

(4) by striking subsection (m).

(b) Section 6 of such Act (7 U.S.C. 2015) is amended—

(1) in subsection (c)(5), by striking ''the State plan approved'' and inserting ''the State program funded''; and

(2) in subsection (e)(6), by striking ''aid to families with dependent children'' and inserting ''benefits under a State program funded''.

(c) Section 16(g)(4) of such Act (7 U.S.C. 2025(g)(4)) is amended by striking ''State plans under the Aid to Families with Dependent Children Program under'' and inserting ''State programs funded under part A of''.

(d) Section 17 of such Act (7 U.S.C. 2026) is amended—

(1) in the first sentence of subsection (b)(1)(A), by striking ''to aid to families with dependent children under part A of title IV of the Social Security Act'' and inserting ''or are receiving assistance under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.)''; and

(2) in subsection (b)(3), by adding at the end the following new subparagraph:

''(I) The Secretary may not grant a waiver under this paragraph on or after the date of enactment of this subparagraph. Any reference in this paragraph to a provision of title IV of the Social Security Act shall be deemed to be a reference to such provision as in effect on the day before such date.'';

(e) Section 20 of such Act (7 U.S.C. 2029) is amended—

(1) in subsection (a)(2)(B) by striking ''operating—'' and all that follows through ''(ii) any other'' and inserting ''operating any''; and

(2) in subsection (b)—

(A) in paragraph (1)—

(i) by striking ''(b)(1) A household'' and inserting ''(b) A household''; and

(ii) in subparagraph (B), by striking ''training program'' and inserting ''activity'';

(B) by striking paragraph (2); and

(C) by redesignating subparagraphs (A) through (F) as paragraphs (1) through (6), respectively.

(f) Section 5(h)(1) of the Agriculture and Consumer Protection Act of 1973 (Public Law 93–186; 7 U.S.C. 612c note) is amended by striking ''the program for aid to families with dependent children'' and inserting ''the State program funded''.

(g) Section 9 of the National School Lunch Act (42 U.S.C. 1758) is amended—

(1) in subsection (b)—

(A) in paragraph (2)(C)(ii)(II)—

(i) by striking ''program for aid to families with dependent children'' and inserting ''State program funded''; and

(ii) by inserting before the period at the end the following: ''that the Secretary determines complies with standards established by the Secretary that ensure that the standards under the State program are comparable to or more restrictive than those in effect on June 1, 1995''; and

(B) in paragraph (6)—

(i) in subparagraph (A)(ii)—

(I) by striking ''an AFDC assistance unit (under the aid to families with dependent children program authorized'' and inserting ''a family (under the State program funded''; and

(II) by striking '', in a State'' and all that follows through ''9902(2)))'' and inserting ''that the Secretary determines complies with standards established by the Secretary that ensure that the standards under the State program are comparable to or more restrictive than those in effect on June 1, 1995''; and

(ii) in subparagraph (B), by striking ''aid to families with dependent children'' and inserting ''assistance under the State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) that the Secretary determines complies with standards established by the Secretary that ensure that the standards under the State program are comparable to or more restrictive than those in effect on June 1, 1995''; and

(2) in subsection (d)(2)(C)—

(A) by striking ''program for aid to families with dependent children'' and inserting ''State program funded''; and

(B) by inserting before the period at the end the following: ''that the Secretary determines complies with standards established by the Secretary that ensure that the standards under the State program are comparable to or more restrictive than those in effect on June 1, 1995''.

(h) Section 17(d)(2)(A)(ii)(II) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(d)(2)(A)(ii)(II)) is amended—

(1) by striking ''program for aid to families with dependent children established'' and inserting ''State program funded''; and

(2) by inserting before the semicolon the following: ''that the Secretary determines complies with standards established by the Secretary that ensure that the standards under the State program are comparable to or more restrictive than those in effect on June 1, 1995''.

SEC. 110. CONFORMING AMENDMENTS TO OTHER LAWS.

(a) Subsection (b) of section 508 of the Unemployment Compensation Amendments of 1976 (42 U.S.C. 603a; Public Law 94–566; 90 Stat. 2689) is amended to read as follows:

''(b) PROVISION FOR REIMBURSEMENT OF EXPENSES.—For purposes of section 455 of the Social Security Act, expenses incurred to reimburse State employment offices for furnishing information requested of such offices—

''(1) pursuant to the third sentence of section 3(a) of the Act entitled 'An Act to provide for the establishment of a national employment system and for cooperation with the States in the promotion of such system, and for other purposes', approved June 6, 1933 (29 U.S.C. 49b(a)), or

''(2) by a State or local agency charged with the duty of carrying a State plan for child support approved under part D of title IV of the Social Security Act,

shall be considered to constitute expenses incurred in the administration of such State plan.''.

(b) Section 9121 of the Omnibus Budget Reconciliation Act of 1987 (42 U.S.C. 602 note) is repealed.

(c) Section 9122 of the Omnibus Budget Reconciliation Act of 1987 (42 U.S.C. 602 note) is repealed.

(d) Section 221 of the Housing and Urban-Rural Recovery Act of 1983 (42 U.S.C. 602 note), relating to treatment under AFDC of certain rental payments for federally assisted housing, is repealed.

(e) Section 159 of the Tax Equity and Fiscal Responsibility Act of 1982 (42 U.S.C. 602 note) is repealed.

(f) Section 202(d) of the Social Security Amendments of 1967 (81 Stat. 882; 42 U.S.C. 602 note) is repealed.

(g) Section 903 of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988 (42 U.S.C. 11381 note), relating to demonstration projects to reduce number of AFDC families in welfare hotels, is amended—

(1) in subsection (a), by striking ''aid to families with dependent children under a State plan approved'' and inserting ''assistance under a State program funded''; and

(2) in subsection (c), by striking ''aid to families with dependent children in the State under a State plan approved'' and inserting ''assistance in the State under a State program funded''.

(h) The Higher Education Act of 1965 (20 U.S.C. 1001 et seq.) is amended—

(1) in section 404C(c)(3) (20 U.S.C. 1070a–23(c)(3)), by striking ''(Aid to Families with Dependent Children)''; and

(2) in section 480(b)(2) (20 U.S.C. 1087vv(b)(2)), by striking ''aid to families with dependent children under a State plan approved'' and inserting ''assistance under a State program funded''.

(i) The Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.) is amended—

(1) in section 231(d)(3)(A)(ii) (20 U.S.C. 2341(d)(3)(A)(ii)), by striking ''The program for aid to dependent children'' and inserting ''The State program funded'';

(2) in section 232(b)(2)(B) (20 U.S.C. 2341a(b)(2)(B)), by striking ''the program for aid to families with dependent children'' and inserting ''the State program funded''; and

(3) in section 521(14)(B)(iii) (20 U.S.C. 2471(14)(B)(iii)), by striking ''the program for aid to families with dependent children'' and inserting ''the State program funded''.

(j) The Elementary and Secondary Education Act of 1965 (20 U.S.C. 2701 et seq.) is amended—

(1) in section 1113(a)(5) (20 U.S.C. 6313(a)(5)), by striking ''Aid to Families with Dependent Children program'' and inserting ''State program funded under part A of title IV of the Social Security Act'';

(2) in section 1124(c)(5) (20 U.S.C. 6333(c)(5)), by striking ''the program of aid to families with dependent children under a State plan approved under'' and inserting ''a State program funded under part A of''; and

(3) in section 5203(b)(2) (20 U.S.C. 7233(b)(2))—

(A) in subparagraph (A)(xi), by striking ''Aid to Families with Dependent Children benefits'' and inserting ''assistance under a State program funded under part A of title IV of the Social Security Act''; and

(B) in subparagraph (B)(viii), by striking ''Aid to Families with Dependent Children'' and inserting ''assistance under the State program funded under part A of title IV of the Social Security Act''.

(k) The 4th proviso of chapter VII of title I of Public Law 99–88 (25 U.S.C. 13d–1) is amended to read as follows: ''*Provided further*, That general assistance payments made by the Bureau of Indian Affairs shall be made—

''(1) after April 29, 1985, and before October 1, 1995, on the basis of Aid to Families with Dependent Children (AFDC) standards of need; and

''(2) on and after October 1, 1995, on the basis of standards of need established under the State program funded under part A of title IV of the Social Security Act,

except that where a State ratably reduces its AFDC or State program payments, the Bureau shall reduce general assistance payments in such State by the same percentage as the State has reduced the AFDC or State program payment.''.

(l) The Internal Revenue Code of 1986 (26 U.S.C. 1 et seq.) is amended—

(1) in section 51(d)(9) (26 U.S.C. 51(d)(9)), by striking all that follows ''agency as'' and inserting ''being eligible for financial assistance under part A of title IV of the Social Security Act and as having continually received such financial assistance during the 90-day period which immediately precedes the date on which such individual is hired by the employer.'';

(2) in section 3304(a)(16) (26 U.S.C. 3304(a)(16)), by striking ''eligibility for aid or services,'' and all that follows through ''children approved'' and inserting ''eligibility for assistance, or the amount of such assistance, under a State program funded'';

(3) in section 6103(l)(7)(D)(i) (26 U.S.C. 6103(l)(7)(D)(i)), by striking ''aid to families with dependent children provided under a State plan approved'' and inserting ''a State program funded'';

(4) in section 6103(l)(10) (26 U.S.C. 6103(l)(10))—

(A) by striking ''(c) or (d)'' each place it appears and inserting ''(c), (d), or (e)''; and

(B) by adding at the end of subparagraph (B) the following new sentence: ''Any return information disclosed with respect to section 6402(e) shall only be disclosed to officers and employees of the State agency requesting such information.'';

(5) in section 6103(p)(4) (26 U.S.C. 6103(p)(4)), in the matter preceding subparagraph (A)—

(A) by striking ''(5), (10)'' and inserting ''(5)''; and

(B) by striking ''(9), or (12)'' and inserting ''(9), (10), or (12)'';

(6) in section 6334(a)(11)(A) (26 U.S.C. 6334(a)(11)(A)), by striking ''(relating to aid to families with dependent children)'';

(7) in section 6402 (26 U.S.C. 6402)—

(A) in subsection (a), by striking ''(c) and (d)'' and inserting ''(c), (d), and (e)'';

(B) by redesignating subsections (e) through (i) as subsections (f) through (j), respectively; and

(C) by inserting after subsection (d) the following:

''(e) COLLECTION OF OVERPAYMENTS UNDER TITLE IV–A OF THE SOCIAL SECURITY ACT.—The amount of any overpayment to be refunded to the person making the overpayment shall be reduced (after reductions pursuant to subsections (c) and (d), but before a credit against future liability for an internal revenue tax) in accordance with section 405(e) of the Social Security Act (concerning recovery of overpayments to individuals under State plans approved under part A of title IV of such Act).''; and

(8) in section 7523(b)(3)(C) (26 U.S.C. 7523(b)(3)(C)), by striking ''aid to families with dependent children'' and inserting ''assistance under a State program funded under part A of title IV of the Social Security Act''.

(m) Section 3(b) of the Wagner-Peyser Act (29 U.S.C. 49b(b)) is amended by striking ''State plan approved under part A of title IV'' and inserting ''State program funded under part A of title IV''.

(n) The Job Training Partnership Act (29 U.S.C. 1501 et seq.) is amended—

(1) in section 4(29)(A)(i) (29 U.S.C. 1503(29)(A)(i)), by striking ''(42 U.S.C. 601 et seq.)'';

(2) in section 106(b)(6)(C) (29 U.S.C. 1516(b)(6)(C)), by striking ''State aid to families with dependent children records,'' and inserting ''records collected under the State program funded under part A of title IV of the Social Security Act,'';

(3) in section 121(b)(2) (29 U.S.C. 1531(b)(2))—

(A) by striking ''the JOBS program'' and inserting ''the work activities required under title IV of the Social Security Act''; and

(B) by striking the second sentence;

(4) in section 123(c) (29 U.S.C. 1533(c))—

(A) in paragraph (1)(E), by repealing clause (vi); and

(B) in paragraph (2)(D), by repealing clause (v);

(5) in section 203(b)(3) (29 U.S.C. 1603(b)(3)), by striking '', including recipients under the JOBS program'';

(6) in subparagraphs (A) and (B) of section 204(a)(1) (29 U.S.C. 1604(a)(1) (A) and (B)), by striking ''(such as the JOBS program)'' each place it appears;

(7) in section 205(a) (29 U.S.C. 1605(a)), by striking paragraph (4) and inserting the following:

''(4) the portions of title IV of the Social Security Act relating to work activities;'';

(8) in section 253 (29 U.S.C. 1632)—

(A) in subsection (b)(2), by repealing subparagraph (C); and

(B) in paragraphs (1)(B) and (2)(B) of subsection (c), by striking ''the JOBS program or'' each place it appears;

(9) in section 264 (29 U.S.C. 1644)—

(A) in subparagraphs (A) and (B) of subsection (b)(1), by striking ''(such as the JOBS program)'' each place it appears; and

(B) in subparagraphs (A) and (B) of subsection (d)(3), by striking ''and the JOBS program'' each place it appears;

(10) in section 265(b) (29 U.S.C. 1645(b)), by striking paragraph (6) and inserting the following:

''(6) the portion of title IV of the Social Security Act relating to work activities;'';

(11) in the second sentence of section 429(e) (29 U.S.C. 1699(e)), by striking ''and shall be in an amount that does not exceed the maximum amount that may be provided by the State pursuant to section 402(g)(1)(C) of the Social Security Act (42 U.S.C. 602(g)(1)(C))'';

(12) in section 454(c) (29 U.S.C. 1734(c)), by striking ''JOBS and'';

(13) in section 455(b) (29 U.S.C. 1735(b)), by striking ''the JOBS program,'';

(14) in section 501(1) (29 U.S.C. 1791(1)), by striking ''aid to families with dependent children under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.)'' and inserting ''assistance under the State program funded under part A of title IV of the Social Security Act'';

(15) in section 506(1)(A) (29 U.S.C. 1791e(1)(A)), by striking ''aid to families with dependent children'' and inserting ''assistance under the State program funded'';

(16) in section 508(a)(2)(A) (29 U.S.C. 1791g(a)(2)(A)), by striking ''aid to families with dependent children'' and inserting ''assistance under the State program funded''; and

(17) in section 701(b)(2)(A) (29 U.S.C. 1792(b)(2)(A))—

(A) in clause (v), by striking the semicolon and inserting ''; and''; and

(B) by striking clause (vi).

(o) Section 3803(c)(2)(C)(iv) of title 31, United States Code, is amended to read as follows:

''(iv) assistance under a State program funded under part A of title IV of the Social Security Act;''.

(p) Section 2605(b)(2)(A)(i) of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8624(b)(2)(A)(i)) is amended to read as follows:

''(i) assistance under the State program funded under part A of title IV of the Social Security Act;''.

(q) Section 303(f)(2) of the Family Support Act of 1988 (42 U.S.C. 602 note) is amended—

(1) by striking ''(A)''; and

(2) by striking subparagraphs (B) and (C).

(r) The Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 900 et seq.) is amended—

(1) in the first section 255(h) (2 U.S.C. 905(h)), by striking ''Aid to families with dependent children (75–0412–0–1–609);'' and inserting ''Block grants to States for temporary assistance for needy families;''; and

(2) in section 256 (2 U.S.C. 906)—

(A) by striking subsection (k); and

(B) by redesignating subsection (l) as subsection (k).

(s) The Immigration and Nationality Act (8 U.S.C. 1101 et seq.) is amended—

(1) in section 210(f) (8 U.S.C. 1160(f)), by striking ''aid under a State plan approved under'' each place it appears and inserting ''assistance under a State program funded under'';

(2) in section 245A(h) (8 U.S.C. 1255a(h))—

(A) in paragraph (1)(A)(i), by striking ''program of aid to families with dependent children'' and inserting ''State program of assistance''; and

(B) in paragraph (2)(B), by striking ''aid to families with dependent children'' and inserting ''assistance under a State program funded under part A of title IV of the Social Security Act''; and

(3) in section 412(e)(4) (8 U.S.C. 1522(e)(4)), by striking ''State plan approved'' and inserting ''State program funded''.

(t) Section 640(a)(4)(B)(i) of the Head Start Act (42 U.S.C. 9835(a)(4)(B)(i)) is amended by striking ''program of aid to families with dependent children under a State plan approved'' and inserting ''State program of assistance funded''.

(u) Section 9 of the Act of April 19, 1950 (64 Stat. 47, chapter 92; 25 U.S.C. 639) is repealed.

(v) Subparagraph (E) of section 213(d)(6) of the School-To-Work Opportunities Act of 1994 (20 U.S.C. 6143(d)(6)) is amended to read as follows:

''(E) part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) relating to work activities;''.

(w) Section 552a(a)(8)(B)(iv)(III) of title 5, United States Code, is amended by striking ''section 464 or 1137 of the Social Security Act'' and inserting ''section 404(e), 464, or 1137 of the Social Security Act''.

SEC. 111. DEVELOPMENT OF PROTOTYPE OF COUNTERFEIT-RESISTANT SOCIAL SECURITY CARD REQUIRED.

(a) DEVELOPMENT.—

(1) IN GENERAL.—The Commissioner of Social Security (in this section referred to as the ''Commissioner'') shall, in accordance with this section, develop a prototype of a counterfeit-resistant social security card. Such prototype card shall—

(A) be made of a durable, tamper-resistant material such as plastic or polyester,

(B) employ technologies that provide security features, such as magnetic stripes, holograms, and integrated circuits, and

(C) be developed so as to provide individuals with reliable proof of citizenship or legal resident alien status.

(2) ASSISTANCE BY ATTORNEY GENERAL.—The Attorney General of the United States

shall provide such information and assistance as the Commissioner deems necessary to enable the Commissioner to comply with this section.

(b) STUDY AND REPORT.—

(1) IN GENERAL.—The Commissioner shall conduct a study and issue a report to Congress which examines different methods of improving the social security card application process.

(2) ELEMENTS OF STUDY.—The study shall include an evaluation of the cost and work load implications of issuing a counterfeit-resistant social security card for all individuals over a 3-, 5-, and 10-year period. The study shall also evaluate the feasibility and cost implications of imposing a user fee for replacement cards and cards issued to individuals who apply for such a card prior to the scheduled 3-, 5-, and 10-year phase-in options.

(3) DISTRIBUTION OF REPORT.—The Commissioner shall submit copies of the report described in this subsection along with a facsimile of the prototype card as described in subsection (a) to the Committees on Ways and Means and Judiciary of the House of Representatives and the Committees on Finance and Judiciary of the Senate within 1 year after the date of the enactment of this Act.

SEC. 112. MODIFICATIONS TO THE JOB OPPORTUNITIES FOR CERTAIN LOW-INCOME INDIVIDUALS PROGRAM.

Section 505 of the Family Support Act of 1988 (42 U.S.C. 1315 note) is amended—

(1) in the heading, by striking ''demonstration'';

(2) by striking ''demonstration'' each place such term appears;

(3) in subsection (a), by striking ''in each of fiscal years'' and all that follows through ''10'' and inserting ''shall enter into agreements with'';

(4) in subsection (b)(3), by striking ''aid to families with dependent children under part A of title IV of the Social Security Act'' and inserting ''assistance under the program funded part A of title IV of the Social Security Act of the State in which the individual resides'';

(5) in subsection (c)—

(A) in paragraph (1)(C), by striking ''aid to families with dependent children under title IV of the Social Security Act'' and inserting ''assistance under a State program funded part A of title IV of the Social Security Act'';

(B) in paragraph (2), by striking ''aid to families with dependent children under title IV of such Act'' and inserting ''assistance under a State program funded part A of title IV of the Social Security Act'';

(6) in subsection (d), by striking ''job opportunities and basic skills training program (as provided for under title IV of the Social Security Act)'' and inserting ''the State program funded under part A of title IV of the Social Security Act''; and

(7) by striking subsections (e) through (g) and inserting the following:

''(e) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of conducting projects under this section, there is authorized to be appropriated an amount not to exceed $25,000,000 for any fiscal year.''.

SEC. 113. SECRETARIAL SUBMISSION OF LEGISLATIVE PROPOSAL FOR TECHNICAL AND CONFORMING AMENDMENTS.

Not later than 90 days after the date of the enactment of this Act, the Secretary of Health and Human Services and the Commissioner of Social Security, in consultation, as appropriate, with the heads of other Federal agencies, shall submit to the appropriate committees of Congress a legislative proposal proposing such technical and conforming amendments as are necessary to bring the law into conformity with the policy embodied in this title.

SEC. 114. ASSURING MEDICAID COVERAGE FOR LOW-INCOME FAMILIES.

(a) IN GENERAL.—Title XIX is amended—

(1) by redesignating section 1931 as section 1932; and

(2) by inserting after section 1930 the following new section:

''ASSURING COVERAGE FOR CERTAIN LOW-INCOME FAMILIES

''SEC. 1931. (a) REFERENCES TO TITLE IV–A ARE REFERENCES TO PRE-WELFARE-REFORM PROVISIONS.—Subject to the succeeding provisions of this section, with respect to a State any reference in this title (or any other provision of law in relation to the operation of this title) to a provision of part A of title IV, or a State plan under such part (or a provision of such a plan), including income and resource standards and income and resource methodologies under such part or plan, shall be considered a reference to such a provision or plan as in effect as of July 16, 1996, with respect to the State.

''(b) APPLICATION OF PRE-WELFARE-REFORM ELIGIBILITY CRITERIA.—

''(1) IN GENERAL.—For purposes of this title, subject to paragraphs (2) and (3), in determining eligibility for medical assistance—

''(A) an individual shall be treated as receiving aid or assistance under a State plan approved under part A of title IV only if the individual meets—

''(i) the income and resource standards for determining eligibility under such plan, and

''(ii) the eligibility requirements of such plan under subsections (a) through (c) of section 406 and section 407(a),

as in effect as of July 16, 1996; and

''(B) the income and resource methodologies under such plan as of such date shall be used in the determination of whether any individual meets income and resource standards under such plan.

''(2) STATE OPTION.—For purposes of applying this section, a State—

''(A) may lower its income standards applicable with respect to part A of title IV, but not below the income standards applicable under its State plan under such part on May 1, 1988;

''(B) may increase income or resource standards under the State plan referred to in paragraph (1) over a period (beginning after July 16, 1996) by a percentage that does not exceed the percentage increase in the consumer price index for all urban consumers (all items; U.S. city average) over such period; and

''(C) may use income and resource methodologies that are less restrictive than the methodologies used under the State plan under such part as of July 16, 1996.

''(3) OPTION TO TERMINATE MEDICAL ASSISTANCE FOR FAILURE TO MEET WORK REQUIREMENT.—

''(A) INDIVIDUALS RECEIVING CASH ASSISTANCE UNDER TANF.—In the case of an individual who—

''(i) is receiving cash assistance under a State program funded under part A of title IV,

''(ii) is eligible for medical assistance under this title on a basis not related to section 1902(l), and

''(iii) has the cash assistance under such program terminated pursuant to section 407(e)(1)(B) (as in effect on or after the welfare reform effective date) because of refusing to work,

the State may terminate such individual's eligibility for medical assistance under this title until such time as there no longer is a basis for the termination of such cash assistance because of such refusal.

''(B) EXCEPTION FOR CHILDREN.—Subparagraph (A) shall not be construed as permitting a State to terminate medical assistance for a minor child who is not the head of a household receiving assistance under a State program funded under part A of title IV.

''(c) TREATMENT FOR PURPOSES OF TRANSITIONAL COVERAGE PROVISIONS.—

''(1) TRANSITION IN THE CASE OF CHILD SUPPORT COLLECTIONS.—The provisions of section 406(h) (as in effect on July 16, 1996) shall apply, in relation to this title, with respect to individuals (and families composed of individuals) who are described in subsection (b)(1)(A), in the same manner as they applied before such date with respect to individuals who became ineligible for aid to families with dependent children as a result (wholly or partly) of the collection of child or spousal support under part D of title IV.

''(2) TRANSITION IN THE CASE OF EARNINGS FROM EMPLOYMENT.—For continued medical assistance in the case of individuals (and families composed of individuals) described in subsection (b)(1)(A) who would otherwise become ineligible because of hours or income from employment, see sections 1925 and 1902(e)(1).

''(d) WAIVERS.—In the case of a waiver of a provision of part A of title IV in effect with respect to a State as of July 16, 1996, or which is submitted to the Secretary before the date of the enactment of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 and approved by the Secretary on or before July 1, 1997, if the waiver affects eligibility of individuals for medical assistance under this title, such waiver may (but need not) continue to be applied, at the option of the State, in relation to this title after the date the waiver would otherwise expire.

''(e) STATE OPTION TO USE 1 APPLICATION FORM.—Nothing in this section, or part A of title IV, shall be construed as preventing a State from providing for the same application form for assistance under a State program funded under part A of title IV (on or after the welfare reform effective date) and for medical assistance under this title.

''(f) ADDITIONAL RULES OF CONSTRUCTION.—

''(1) With respect to the reference in section 1902(a)(5) to a State plan approved under part A of title IV, a State may treat such reference as a reference either to a State program funded under such part (as in effect on and after the welfare reform effective date) or to the State plan under this title.

''(2) Any reference in section 1902(a)(55) to a State plan approved under part A of title IV shall be deemed a reference to a State program funded under such part.

''(3) In applying section 1903(f), the applicable income limitation otherwise determined shall be subject to increase in the same manner as income or resource standards of a State may be increased under subsection (b)(2)(B).

''(g) RELATION TO OTHER PROVISIONS.—The provisions of this section shall apply notwithstanding any other provision of this Act.

''(h) TRANSITIONAL INCREASED FEDERAL MATCHING RATE FOR INCREASED ADMINISTRATIVE COSTS.—

''(1) IN GENERAL.—Subject to the succeeding provisions of this subsection, the Secretary shall provide that with respect to administrative expenditures described in paragraph (2) the per centum specified in section 1903(a)(7) shall be increased to such percentage as the Secretary specifies.

''(2) ADMINISTRATIVE EXPENDITURES DESCRIBED.—The administrative expenditures described in this paragraph are expenditures described in section 1903(a)(7) that a State demonstrates to the satisfaction of the Secretary are attributable to administrative costs of eligibility determinations that (but

for the enactment of this section) would not be incurred.

''(3) LIMITATION.—The total amount of additional Federal funds that are expended as a result of the application of this subsection for the period beginning with fiscal year 1997 and ending with fiscal year 2000 shall not exceed $500,000,000. In applying this paragraph, the Secretary shall ensure the equitable distribution of additional funds among the States.

''(4) TIME LIMITATION.—This subsection shall only apply with respect to a State for expenditures incurred during the first 12 calendar quarters in which the State program funded under part A of title IV (as in effect on and after the welfare reform effective date) is in effect.

''(i) WELFARE REFORM EFFECTIVE DATE.—In this section, the term 'welfare reform effective date' means the effective date, with respect to a State, of title I of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (as specified in section 116 of such Act).''.

(b) PLAN AMENDMENT.—Section 1902(a) (42 U.S.C. 1396a(a)) is amended—

(1) by striking ''and'' at the end of paragraph (61),

(2) by striking the period at the end of paragraph (62) and inserting ''; and'', and

(3) by inserting after paragraph (62) the following new paragraph:

''(63) provide for administration and determinations of eligibility with respect to individuals who are (or seek to be) eligible for medical assistance based on the application of section 1931.''.

(c) EXTENSION OF WORK TRANSITION PROVISIONS.—Sections 1902(e)(1)(B) and 1925(f) (42 U.S.C. 1396a(e)(1)(B), 1396r–6(f)) are each amended by striking ''1998'' and inserting ''2001''.

(d) ELIMINATION OF REQUIREMENT OF MINIMUM AFDC PAYMENT LEVELS.—(1) Section 1902(c) (42 U.S.C. 1396a(c)) is amended by striking ''if—'' and all that follows and inserting the following: ''if the State requires individuals described in subsection (l)(1) to apply for assistance under the State program funded under part A of title IV as a condition of applying for or receiving medical assistance under this title.''.

(2) Section 1903(i) (42 U.S.C. 1396b(i)) is amended by striking paragraph (9).

SEC. 115. DENIAL OF ASSISTANCE AND BENEFITS FOR CERTAIN DRUG-RELATED CONVICTIONS.

(a) IN GENERAL.—An individual convicted (under Federal or State law) of any offense which is classified as a felony by the law of the jurisdiction involved and which has as an element the possession, use, or distribution of a controlled substance (as defined in section 102(6) of the Controlled Substances Act (21 U.S.C. 802(6))) shall not be eligible for—

(1) assistance under any State program funded under part A of title IV of the Social Security Act, or

(2) benefits under the food stamp program (as defined in section 3(h) of the Food Stamp Act of 1977) or any State program carried out under the Food Stamp Act of 1977.

(b) EFFECTS ON ASSISTANCE AND BENEFITS FOR OTHERS.—

(1) PROGRAM OF TEMPORARY ASSISTANCE FOR NEEDY FAMILIES.—The amount of assistance otherwise required to be provided under a State program funded under part A of title IV of the Social Security Act to the family members of an individual to whom subsection (a) applies shall be reduced by the amount which would have otherwise been made available to the individual under such part.

(2) BENEFITS UNDER THE FOOD STAMP ACT OF 1977.—The amount of benefits otherwise required to be provided to a household under the food stamp program (as defined in section 3(h) of the Food Stamp Act of 1977), or any State program carried out under the Food Stamp Act of 1977, shall be determined by considering the individual to whom subsection (a) applies not to be a member of such household, except that the income and resources of the individual shall be considered to be income and resources of the household.

(c) ENFORCEMENT.—A State that has not exercised its authority under subsection (d)(1)(A) shall require each individual applying for assistance or benefits referred to in subsection (a), during the application process, to state, in writing, whether the individual, or any member of the household of the individual, has been convicted of a crime described in subsection (a).

(d) LIMITATIONS.—

(1) STATE ELECTIONS.—

(A) OPT OUT.—A State may, by specific reference in a law enacted after the date of the enactment of this Act, exempt any or all individuals domiciled in the State from the application of subsection (a).

(B) LIMIT PERIOD OF PROHIBITION.—A State may, by law enacted after the date of the enactment of this Act, limit the period for which subsection (a) shall apply to any or all individuals domiciled in the State.

(2) INAPPLICABILITY TO CONVICTIONS OCCURRING ON OR BEFORE ENACTMENT.—Subsection (a) shall not apply to convictions occurring on or before the date of the enactment of this Act.

(e) DEFINITIONS OF STATE.—For purposes of this section, the term ''State'' has the meaning given it—

(1) in section 419(5) of the Social Security Act, when referring to assistance provided under a State program funded under part A of title IV of the Social Security Act, and

(2) in section 3(m) of the Food Stamp Act of 1977, when referring to the food stamp program (as defined in section 3(h) of the Food Stamp Act of 1977) or any State program carried out under the Food Stamp Act of 1977.

(f) RULE OF INTERPRETATION.—Nothing in this section shall be construed to deny the following Federal benefits:

(1) Emergency medical services under title XIX of the Social Security Act.

(2) Short-term, noncash, in-kind emergency disaster relief.

(3)(A) Public health assistance for immunizations.

(B) Public health assistance for testing and treatment of communicable diseases if the Secretary of Health and Human Services determines that it is necessary to prevent the spread of such disease.

(4) Prenatal care.

(5) Job training programs.

(6) Drug treatment programs.

SEC. 116. EFFECTIVE DATE; TRANSITION RULE.

(a) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as otherwise provided in this title, this title and the amendments made by this title shall take effect on July 1, 1997.

(2) DELAYED EFFECTIVE DATE FOR CERTAIN PROVISIONS.—Notwithstanding any other provision of this section, paragraphs (2), (3), (4), (5), (8), and (10) of section 409(a) and section 411(a) of the Social Security Act (as added by the amendments made by section 103(a) of this Act) shall not take effect with respect to a State until, and shall apply only with respect to conduct that occurs on or after, the later of—

(A) July 1, 1997; or

(B) the date that is 6 months after the date the Secretary of Health and Human Services receives from the State a plan described in section 402(a) of the Social Security Act (as added by such amendment).

(3) GRANTS TO OUTLYING AREAS.—The amendments made by section 103(b) shall take effect on October 1, 1996.

(4) ELIMINATION OF CHILD CARE PROGRAMS.—The amendments made by section 103(c) shall take effect on October 1, 1996.

(5) DEFINITIONS APPLICABLE TO NEW CHILD CARE ENTITLEMENT.—Sections 403(a)(1)(C), 403(a)(1)(D), and 419(4) of the Social Security Act, as added by the amendments made by section 103(a) of this Act, shall take effect on October 1, 1996.

(b) TRANSITION RULES.—Effective on the date of the enactment of this Act:

(1) STATE OPTION TO ACCELERATE EFFECTIVE DATE.—

(A) IN GENERAL.—If the Secretary of Health and Human Services receives from a State a plan described in section 402(a) of the Social Security Act (as added by the amendment made by section 103(a)(1) of this Act), then—

(i) on and after the date of such receipt—

(I) except as provided in clause (ii), this title and the amendments made by this title (other than by section 103(c) of this Act) shall apply with respect to the State; and

(II) the State shall be considered an eligible State for purposes of part A of title IV of the Social Security Act (as in effect pursuant to the amendments made by such section 103(a)); and

(ii) during the period that begins on the date of such receipt and ends on June 30, 1997, there shall remain in effect with respect to the State—

(I) section 403(h) of the Social Security Act (as in effect on September 30, 1995); and

(II) all State reporting requirements under parts A and F of title IV of the Social Security Act (as in effect on September 30, 1995), modified by the Secretary as appropriate, taking into account the State program under part A of title IV of the Social Security Act (as in effect pursuant to the amendments made by such section 103(a)).

(B) LIMITATIONS ON FEDERAL OBLIGATIONS.—

(i) UNDER AFDC PROGRAM.—The total obligations of the Federal Government to a State under part A of title IV of the Social Security Act (as in effect on September 30, 1995) with respect to expenditures in fiscal year 1997 shall not exceed an amount equal to the State family assistance grant.

(ii) UNDER TEMPORARY FAMILY ASSISTANCE PROGRAM.—Notwithstanding section 403(a)(1) of the Social Security Act (as in effect pursuant to the amendments made by section 103(a) of this Act), the total obligations of the Federal Government to a State under such section 403(a)(1)—

(I) for fiscal year 1996, shall be an amount equal to—

(aa) the State family assistance grant; multiplied by

(bb) 1/366 of the number of days during the period that begins on the date the Secretary of Health and Human Services first receives from the State a plan described in section 402(a) of the Social Security Act (as added by the amendment made by section 103(a)(1) of this Act) and ends on September 30, 1996; and

(II) for fiscal year 1997, shall be an amount equal to the lesser of—

(aa) the amount (if any) by which the State family assistance grant exceeds the total obligations of the Federal Government to the State under part A of title IV of the Social Security Act (as in effect on September 30, 1995) with respect to expenditures in fiscal year 1997; or

(bb) the State family assistance grant, multiplied by 1/365 of the number of days during the period that begins on October 1, 1996, or the date the Secretary of Health and Human Services first receives from the State a plan described in section 402(a) of the Social Security Act (as added by the amendment made by section 103(a)(1) of this Act),

whichever is later, and ends on September 30, 1997.

(iii) CHILD CARE OBLIGATIONS EXCLUDED IN DETERMINING FEDERAL AFDC OBLIGATIONS.—As used in this subparagraph, the term ''obligations of the Federal Government to the State under part A of title IV of the Social Security Act'' does not include any obligation of the Federal Government with respect to child care expenditures by the State.

(C) SUBMISSION OF STATE PLAN FOR FISCAL YEAR 1996 OR 1997 DEEMED ACCEPTANCE OF GRANT LIMITATIONS AND FORMULA AND TERMINATION OF AFDC ENTITLEMENT.—The submission of a plan by a State pursuant to subparagraph (A) is deemed to constitute—

(i) the State's acceptance of the grant reductions under subparagraph (B) (including the formula for computing the amount of the reduction); and

(ii) the termination of any entitlement of any individual or family to benefits or services under the State AFDC program.

(D) DEFINITIONS.—As used in this paragraph:

(i) STATE AFDC PROGRAM.—The term ''State AFDC program'' means the State program under parts A and F of title IV of the Social Security Act (as in effect on September 30, 1995).

(ii) STATE.—The term ''State'' means the 50 States and the District of Columbia.

(iii) STATE FAMILY ASSISTANCE GRANT.—The term ''State family assistance grant'' means the State family assistance grant (as defined in section 403(a)(1)(B) of the Social Security Act, as added by the amendment made by section 103(a)(1) of this Act).

(2) CLAIMS, ACTIONS, AND PROCEEDINGS.—The amendments made by this title shall not apply with respect to—

(A) powers, duties, functions, rights, claims, penalties, or obligations applicable to aid, assistance, or services provided before the effective date of this title under the provisions amended; and

(B) administrative actions and proceedings commenced before such date, or authorized before such date to be commenced, under such provisions.

(3) CLOSING OUT ACCOUNT FOR THOSE PROGRAMS TERMINATED OR SUBSTANTIALLY MODIFIED BY THIS TITLE.—In closing out accounts, Federal and State officials may use scientifically acceptable statistical sampling techniques. Claims made with respect to State expenditures under a State plan approved under part A of title IV of the Social Security Act (as in effect on September 30, 1995) with respect to assistance or services provided on or before September 30, 1995, shall be treated as claims with respect to expenditures during fiscal year 1995 for purposes of reimbursement even if payment was made by a State on or after October 1, 1995. Each State shall complete the filing of all claims under the State plan (as so in effect) within 2 years after the date of the enactment of this Act. The head of each Federal department shall—

(A) use the single audit procedure to review and resolve any claims in connection with the close out of programs under such State plans; and

(B) reimburse States for any payments made for assistance or services provided during a prior fiscal year from funds for fiscal year 1995, rather than from funds authorized by this title.

(4) CONTINUANCE IN OFFICE OF ASSISTANT SECRETARY FOR FAMILY SUPPORT.—The individual who, on the day before the effective date of this title, is serving as Assistant Secretary for Family Support within the Department of Health and Human Services shall, until a successor is appointed to such position—

(A) continue to serve in such position; and

(B) except as otherwise provided by law—

(i) continue to perform the functions of the Assistant Secretary for Family Support under section 417 of the Social Security Act (as in effect before such effective date); and

(ii) have the powers and duties of the Assistant Secretary for Family Support under section 416 of the Social Security Act (as in effect pursuant to the amendment made by section 103(a)(1) of this Act).

(c) TERMINATION OF ENTITLEMENT UNDER AFDC PROGRAM.—Effective October 1, 1996, no individual or family shall be entitled to any benefits or services under any State plan approved under part A or F of title IV of the Social Security Act (as in effect on September 30, 1995).

TITLE II—SUPPLEMENTAL SECURITY INCOME

SEC. 200. REFERENCE TO SOCIAL SECURITY ACT.

Except as otherwise specifically provided, wherever in this title an amendment 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 other provision of the Social Security Act.

Subtitle A—Eligibility Restrictions

SEC. 201. DENIAL OF SSI BENEFITS FOR 10 YEARS TO INDIVIDUALS FOUND TO HAVE FRAUDULENTLY MISREPRESENTED RESIDENCE IN ORDER TO OBTAIN BENEFITS SIMULTANEOUSLY IN 2 OR MORE STATES.

(a) IN GENERAL.—Section 1611(e) (42 U.S.C. 1382(e)), as amended by section 105(b)(4)(A) of the Contract with America Advancement Act of 1996, is amended by redesignating paragraph (5) as paragraph (3) and by adding at the end the following new paragraph:

''(4)(A) No person shall be considered an eligible individual or eligible spouse for purposes of this title during the 10-year period that begins on the date the person is convicted in Federal or State court of having made a fraudulent statement or representation with respect to the place of residence of the person in order to receive assistance simultaneously from 2 or more States under programs that are funded under title IV, title XIX, or the Food Stamp Act of 1977, or benefits in 2 or more States under the supplemental security income program under this title.

''(B) As soon as practicable after the conviction of a person in a Federal or State court as described in subparagraph (A), an official of such court shall notify the Commissioner of such conviction.''.

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

SEC. 202. DENIAL OF SSI BENEFITS FOR FUGITIVE FELONS AND PROBATION AND PAROLE VIOLATORS.

(a) IN GENERAL.—Section 1611(e) (42 U.S.C. 1382(e)), as amended by section 201(a) of this Act, is amended by adding at the end the following new paragraph:

''(5) No person shall be considered an eligible individual or eligible spouse for purposes of this title with respect to any month if during such month the person is—

''(A) fleeing to avoid prosecution, or custody or confinement after conviction, under the laws of the place from which the person flees, for a crime, or an attempt to commit a crime, which is a felony under the laws of the place from which the person flees, or which, in the case of the State of New Jersey, is a high misdemeanor under the laws of such State; or

''(B) violating a condition of probation or parole imposed under Federal or State law.''.

(b) EXCHANGE OF INFORMATION.—Section 1611(e) (42 U.S.C. 1382(e)), as amended by section 201(a) of this Act and subsection (a) of this section, is amended by adding at the end the following new paragraph:

''(6) Notwithstanding any other provision of law (other than section 6103 of the Internal Revenue Code of 1986), the Commissioner shall furnish any Federal, State, or local law enforcement officer, upon the written request of the officer, with the current address, Social Security number, and photograph (if applicable) of any recipient of benefits under this title, if the officer furnishes the Commissioner with the name of the recipient, and other identifying information as reasonably required by the Commissioner to establish the unique identity of the recipient, and notifies the Commissioner that—

''(A) the recipient—

''(i) is described in subparagraph (A) or (B) of paragraph (5); and

''(ii) has information that is necessary for the officer to conduct the officer's official duties; and

''(B) the location or apprehension of the recipient is within the officer's official duties.''.

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

SEC. 203. TREATMENT OF PRISONERS.

(a) IMPLEMENTATION OF PROHIBITION AGAINST PAYMENT OF BENEFITS TO PRISONERS.—

(1) IN GENERAL.—Section 1611(e)(1) (42 U.S.C. 1382(e)(1)) is amended by adding at the end the following new subparagraph:

''(I)(i) The Commissioner shall enter into an agreement, with any interested State or local institution described in clause (i) or (ii) of section 202(x)(1)(A) the primary purpose of which is to confine individuals as described in section 202(x)(1)(A), under which—

''(I) the institution shall provide to the Commissioner, on a monthly basis and in a manner specified by the Commissioner, the names, social security account numbers, dates of birth, confinement commencement dates, and, to the extent available to the institution, such other identifying information concerning the inmates of the institution as the Commissioner may require for the purpose of carrying out paragraph (1); and

''(II) the Commissioner shall pay to any such institution, with respect to each inmate of the institution who is eligible for a benefit under this title for the month preceding the first month throughout which such inmate is in such institution and becomes ineligible for such benefit as a result of the application of this subparagraph, $400 if the institution furnishes the information described in subclause (I) to the Commissioner within 30 days after the date such individual becomes an inmate of such institution, or $200 if the institution furnishes such information after 30 days after such date but within 90 days after such date.

''(ii)(I) The provisions of section 552a of title 5, United States Code, shall not apply to any agreement entered into under clause (i) or to information exchanged pursuant to such agreement.

''(II) The Commissioner is authorized to provide, on a reimbursable basis, information obtained pursuant to agreements entered into under clause (i) to any Federal or federally-assisted cash, food, or medical assistance program for eligibility purposes.

''(iii) Payments to institutions required by clause (i)(II) shall be made from funds otherwise available for the payment of benefits under this title and shall be treated as direct spending for purposes of the Balanced Budget and Emergency Deficit Control Act of 1985.''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to individuals whose period of confinement in an institution commences on or after the first day

of the seventh month beginning after the month in which this Act is enacted.

(b) STUDY OF OTHER POTENTIAL IMPROVEMENTS IN THE COLLECTION OF INFORMATION RESPECTING PUBLIC INMATES.—

(1) STUDY.—The Commissioner of Social Security shall conduct a study of the desirability, feasibility, and cost of—

(A) establishing a system under which Federal, State, and local courts would furnish to the Commissioner such information respecting court orders by which individuals are confined in jails, prisons, or other public penal, correctional, or medical facilities as the Commissioner may require for the purpose of carrying out section 1611(e)(1) of the Social Security Act; and

(B) requiring that State and local jails, prisons, and other institutions that enter into agreements with the Commissioner under section 1611(e)(1)(I) of the Social Security Act furnish the information required by such agreements to the Commissioner by means of an electronic or other sophisticated data exchange system.

(2) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Commissioner of Social Security shall submit a report on the results of the study conducted pursuant to this subsection to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives.

(c) ADDITIONAL REPORT TO CONGRESS.—Not later than October 1, 1998, the Commissioner of Social Security shall provide to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives a list of the institutions that are and are not providing information to the Commissioner under section 1611(e)(1)(I) of the Social Security Act (as added by this section).

SEC. 204. EFFECTIVE DATE OF APPLICATION FOR BENEFITS.

(a) IN GENERAL.—Subparagraphs (A) and (B) of section 1611(c)(7) (42 U.S.C. 1382(c)(7)) are amended to read as follows:

''(A) the first day of the month following the date such application is filed, or

''(B) the first day of the month following the date such individual becomes eligible for such benefits with respect to such application.''.

(b) SPECIAL RULE RELATING TO EMERGENCY ADVANCE PAYMENTS.—Section 1631(a)(4)(A) (42 U.S.C. 1383(a)(4)(A)) is amended—

(1) by inserting ''for the month following the date the application is filed'' after ''is presumptively eligible for such benefits''; and

(2) by inserting '', which shall be repaid through proportionate reductions in such benefits over a period of not more than 6 months'' before the semicolon.

(c) CONFORMING AMENDMENTS.—

(1) Section 1614(b) (42 U.S.C. 1382c(b)) is amended—

(A) by striking ''or requests'' and inserting '', on the first day of the month following the date the application is filed, or, in any case in which either spouse requests''; and

(B) by striking ''application or''.

(2) Section 1631(g)(3) (42 U.S.C. 1382j(g)(3)) is amended by inserting ''following the month'' after ''beginning with the month''.

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to applications for benefits under title XVI of the Social Security Act filed on or after the date of the enactment of this Act, without regard to whether regulations have been issued to implement such amendments.

(2) BENEFITS UNDER TITLE XVI.—For purposes of this subsection, the term ''benefits under title XVI of the Social Security Act'' includes supplementary payments pursuant to an agreement for Federal administration under section 1616(a) of the Social Security Act, and payments pursuant to an agreement entered into under section 212(b) of Public Law 93–66.

Subtitle B—Benefits for Disabled Children

SEC. 211. DEFINITION AND ELIGIBILITY RULES.

(a) DEFINITION OF CHILDHOOD DISABILITY.—Section 1614(a)(3) (42 U.S.C. 1382c(a)(3)), as amended by section 105(b)(1) of the Contract with America Advancement Act of 1996, is amended—

(1) in subparagraph (A), by striking ''An individual'' and inserting ''Except as provided in subparagraph (C), an individual'';

(2) in subparagraph (A), by striking ''(or, in the case of an individual under the age of 18, if he suffers from any medically determinable physical or mental impairment of comparable severity)'';

(3) by redesignating subparagraphs (C) through (I) as subparagraphs (D) through (J), respectively;

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

''(C)(i) An individual under the age of 18 shall be considered disabled for the purposes of this title if that individual has a medically determinable physical or mental impairment, which results in marked and severe functional limitations, and which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months.

''(ii) Notwithstanding clause (i), no individual under the age of 18 who engages in substantial gainful activity (determined in accordance with regulations prescribed pursuant to subparagraph (E)) may be considered to be disabled.''; and

(5) in subparagraph (F), as redesignated by paragraph (3), by striking ''(D)'' and inserting ''(E)''.

(b) CHANGES TO CHILDHOOD SSI REGULATIONS.—

(1) MODIFICATION TO MEDICAL CRITERIA FOR EVALUATION OF MENTAL AND EMOTIONAL DISORDERS.—The Commissioner of Social Security shall modify sections 112.00C.2. and 112.02B.2.c.(2) of appendix 1 to subpart P of part 404 of title 20, Code of Federal Regulations, to eliminate references to maladaptive behavior in the domain of personal/behavorial function.

(2) DISCONTINUANCE OF INDIVIDUALIZED FUNCTIONAL ASSESSMENT.—The Commissioner of Social Security shall discontinue the individualized functional assessment for children set forth in sections 416.924d and 416.924e of title 20, Code of Federal Regulations.

(c) MEDICAL IMPROVEMENT REVIEW STANDARD AS IT APPLIES TO INDIVIDUALS UNDER THE AGE OF 18.—Section 1614(a)(4) (42 U.S.C. 1382(a)(4)) is amended—

(1) by redesignating subclauses (I) and (II) of clauses (i) and (ii) of subparagraph (B) as items (aa) and (bb), respectively;

(2) by redesignating clauses (i) and (ii) of subparagraphs (A) and (B) as subclauses (I) and (II), respectively;

(3) by redesignating subparagraphs (A) through (C) as clauses (i) through (iii), respectively;

(4) by inserting before clause (i) (as redesignated by paragraph (3)) the following new subparagraph:

''(A) in the case of an individual who is age 18 or older—'';

(5) by inserting after and below subparagraph (A)(iii) (as so redesignated) the following new subparagraph:

''(B) in the case of an individual who is under the age of 18—

''(i) substantial evidence which demonstrates that there has been medical improvement in the individual's impairment or combination of impairments, and that such impairment or combination of impairments no longer results in marked and severe functional limitations; or

''(ii) substantial evidence which demonstrates that, as determined on the basis of new or improved diagnostic techniques or evaluations, the individual's impairment or combination of impairments, is not as disabling as it was considered to be at the time of the most recent prior decision that the individual was under a disability or continued to be under a disability, and such impairment or combination of impairments does not result in marked and severe functional limitations; or'';

(6) by redesignating subparagraph (D) as subparagraph (C) and by inserting in such subparagraph ''in the case of any individual,'' before ''substantial evidence''; and

(7) in the first sentence following subparagraph (C) (as redesignated by paragraph (6)), by—

(A) inserting ''(i)'' before ''to restore''; and

(B) inserting '', or (ii) in the case of an individual under the age of 18, to eliminate or improve the individual's impairment or combination of impairments so that it no longer results in marked and severe functional limitations'' immediately before the period.

(d) EFFECTIVE DATES, ETC.—

(1) EFFECTIVE DATES.—

(A) SUBSECTIONS (a) AND (b).—

(i) IN GENERAL.—The provisions of, and amendments made by, subsections (a) and (b) of this section shall apply to any individual who applies for, or whose claim is finally adjudicated with respect to, benefits under title XVI of the Social Security Act on or after the date of the enactment of this Act, without regard to whether regulations have been issued to implement such provisions and amendments.

(ii) DETERMINATION OF FINAL ADJUDICATION.—For purposes of clause (i), no individual's claim with respect to such benefits may be considered to be finally adjudicated before such date of enactment if, on or after such date, there is pending a request for either administrative or judicial review with respect to such claim that has been denied in whole, or there is pending, with respect to such claim, readjudication by the Commissioner of Social Security pursuant to relief in a class action or implementation by the Commissioner of a court remand order.

(B) SUBSECTION (c).—The amendments made by subsection (c) of this section shall apply with respect to benefits under title XVI of the Social Security Act for months beginning on or after the date of the enactment of this Act, without regard to whether regulations have been issued to implement such amendments.

(2) APPLICATION TO CURRENT RECIPIENTS.—

(A) ELIGIBILITY REDETERMINATIONS.—During the period beginning on the date of the enactment of this Act and ending on the date which is 1 year after such date of enactment, the Commissioner of Social Security shall redetermine the eligibility of any individual under age 18 who is eligible for supplemental security income benefits by reason of disability under title XVI of the Social Security Act as of the date of the enactment of this Act and whose eligibility for such benefits may terminate by reason of the provisions of, or amendments made by, subsections (a) and (b) of this section. With respect to any redetermination under this subparagraph—

(i) section 1614(a)(4) of the Social Security Act (42 U.S.C. 1382c(a)(4)) shall not apply;

(ii) the Commissioner of Social Security shall apply the eligibility criteria for new applicants for benefits under title XVI of such Act;

(iii) the Commissioner shall give such redetermination priority over all continuing eligibility reviews and other reviews under such title; and

(iv) such redetermination shall be counted as a review or redetermination otherwise required to be made under section 208 of the Social Security Independence and Program Improvements Act of 1994 or any other provision of title XVI of the Social Security Act.

(B) GRANDFATHER PROVISION.—The provisions of, and amendments made by, subsections (a) and (b) of this section, and the redetermination under subparagraph (A), shall only apply with respect to the benefits of an individual described in subparagraph (A) for months beginning on or after the later of July 1, 1997, or the date of the redetermination with respect to such individual.

(C) NOTICE.—Not later than January 1, 1997, the Commissioner of Social Security shall notify an individual described in subparagraph (A) of the provisions of this paragraph.

(3) REPORT.—The Commissioner of Social Security shall report to the Congress regarding the progress made in implementing the provisions of, and amendments made by, this section on child disability evaluations not later than 180 days after the date of the enactment of this Act.

(4) REGULATIONS.—Notwithstanding any other provision of law, the Commissioner of Social Security shall submit for review to the committees of jurisdiction in the Congress any final regulation pertaining to the eligibility of individuals under age 18 for benefits under title XVI of the Social Security Act at least 45 days before the effective date of such regulation. The submission under this paragraph shall include supporting documentation providing a cost analysis, workload impact, and projections as to how the regulation will effect the future number of recipients under such title.

(5) CAP ADJUSTMENT FOR SSI ADMINISTRATIVE WORK REQUIRED BY WELFARE REFORM.—

(A) AUTHORIZATION.—For the additional costs of continuing disability reviews and redeterminations under title XVI of the Social Security Act, there is hereby authorized to be appropriated to the Social Security Administration, in addition to amounts authorized under section 201(g)(1)(A) of the Social Security Act, $150,000,000 in fiscal year 1997 and $100,000,000 in fiscal year 1998.

(B) CAP ADJUSTMENT.—Section 251(b)(2)(H) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended by section 103(b) of the Contract with America Advancement Act of 1996, is amended—

(i) in clause (i)—

(I) in subclause (II) by—

(aa) striking ''$25,000,000'' and inserting ''$175,000,000''; and

(bb) striking ''$160,000,000'' and inserting ''$310,000,000''; and

(II) in subclause (III) by—

(aa) striking ''$145,000,000'' and inserting ''$245,000,000''; and

(bb) striking ''$370,000,000'' and inserting ''$470,000,000''; and

(ii) by amending clause (ii)(I) to read as follows:

''(I) the term 'continuing disability reviews' means reviews or redeterminations as defined under section 201(g)(1)(A) of the Social Security Act and reviews and redeterminations authorized under section 211 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996;''.

(C) ADJUSTMENTS.—Section 606(e)(1)(B) of the Congressional Budget Act of 1974 is amended by adding at the end the following new sentences: ''If the adjustments referred to in the preceding sentence are made for an appropriations measure that is not enacted into law, then the Chairman of the Committee on the Budget of the House of Representatives shall, as soon as practicable, reverse those adjustments. The Chairman of the Committee on the Budget of the House of Representatives shall submit any adjustments made under this subparagraph to the House of Representatives and have such adjustments published in the Congressional Record.''.

(D) CONFORMING AMENDMENT.—Section 103(d)(1) of the Contract with America Advancement Act of 1996 (42 U.S.C. 401 note) is amended by striking ''medicaid programs.'' and inserting ''medicaid programs, except that the amounts appropriated pursuant to the authorization and discretionary spending allowance provisions in section 211(d)(2)(5) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 shall be used only for continuing disability reviews and redeterminations under title XVI of the Social Security Act.''.

(6) BENEFITS UNDER TITLE XVI.—For purposes of this subsection, the term ''benefits under title XVI of the Social Security Act'' includes supplementary payments pursuant to an agreement for Federal administration under section 1616(a) of the Social Security Act, and payments pursuant to an agreement entered into under section 212(b) of Public Law 93–66.

SEC. 212. ELIGIBILITY REDETERMINATIONS AND CONTINUING DISABILITY REVIEWS.

(a) CONTINUING DISABILITY REVIEWS RELATING TO CERTAIN CHILDREN.—Section 1614(a)(3)(H) (42 U.S.C. 1382c(a)(3)(H)), as redesignated by section 211(a)(3) of this Act, is amended—

(1) by inserting ''(i)'' after ''(H)''; and

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

''(ii)(I) Not less frequently than once every 3 years, the Commissioner shall review in accordance with paragraph (4) the continued eligibility for benefits under this title of each individual who has not attained 18 years of age and is eligible for such benefits by reason of an impairment (or combination of impairments) which is likely to improve (or, at the option of the Commissioner, which is unlikely to improve).

''(II) A representative payee of a recipient whose case is reviewed under this clause shall present, at the time of review, evidence demonstrating that the recipient is, and has been, receiving treatment, to the extent considered medically necessary and available, of the condition which was the basis for providing benefits under this title.

''(III) If the representative payee refuses to comply without good cause with the requirements of subclause (II), the Commissioner of Social Security shall, if the Commissioner determines it is in the best interest of the individual, promptly suspend payment of benefits to the representative payee, and provide for payment of benefits to an alternative representative payee of the individual or, if the interest of the individual under this title would be served thereby, to the individual.

''(IV) Subclause (II) shall not apply to the representative payee of any individual with respect to whom the Commissioner determines such application would be inappropriate or unnecessary. In making such determination, the Commissioner shall take into consideration the nature of the individual's impairment (or combination of impairments). Section 1631(c) shall not apply to a finding by the Commissioner that the requirements of subclause (II) should not apply to an individual's representative payee.''.

(b) DISABILITY ELIGIBILITY REDETERMINATIONS REQUIRED FOR SSI RECIPIENTS WHO ATTAIN 18 YEARS OF AGE.—

(1) IN GENERAL.—Section 1614(a)(3)(H) (42 U.S.C. 1382c(a)(3)(H)), as amended by subsection (a) of this section, is amended by adding at the end the following new clause:

''(iii) If an individual is eligible for benefits under this title by reason of disability for the month preceding the month in which the individual attains the age of 18 years, the Commissioner shall redetermine such eligibility—

''(I) during the 1-year period beginning on the individual's 18th birthday; and

''(II) by applying the criteria used in determining the initial eligibility for applicants who are age 18 or older.

With respect to a redetermination under this clause, paragraph (4) shall not apply and such redetermination shall be considered a substitute for a review or redetermination otherwise required under any other provision of this subparagraph during that 1-year period.''.

(2) CONFORMING REPEAL.—Section 207 of the Social Security Independence and Program Improvements Act of 1994 (42 U.S.C. 1382 note; 108 Stat. 1516) is hereby repealed.

(c) CONTINUING DISABILITY REVIEW REQUIRED FOR LOW BIRTH WEIGHT BABIES.—Section 1614(a)(3)(H) (42 U.S.C. 1382c(a)(3)(H)), as amended by subsections (a) and (b) of this section, is amended by adding at the end the following new clause:

''(iv)(I) Not later than 12 months after the birth of an individual, the Commissioner shall review in accordance with paragraph (4) the continuing eligibility for benefits under this title by reason of disability of such individual whose low birth weight is a contributing factor material to the Commissioner's determination that the individual is disabled.

''(II) A review under subclause (I) shall be considered a substitute for a review otherwise required under any other provision of this subparagraph during that 12-month period.

''(III) A representative payee of a recipient whose case is reviewed under this clause shall present, at the time of review, evidence demonstrating that the recipient is, and has been, receiving treatment, to the extent considered medically necessary and available, of the condition which was the basis for providing benefits under this title.

''(IV) If the representative payee refuses to comply without good cause with the requirements of subclause (III), the Commissioner of Social Security shall, if the Commissioner determines it is in the best interest of the individual, promptly suspend payment of benefits to the representative payee, and provide for payment of benefits to an alternative representative payee of the individual or, if the interest of the individual under this title would be served thereby, to the individual.

''(V) Subclause (III) shall not apply to the representative payee of any individual with respect to whom the Commissioner determines such application would be inappropriate or unnecessary. In making such determination, the Commissioner shall take into consideration the nature of the individual's impairment (or combination of impairments). Section 1631(c) shall not apply to a finding by the Commissioner that the requirements of subclause (III) should not apply to an individual's representative payee.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to benefits for months beginning on or after the date of the enactment of this Act, without regard to whether regulations have been issued to implement such amendments.

SEC. 213. ADDITIONAL ACCOUNTABILITY REQUIREMENTS.

(a) REQUIREMENT TO ESTABLISH ACCOUNT.—Section 1631(a)(2) (42 U.S.C. 1383(a)(2)) is amended—

(1) by redesignating subparagraphs (F) and (G) as subparagraphs (G) and (H), respectively; and

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

''(F)(i)(I) Each representative payee of an eligible individual under the age of 18 who is eligible for the payment of benefits described in subclause (II) shall establish on behalf of such individual an account in a financial institution into which such benefits shall be paid, and shall thereafter maintain such account for use in accordance with clause (ii).

''(II) Benefits described in this subclause are past-due monthly benefits under this title (which, for purposes of this subclause, include State supplementary payments made by the Commissioner pursuant to an agreement under section 1616 or section 212(b) of Public Law 93–66) in an amount (after any withholding by the Commissioner for reimbursement to a State for interim assistance under subsection (g)) that exceeds the product of—

''(aa) 6, and

''(bb) the maximum monthly benefit payable under this title to an eligible individual.

''(ii)(I) A representative payee shall use funds in the account established under clause (i) to pay for allowable expenses described in subclause (II).

''(II) An allowable expense described in this subclause is an expense for—

''(aa) education or job skills training;

''(bb) personal needs assistance;

''(cc) special equipment;

''(dd) housing modification;

''(ee) medical treatment;

''(ff) therapy or rehabilitation; or

''(gg) any other item or service that the Commissioner determines to be appropriate;

provided that such expense benefits such individual and, in the case of an expense described in item (bb), (cc), (dd), (ff), or (gg), is related to the impairment (or combination of impairments) of such individual.

''(III) The use of funds from an account established under clause (i) in any manner not authorized by this clause—

''(aa) by a representative payee shall be considered a misapplication of benefits for all purposes of this paragraph, and any representative payee who knowingly misapplies benefits from such an account shall be liable to the Commissioner in an amount equal to the total amount of such benefits; and

''(bb) by an eligible individual who is his or her own payee shall be considered a misapplication of benefits for all purposes of this paragraph and the total amount of such benefits so used shall be considered to be the uncompensated value of a disposed resource and shall be subject to the provisions of section 1613(c).

''(IV) This clause shall continue to apply to funds in the account after the child has reached age 18, regardless of whether benefits are paid directly to the beneficiary or through a representative payee.

''(iii) The representative payee may deposit into the account established pursuant to clause (i)—

''(I) past-due benefits payable to the eligible individual in an amount less than that specified in clause (i)(II), and

''(II) any other funds representing an underpayment under this title to such individual, provided that the amount of such underpayment is equal to or exceeds the maximum monthly benefit payable under this title to an eligible individual.

''(iv) The Commissioner of Social Security shall establish a system for accountability monitoring whereby such representative payee shall report, at such time and in such manner as the Commissioner shall require, on activity respecting funds in the account established pursuant to clause (i).''.

(b) EXCLUSION FROM RESOURCES.—Section 1613(a) (42 U.S.C. 1382b(a)) is amended—

(1) by striking ''and'' at the end of paragraph (10);

(2) by striking the period at the end of paragraph (11) and inserting ''; and''; and

(3) by inserting after paragraph (11) the following new paragraph:

''(12) any account, including accrued interest or other earnings thereon, established and maintained in accordance with section 1631(a)(2)(F).''.

(c) EXCLUSION FROM INCOME.—Section 1612(b) (42 U.S.C. 1382a(b)) is amended—

(1) by striking ''and'' at the end of paragraph (19);

(2) by striking the period at the end of paragraph (20) and inserting ''; and''; and

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

''(21) the interest or other earnings on any account established and maintained in accordance with section 1631(a)(2)(F).''.

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

SEC. 214. REDUCTION IN CASH BENEFITS PAYABLE TO INSTITUTIONALIZED INDIVIDUALS WHOSE MEDICAL COSTS ARE COVERED BY PRIVATE INSURANCE.

(a) IN GENERAL.—Section 1611(e)(1)(B) (42 U.S.C. 1382(e)(1)(B)) is amended by inserting ''or, in the case of an eligible individual who is a child under the age of 18, receiving payments (with respect to such individual) under any health insurance policy issued by a private provider of such insurance'' after ''section 1614(f)(2)(B),''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to benefits for months beginning 90 or more days after the date of the enactment of this Act, without regard to whether regulations have been issued to implement such amendments.

SEC. 215. REGULATIONS.

Within 3 months after the date of the enactment of this Act, the Commissioner of Social Security shall prescribe such regulations as may be necessary to implement the amendments made by this subtitle.

Subtitle C—Additional Enforcement Provision

SEC. 221. INSTALLMENT PAYMENT OF LARGE PAST-DUE SUPPLEMENTAL SECURITY INCOME BENEFITS.

(a) IN GENERAL.—Section 1631(a) (42 U.S.C. 1383) is amended by adding at the end the following new paragraph:

''(10)(A) If an individual is eligible for past-due monthly benefits under this title in an amount that (after any withholding for reimbursement to a State for interim assistance under subsection (g)) equals or exceeds the product of—

''(i) 12, and

''(ii) the maximum monthly benefit payable under this title to an eligible individual (or, if appropriate, to an eligible individual and eligible spouse),

then the payment of such past-due benefits (after any such reimbursement to a State) shall be made in installments as provided in subparagraph (B).

''(B)(i) The payment of past-due benefits subject to this subparagraph shall be made in not to exceed 3 installments that are made at 6-month intervals.

''(ii) Except as provided in clause (iii), the amount of each of the first and second installments may not exceed an amount equal to the product of clauses (i) and (ii) of subparagraph (A).

''(iii) In the case of an individual who has—

''(I) outstanding debt attributable to—

''(aa) food,

''(bb) clothing,

''(cc) shelter, or

''(dd) medically necessary services, supplies or equipment, or medicine; or

''(II) current expenses or expenses anticipated in the near term attributable to—

''(aa) medically necessary services, supplies or equipment, or medicine, or

''(bb) the purchase of a home, and

such debt or expenses are not subject to reimbursement by a public assistance program, the Secretary under title XVIII, a State plan approved under title XIX, or any private entity legally liable to provide payment pursuant to an insurance policy, pre-paid plan, or other arrangement, the limitation specified in clause (ii) may be exceeded by an amount equal to the total of such debt and expenses.

''(C) This paragraph shall not apply to any individual who, at the time of the Commissioner's determination that such individual is eligible for the payment of past-due monthly benefits under this title—

''(i) is afflicted with a medically determinable impairment that is expected to result in death within 12 months; or

''(ii) is ineligible for benefits under this title and the Commissioner determines that such individual is likely to remain ineligible for the next 12 months.

''(D) For purposes of this paragraph, the term 'benefits under this title' includes supplementary payments pursuant to an agreement for Federal administration under section 1616(a), and payments pursuant to an agreement entered into under section 212(b) of Public Law 93–66.''.

(b) CONFORMING AMENDMENT.—Section 1631(a)(1) (42 U.S.C. 1383(a)(1)) is amended by inserting ''(subject to paragraph (10))'' immediately before ''in such installments''.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section are effective with respect to past-due benefits payable under title XVI of the Social Security Act after the third month following the month in which this Act is enacted.

(2) BENEFITS PAYABLE UNDER TITLE XVI.—For purposes of this subsection, the term ''benefits payable under title XVI of the Social Security Act'' includes supplementary payments pursuant to an agreement for Federal administration under section 1616(a) of the Social Security Act, and payments pursuant to an agreement entered into under section 212(b) of Public Law 93–66.

SEC. 222. REGULATIONS.

Within 3 months after the date of the enactment of this Act, the Commissioner of Social Security shall prescribe such regulations as may be necessary to implement the amendments made by this subtitle.

Subtitle D—Studies Regarding Supplemental Security Income Program

SEC. 231. ANNUAL REPORT ON THE SUPPLEMENTAL SECURITY INCOME PROGRAM.

Title XVI (42 U.S.C. 1381 et seq.), as amended by section 105(b)(3) of the Contract with America Advancement Act of 1996, is amended by adding at the end the following new section:

''ANNUAL REPORT ON PROGRAM

''SEC. 1637. (a) Not later than May 30 of each year, the Commissioner of Social Security shall prepare and deliver a report annually to the President and the Congress regarding the program under this title, including—

''(1) a comprehensive description of the program;

''(2) historical and current data on allowances and denials, including number of applications and allowance rates for initial determinations, reconsideration determinations, administrative law judge hearings, appeals council reviews, and Federal court decisions;

''(3) historical and current data on characteristics of recipients and program costs, by

recipient group (aged, blind, disabled adults, and disabled children);

''(4) historical and current data on prior enrollment by recipients in public benefit programs, including State programs funded under part A of title IV of the Social Security Act and State general assistance programs;

''(5) projections of future number of recipients and program costs, through at least 25 years;

''(6) number of redeterminations and continuing disability reviews, and the outcomes of such redeterminations and reviews;

''(7) data on the utilization of work incentives;

''(8) detailed information on administrative and other program operation costs;

''(9) summaries of relevant research undertaken by the Social Security Administration, or by other researchers;

''(10) State supplementation program operations;

''(11) a historical summary of statutory changes to this title; and

''(12) such other information as the Commissioner deems useful.

''(b) Each member of the Social Security Advisory Board shall be permitted to provide an individual report, or a joint report if agreed, of views of the program under this title, to be included in the annual report required under this section.''.

SEC. 232. STUDY BY GENERAL ACCOUNTING OFFICE.

Not later than January 1, 1999, the Comptroller General of the United States shall study and report on—

(1) the impact of the amendments made by, and the provisions of, this title on the supplemental security income program under title XVI of the Social Security Act; and

(2) extra expenses incurred by families of children receiving benefits under such title that are not covered by other Federal, State, or local programs.

TITLE III—CHILD SUPPORT

SEC. 300. REFERENCE TO SOCIAL SECURITY ACT.

Except as otherwise specifically provided, wherever in this title an amendment 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 other provision of the Social Security Act.

Subtitle A—Eligibility for Services; Distribution of Payments

SEC. 301. STATE OBLIGATION TO PROVIDE CHILD SUPPORT ENFORCEMENT SERVICES.

(a) STATE PLAN REQUIREMENTS.—Section 454 (42 U.S.C. 654) is amended—

(1) by striking paragraph (4) and inserting the following new paragraph:

''(4) provide that the State will—

''(A) provide services relating to the establishment of paternity or the establishment, modification, or enforcement of child support obligations, as appropriate, under the plan with respect to—

''(i) each child for whom (I) assistance is provided under the State program funded under part A of this title, (II) benefits or services for foster care maintenance are provided under the State program funded under part E of this title, or (III) medical assistance is provided under the State plan approved under title XIX, unless, in accordance with paragraph (29), good cause or other exceptions exist;

''(ii) any other child, if an individual applies for such services with respect to the child; and

''(B) enforce any support obligation established with respect to—

''(i) a child with respect to whom the State provides services under the plan; or

''(ii) the custodial parent of such a child;''; and

(2) in paragraph (6)—

(A) by striking ''provide that'' and inserting ''provide that—'';

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

''(A) services under the plan shall be made available to residents of other States on the same terms as to residents of the State submitting the plan;'';

(C) in subparagraph (B), by inserting ''on individuals not receiving assistance under any State program funded under part A'' after ''such services shall be imposed'';

(D) in each of subparagraphs (B), (C), (D), and (E)—

(i) by indenting the subparagraph in the same manner as, and aligning the left margin of the subparagraph with the left margin of, the matter inserted by subparagraph (B) of this paragraph; and

(ii) by striking the final comma and inserting a semicolon; and

(E) in subparagraph (E), by indenting each of clauses (i) and (ii) 2 additional ems.

(b) CONTINUATION OF SERVICES FOR FAMILIES CEASING TO RECEIVE ASSISTANCE UNDER THE STATE PROGRAM FUNDED UNDER PART A.—Section 454 (42 U.S.C. 654) is amended—

(1) by striking ''and'' at the end of paragraph (23);

(2) by striking the period at the end of paragraph (24) and inserting ''; and''; and

(3) by adding after paragraph (24) the following new paragraph:

''(25) provide that if a family with respect to which services are provided under the plan ceases to receive assistance under the State program funded under part A, the State shall provide appropriate notice to the family and continue to provide such services, subject to the same conditions and on the same basis as in the case of other individuals to whom services are furnished under the plan, except that an application or other request to continue services shall not be required of such a family and paragraph (6)(B) shall not apply to the family.''.

(c) CONFORMING AMENDMENTS.—

(1) Section 452(b) (42 U.S.C. 652(b)) is amended by striking ''454(6)'' and inserting ''454(4)''.

(2) Section 452(g)(2)(A) (42 U.S.C. 652(g)(2)(A)) is amended by striking ''454(6)'' each place it appears and inserting ''454(4)(A)(ii)''.

(3) Section 466(a)(3)(B) (42 U.S.C. 666(a)(3)(B)) is amended by striking ''in the case of overdue support which a State has agreed to collect under section 454(6)'' and inserting ''in any other case''.

(4) Section 466(e) (42 U.S.C. 666(e)) is amended by striking ''paragraph (4) or (6) of section 454'' and inserting ''section 454(4)''.

SEC. 302. DISTRIBUTION OF CHILD SUPPORT COLLECTIONS.

(a) IN GENERAL.—Section 457 (42 U.S.C. 657) is amended to read as follows:

''SEC. 457. DISTRIBUTION OF COLLECTED SUPPORT.

''(a) IN GENERAL.—Subject to subsection (e), an amount collected on behalf of a family as support by a State pursuant to a plan approved under this part shall be distributed as follows:

''(1) FAMILIES RECEIVING ASSISTANCE.—In the case of a family receiving assistance from the State, the State shall—

''(A) pay to the Federal Government the Federal share of the amount so collected; and

''(B) retain, or distribute to the family, the State share of the amount so collected.

''(2) FAMILIES THAT FORMERLY RECEIVED ASSISTANCE.—In the case of a family that formerly received assistance from the State:

''(A) CURRENT SUPPORT PAYMENTS.—To the extent that the amount so collected does not exceed the amount required to be paid to the family for the month in which collected, the State shall distribute the amount so collected to the family.

''(B) PAYMENTS OF ARREARAGES.—To the extent that the amount so collected exceeds the amount required to be paid to the family for the month in which collected, the State shall distribute the amount so collected as follows:

''(i) DISTRIBUTION OF ARREARAGES THAT ACCRUED AFTER THE FAMILY CEASED TO RECEIVE ASSISTANCE.—

''(I) PRE-OCTOBER 1997.—Except as provided in subclause (II), the provisions of this section (other than subsection (b)(1)) as in effect and applied on the day before the date of the enactment of section 302 of the Personal Responsibility and Work Opportunity Act Reconciliation of 1996 shall apply with respect to the distribution of support arrearages that—

''(aa) accrued after the family ceased to receive assistance, and

''(bb) are collected before October 1, 1997.

''(II) POST-SEPTEMBER 1997.—With respect to the amount so collected on or after October 1, 1997 (or before such date, at the option of the State)—

''(aa) IN GENERAL.—The State shall first distribute the amount so collected (other than any amount described in clause (iv)) to the family to the extent necessary to satisfy any support arrearages with respect to the family that accrued after the family ceased to receive assistance from the State.

''(bb) REIMBURSEMENT OF GOVERNMENTS FOR ASSISTANCE PROVIDED TO THE FAMILY.—After the application of division (aa) and clause (ii)(II)(aa) with respect to the amount so collected, the State shall retain the State share of the amount so collected, and pay to the Federal Government the Federal share (as defined in subsection (c)(2)) of the amount so collected, but only to the extent necessary to reimburse amounts paid to the family as assistance by the State.

''(cc) DISTRIBUTION OF THE REMAINDER TO THE FAMILY.—To the extent that neither division (aa) nor division (bb) applies to the amount so collected, the State shall distribute the amount to the family.

''(ii) DISTRIBUTION OF ARREARAGES THAT ACCRUED BEFORE THE FAMILY RECEIVED ASSISTANCE.—

''(I) PRE-OCTOBER 2000.—Except as provided in subclause (II), the provisions of this section (other than subsection (b)(1)) as in effect and applied on the day before the date of the enactment of section 302 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 shall apply with respect to the distribution of support arrearages that—

''(aa) accrued before the family received assistance, and

''(bb) are collected before October 1, 2000.

''(II) POST-SEPTEMBER 2000.—Unless, based on the report required by paragraph (4), the Congress determines otherwise, with respect to the amount so collected on or after October 1, 2000 (or before such date, at the option of the State)—

''(aa) IN GENERAL.—The State shall first distribute the amount so collected (other than any amount described in clause (iv)) to the family to the extent necessary to satisfy any support arrearages with respect to the family that accrued before the family received assistance from the State.

''(bb) REIMBURSEMENT OF GOVERNMENTS FOR ASSISTANCE PROVIDED TO THE FAMILY.—After the application of clause (i)(II)(aa) and division (aa) with respect to the amount so collected, the State shall retain the State share of the amount so collected, and pay to the

Federal Government the Federal share (as defined in subsection (c)(2)) of the amount so collected, but only to the extent necessary to reimburse amounts paid to the family as assistance by the State.

''(cc) DISTRIBUTION OF THE REMAINDER TO THE FAMILY.—To the extent that neither division (aa) nor division (bb) applies to the amount so collected, the State shall distribute the amount to the family.

''(iii) DISTRIBUTION OF ARREARAGES THAT ACCRUED WHILE THE FAMILY RECEIVED ASSISTANCE.—In the case of a family described in this subparagraph, the provisions of paragraph (1) shall apply with respect to the distribution of support arrearages that accrued while the family received assistance.

''(iv) AMOUNTS COLLECTED PURSUANT TO SECTION 464.—Notwithstanding any other provision of this section, any amount of support collected pursuant to section 464 shall be retained by the State to the extent past-due support has been assigned to the State as a condition of receiving assistance from the State, up to the amount necessary to reimburse the State for amounts paid to the family as assistance by the State. The State shall pay to the Federal Government the Federal share of the amounts so retained. To the extent the amount collected pursuant to section 464 exceeds the amount so retained, the State shall distribute the excess to the family.

''(v) ORDERING RULES FOR DISTRIBUTIONS.—For purposes of this subparagraph, unless an earlier effective date is required by this section, effective October 1, 2000, the State shall treat any support arrearages collected, except for amounts collected pursuant to section 464, as accruing in the following order:

''(I) To the period after the family ceased to receive assistance.

''(II) To the period before the family received assistance.

''(III) To the period while the family was receiving assistance.

''(3) FAMILIES THAT NEVER RECEIVED ASSISTANCE.—In the case of any other family, the State shall distribute the amount so collected to the family.

''(4) FAMILIES UNDER CERTAIN AGREEMENTS.—In the case of a family receiving assistance from an Indian tribe, distribute the amount so collected pursuant to an agreement entered into pursuant to a State plan under section 454(33).

''(5) STUDY AND REPORT.—Not later than October 1, 1998, the Secretary shall report to the Congress the Secretary's findings with respect to—

''(A) whether the distribution of post-assistance arrearages to families has been effective in moving people off of welfare and keeping them off of welfare;

''(B) whether early implementation of a pre-assistance arrearage program by some States has been effective in moving people off of welfare and keeping them off of welfare;

''(C) what the overall impact has been of the amendments made by the Personal Responsibility and Work Opportunity Act of 1996 with respect to child support enforcement in moving people off of welfare and keeping them off of welfare; and

''(D) based on the information and data the Secretary has obtained, what changes, if any, should be made in the policies related to the distribution of child support arrearages.

''(b) CONTINUATION OF ASSIGNMENTS.—Any rights to support obligations, which were assigned to a State as a condition of receiving assistance from the State under part A and which were in effect on the day before the date of the enactment of the Personal Responsibility and Work Opportunity Act of 1996, shall remain assigned after such date.

''(c) DEFINITIONS.—As used in subsection (a):

''(1) ASSISTANCE.—The term 'assistance from the State' means—

''(A) assistance under the State program funded under part A or under the State plan approved under part A of this title (as in effect on the day before the date of the enactment of the Personal Responsibility and Work Opportunity Act of 1996); and

''(B) foster care maintenance payments under the State plan approved under part E of this title.

''(2) FEDERAL SHARE.—The term 'Federal share' means that portion of the amount collected resulting from the application of the Federal medical assistance percentage in effect for the fiscal year in which the amount is collected.

''(3) FEDERAL MEDICAL ASSISTANCE PERCENTAGE.—The term 'Federal medical assistance percentage' means—

''(A) the Federal medical assistance percentage (as defined in section 1118), in the case of Puerto Rico, the Virgin Islands, Guam, and American Samoa; or

''(B) the Federal medical assistance percentage (as defined in section 1905(b), as in effect on September 30, 1996) in the case of any other State.

''(4) STATE SHARE.—The term 'State share' means 100 percent minus the Federal share.

''(d) HOLD HARMLESS PROVISION.—If the amounts collected which could be retained by the State in the fiscal year (to the extent necessary to reimburse the State for amounts paid to families as assistance by the State) are less than the State share of the amounts collected in fiscal year 1995 (determined in accordance with section 457 as in effect on the day before the date of the enactment of the Personal Responsibility and Work Opportunity Act of 1996), the State share for the fiscal year shall be an amount equal to the State share in fiscal year 1995.

''(e) GAP PAYMENTS NOT SUBJECT TO DISTRIBUTION UNDER THIS SECTION.—At State option, this section shall not apply to any amount collected on behalf of a family as support by the State (and paid to the family in addition to the amount of assistance otherwise payable to the family) pursuant to a plan approved under this part if such amount would have been paid to the family by the State under section 402(a)(28), as in effect and applied on the day before the date of the enactment of section 302 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. For purposes of subsection (d), the State share of such amount paid to the family shall be considered amounts which could be retained by the State if such payments were reported by the State as part of the State share of amounts collected in fiscal year 1995.''.

(b) CONFORMING AMENDMENTS.—

(1) Section 464(a)(1) (42 U.S.C. 664(a)(1)) is amended by striking ''section 457(b)(4) or (d)(3)'' and inserting ''section 457''.

(2) Section 454 (42 U.S.C. 654) is amended—

(A) in paragraph (11)—

(i) by striking ''(11)'' and inserting ''(11)(A)''; and

(ii) by inserting after the semicolon ''and''; and

(B) by redesignating paragraph (12) as subparagraph (B) of paragraph (11).

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall be effective on October 1, 1996, or earlier at the State's option.

(2) CONFORMING AMENDMENTS.—The amendments made by subsection (b)(2) shall become effective on the date of the enactment of this Act.

SEC. 303. PRIVACY SAFEGUARDS.

(a) STATE PLAN REQUIREMENT.—Section 454 (42 U.S.C. 654), as amended by section 301(b) of this Act, is amended—

(1) by striking ''and'' at the end of paragraph (24);

(2) by striking the period at the end of paragraph (25) and inserting ''; and''; and

(3) by adding after paragraph (25) the following new paragraph:

''(26) will have in effect safeguards, applicable to all confidential information handled by the State agency, that are designed to protect the privacy rights of the parties, including—

''(A) safeguards against unauthorized use or disclosure of information relating to proceedings or actions to establish paternity, or to establish or enforce support;

''(B) prohibitions against the release of information on the whereabouts of 1 party to another party against whom a protective order with respect to the former party has been entered; and

''(C) prohibitions against the release of information on the whereabouts of 1 party to another party if the State has reason to believe that the release of the information may result in physical or emotional harm to the former party.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall become effective on October 1, 1997.

SEC. 304. RIGHTS TO NOTIFICATION OF HEARINGS.

(a) IN GENERAL.—Section 454 (42 U.S.C. 654), as amended by section 302(b)(2) of this Act, is amended by inserting after paragraph (11) the following new paragraph:

''(12) provide for the establishment of procedures to require the State to provide individuals who are applying for or receiving services under the State plan, or who are parties to cases in which services are being provided under the State plan—

''(A) with notice of all proceedings in which support obligations might be established or modified; and

''(B) with a copy of any order establishing or modifying a child support obligation, or (in the case of a petition for modification) a notice of determination that there should be no change in the amount of the child support award, within 14 days after issuance of such order or determination;''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall become effective on October 1, 1997.

Subtitle B—Locate and Case Tracking

SEC. 311. STATE CASE REGISTRY.

Section 454A, as added by section 344(a)(2) of this Act, is amended by adding at the end the following new subsections:

''(e) STATE CASE REGISTRY.—

''(1) CONTENTS.—The automated system required by this section shall include a registry (which shall be known as the 'State case registry') that contains records with respect to—

''(A) each case in which services are being provided by the State agency under the State plan approved under this part; and

''(B) each support order established or modified in the State on or after October 1, 1998.

''(2) LINKING OF LOCAL REGISTRIES.—The State case registry may be established by linking local case registries of support orders through an automated information network, subject to this section.

''(3) USE OF STANDARDIZED DATA ELEMENTS.—Such records shall use standardized data elements for both parents (such as names, social security numbers and other uniform identification numbers, dates of birth, and case identification numbers), and contain such other information (such as on case status) as the Secretary may require.

''(4) PAYMENT RECORDS.—Each case record in the State case registry with respect to which services are being provided under the State plan approved under this part and with respect to which a support order has been established shall include a record of—

''(A) the amount of monthly (or other periodic) support owed under the order, and other amounts (including arrearages, interest or late payment penalties, and fees) due or overdue under the order;

''(B) any amount described in subparagraph (A) that has been collected;

''(C) the distribution of such collected amounts;

''(D) the birth date of any child for whom the order requires the provision of support; and

''(E) the amount of any lien imposed with respect to the order pursuant to section 466(a)(4).

''(5) UPDATING AND MONITORING.—The State agency operating the automated system required by this section shall promptly establish and update, maintain, and regularly monitor, case records in the State case registry with respect to which services are being provided under the State plan approved under this part, on the basis of—

''(A) information on administrative actions and administrative and judicial proceedings and orders relating to paternity and support;

''(B) information obtained from comparison with Federal, State, or local sources of information;

''(C) information on support collections and distributions; and

''(D) any other relevant information.

''(f) INFORMATION COMPARISONS AND OTHER DISCLOSURES OF INFORMATION.—The State shall use the automated system required by this section to extract information from (at such times, and in such standardized format or formats, as may be required by the Secretary), to share and compare information with, and to receive information from, other data bases and information comparison services, in order to obtain (or provide) information necessary to enable the State agency (or the Secretary or other State or Federal agencies) to carry out this part, subject to section 6103 of the Internal Revenue Code of 1986. Such information comparison activities shall include the following:

''(1) FEDERAL CASE REGISTRY OF CHILD SUPPORT ORDERS.—Furnishing to the Federal Case Registry of Child Support Orders established under section 453(h) (and update as necessary, with information including notice of expiration of orders) the minimum amount of information on child support cases recorded in the State case registry that is necessary to operate the registry (as specified by the Secretary in regulations).

''(2) FEDERAL PARENT LOCATOR SERVICE.—Exchanging information with the Federal Parent Locator Service for the purposes specified in section 453.

''(3) TEMPORARY FAMILY ASSISTANCE AND MEDICAID AGENCIES.—Exchanging information with State agencies (of the State and of other States) administering programs funded under part A, programs operated under a State plan approved under title XIX, and other programs designated by the Secretary, as necessary to perform State agency responsibilities under this part and under such programs.

''(4) INTRASTATE AND INTERSTATE INFORMATION COMPARISONS.—Exchanging information with other agencies of the State, agencies of other States, and interstate information networks, as necessary and appropriate to carry out (or assist other States to carry out) the purposes of this part.''.

SEC. 312. COLLECTION AND DISBURSEMENT OF SUPPORT PAYMENTS.

(a) STATE PLAN REQUIREMENT.—Section 454 (42 U.S.C. 654), as amended by sections 301(b) and 303(a) of this Act, is amended—

(1) by striking ''and'' at the end of paragraph (25);

(2) by striking the period at the end of paragraph (26) and inserting ''; and''; and

(3) by adding after paragraph (26) the following new paragraph:

''(27) provide that, on and after October 1, 1998, the State agency will—

''(A) operate a State disbursement unit in accordance with section 454B; and

''(B) have sufficient State staff (consisting of State employees) and (at State option) contractors reporting directly to the State agency to—

''(i) monitor and enforce support collections through the unit in cases being enforced by the State pursuant to section 454(4) (including carrying out the automated data processing responsibilities described in section 454A(g)); and

''(ii) take the actions described in section 466(c)(1) in appropriate cases.''.

(b) ESTABLISHMENT OF STATE DISBURSEMENT UNIT.—Part D of title IV (42 U.S.C. 651–669), as amended by section 344(a)(2) of this Act, is amended by inserting after section 454A the following new section:

''SEC. 454B. COLLECTION AND DISBURSEMENT OF SUPPORT PAYMENTS.

''(a) STATE DISBURSEMENT UNIT.—

''(1) IN GENERAL.—In order for a State to meet the requirements of this section, the State agency must establish and operate a unit (which shall be known as the 'State disbursement unit') for the collection and disbursement of payments under support orders—

''(A) in all cases being enforced by the State pursuant to section 454(4); and

''(B) in all cases not being enforced by the State under this part in which the support order is initially issued in the State on or after January 1, 1994, and in which the income of the noncustodial parent are subject to withholding pursuant to section 466(a)(8)(B).

''(2) OPERATION.—The State disbursement unit shall be operated—

''(A) directly by the State agency (or 2 or more State agencies under a regional cooperative agreement), or (to the extent appropriate) by a contractor responsible directly to the State agency; and

''(B) except in cases described in paragraph (1)(B), in coordination with the automated system established by the State pursuant to section 454A.

''(3) LINKING OF LOCAL DISBURSEMENT UNITS.—The State disbursement unit may be established by linking local disbursement units through an automated information network, subject to this section, if the Secretary agrees that the system will not cost more nor take more time to establish or operate than a centralized system. In addition, employers shall be given 1 location to which income withholding is sent.

''(b) REQUIRED PROCEDURES.—The State disbursement unit shall use automated procedures, electronic processes, and computer-driven technology to the maximum extent feasible, efficient, and economical, for the collection and disbursement of support payments, including procedures—

''(1) for receipt of payments from parents, employers, and other States, and for disbursements to custodial parents and other obligees, the State agency, and the agencies of other States;

''(2) for accurate identification of payments;

''(3) to ensure prompt disbursement of the custodial parent's share of any payment; and

''(4) to furnish to any parent, upon request, timely information on the current status of support payments under an order requiring payments to be made by or to the parent, except that in cases described in subsection (a)(1)(B), the State disbursement unit shall not be required to convert and maintain in automated form records of payments kept pursuant to section 466(a)(8)(B)(iii) before the effective date of this section.

''(c) TIMING OF DISBURSEMENTS.—

''(1) IN GENERAL.—Except as provided in paragraph (2), the State disbursement unit shall distribute all amounts payable under section 457(a) within 2 business days after receipt from the employer or other source of periodic income, if sufficient information identifying the payee is provided.

''(2) PERMISSIVE RETENTION OF ARREARAGES.—The State disbursement unit may delay the distribution of collections toward arrearages until the resolution of any timely appeal with respect to such arrearages.

''(d) BUSINESS DAY DEFINED.—As used in this section, the term 'business day' means a day on which State offices are open for regular business.''.

(c) USE OF AUTOMATED SYSTEM.—Section 454A, as added by section 344(a)(2) and as amended by section 311 of this Act, is amended by adding at the end the following new subsection:

''(g) COLLECTION AND DISTRIBUTION OF SUPPORT PAYMENTS.—

''(1) IN GENERAL.—The State shall use the automated system required by this section, to the maximum extent feasible, to assist and facilitate the collection and disbursement of support payments through the State disbursement unit operated under section 454B, through the performance of functions, including, at a minimum—

''(A) transmission of orders and notices to employers (and other debtors) for the withholding of income—

''(i) within 2 business days after receipt of notice of, and the income source subject to, such withholding from a court, another State, an employer, the Federal Parent Locator Service, or another source recognized by the State; and

''(ii) using uniform formats prescribed by the Secretary;

''(B) ongoing monitoring to promptly identify failures to make timely payment of support; and

''(C) automatic use of enforcement procedures (including procedures authorized pursuant to section 466(c)) if payments are not timely made.

''(2) BUSINESS DAY DEFINED.—As used in paragraph (1), the term 'business day' means a day on which State offices are open for regular business.''.

(d) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall become effective on October 1, 1998.

(2) LIMITED EXCEPTION TO UNIT HANDLING PAYMENTS.—Notwithstanding section 454B(b)(1) of the Social Security Act, as added by this section, any State which, as of the date of the enactment of this Act, processes the receipt of child support payments through local courts may, at the option of the State, continue to process through September 30, 1999, such payments through such courts as processed such payments on or before such date of enactment.

SEC. 313. STATE DIRECTORY OF NEW HIRES.

(a) STATE PLAN REQUIREMENT.—Section 454 (42 U.S.C. 654), as amended by sections 301(b), 303(a) and 312(a) of this Act, is amended—

(1) by striking ''and'' at the end of paragraph (26);

(2) by striking the period at the end of paragraph (27) and inserting ''; and''; and

(3) by adding after paragraph (27) the following new paragraph:

''(28) provide that, on and after October 1, 1997, the State will operate a State Directory of New Hires in accordance with section 453A.''.

(b) STATE DIRECTORY OF NEW HIRES.—Part D of title IV (42 U.S.C. 651–669) is amended by inserting after section 453 the following new section:

''SEC. 453A. STATE DIRECTORY OF NEW HIRES.

''(a) ESTABLISHMENT.—

''(1) IN GENERAL.—

''(A) REQUIREMENT FOR STATES THAT HAVE NO DIRECTORY.—Except as provided in subparagraph (B), not later than October 1, 1997, each State shall establish an automated directory (to be known as the 'State Directory of New Hires') which shall contain information supplied in accordance with subsection (b) by employers on each newly hired employee.

''(B) STATES WITH NEW HIRE REPORTING IN EXISTENCE.—A State which has a new hire reporting law in existence on the date of the enactment of this section may continue to operate under the State law, but the State must meet the requirements of subsection (g)(2) not later than October 1, 1997, and the requirements of this section (other than subsection (g)(2)) not later than October 1, 1998.

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

''(A) EMPLOYEE.—The term 'employee'—

''(i) means an individual who is an employee within the meaning of chapter 24 of the Internal Revenue Code of 1986; and

''(ii) does not include an employee of a Federal or State agency performing intelligence or counterintelligence functions, if the head of such agency has determined that reporting pursuant to paragraph (1) with respect to the employee could endanger the safety of the employee or compromise an ongoing investigation or intelligence mission.

''(B) EMPLOYER.—

''(i) IN GENERAL.—The term 'employer' has the meaning given such term in section 3401(d) of the Internal Revenue Code of 1986 and includes any governmental entity and any labor organization.

''(ii) LABOR ORGANIZATION.—The term 'labor organization' shall have the meaning given such term in section 2(5) of the National Labor Relations Act, and includes any entity (also known as a 'hiring hall') which is used by the organization and an employer to carry out requirements described in section 8(f)(3) of such Act of an agreement between the organization and the employer.

''(b) EMPLOYER INFORMATION.—

''(1) REPORTING REQUIREMENT.—

''(A) IN GENERAL.—Except as provided in subparagraphs (B) and (C), each employer shall furnish to the Directory of New Hires of the State in which a newly hired employee works, a report that contains the name, address, and social security number of the employee, and the name and address of, and identifying number assigned under section 6109 of the Internal Revenue Code of 1986 to, the employer.

''(B) MULTISTATE EMPLOYERS.—An employer that has employees who are employed in 2 or more States and that transmits reports magnetically or electronically may comply with subparagraph (A) by designating 1 State in which such employer has employees to which the employer will transmit the report described in subparagraph (A), and transmitting such report to such State. Any employer that transmits reports pursuant to this subparagraph shall notify the Secretary in writing as to which State such employer designates for the purpose of sending reports.

''(C) FEDERAL GOVERNMENT EMPLOYERS.—Any department, agency, or instrumentality of the United States shall comply with subparagraph (A) by transmitting the report described in subparagraph (A) to the National Directory of New Hires established pursuant to section 453.

''(2) TIMING OF REPORT.—Each State may provide the time within which the report required by paragraph (1) shall be made with respect to an employee, but such report shall be made—

''(A) not later than 20 days after the date the employer hires the employee; or

''(B) in the case of an employer transmitting reports magnetically or electronically, by 2 monthly transmissions (if necessary) not less than 12 days nor more than 16 days apart.

''(c) REPORTING FORMAT AND METHOD.—Each report required by subsection (b) shall be made on a W–4 form or, at the option of the employer, an equivalent form, and may be transmitted by 1st class mail, magnetically, or electronically.

''(d) CIVIL MONEY PENALTIES ON NONCOMPLYING EMPLOYERS.—The State shall have the option to set a State civil money penalty which shall be less than—

''(1) $25; or

''(2) $500 if, under State law, the failure is the result of a conspiracy between the employer and the employee to not supply the required report or to supply a false or incomplete report.

''(e) ENTRY OF EMPLOYER INFORMATION.—Information shall be entered into the data base maintained by the State Directory of New Hires within 5 business days of receipt from an employer pursuant to subsection (b).

''(f) INFORMATION COMPARISONS.—

''(1) IN GENERAL.—Not later than May 1, 1998, an agency designated by the State shall, directly or by contract, conduct automated comparisons of the social security numbers reported by employers pursuant to subsection (b) and the social security numbers appearing in the records of the State case registry for cases being enforced under the State plan.

''(2) NOTICE OF MATCH.—When an information comparison conducted under paragraph (1) reveals a match with respect to the social security number of an individual required to provide support under a support order, the State Directory of New Hires shall provide the agency administering the State plan approved under this part of the appropriate State with the name, address, and social security number of the employee to whom the social security number is assigned, and the name and address of, and identifying number assigned under section 6109 of the Internal Revenue Code of 1986 to, the employer.

''(g) TRANSMISSION OF INFORMATION.—

''(1) TRANSMISSION OF WAGE WITHHOLDING NOTICES TO EMPLOYERS.—Within 2 business days after the date information regarding a newly hired employee is entered into the State Directory of New Hires, the State agency enforcing the employee's child support obligation shall transmit a notice to the employer of the employee directing the employer to withhold from the income of the employee an amount equal to the monthly (or other periodic) child support obligation (including any past due support obligation) of the employee, unless the employee's income is not subject to withholding pursuant to section 466(b)(3).

''(2) TRANSMISSIONS TO THE NATIONAL DIRECTORY OF NEW HIRES.—

''(A) NEW HIRE INFORMATION.—Within 3 business days after the date information regarding a newly hired employee is entered into the State Directory of New Hires, the State Directory of New Hires shall furnish the information to the National Directory of New Hires.

''(B) WAGE AND UNEMPLOYMENT COMPENSATION INFORMATION.—The State Directory of New Hires shall, on a quarterly basis, furnish to the National Directory of New Hires extracts of the reports required under section 303(a)(6) to be made to the Secretary of Labor concerning the wages and unemployment compensation paid to individuals, by such dates, in such format, and containing such information as the Secretary of Health and Human Services shall specify in regulations.

''(3) BUSINESS DAY DEFINED.—As used in this subsection, the term 'business day' means a day on which State offices are open for regular business.

''(h) OTHER USES OF NEW HIRE INFORMATION.—

''(1) LOCATION OF CHILD SUPPORT OBLIGORS.—The agency administering the State plan approved under this part shall use information received pursuant to subsection (f)(2) to locate individuals for purposes of establishing paternity and establishing, modifying, and enforcing child support obligations, and may disclose such information to any agent of the agency that is under contract with the agency to carry out such purposes.

''(2) VERIFICATION OF ELIGIBILITY FOR CERTAIN PROGRAMS.—A State agency responsible for administering a program specified in section 1137(b) shall have access to information reported by employers pursuant to subsection (b) of this section for purposes of verifying eligibility for the program.

''(3) ADMINISTRATION OF EMPLOYMENT SECURITY AND WORKERS' COMPENSATION.—State agencies operating employment security and workers' compensation programs shall have access to information reported by employers pursuant to subsection (b) for the purposes of administering such programs.''.

(c) QUARTERLY WAGE REPORTING.—Section 1137(a)(3) (42 U.S.C. 1320b–7(a)(3)) is amended—

(1) by inserting ''(including State and local governmental entities and labor organizations (as defined in section 453A(a)(2)(B)(iii))'' after ''employers''; and

(2) by inserting '', and except that no report shall be filed with respect to an employee of a State or local agency performing intelligence or counterintelligence functions, if the head of such agency has determined that filing such a report could endanger the safety of the employee or compromise an ongoing investigation or intelligence mission'' after ''paragraph (2)''.

(d) DISCLOSURE TO CERTAIN AGENTS.—Section 303(e) (42 U.S.C. 503(e)) is amended by adding at the end the following:

''(5) A State or local child support enforcement agency may disclose to any agent of the agency that is under contract with the agency to carry out the purposes described in paragraph (1)(B) wage information that is disclosed to an officer or employee of the agency under paragraph (1)(A). Any agent of a State or local child support agency that receives wage information under this paragraph shall comply with the safeguards established pursuant to paragraph (1)(B).''.

SEC. 314. AMENDMENTS CONCERNING INCOME WITHHOLDING.

(a) MANDATORY INCOME WITHHOLDING.—

(1) IN GENERAL.—Section 466(a)(1) (42 U.S.C. 666(a)(1)) is amended to read as follows:

''(1)(A) Procedures described in subsection (b) for the withholding from income of amounts payable as support in cases subject to enforcement under the State plan.

''(B) Procedures under which the income of a person with a support obligation imposed by a support order issued (or modified) in the State before October 1, 1996, if not otherwise subject to withholding under subsection (b), shall become subject to withholding as provided in subsection (b) if arrearages occur, without the need for a judicial or administrative hearing.''.

(2) CONFORMING AMENDMENTS.—

(A) Section 466(b) (42 U.S.C. 666(b)) is amended in the matter preceding paragraph (1), by striking ''subsection (a)(1)'' and inserting ''subsection (a)(1)(A)''.

(B) Section 466(b)(4) (42 U.S.C. 666(b)(4)) is amended to read as follows:

''(4)(A) Such withholding must be carried out in full compliance with all procedural due process requirements of the State, and the State must send notice to each noncustodial parent to whom paragraph (1) applies—

''(i) that the withholding has commenced; and

''(ii) of the procedures to follow if the noncustodial parent desires to contest such withholding on the grounds that the withholding or the amount withheld is improper due to a mistake of fact.

''(B) The notice under subparagraph (A) of this paragraph shall include the information provided to the employer under paragraph (6)(A).''.

(C) Section 466(b)(5) (42 U.S.C. 666(b)(5)) is amended by striking all that follows ''administered by'' and inserting ''the State through the State disbursement unit established pursuant to section 454B, in accordance with the requirements of section 454B.''.

(D) Section 466(b)(6)(A) (42 U.S.C. 666(b)(6)(A)) is amended—

(i) in clause (i), by striking ''to the appropriate agency'' and all that follows and inserting ''to the State disbursement unit within 7 business days after the date the amount would (but for this subsection) have been paid or credited to the employee, for distribution in accordance with this part. The employer shall withhold funds as directed in the notice, except that when an employer receives an income withholding order issued by another State, the employer shall apply the income withholding law of the state of the obligor's principal place of employment in determining—

''(I) the employer's fee for processing an income withholding order;

''(II) the maximum amount permitted to be withheld from the obligor's income;

''(III) the time periods within which the employer must implement the income withholding order and forward the child support payment;

''(IV) the priorities for withholding and allocating income withheld for multiple child support obligees; and

''(V) any withholding terms or conditions not specified in the order.

An employer who complies with an income withholding notice that is regular on its face shall not be subject to civil liability to any individual or agency for conduct in compliance with the notice.'';

(ii) in clause (ii), by inserting ''be in a standard format prescribed by the Secretary, and'' after ''shall''; and

(iii) by adding at the end the following new clause:

''(iii) As used in this subparagraph, the term 'business day' means a day on which State offices are open for regular business.''.

(E) Section 466(b)(6)(D) (42 U.S.C. 666(b)(6)(D)) is amended by striking ''any employer'' and all that follows and inserting ''any employer who—

''(i) discharges from employment, refuses to employ, or takes disciplinary action against any noncustodial parent subject to income withholding required by this subsection because of the existence of such withholding and the obligations or additional obligations which it imposes upon the employer; or

''(ii) fails to withhold support from income or to pay such amounts to the State disbursement unit in accordance with this subsection.''.

(F) Section 466(b) (42 U.S.C. 666(b)) is amended by adding at the end the following new paragraph:

''(11) Procedures under which the agency administering the State plan approved under this part may execute a withholding order without advance notice to the obligor, including issuing the withholding order through electronic means.''.

(b) DEFINITION OF INCOME.—

(1) IN GENERAL.—Section 466(b)(8) (42 U.S.C. 666(b)(8)) is amended to read as follows:

''(8) For purposes of subsection (a) and this subsection, the term 'income' means any periodic form of payment due to an individual, regardless of source, including wages, salaries, commissions, bonuses, worker's compensation, disability, payments pursuant to a pension or retirement program, and interest.''.

(2) CONFORMING AMENDMENTS.—

(A) Subsections (a)(8)(A), (a)(8)(B)(i), (b)(3)(A), (b)(3)(B), (b)(6)(A)(i), and (b)(6)(C), and (b)(7) of section 466 (42 U.S.C. 666(a)(8)(A), (a)(8)(B)(i), (b)(3)(A), (b)(3)(B), (b)(6)(A)(i), and (b)(6)(C), and (b)(7)) are each amended by striking ''wages'' each place such term appears and inserting ''income''.

(B) Section 466(b)(1) (42 U.S.C. 666(b)(1)) is amended by striking ''wages (as defined by the State for purposes of this section)'' and inserting ''income''.

(c) CONFORMING AMENDMENT.—Section 466(c) (42 U.S.C. 666(c)) is repealed.

SEC. 315. LOCATOR INFORMATION FROM INTERSTATE NETWORKS.

Section 466(a) (42 U.S.C. 666(a)) is amended by inserting after paragraph (11) the following new paragraph:

''(12) LOCATOR INFORMATION FROM INTERSTATE NETWORKS.—Procedures to ensure that all Federal and State agencies conducting activities under this part have access to any system used by the State to locate an individual for purposes relating to motor vehicles or law enforcement.''.

SEC. 316. EXPANSION OF THE FEDERAL PARENT LOCATOR SERVICE.

(a) EXPANDED AUTHORITY TO LOCATE INDIVIDUALS AND ASSETS.—Section 453 (42 U.S.C. 653) is amended—

(1) in subsection (a), by striking all that follows ''subsection (c))'' and inserting '', for the purpose of establishing parentage, establishing, setting the amount of, modifying, or enforcing child support obligations, or enforcing child custody or visitation orders—

''(1) information on, or facilitating the discovery of, the location of any individual—

''(A) who is under an obligation to pay child support or provide child custody or visitation rights;

''(B) against whom such an obligation is sought;

''(C) to whom such an obligation is owed,

including the individual's social security number (or numbers), most recent address, and the name, address, and employer identification number of the individual's employer;

''(2) information on the individual's wages (or other income) from, and benefits of, employment (including rights to or enrollment in group health care coverage); and

''(3) information on the type, status, location, and amount of any assets of, or debts owed by or to, any such individual.''; and

(2) in subsection (b)—

(A) in the matter preceding paragraph (1), by striking ''social security'' and all that follows through ''absent parent'' and inserting ''information described in subsection (a)''; and

(B) in the flush paragraph at the end, by adding the following: ''No information shall be disclosed to any person if the State has notified the Secretary that the State has reasonable evidence of domestic violence or child abuse and the disclosure of such information could be harmful to the custodial parent or the child of such parent. Information received or transmitted pursuant to this section shall be subject to the safeguard provisions contained in section 454(26).''.

(b) AUTHORIZED PERSON FOR INFORMATION REGARDING VISITATION RIGHTS.—Section 453(c) (42 U.S.C. 653(c)) is amended—

(1) in paragraph (1), by striking ''support'' and inserting ''support or to seek to enforce orders providing child custody or visitation rights''; and

(2) in paragraph (2), by striking '', or any agent of such court; and'' and inserting ''or to issue an order against a resident parent for child custody or visitation rights, or any agent of such court;''.

(c) REIMBURSEMENT FOR INFORMATION FROM FEDERAL AGENCIES.—Section 453(e)(2) (42 U.S.C. 653(e)(2)) is amended in the 4th sentence by inserting ''in an amount which the Secretary determines to be reasonable payment for the information exchange (which amount shall not include payment for the costs of obtaining, compiling, or maintaining the information)'' before the period.

(d) REIMBURSEMENT FOR REPORTS BY STATE AGENCIES.—Section 453 (42 U.S.C. 653) is amended by adding at the end the following new subsection:

''(g) REIMBURSEMENT FOR REPORTS BY STATE AGENCIES.—The Secretary may reimburse Federal and State agencies for the costs incurred by such entities in furnishing information requested by the Secretary under this section in an amount which the Secretary determines to be reasonable payment for the information exchange (which amount shall not include payment for the costs of obtaining, compiling, or maintaining the information).''.

(e) CONFORMING AMENDMENTS.—

(1) Sections 452(a)(9), 453(a), 453(b), 463(a), 463(e), and 463(f) (42 U.S.C. 652(a)(9), 653(a), 653(b), 663(a), 663(e), and 663(f)) are each amended by inserting ''Federal'' before ''Parent'' each place such term appears.

(2) Section 453 (42 U.S.C. 653) is amended in the heading by adding ''FEDERAL'' before ''PARENT''.

(f) NEW COMPONENTS.—Section 453 (42 U.S.C. 653), as amended by subsection (d) of this section, is amended by adding at the end the following new subsections:

''(h) FEDERAL CASE REGISTRY OF CHILD SUPPORT ORDERS.—

''(1) IN GENERAL.—Not later than October 1, 1998, in order to assist States in administering programs under State plans approved under this part and programs funded under part A, and for the other purposes specified in this section, the Secretary shall establish and maintain in the Federal Parent Locator Service an automated registry (which shall be known as the 'Federal Case Registry of Child Support Orders'), which shall contain abstracts of support orders and other information described in paragraph (2) with respect to each case in each State case registry maintained pursuant to section 454A(e), as furnished (and regularly updated), pursuant to section 454A(f), by State agencies administering programs under this part.

''(2) CASE INFORMATION.—The information referred to in paragraph (1) with respect to a case shall be such information as the Secretary may specify in regulations (including the names, social security numbers or other uniform identification numbers, and State case identification numbers) to identify the individuals who owe or are owed support (or with respect to or on behalf of whom support obligations are sought to be established), and the State or States which have the case.

''(i) NATIONAL DIRECTORY OF NEW HIRES.—

''(1) IN GENERAL.—In order to assist States in administering programs under State plans

approved under this part and programs funded under part A, and for the other purposes specified in this section, the Secretary shall, not later than October 1, 1997, establish and maintain in the Federal Parent Locator Service an automated directory to be known as the National Directory of New Hires, which shall contain the information supplied pursuant to section 453A(g)(2).

''(2) ENTRY OF DATA.—Information shall be entered into the data base maintained by the National Directory of New Hires within 2 business days of receipt pursuant to section 453A(g)(2).

''(3) ADMINISTRATION OF FEDERAL TAX LAWS.—The Secretary of the Treasury shall have access to the information in the National Directory of New Hires for purposes of administering section 32 of the Internal Revenue Code of 1986, or the advance payment of the earned income tax credit under section 3507 of such Code, and verifying a claim with respect to employment in a tax return.

''(4) LIST OF MULTISTATE EMPLOYERS.—The Secretary shall maintain within the National Directory of New Hires a list of multistate employers that report information regarding newly hired employees pursuant to section 453A(b)(1)(B), and the State which each such employer has designated to receive such information.

''(j) INFORMATION COMPARISONS AND OTHER DISCLOSURES.—

''(1) VERIFICATION BY SOCIAL SECURITY ADMINISTRATION.—

''(A) IN GENERAL.—The Secretary shall transmit information on individuals and employers maintained under this section to the Social Security Administration to the extent necessary for verification in accordance with subparagraph (B).

''(B) VERIFICATION BY SSA.—The Social Security Administration shall verify the accuracy of, correct, or supply to the extent possible, and report to the Secretary, the following information supplied by the Secretary pursuant to subparagraph (A):

''(i) The name, social security number, and birth date of each such individual.

''(ii) The employer identification number of each such employer.

''(2) INFORMATION COMPARISONS.—For the purpose of locating individuals in a paternity establishment case or a case involving the establishment, modification, or enforcement of a support order, the Secretary shall—

''(A) compare information in the National Directory of New Hires against information in the support case abstracts in the Federal Case Registry of Child Support Orders not less often than every 2 business days; and

''(B) within 2 business days after such a comparison reveals a match with respect to an individual, report the information to the State agency responsible for the case.

''(3) INFORMATION COMPARISONS AND DISCLOSURES OF INFORMATION IN ALL REGISTRIES FOR TITLE IV PROGRAM PURPOSES.—To the extent and with the frequency that the Secretary determines to be effective in assisting States to carry out their responsibilities under programs operated under this part and programs funded under part A, the Secretary shall—

''(A) compare the information in each component of the Federal Parent Locator Service maintained under this section against the information in each other such component (other than the comparison required by paragraph (2)), and report instances in which such a comparison reveals a match with respect to an individual to State agencies operating such programs; and

''(B) disclose information in such registries to such State agencies.

''(4) PROVISION OF NEW HIRE INFORMATION TO THE SOCIAL SECURITY ADMINISTRATION.—The National Directory of New Hires shall provide the Commissioner of Social Security with all information in the National Directory.

''(5) RESEARCH.—The Secretary may provide access to information reported by employers pursuant to section 453A(b) for research purposes found by the Secretary to be likely to contribute to achieving the purposes of part A or this part, but without personal identifiers.

''(k) FEES.—

''(1) FOR SSA VERIFICATION.—The Secretary shall reimburse the Commissioner of Social Security, at a rate negotiated between the Secretary and the Commissioner, for the costs incurred by the Commissioner in performing the verification services described in subsection (j).

''(2) FOR INFORMATION FROM STATE DIRECTORIES OF NEW HIRES.—The Secretary shall reimburse costs incurred by State directories of new hires in furnishing information as required by subsection (j)(3), at rates which the Secretary determines to be reasonable (which rates shall not include payment for the costs of obtaining, compiling, or maintaining such information).

''(3) FOR INFORMATION FURNISHED TO STATE AND FEDERAL AGENCIES.—A State or Federal agency that receives information from the Secretary pursuant to this section shall reimburse the Secretary for costs incurred by the Secretary in furnishing the information, at rates which the Secretary determines to be reasonable (which rates shall include payment for the costs of obtaining, verifying, maintaining, and comparing the information).

''(l) RESTRICTION ON DISCLOSURE AND USE.—Information in the Federal Parent Locator Service, and information resulting from comparisons using such information, shall not be used or disclosed except as expressly provided in this section, subject to section 6103 of the Internal Revenue Code of 1986.

''(m) INFORMATION INTEGRITY AND SECURITY.—The Secretary shall establish and implement safeguards with respect to the entities established under this section designed to—

''(1) ensure the accuracy and completeness of information in the Federal Parent Locator Service; and

''(2) restrict access to confidential information in the Federal Parent Locator Service to authorized persons, and restrict use of such information to authorized purposes.

''(n) FEDERAL GOVERNMENT REPORTING.—Each department, agency, and instrumentality of the United States shall on a quarterly basis report to the Federal Parent Locator Service the name and social security number of each employee and the wages paid to the employee during the previous quarter, except that such a report shall not be filed with respect to an employee of a department, agency, or instrumentality performing intelligence or counterintelligence functions, if the head of such department, agency, or instrumentality has determined that filing such a report could endanger the safety of the employee or compromise an ongoing investigation or intelligence mission.''.

(g) CONFORMING AMENDMENTS.—

(1) TO PART D OF TITLE IV OF THE SOCIAL SECURITY ACT.—

(A) Section 454(8)(B) (42 U.S.C. 654(8)(B)) is amended to read as follows:

''(B) the Federal Parent Locator Service established under section 453;''.

(B) Section 454(13) (42 U.S.C.654(13)) is amended by inserting ''and provide that information requests by parents who are residents of other States be treated with the same priority as requests by parents who are residents of the State submitting the plan'' before the semicolon.

(2) TO FEDERAL UNEMPLOYMENT TAX ACT.—Section 3304(a)(16) of the Internal Revenue Code of 1986 is amended—

(A) by striking ''Secretary of Health, Education, and Welfare'' each place such term appears and inserting ''Secretary of Health and Human Services'';

(B) in subparagraph (B), by striking ''such information'' and all that follows and inserting ''information furnished under subparagraph (A) or (B) is used only for the purposes authorized under such subparagraph;'';

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

(D) by redesignating subparagraph (B) as subparagraph (C); and

(E) by inserting after subparagraph (A) the following new subparagraph:

''(B) wage and unemployment compensation information contained in the records of such agency shall be furnished to the Secretary of Health and Human Services (in accordance with regulations promulgated by such Secretary) as necessary for the purposes of the National Directory of New Hires established under section 453(i) of the Social Security Act, and''.

(3) TO STATE GRANT PROGRAM UNDER TITLE III OF THE SOCIAL SECURITY ACT.—Subsection (h) of section 303 (42 U.S.C. 503) is amended to read as follows:

''(h)(1) The State agency charged with the administration of the State law shall, on a reimbursable basis—

''(A) disclose quarterly, to the Secretary of Health and Human Services, wage and claim information, as required pursuant to section 453(i)(1), contained in the records of such agency;

''(B) ensure that information provided pursuant to subparagraph (A) meets such standards relating to correctness and verification as the Secretary of Health and Human Services, with the concurrence of the Secretary of Labor, may find necessary; and

''(C) establish such safeguards as the Secretary of Labor determines are necessary to insure that information disclosed under subparagraph (A) is used only for purposes of section 453(i)(1) in carrying out the child support enforcement program under title IV.

''(2) Whenever the Secretary of Labor, after reasonable notice and opportunity for hearing to the State agency charged with the administration of the State law, finds that there is a failure to comply substantially with the requirements of paragraph (1), the Secretary of Labor shall notify such State agency that further payments will not be made to the State until the Secretary of Labor is satisfied that there is no longer any such failure. Until the Secretary of Labor is so satisfied, the Secretary shall make no future certification to the Secretary of the Treasury with respect to the State.

''(3) For purposes of this subsection—

''(A) the term 'wage information' means information regarding wages paid to an individual, the social security account number of such individual, and the name, address, State, and the Federal employer identification number of the employer paying such wages to such individual; and

''(B) the term 'claim information' means information regarding whether an individual is receiving, has received, or has made application for, unemployment compensation, the amount of any such compensation being received (or to be received by such individual), and the individual's current (or most recent) home address.''.

(4) DISCLOSURE OF CERTAIN INFORMATION TO AGENTS OF CHILD SUPPORT ENFORCEMENT AGENCIES.—

(A) IN GENERAL.—Paragraph (6) of section 6103(l) of the Internal Revenue Code of 1986 (relating to disclosure of return information to Federal, State, and local child support enforcement agencies) is amended by redesignating subparagraph (B) as subparagraph (C)

and by inserting after subparagraph (A) the following new subparagraph:

''(B) DISCLOSURE TO CERTAIN AGENTS.—The following information disclosed to any child support enforcement agency under subparagraph (A) with respect to any individual with respect to whom child support obligations are sought to be established or enforced may be disclosed by such agency to any agent of such agency which is under contract with such agency to carry out the purposes described in subparagraph (C):

''(i) The address and social security account number (or numbers) of such individual.

''(ii) The amount of any reduction under section 6402(c) (relating to offset of past-due support against overpayments) in any overpayment otherwise payable to such individual.''

(B) CONFORMING AMENDMENTS.—

(i) Paragraph (3) of section 6103(a) of such Code is amended by striking ''(l)(12)'' and inserting ''paragraph (6) or (12) of subsection (l)''.

(ii) Subparagraph (C) of section 6103(l)(6) of such Code, as redesignated by subsection (a), is amended to read as follows:

''(C) RESTRICTION ON DISCLOSURE.—Information may be disclosed under this paragraph only for purposes of, and to the extent necessary in, establishing and collecting child support obligations from, and locating, individuals owing such obligations.''

(iii) The material following subparagraph (F) of section 6103(p)(4) of such Code is amended by striking ''subsection (l)(12)(B)'' and inserting ''paragraph (6)(A) or (12)(B) of subsection (l)''.

(h) REQUIREMENT FOR COOPERATION.—The Secretary of Labor and the Secretary of Health and Human Services shall work jointly to develop cost-effective and efficient methods of accessing the information in the various State directories of new hires and the National Directory of New Hires as established pursuant to the amendments made by this subtitle. In developing these methods the Secretaries shall take into account the impact, including costs, on the States, and shall also consider the need to insure the proper and authorized use of wage record information.

SEC. 317. COLLECTION AND USE OF SOCIAL SECURITY NUMBERS FOR USE IN CHILD SUPPORT ENFORCEMENT.

Section 466(a) (42 U.S.C. 666(a)), as amended by section 315 of this Act, is amended by inserting after paragraph (12) the following new paragraph:

''(13) RECORDING OF SOCIAL SECURITY NUMBERS IN CERTAIN FAMILY MATTERS.—Procedures requiring that the social security number of—

''(A) any applicant for a professional license, commercial driver's license, occupational license, or marriage license be recorded on the application;

''(B) any individual who is subject to a divorce decree, support order, or paternity determination or acknowledgment be placed in the records relating to the matter; and

''(C) any individual who has died be placed in the records relating to the death and be recorded on the death certificate.

For purposes of subparagraph (A), if a State allows the use of a number other than the social security number, the State shall so advise any applicants.''.

Subtitle C—Streamlining and Uniformity of Procedures

SEC. 321. ADOPTION OF UNIFORM STATE LAWS.

Section 466 (42 U.S.C. 666) is amended by adding at the end the following new subsection:

''(f) UNIFORM INTERSTATE FAMILY SUPPORT ACT.—In order to satisfy section 454(20)(A), on and after January 1, 1998, each State must have in effect the Uniform Interstate Family Support Act, as approved by the American Bar Association on February 9, 1993, together with any amendments officially adopted before January 1, 1998 by the National Conference of Commissioners on Uniform State Laws.''.

SEC. 322. IMPROVEMENTS TO FULL FAITH AND CREDIT FOR CHILD SUPPORT ORDERS.

Section 1738B of title 28, United States Code, is amended—

(1) in subsection (a)(2), by striking ''subsection (e)'' and inserting ''subsections (e), (f), and (i)'';

(2) in subsection (b), by inserting after the 2nd undesignated paragraph the following:

'' 'child's home State' means the State in which a child lived with a parent or a person acting as parent for at least 6 consecutive months immediately preceding the time of filing of a petition or comparable pleading for support and, if a child is less than 6 months old, the State in which the child lived from birth with any of them. A period of temporary absence of any of them is counted as part of the 6-month period.'';

(3) in subsection (c), by inserting ''by a court of a State'' before ''is made'';

(4) in subsection (c)(1), by inserting ''and subsections (e), (f), and (g)'' after ''located'';

(5) in subsection (d)—

(A) by inserting ''individual'' before ''contestant''; and

(B) by striking ''subsection (e)'' and inserting ''subsections (e) and (f)'';

(6) in subsection (e), by striking ''make a modification of a child support order with respect to a child that is made'' and inserting ''modify a child support order issued'';

(7) in subsection (e)(1), by inserting ''pursuant to subsection (i)'' before the semicolon;

(8) in subsection (e)(2)—

(A) by inserting ''individual'' before ''contestant'' each place such term appears; and

(B) by striking ''to that court's making the modification and assuming'' and inserting ''with the State of continuing, exclusive jurisdiction for a court of another State to modify the order and assume'';

(9) by redesignating subsections (f) and (g) as subsections (g) and (h), respectively;

(10) by inserting after subsection (e) the following new subsection:

''(f) RECOGNITION OF CHILD SUPPORT ORDERS.—If 1 or more child support orders have been issued with regard to an obligor and a child, a court shall apply the following rules in determining which order to recognize for purposes of continuing, exclusive jurisdiction and enforcement:

''(1) If only 1 court has issued a child support order, the order of that court must be recognized.

''(2) If 2 or more courts have issued child support orders for the same obligor and child, and only 1 of the courts would have continuing, exclusive jurisdiction under this section, the order of that court must be recognized.

''(3) If 2 or more courts have issued child support orders for the same obligor and child, and more than 1 of the courts would have continuing, exclusive jurisdiction under this section, an order issued by a court in the current home State of the child must be recognized, but if an order has not been issued in the current home State of the child, the order most recently issued must be recognized.

''(4) If 2 or more courts have issued child support orders for the same obligor and child, and none of the courts would have continuing, exclusive jurisdiction under this section, a court may issue a child support order, which must be recognized.

''(5) The court that has issued an order recognized under this subsection is the court having continuing, exclusive jurisdiction.'';

(11) in subsection (g) (as so redesignated)—

(A) by striking ''PRIOR'' and inserting ''MODIFIED''; and

(B) by striking ''subsection (e)'' and inserting ''subsections (e) and (f)'';

(12) in subsection (h) (as so redesignated)—

(A) in paragraph (2), by inserting ''including the duration of current payments and other obligations of support'' before the comma; and

(B) in paragraph (3), by inserting ''arrears under'' after ''enforce''; and

(13) by adding at the end the following new subsection:

''(i) REGISTRATION FOR MODIFICATION.—If there is no individual contestant or child residing in the issuing State, the party or support enforcement agency seeking to modify, or to modify and enforce, a child support order issued in another State shall register that order in a State with jurisdiction over the nonmovant for the purpose of modification.''.

SEC. 323. ADMINISTRATIVE ENFORCEMENT IN INTERSTATE CASES.

Section 466(a) (42 U.S.C. 666(a)), as amended by sections 315 and 317 of this Act, is amended by inserting after paragraph (13) the following new paragraph:

''(14) ADMINISTRATIVE ENFORCEMENT IN INTERSTATE CASES.—Procedures under which—

''(A)(i) the State shall respond within 5 business days to a request made by another State to enforce a support order; and

''(ii) the term 'business day' means a day on which State offices are open for regular business;

''(B) the State may, by electronic or other means, transmit to another State a request for assistance in a case involving the enforcement of a support order, which request—

''(i) shall include such information as will enable the State to which the request is transmitted to compare the information about the case to the information in the data bases of the State; and

''(ii) shall constitute a certification by the requesting State—

''(I) of the amount of support under the order the payment of which is in arrears; and

''(II) that the requesting State has complied with all procedural due process requirements applicable to the case;

''(C) if the State provides assistance to another State pursuant to this paragraph with respect to a case, neither State shall consider the case to be transferred to the caseload of such other State; and

''(D) the State shall maintain records of—

''(i) the number of such requests for assistance received by the State;

''(ii) the number of cases for which the State collected support in response to such a request; and

''(iii) the amount of such collected support.''.

SEC. 324. USE OF FORMS IN INTERSTATE ENFORCEMENT.

(a) PROMULGATION.—Section 452(a) (42 U.S.C. 652(a)) is amended—

(1) by striking ''and'' at the end of paragraph (9);

(2) by striking the period at the end of paragraph (10) (as amended by section 346(a) of this Act) and inserting ''; and''; and

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

''(11) not later than October 1, 1996, after consulting with the State directors of programs under this part, promulgate forms to be used by States in interstate cases for—

''(A) collection of child support through income withholding;

''(B) imposition of liens; and

''(C) administrative subpoenas.''.

(b) USE BY STATES.—Section 454(9) (42 U.S.C. 654(9)) is amended—

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

(2) by inserting ''and'' at the end of subparagraph (D); and

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

''(E) not later than March 1, 1997, in using the forms promulgated pursuant to section 452(a)(11) for income withholding, imposition of liens, and issuance of administrative subpoenas in interstate child support cases;''.

SEC. 325. STATE LAWS PROVIDING EXPEDITED PROCEDURES.

(a) STATE LAW REQUIREMENTS.—Section 466 (42 U.S.C. 666), as amended by section 314 of this Act, is amended—

(1) in subsection (a)(2), by striking the first sentence and inserting the following: ''Expedited administrative and judicial procedures (including the procedures specified in subsection (c)) for establishing paternity and for establishing, modifying, and enforcing support obligations.''; and

(2) by inserting after subsection (b) the following new subsection:

''(c) EXPEDITED PROCEDURES.—The procedures specified in this subsection are the following:

''(1) ADMINISTRATIVE ACTION BY STATE AGENCY.—Procedures which give the State agency the authority to take the following actions relating to establishment of paternity or to establishment, modification, or enforcement of support orders, without the necessity of obtaining an order from any other judicial or administrative tribunal, and to recognize and enforce the authority of State agencies of other States to take the following actions:

''(A) GENETIC TESTING.—To order genetic testing for the purpose of paternity establishment as provided in section 466(a)(5).

''(B) FINANCIAL OR OTHER INFORMATION.—To subpoena any financial or other information needed to establish, modify, or enforce a support order, and to impose penalties for failure to respond to such a subpoena.

''(C) RESPONSE TO STATE AGENCY REQUEST.—To require all entities in the State (including for-profit, nonprofit, and governmental employers) to provide promptly, in response to a request by the State agency of that or any other State administering a program under this part, information on the employment, compensation, and benefits of any individual employed by such entity as an employee or contractor, and to sanction failure to respond to any such request.

''(D) ACCESS TO INFORMATION CONTAINED IN CERTAIN RECORDS.—To obtain access, subject to safeguards on privacy and information security, and subject to the nonliability of entities that afford such access under this subparagraph, to information contained in the following records (including automated access, in the case of records maintained in automated data bases):

''(i) Records of other State and local government agencies, including—

''(I) vital statistics (including records of marriage, birth, and divorce);

''(II) State and local tax and revenue records (including information on residence address, employer, income and assets);

''(III) records concerning real and titled personal property;

''(IV) records of occupational and professional licenses, and records concerning the ownership and control of corporations, partnerships, and other business entities;

''(V) employment security records;

''(VI) records of agencies administering public assistance programs;

''(VII) records of the motor vehicle department; and

''(VIII) corrections records.

''(ii) Certain records held by private entities with respect to individuals who owe or are owed support (or against or with respect to whom a support obligation is sought), consisting of—

''(I) the names and addresses of such individuals and the names and addresses of the employers of such individuals, as appearing in customer records of public utilities and cable television companies, pursuant to an administrative subpoena authorized by subparagraph (B); and

''(II) information (including information on assets and liabilities) on such individuals held by financial institutions.

''(E) CHANGE IN PAYEE.—In cases in which support is subject to an assignment in order to comply with a requirement imposed pursuant to part A or section 1912, or to a requirement to pay through the State disbursement unit established pursuant to section 454B, upon providing notice to obligor and obligee, to direct the obligor or other payor to change the payee to the appropriate government entity.

''(F) INCOME WITHHOLDING.—To order income withholding in accordance with subsections (a)(1)(A) and (b) of section 466.

''(G) SECURING ASSETS.—In cases in which there is a support arrearage, to secure assets to satisfy the arrearage by—

''(i) intercepting or seizing periodic or lump-sum payments from—

''(I) a State or local agency, including unemployment compensation, workers' compensation, and other benefits; and

''(II) judgments, settlements, and lotteries;

''(ii) attaching and seizing assets of the obligor held in financial institutions;

''(iii) attaching public and private retirement funds; and

''(iv) imposing liens in accordance with subsection (a)(4) and, in appropriate cases, to force sale of property and distribution of proceeds.

''(H) INCREASE MONTHLY PAYMENTS.—For the purpose of securing overdue support, to increase the amount of monthly support payments to include amounts for arrearages, subject to such conditions or limitations as the State may provide.

Such procedures shall be subject to due process safeguards, including (as appropriate) requirements for notice, opportunity to contest the action, and opportunity for an appeal on the record to an independent administrative or judicial tribunal.

''(2) SUBSTANTIVE AND PROCEDURAL RULES.—The expedited procedures required under subsection (a)(2) shall include the following rules and authority, applicable with respect to all proceedings to establish paternity or to establish, modify, or enforce support orders:

''(A) LOCATOR INFORMATION; PRESUMPTIONS CONCERNING NOTICE.—Procedures under which—

''(i) each party to any paternity or child support proceeding is required (subject to privacy safeguards) to file with the tribunal and the State case registry upon entry of an order, and to update as appropriate, information on location and identity of the party, including social security number, residential and mailing addresses, telephone number, driver's license number, and name, address, and telephone number of employer; and

''(ii) in any subsequent child support enforcement action between the parties, upon sufficient showing that diligent effort has been made to ascertain the location of such a party, the tribunal may deem State due process requirements for notice and service of process to be met with respect to the party, upon delivery of written notice to the most recent residential or employer address filed with the tribunal pursuant to clause (i).

''(B) STATEWIDE JURISDICTION.—Procedures under which—

''(i) the State agency and any administrative or judicial tribunal with authority to hear child support and paternity cases exerts statewide jurisdiction over the parties; and

''(ii) in a State in which orders are issued by courts or administrative tribunals, a case may be transferred between local jurisdictions in the State without need for any additional filing by the petitioner, or service of process upon the respondent, to retain jurisdiction over the parties.

''(3) COORDINATION WITH ERISA.—Notwithstanding subsection (d) of section 514 of the Employee Retirement Income Security Act of 1974 (relating to effect on other laws), nothing in this subsection shall be construed to alter, amend, modify, invalidate, impair, or supersede subsections (a), (b), and (c) of such section 514 as it applies with respect to any procedure referred to in paragraph (1) and any expedited procedure referred to in paragraph (2), except to the extent that such procedure would be consistent with the requirements of section 206(d)(3) of such Act (relating to qualified domestic relations orders) or the requirements of section 609(a) of such Act (relating to qualified medical child support orders) if the reference in such section 206(d)(3) to a domestic relations order and the reference in such section 609(a) to a medical child support order were a reference to a support order referred to in paragraphs (1) and (2) relating to the same matters, respectively.''.

(b) AUTOMATION OF STATE AGENCY FUNCTIONS.—Section 454A, as added by section 344(a)(2) and as amended by sections 311 and 312(c) of this Act, is amended by adding at the end the following new subsection:

''(h) EXPEDITED ADMINISTRATIVE PROCEDURES.—The automated system required by this section shall be used, to the maximum extent feasible, to implement the expedited administrative procedures required by section 466(c).''.

Subtitle D—Paternity Establishment

SEC. 331. STATE LAWS CONCERNING PATERNITY ESTABLISHMENT.

(a) STATE LAWS REQUIRED.—Section 466(a)(5) (42 U.S.C. 666(a)(5)) is amended to read as follows:

''(5) PROCEDURES CONCERNING PATERNITY ESTABLISHMENT.—

''(A) ESTABLISHMENT PROCESS AVAILABLE FROM BIRTH UNTIL AGE 18.—

''(i) Procedures which permit the establishment of the paternity of a child at any time before the child attains 18 years of age.

''(ii) As of August 16, 1984, clause (i) shall also apply to a child for whom paternity has not been established or for whom a paternity action was brought but dismissed because a statute of limitations of less than 18 years was then in effect in the State.

''(B) PROCEDURES CONCERNING GENETIC TESTING.—

''(i) GENETIC TESTING REQUIRED IN CERTAIN CONTESTED CASES.—Procedures under which the State is required, in a contested paternity case (unless otherwise barred by State law) to require the child and all other parties (other than individuals found under section 454(29) to have good cause and other exceptions for refusing to cooperate) to submit to genetic tests upon the request of any such party, if the request is supported by a sworn statement by the party—

''(I) alleging paternity, and setting forth facts establishing a reasonable possibility of the requisite sexual contact between the parties; or

''(II) denying paternity, and setting forth facts establishing a reasonable possibility of

the nonexistence of sexual contact between the parties.

''(ii) OTHER REQUIREMENTS.—Procedures which require the State agency, in any case in which the agency orders genetic testing—

''(I) to pay costs of such tests, subject to recoupment (if the State so elects) from the alleged father if paternity is established; and

''(II) to obtain additional testing in any case if an original test result is contested, upon request and advance payment by the contestant.

''(C) VOLUNTARY PATERNITY ACKNOWLEDGMENT.—

''(i) SIMPLE CIVIL PROCESS.—Procedures for a simple civil process for voluntarily acknowledging paternity under which the State must provide that, before a mother and a putative father can sign an acknowledgment of paternity, the mother and the putative father must be given notice, orally and in writing, of the alternatives to, the legal consequences of, and the rights (including, if 1 parent is a minor, any rights afforded due to minority status) and responsibilities that arise from, signing the acknowledgment.

''(ii) HOSPITAL-BASED PROGRAM.—Such procedures must include a hospital-based program for the voluntary acknowledgment of paternity focusing on the period immediately before or after the birth of a child.

''(iii) PATERNITY ESTABLISHMENT SERVICES.—

''(I) STATE-OFFERED SERVICES.—Such procedures must require the State agency responsible for maintaining birth records to offer voluntary paternity establishment services.

''(II) REGULATIONS.—

''(aa) SERVICES OFFERED BY HOSPITALS AND BIRTH RECORD AGENCIES.—The Secretary shall prescribe regulations governing voluntary paternity establishment services offered by hospitals and birth record agencies.

''(bb) SERVICES OFFERED BY OTHER ENTITIES.—The Secretary shall prescribe regulations specifying the types of other entities that may offer voluntary paternity establishment services, and governing the provision of such services, which shall include a requirement that such an entity must use the same notice provisions used by, use the same materials used by, provide the personnel providing such services with the same training provided by, and evaluate the provision of such services in the same manner as the provision of such services is evaluated by, voluntary paternity establishment programs of hospitals and birth record agencies.

''(iv) USE OF PATERNITY ACKNOWLEDGMENT AFFIDAVIT.—Such procedures must require the State to develop and use an affidavit for the voluntary acknowledgment of paternity which includes the minimum requirements of the affidavit specified by the Secretary under section 452(a)(7) for the voluntary acknowledgment of paternity, and to give full faith and credit to such an affidavit signed in any other State according to its procedures.

''(D) STATUS OF SIGNED PATERNITY ACKNOWLEDGMENT.—

''(i) INCLUSION IN BIRTH RECORDS.—Procedures under which the name of the father shall be included on the record of birth of the child of unmarried parents only if—

''(I) the father and mother have signed a voluntary acknowledgment of paternity; or

''(II) a court or an administrative agency of competent jurisdiction has issued an adjudication of paternity.

Nothing in this clause shall preclude a State agency from obtaining an admission of paternity from the father for submission in a judicial or administrative proceeding, or prohibit the issuance of an order in a judicial or administrative proceeding which bases a legal finding of paternity on an admission of paternity by the father and any other additional showing required by State law.

''(ii) LEGAL FINDING OF PATERNITY.—Procedures under which a signed voluntary acknowledgment of paternity is considered a legal finding of paternity, subject to the right of any signatory to rescind the acknowledgment within the earlier of—

''(I) 60 days; or

''(II) the date of an administrative or judicial proceeding relating to the child (including a proceeding to establish a support order) in which the signatory is a party.

''(iii) CONTEST.—Procedures under which, after the 60-day period referred to in clause (ii), a signed voluntary acknowledgment of paternity may be challenged in court only on the basis of fraud, duress, or material mistake of fact, with the burden of proof upon the challenger, and under which the legal responsibilities (including child support obligations) of any signatory arising from the acknowledgment may not be suspended during the challenge, except for good cause shown.

''(E) BAR ON ACKNOWLEDGMENT RATIFICATION PROCEEDINGS.—Procedures under which judicial or administrative proceedings are not required or permitted to ratify an unchallenged acknowledgment of paternity.

''(F) ADMISSIBILITY OF GENETIC TESTING RESULTS.—Procedures—

''(i) requiring the admission into evidence, for purposes of establishing paternity, of the results of any genetic test that is—

''(I) of a type generally acknowledged as reliable by accreditation bodies designated by the Secretary; and

''(II) performed by a laboratory approved by such an accreditation body;

''(ii) requiring an objection to genetic testing results to be made in writing not later than a specified number of days before any hearing at which the results may be introduced into evidence (or, at State option, not later than a specified number of days after receipt of the results); and

''(iii) making the test results admissible as evidence of paternity without the need for foundation testimony or other proof of authenticity or accuracy, unless objection is made.

''(G) PRESUMPTION OF PATERNITY IN CERTAIN CASES.—Procedures which create a rebuttable or, at the option of the State, conclusive presumption of paternity upon genetic testing results indicating a threshold probability that the alleged father is the father of the child.

''(H) DEFAULT ORDERS.—Procedures requiring a default order to be entered in a paternity case upon a showing of service of process on the defendant and any additional showing required by State law.

''(I) NO RIGHT TO JURY TRIAL.—Procedures providing that the parties to an action to establish paternity are not entitled to a trial by jury.

''(J) TEMPORARY SUPPORT ORDER BASED ON PROBABLE PATERNITY IN CONTESTED CASES.—Procedures which require that a temporary order be issued, upon motion by a party, requiring the provision of child support pending an administrative or judicial determination of parentage, if there is clear and convincing evidence of paternity (on the basis of genetic tests or other evidence).

''(K) PROOF OF CERTAIN SUPPORT AND PATERNITY ESTABLISHMENT COSTS.—Procedures under which bills for pregnancy, childbirth, and genetic testing are admissible as evidence without requiring third-party foundation testimony, and shall constitute prima facie evidence of amounts incurred for such services or for testing on behalf of the child.

''(L) STANDING OF PUTATIVE FATHERS.—Procedures ensuring that the putative father has a reasonable opportunity to initiate a paternity action.

''(M) FILING OF ACKNOWLEDGMENTS AND ADJUDICATIONS IN STATE REGISTRY OF BIRTH RECORDS.—Procedures under which voluntary acknowledgments and adjudications of paternity by judicial or administrative processes are filed with the State registry of birth records for comparison with information in the State case registry.''.

(b) NATIONAL PATERNITY ACKNOWLEDGMENT AFFIDAVIT.—Section 452(a)(7) (42 U.S.C. 652(a)(7)) is amended by inserting '', and specify the minimum requirements of an affidavit to be used for the voluntary acknowledgment of paternity which shall include the social security number of each parent and, after consultation with the States, other common elements as determined by such designee'' before the semicolon.

(c) CONFORMING AMENDMENT.—Section 468 (42 U.S.C. 668) is amended by striking ''a simple civil process for voluntarily acknowledging paternity and''.

SEC. 332. OUTREACH FOR VOLUNTARY PATERNITY ESTABLISHMENT.

Section 454(23) (42 U.S.C. 654(23)) is amended by inserting ''and will publicize the availability and encourage the use of procedures for voluntary establishment of paternity and child support by means the State deems appropriate'' before the semicolon.

SEC. 333. COOPERATION BY APPLICANTS FOR AND RECIPIENTS OF PART A ASSISTANCE.

Section 454 (42 U.S.C. 654), as amended by sections 301(b), 303(a), 312(a), and 313(a) of this Act, is amended—

(1) by striking ''and'' at the end of paragraph (27);

(2) by striking the period at the end of paragraph (28) and inserting ''; and''; and

(3) by inserting after paragraph (28) the following new paragraph:

''(29) provide that the State agency responsible for administering the State plan—

''(A) shall make the determination (and redetermination at appropriate intervals) as to whether an individual who has applied for or is receiving assistance under the State program funded under part A of this title or the State program under title XIX is cooperating in good faith with the State in establishing the paternity of, or in establishing, modifying, or enforcing a support order for, any child of the individual by providing the State agency with the name of, and such other information as the State agency may require with respect to, the noncustodial parent of the child, subject to good cause and other exceptions which—

''(i) shall be defined, taking into account the best interests of the child, and

''(ii) shall be applied in each case,

by, at the option of the State, the State agency administering the State program under part A, this part, or title XIX;

''(B) shall require the individual to supply additional necessary information and appear at interviews, hearings, and legal proceedings;

''(C) shall require the individual and the child to submit to genetic tests pursuant to judicial or administrative order;

''(D) may request that the individual sign a voluntary acknowledgment of paternity, after notice of the rights and consequences of such an acknowledgment, but may not require the individual to sign an acknowledgment or otherwise relinquish the right to genetic tests as a condition of cooperation and eligibility for assistance under the State program funded under part A, or the State program under title XIX; and

''(E) shall promptly notify the individual, the State agency administering the State program funded under part A, and the State agency administering the State program

under title XIX, of each such determination, and if noncooperation is determined, the basis therefor.''.

Subtitle E—Program Administration and Funding

SEC. 341. PERFORMANCE-BASED INCENTIVES AND PENALTIES.

(a) DEVELOPMENT OF NEW SYSTEM.—The Secretary of Health and Human Services, in consultation with State directors of programs under part D of title IV of the Social Security Act, shall develop a new incentive system to replace, in a revenue neutral manner, the system under section 458 of such Act. The new system shall provide additional payments to any State based on such State's performance under such a program. Not later than March 1, 1997, the Secretary shall report on the new system to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate.

(b) CONFORMING AMENDMENTS TO PRESENT SYSTEM.—Section 458 (42 U.S.C. 658) is amended—

(1) in subsection (a), by striking ''aid to families with dependent children under a State plan approved under part A of this title'' and inserting ''assistance under a program funded under part A'';

(2) in subsection (b)(1)(A), by striking ''section 402(a)(26)'' and inserting ''section 408(a)(3)'';

(3) in subsections (b) and (c)—

(A) by striking ''AFDC collections'' each place it appears and inserting ''title IV–A collections'', and

(B) by striking ''non-AFDC collections'' each place it appears and inserting ''non-title IV–A collections''; and

(4) in subsection (c), by striking ''combined AFDC/non-AFDC administrative costs'' both places it appears and inserting ''combined title IV–A/non-title IV–A administrative costs''.

(c) CALCULATION OF PATERNITY ESTABLISHMENT PERCENTAGE.—

(1) Section 452(g)(1)(A) (42 U.S.C. 652(g)(1)(A)) is amended by striking ''75'' and inserting ''90''.

(2) Section 452(g)(1) (42 U.S.C. 652(g)(1)) is amended—

(A) by redesignating subparagraphs (B) through (E) as subparagraphs (C) through (F), respectively, and by inserting after subparagraph (A) the following new subparagraph:

''(B) for a State with a paternity establishment percentage of not less than 75 percent but less than 90 percent for such fiscal year, the paternity establishment percentage of the State for the immediately preceding fiscal year plus 2 percentage points;''; and

(B) by adding at the end the following new flush sentence:

''In determining compliance under this section, a State may use as its paternity establishment percentage either the State's IV–D paternity establishment percentage (as defined in paragraph (2)(A)) or the State's statewide paternity establishment percentage (as defined in paragraph (2)(B)).''.

(3) Section 452(g)(2) (42 U.S.C. 652(g)(2)) is amended—

(A) in subparagraph (A)—

(i) in the matter preceding clause (i)—

(I) by striking ''paternity establishment percentage'' and inserting ''IV–D paternity establishment percentage''; and

(II) by striking ''(or all States, as the case may be)''; and

(ii) by striking ''and'' at the end; and

(B) by redesignating subparagraph (B) as subparagraph (C) and by inserting after subparagraph (A) the following new subparagraph:

''(B) the term 'statewide paternity establishment percentage' means, with respect to a State for a fiscal year, the ratio (expressed as a percentage) that the total number of minor children—

''(i) who have been born out of wedlock, and

''(ii) the paternity of whom has been established or acknowledged during the fiscal year,

bears to the total number of children born out of wedlock during the preceding fiscal year; and''.

(4) Section 452(g)(3) (42 U.S.C. 652(g)(3)) is amended—

(A) by striking subparagraph (A) and redesignating subparagraphs (B) and (C) as subparagraphs (A) and (B), respectively; and

(B) in subparagraph (A) (as so redesignated), by striking ''the percentage of children born out-of-wedlock in a State'' and inserting ''the percentage of children in a State who are born out of wedlock or for whom support has not been established''.

(d) EFFECTIVE DATES.—

(1) INCENTIVE ADJUSTMENTS.—

(A) IN GENERAL.—The system developed under subsection (a) and the amendments made by subsection (b) shall become effective on October 1, 1999, except to the extent provided in subparagraph (B).

(B) APPLICATION OF SECTION 458.—Section 458 of the Social Security Act, as in effect on the day before the date of the enactment of this section, shall be effective for purposes of incentive payments to States for fiscal years before fiscal year 2000.

(2) PENALTY REDUCTIONS.—The amendments made by subsection (c) shall become effective with respect to calendar quarters beginning on or after the date of the enactment of this Act.

SEC. 342. FEDERAL AND STATE REVIEWS AND AUDITS.

(a) STATE AGENCY ACTIVITIES.—Section 454 (42 U.S.C. 654) is amended—

(1) in paragraph (14), by striking ''(14)'' and inserting ''(14)(A)'';

(2) by redesignating paragraph (15) as subparagraph (B) of paragraph (14); and

(3) by inserting after paragraph (14) the following new paragraph:

''(15) provide for—

''(A) a process for annual reviews of and reports to the Secretary on the State program operated under the State plan approved under this part, including such information as may be necessary to measure State compliance with Federal requirements for expedited procedures, using such standards and procedures as are required by the Secretary, under which the State agency will determine the extent to which the program is operated in compliance with this part; and

''(B) a process of extracting from the automated data processing system required by paragraph (16) and transmitting to the Secretary data and calculations concerning the levels of accomplishment (and rates of improvement) with respect to applicable performance indicators (including paternity establishment percentages) to the extent necessary for purposes of sections 452(g) and 458;''.

(b) FEDERAL ACTIVITIES.—Section 452(a)(4) (42 U.S.C. 652(a)(4)) is amended to read as follows:

''(4)(A) review data and calculations transmitted by State agencies pursuant to section 454(15)(B) on State program accomplishments with respect to performance indicators for purposes of subsection (g) of this section and section 458;

''(B) review annual reports submitted pursuant to section 454(15)(A) and, as appropriate, provide to the State comments, recommendations for additional or alternative corrective actions, and technical assistance; and

''(C) conduct audits, in accordance with the Government auditing standards of the Comptroller General of the United States—

''(i) at least once every 3 years (or more frequently, in the case of a State which fails to meet the requirements of this part concerning performance standards and reliability of program data) to assess the completeness, reliability, and security of the data and the accuracy of the reporting systems used in calculating performance indicators under subsection (g) of this section and section 458;

''(ii) of the adequacy of financial management of the State program operated under the State plan approved under this part, including assessments of—

''(I) whether Federal and other funds made available to carry out the State program are being appropriately expended, and are properly and fully accounted for; and

''(II) whether collections and disbursements of support payments are carried out correctly and are fully accounted for; and

''(iii) for such other purposes as the Secretary may find necessary;''.

(c) EFFECTIVE DATE.—The amendments made by this section shall be effective with respect to calendar quarters beginning 12 months or more after the date of the enactment of this Act.

SEC. 343. REQUIRED REPORTING PROCEDURES.

(a) ESTABLISHMENT.—Section 452(a)(5) (42 U.S.C. 652(a)(5)) is amended by inserting '', and establish procedures to be followed by States for collecting and reporting information required to be provided under this part, and establish uniform definitions (including those necessary to enable the measurement of State compliance with the requirements of this part relating to expedited processes) to be applied in following such procedures'' before the semicolon.

(b) STATE PLAN REQUIREMENT.—Section 454 (42 U.S.C. 654), as amended by sections 301(b), 303(a), 312(a), 313(a), and 333 of this Act, is amended—

(1) by striking ''and'' at the end of paragraph (28);

(2) by striking the period at the end of paragraph (29) and inserting ''; and''; and

(3) by adding after paragraph (29) the following new paragraph:

''(30) provide that the State shall use the definitions established under section 452(a)(5) in collecting and reporting information as required under this part.''.

SEC. 344. AUTOMATED DATA PROCESSING REQUIREMENTS.

(a) REVISED REQUIREMENTS.—

(1) IN GENERAL.—Section 454(16) (42 U.S.C. 654(16)) is amended—

(A) by striking '', at the option of the State,'';

(B) by inserting ''and operation by the State agency'' after ''for the establishment'';

(C) by inserting ''meeting the requirements of section 454A'' after ''information retrieval system'';

(D) by striking ''in the State and localities thereof, so as (A)'' and inserting ''so as'';

(E) by striking ''(i)''; and

(F) by striking ''(including'' and all that follows and inserting a semicolon.

(2) AUTOMATED DATA PROCESSING.—Part D of title IV (42 U.S.C. 651–669) is amended by inserting after section 454 the following new section:

''SEC. 454A. AUTOMATED DATA PROCESSING.

''(a) IN GENERAL.—In order for a State to meet the requirements of this section, the State agency administering the State program under this part shall have in operation a single statewide automated data processing and information retrieval system which has the capability to perform the tasks specified in this section with the frequency and in the manner required by or under this part.

''(b) PROGRAM MANAGEMENT.—The automated system required by this section shall perform such functions as the Secretary may specify relating to management of the State program under this part, including—

''(1) controlling and accounting for use of Federal, State, and local funds in carrying out the program; and

''(2) maintaining the data necessary to meet Federal reporting requirements under this part on a timely basis.

''(c) CALCULATION OF PERFORMANCE INDICATORS.—In order to enable the Secretary to determine the incentive payments and penalty adjustments required by sections 452(g) and 458, the State agency shall—

''(1) use the automated system—

''(A) to maintain the requisite data on State performance with respect to paternity establishment and child support enforcement in the State; and

''(B) to calculate the paternity establishment percentage for the State for each fiscal year; and

''(2) have in place systems controls to ensure the completeness and reliability of, and ready access to, the data described in paragraph (1)(A), and the accuracy of the calculations described in paragraph (1)(B).

''(d) INFORMATION INTEGRITY AND SECURITY.—The State agency shall have in effect safeguards on the integrity, accuracy, and completeness of, access to, and use of data in the automated system required by this section, which shall include the following (in addition to such other safeguards as the Secretary may specify in regulations):

''(1) POLICIES RESTRICTING ACCESS.—Written policies concerning access to data by State agency personnel, and sharing of data with other persons, which—

''(A) permit access to and use of data only to the extent necessary to carry out the State program under this part; and

''(B) specify the data which may be used for particular program purposes, and the personnel permitted access to such data.

''(2) SYSTEMS CONTROLS.—Systems controls (such as passwords or blocking of fields) to ensure strict adherence to the policies described in paragraph (1).

''(3) MONITORING OF ACCESS.—Routine monitoring of access to and use of the automated system, through methods such as audit trails and feedback mechanisms, to guard against and promptly identify unauthorized access or use.

''(4) TRAINING AND INFORMATION.—Procedures to ensure that all personnel (including State and local agency staff and contractors) who may have access to or be required to use confidential program data are informed of applicable requirements and penalties (including those in section 6103 of the Internal Revenue Code of 1986), and are adequately trained in security procedures.

''(5) PENALTIES.—Administrative penalties (up to and including dismissal from employment) for unauthorized access to, or disclosure or use of, confidential data.''.

(3) REGULATIONS.—The Secretary of Health and Human Services shall prescribe final regulations for implementation of section 454A of the Social Security Act not later than 2 years after the date of the enactment of this Act.

(4) IMPLEMENTATION TIMETABLE.—Section 454(24) (42 U.S.C. 654(24)), as amended by section 303(a)(1) of this Act, is amended to read as follows:

''(24) provide that the State will have in effect an automated data processing and information retrieval system—

''(A) by October 1, 1997, which meets all requirements of this part which were enacted on or before the date of enactment of the Family Support Act of 1988, and

''(B) by October 1, 2000, which meets all requirements of this part enacted on or before the date of the enactment of the Personal Responsibility and Work Opportunity Act of 1996, except that such deadline shall be extended by 1 day for each day (if any) by which the Secretary fails to meet the deadline imposed by section 344(a)(3) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996;''.

(b) SPECIAL FEDERAL MATCHING RATE FOR DEVELOPMENT COSTS OF AUTOMATED SYSTEMS.—

(1) IN GENERAL.—Section 455(a) (42 U.S.C. 655(a)) is amended—

(A) in paragraph (1)(B)—

(i) by striking ''90 percent'' and inserting ''the percent specified in paragraph (3)'';

(ii) by striking ''so much of''; and

(iii) by striking ''which the Secretary'' and all that follows and inserting '', and''; and

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

''(3)(A) The Secretary shall pay to each State, for each quarter in fiscal years 1996 and 1997, 90 percent of so much of the State expenditures described in paragraph (1)(B) as the Secretary finds are for a system meeting the requirements specified in section 454(16) (as in effect on September 30, 1995) but limited to the amount approved for States in the advance planning documents of such States submitted on or before September 30, 1995.

''(B)(i) The Secretary shall pay to each State, for each quarter in fiscal years 1996 through 2001, the percentage specified in clause (ii) of so much of the State expenditures described in paragraph (1)(B) as the Secretary finds are for a system meeting the requirements of sections 454(16) and 454A.

''(ii) The percentage specified in this clause is 80 percent.''.

(2) TEMPORARY LIMITATION ON PAYMENTS UNDER SPECIAL FEDERAL MATCHING RATE.—

(A) IN GENERAL.—The Secretary of Health and Human Services may not pay more than $400,000,000 in the aggregate under section 455(a)(3)(B) of the Social Security Act for fiscal years 1996 through 2001.

(B) ALLOCATION OF LIMITATION AMONG STATES.—The total amount payable to a State under section 455(a)(3)(B) of such Act for fiscal years 1996 through 2001 shall not exceed the limitation determined for the State by the Secretary of Health and Human Services in regulations.

(C) ALLOCATION FORMULA.—The regulations referred to in subparagraph (B) shall prescribe a formula for allocating the amount specified in subparagraph (A) among States with plans approved under part D of title IV of the Social Security Act, which shall take into account—

(i) the relative size of State caseloads under such part; and

(ii) the level of automation needed to meet the automated data processing requirements of such part.

(c) CONFORMING AMENDMENT.—Section 123(c) of the Family Support Act of 1988 (102 Stat. 2352; Public Law 100–485) is repealed.

SEC. 345. TECHNICAL ASSISTANCE.

(a) FOR TRAINING OF FEDERAL AND STATE STAFF, RESEARCH AND DEMONSTRATION PROGRAMS, AND SPECIAL PROJECTS OF REGIONAL OR NATIONAL SIGNIFICANCE.—Section 452 (42 U.S.C. 652) is amended by adding at the end the following new subsection:

''(j) Out of any money in the Treasury of the United States not otherwise appropriated, there is hereby appropriated to the Secretary for each fiscal year an amount equal to 1 percent of the total amount paid to the Federal Government pursuant to section 457(a) during the immediately preceding fiscal year (as determined on the basis of the most recent reliable data available to the Secretary as of the end of the 3rd calendar quarter following the end of such preceding fiscal year), to cover costs incurred by the Secretary for—

''(1) information dissemination and technical assistance to States, training of State and Federal staff, staffing studies, and related activities needed to improve programs under this part (including technical assistance concerning State automated systems required by this part); and

''(2) research, demonstration, and special projects of regional or national significance relating to the operation of State programs under this part.

The amount appropriated under this subsection shall remain available until expended.''.

(b) OPERATION OF FEDERAL PARENT LOCATOR SERVICE.—Section 453 (42 U.S.C. 653), as amended by section 316 of this Act, is amended by adding at the end the following new subsection:

''(o) RECOVERY OF COSTS.—Out of any money in the Treasury of the United States not otherwise appropriated, there is hereby appropriated to the Secretary for each fiscal year an amount equal to 2 percent of the total amount paid to the Federal Government pursuant to section 457(a) during the immediately preceding fiscal year (as determined on the basis of the most recent reliable data available to the Secretary as of the end of the 3rd calendar quarter following the end of such preceding fiscal year), to cover costs incurred by the Secretary for operation of the Federal Parent Locator Service under this section, to the extent such costs are not recovered through user fees.''.

SEC. 346. REPORTS AND DATA COLLECTION BY THE SECRETARY.

(a) ANNUAL REPORT TO CONGRESS.—

(1) Section 452(a)(10)(A) (42 U.S.C. 652(a)(10)(A)) is amended—

(A) by striking ''this part;'' and inserting ''this part, including—''; and

(B) by adding at the end the following new clauses:

''(i) the total amount of child support payments collected as a result of services furnished during the fiscal year to individuals receiving services under this part;

''(ii) the cost to the States and to the Federal Government of so furnishing the services; and

''(iii) the number of cases involving families—

''(I) who became ineligible for assistance under State programs funded under part A during a month in the fiscal year; and

''(II) with respect to whom a child support payment was received in the month;''.

(2) Section 452(a)(10)(C) (42 U.S.C. 652(a)(10)(C)) is amended—

(A) in the matter preceding clause (i)—

(i) by striking ''with the data required under each clause being separately stated for cases'' and inserting ''separately stated for cases'';

(ii) by striking ''cases where the child was formerly receiving'' and inserting ''or formerly received'';

(iii) by inserting ''or 1912'' after ''471(a)(17)''; and

(iv) by inserting ''for'' before ''all other'';

(B) in each of clauses (i) and (ii), by striking '', and the total amount of such obligations'';

(C) in clause (iii), by striking ''described in'' and all that follows and inserting ''in which support was collected during the fiscal year;'';

(D) by striking clause (iv); and

(E) by redesignating clause (v) as clause (vii), and inserting after clause (iii) the following new clauses:

''(iv) the total amount of support collected during such fiscal year and distributed as current support;

''(v) the total amount of support collected during such fiscal year and distributed as arrearages;

''(vi) the total amount of support due and unpaid for all fiscal years; and''.

(3) Section 452(a)(10)(G) (42 U.S.C. 652(a)(10)(G)) is amended by striking ''on the use of Federal courts and''.

(4) Section 452(a)(10) (42 U.S.C. 652(a)(10)) is amended—

(A) in subparagraph (H), by striking ''and'';

(B) in subparagraph (I), by striking the period and inserting ''; and''; and

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

''(J) compliance, by State, with the standards established pursuant to subsections (h) and (i).''.

(5) Section 452(a)(10) (42 U.S.C. 652(a)(10)) is amended by striking all that follows subparagraph (J), as added by paragraph (4).

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall be effective with respect to fiscal year 1997 and succeeding fiscal years.

Subtitle F—Establishment and Modification of Support Orders

SEC. 351. SIMPLIFIED PROCESS FOR REVIEW AND ADJUSTMENT OF CHILD SUPPORT ORDERS.

Section 466(a)(10) (42 U.S.C. 666(a)(10)) is amended to read as follows:

''(10) REVIEW AND ADJUSTMENT OF SUPPORT ORDERS UPON REQUEST.—

''(A) 3-YEAR CYCLE.—

''(i) IN GENERAL.—Procedures under which every 3 years (or such shorter cycle as the State may determine), upon the request of either parent, or, if there is an assignment under part A, upon the request of the State agency under the State plan or of either parent, the State shall with respect to a support order being enforced under this part, taking into account the best interests of the child involved—

''(I) review and, if appropriate, adjust the order in accordance with the guidelines established pursuant to section 467(a) if the amount of the child support award under the order differs from the amount that would be awarded in accordance with the guidelines;

''(II) apply a cost-of-living adjustment to the order in accordance with a formula developed by the State; or

''(III) use automated methods (including automated comparisons with wage or State income tax data) to identify orders eligible for review, conduct the review, identify orders eligible for adjustment, and apply the appropriate adjustment to the orders eligible for adjustment under any threshold that may be established by the State.

''(ii) OPPORTUNITY TO REQUEST REVIEW OF ADJUSTMENT.—If the State elects to conduct the review under subclause (II) or (III) of clause (i), procedures which permit either party to contest the adjustment, within 30 days after the date of the notice of the adjustment, by making a request for review and, if appropriate, adjustment of the order in accordance with the child support guidelines established pursuant to section 467(a).

''(iii) NO PROOF OF CHANGE IN CIRCUMSTANCES NECESSARY IN 3-YEAR CYCLE REVIEW.—Procedures which provide that any adjustment under clause (i) shall be made without a requirement for proof or showing of a change in circumstances.

''(B) PROOF OF SUBSTANTIAL CHANGE IN CIRCUMSTANCES NECESSARY IN REQUEST FOR REVIEW OUTSIDE 3-YEAR CYCLE.—Procedures under which, in the case of a request for a review, and if appropriate, an adjustment outside the 3-year cycle (or such shorter cycle as the State may determine) under clause (i), the State shall review and, if the requesting party demonstrates a substantial change in circumstances, adjust the order in accordance with the guidelines established pursuant to section 467(a).

''(C) NOTICE OF RIGHT TO REVIEW.—Procedures which require the State to provide notice not less than once every 3 years to the parents subject to the order informing the parents of their right to request the State to review and, if appropriate, adjust the order pursuant to this paragraph. The notice may be included in the order.''.

SEC. 352. FURNISHING CONSUMER REPORTS FOR CERTAIN PURPOSES RELATING TO CHILD SUPPORT.

Section 604 of the Fair Credit Reporting Act (15 U.S.C. 1681b) is amended by adding at the end the following new paragraphs:

''(4) In response to a request by the head of a State or local child support enforcement agency (or a State or local government official authorized by the head of such an agency), if the person making the request certifies to the consumer reporting agency that—

''(A) the consumer report is needed for the purpose of establishing an individual's capacity to make child support payments or determining the appropriate level of such payments;

''(B) the paternity of the consumer for the child to which the obligation relates has been established or acknowledged by the consumer in accordance with State laws under which the obligation arises (if required by those laws);

''(C) the person has provided at least 10 days' prior notice to the consumer whose report is requested, by certified or registered mail to the last known address of the consumer, that the report will be requested; and

''(D) the consumer report will be kept confidential, will be used solely for a purpose described in subparagraph (A), and will not be used in connection with any other civil, administrative, or criminal proceeding, or for any other purpose.

''(5) To an agency administering a State plan under section 454 of the Social Security Act (42 U.S.C. 654) for use to set an initial or modified child support award.''.

SEC. 353. NONLIABILITY FOR FINANCIAL INSTITUTIONS PROVIDING FINANCIAL RECORDS TO STATE CHILD SUPPORT ENFORCEMENT AGENCIES IN CHILD SUPPORT CASES.

Part D of title IV (42 U.S.C. 651–669) is amended by adding at the end the following:

''SEC. 469A. NONLIABILITY FOR FINANCIAL INSTITUTIONS PROVIDING FINANCIAL RECORDS TO STATE CHILD SUPPORT ENFORCEMENT AGENCIES IN CHILD SUPPORT CASES.

''(a) IN GENERAL.—Notwithstanding any other provision of Federal or State law, a financial institution shall not be liable under any Federal or State law to any person for disclosing any financial record of an individual to a State child support enforcement agency attempting to establish, modify, or enforce a child support obligation of such individual.

''(b) PROHIBITION OF DISCLOSURE OF FINANCIAL RECORD OBTAINED BY STATE CHILD SUPPORT ENFORCEMENT AGENCY.—A State child support enforcement agency which obtains a financial record of an individual from a financial institution pursuant to subsection (a) may disclose such financial record only for the purpose of, and to the extent necessary in, establishing, modifying, or enforcing a child support obligation of such individual.

''(c) CIVIL DAMAGES FOR UNAUTHORIZED DISCLOSURE.—

''(1) DISCLOSURE BY STATE OFFICER OR EMPLOYEE.—If any person knowingly, or by reason of negligence, discloses a financial record of an individual in violation of subsection (b), such individual may bring a civil action for damages against such person in a district court of the United States.

''(2) NO LIABILITY FOR GOOD FAITH BUT ERRONEOUS INTERPRETATION.—No liability shall arise under this subsection with respect to any disclosure which results from a good faith, but erroneous, interpretation of subsection (b).

''(3) DAMAGES.—In any action brought under paragraph (1), upon a finding of liability on the part of the defendant, the defendant shall be liable to the plaintiff in an amount equal to the sum of—

''(A) the greater of—

''(i) $1,000 for each act of unauthorized disclosure of a financial record with respect to which such defendant is found liable; or

''(ii) the sum of—

''(I) the actual damages sustained by the plaintiff as a result of such unauthorized disclosure; plus

''(II) in the case of a willful disclosure or a disclosure which is the result of gross negligence, punitive damages; plus

''(B) the costs (including attorney's fees) of the action.

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

''(1) FINANCIAL INSTITUTION.—The term 'financial institution' means—

''(A) a depository institution, as defined in section 3(c) of the Federal Deposit Insurance Act (12 U.S.C. 1813(c));

''(B) an institution-affiliated party, as defined in section 3(u) of such Act (12 U.S.C. 1813(u));

''(C) any Federal credit union or State credit union, as defined in section 101 of the Federal Credit Union Act (12 U.S.C. 1752), including an institution-affiliated party of such a credit union, as defined in section 206(r) of such Act (12 U.S.C. 1786(r)); and

''(D) any benefit association, insurance company, safe deposit company, money-market mutual fund, or similar entity authorized to do business in the State.

''(2) FINANCIAL RECORD.—The term 'financial record' has the meaning given such term in section 1101 of the Right to Financial Privacy Act of 1978 (12 U.S.C. 3401).''.

Subtitle G—Enforcement of Support Orders

SEC. 361. INTERNAL REVENUE SERVICE COLLECTION OF ARREARAGES.

(a) COLLECTION OF FEES.—Section 6305(a) of the Internal Revenue Code of 1986 (relating to collection of certain liability) is amended—

(1) by striking ''and'' at the end of paragraph (3);

(2) by striking the period at the end of paragraph (4) and inserting '', and'';

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

''(5) no additional fee may be assessed for adjustments to an amount previously certified pursuant to such section 452(b) with respect to the same obligor.''; and

(4) by striking ''Secretary of Health, Education, and Welfare'' each place it appears and inserting ''Secretary of Health and Human Services''.

(b) EFFECTIVE DATE.—The amendments made by this section shall become effective October 1, 1997.

SEC. 362. AUTHORITY TO COLLECT SUPPORT FROM FEDERAL EMPLOYEES.

(a) CONSOLIDATION AND STREAMLINING OF AUTHORITIES.—Section 459 (42 U.S.C. 659) is amended to read as follows:

"SEC. 459. CONSENT BY THE UNITED STATES TO INCOME WITHHOLDING, GARNISHMENT, AND SIMILAR PROCEEDINGS FOR ENFORCEMENT OF CHILD SUPPORT AND ALIMONY OBLIGATIONS.

''(a) CONSENT TO SUPPORT ENFORCEMENT.—Notwithstanding any other provision of law (including section 207 of this Act and section 5301 of title 38, United States Code), effective January 1, 1975, moneys (the entitlement to which is based upon remuneration for employment) due from, or payable by, the United States or the District of Columbia (including any agency, subdivision, or instrumentality thereof) to any individual, including members of the Armed Forces of the United States, shall be subject, in like manner and to the same extent as if the United States or the District of Columbia were a private person, to withholding in accordance with State law enacted pursuant to subsections (a)(1) and (b) of section 466 and regulations of the Secretary under such subsections, and to any other legal process brought, by a State agency administering a program under a State plan approved under this part or by an individual obligee, to enforce the legal obligation of the individual to provide child support or alimony.

''(b) CONSENT TO REQUIREMENTS APPLICABLE TO PRIVATE PERSON.—With respect to notice to withhold income pursuant to subsection (a)(1) or (b) of section 466, or any other order or process to enforce support obligations against an individual (if the order or process contains or is accompanied by sufficient data to permit prompt identification of the individual and the moneys involved), each governmental entity specified in subsection (a) shall be subject to the same requirements as would apply if the entity were a private person, except as otherwise provided in this section.

''(c) DESIGNATION OF AGENT; RESPONSE TO NOTICE OR PROCESS—

''(1) DESIGNATION OF AGENT.—The head of each agency subject to this section shall—

''(A) designate an agent or agents to receive orders and accept service of process in matters relating to child support or alimony; and

''(B) annually publish in the Federal Register the designation of the agent or agents, identified by title or position, mailing address, and telephone number.

''(2) RESPONSE TO NOTICE OR PROCESS.—If an agent designated pursuant to paragraph (1) of this subsection receives notice pursuant to State procedures in effect pursuant to subsection (a)(1) or (b) of section 466, or is effectively served with any order, process, or interrogatory, with respect to an individual's child support or alimony payment obligations, the agent shall—

''(A) as soon as possible (but not later than 15 days) thereafter, send written notice of the notice or service (together with a copy of the notice or service) to the individual at the duty station or last-known home address of the individual;

''(B) within 30 days (or such longer period as may be prescribed by applicable State law) after receipt of a notice pursuant to such State procedures, comply with all applicable provisions of section 466; and

''(C) within 30 days (or such longer period as may be prescribed by applicable State law) after effective service of any other such order, process, or interrogatory, respond to the order, process, or interrogatory.

''(d) PRIORITY OF CLAIMS.—If a governmental entity specified in subsection (a) receives notice or is served with process, as provided in this section, concerning amounts owed by an individual to more than 1 person—

''(1) support collection under section 466(b) must be given priority over any other process, as provided in section 466(b)(7);

''(2) allocation of moneys due or payable to an individual among claimants under section 466(b) shall be governed by section 466(b) and the regulations prescribed under such section; and

''(3) such moneys as remain after compliance with paragraphs (1) and (2) shall be available to satisfy any other such processes on a first-come, first-served basis, with any such process being satisfied out of such moneys as remain after the satisfaction of all such processes which have been previously served.

''(e) NO REQUIREMENT TO VARY PAY CYCLES.—A governmental entity that is affected by legal process served for the enforcement of an individual's child support or alimony payment obligations shall not be required to vary its normal pay and disbursement cycle in order to comply with the legal process.

''(f) RELIEF FROM LIABILITY.—

''(1) Neither the United States, nor the government of the District of Columbia, nor any disbursing officer shall be liable with respect to any payment made from moneys due or payable from the United States to any individual pursuant to legal process regular on its face, if the payment is made in accordance with this section and the regulations issued to carry out this section.

''(2) No Federal employee whose duties include taking actions necessary to comply with the requirements of subsection (a) with regard to any individual shall be subject under any law to any disciplinary action or civil or criminal liability or penalty for, or on account of, any disclosure of information made by the employee in connection with the carrying out of such actions.

''(g) REGULATIONS.—Authority to promulgate regulations for the implementation of this section shall, insofar as this section applies to moneys due from (or payable by)—

''(1) the United States (other than the legislative or judicial branches of the Federal Government) or the government of the District of Columbia, be vested in the President (or the designee of the President);

''(2) the legislative branch of the Federal Government, be vested jointly in the President pro tempore of the Senate and the Speaker of the House of Representatives (or their designees), and

''(3) the judicial branch of the Federal Government, be vested in the Chief Justice of the United States (or the designee of the Chief Justice).

''(h) MONEYS SUBJECT TO PROCESS.—

''(1) IN GENERAL.—Subject to paragraph (2), moneys paid or payable to an individual which are considered to be based upon remuneration for employment, for purposes of this section—

''(A) consist of—

''(i) compensation paid or payable for personal services of the individual, whether the compensation is denominated as wages, salary, commission, bonus, pay, allowances, or otherwise (including severance pay, sick pay, and incentive pay);

''(ii) periodic benefits (including a periodic benefit as defined in section 228(h)(3)) or other payments—

''(I) under the insurance system established by title II;

''(II) under any other system or fund established by the United States which provides for the payment of pensions, retirement or retired pay, annuities, dependents' or survivors' benefits, or similar amounts payable on account of personal services performed by the individual or any other individual;

''(III) as compensation for death under any Federal program;

''(IV) under any Federal program established to provide 'black lung' benefits; or

''(V) by the Secretary of Veterans Affairs as compensation for a service-connected disability paid by the Secretary to a former member of the Armed Forces who is in receipt of retired or retainer pay if the former member has waived a portion of the retired or retainer pay in order to receive such compensation; and

''(iii) worker's compensation benefits paid under Federal or State law but

''(B) do not include any payment—

''(i) by way of reimbursement or otherwise, to defray expenses incurred by the individual in carrying out duties associated with the employment of the individual; or

''(ii) as allowances for members of the uniformed services payable pursuant to chapter 7 of title 37, United States Code, as prescribed by the Secretaries concerned (defined by section 101(5) of such title) as necessary for the efficient performance of duty.

''(2) CERTAIN AMOUNTS EXCLUDED.—In determining the amount of any moneys due from, or payable by, the United States to any individual, there shall be excluded amounts which—

''(A) are owed by the individual to the United States;

''(B) are required by law to be, and are, deducted from the remuneration or other payment involved, including Federal employment taxes, and fines and forfeitures ordered by court-martial;

''(C) are properly withheld for Federal, State, or local income tax purposes, if the withholding of the amounts is authorized or required by law and if amounts withheld are not greater than would be the case if the individual claimed all dependents to which he was entitled (the withholding of additional amounts pursuant to section 3402(i) of the Internal Revenue Code of 1986 may be permitted only when the individual presents evidence of a tax obligation which supports the additional withholding);

''(D) are deducted as health insurance premiums;

''(E) are deducted as normal retirement contributions (not including amounts deducted for supplementary coverage); or

''(F) are deducted as normal life insurance premiums from salary or other remuneration for employment (not including amounts deducted for supplementary coverage).

''(i) DEFINITIONS.—For purposes of this section—

''(1) UNITED STATES.—The term 'United States' includes any department, agency, or instrumentality of the legislative, judicial, or executive branch of the Federal Government, the United States Postal Service, the Postal Rate Commission, any Federal corporation created by an Act of Congress that is wholly owned by the Federal Government, and the governments of the territories and possessions of the United States.

''(2) CHILD SUPPORT.—The term 'child support', when used in reference to the legal obligations of an individual to provide such support, means amounts required to be paid under a judgment, decree, or order, whether temporary, final, or subject to modification, issued by a court or an administrative agency of competent jurisdiction, for the support and maintenance of a child, including a child who has attained the age of majority under the law of the issuing State, or a child and the parent with whom the child is living, which provides for monetary support, health care, arrearages or reimbursement, and which may include other related costs and fees, interest and penalties, income withholding, attorney's fees, and other relief.

''(3) ALIMONY.—

''(A) IN GENERAL.—The term 'alimony', when used in reference to the legal obligations of an individual to provide the same, means periodic payments of funds for the

support and maintenance of the spouse (or former spouse) of the individual, and (subject to and in accordance with State law) includes separate maintenance, alimony pendente lite, maintenance, and spousal support, and includes attorney's fees, interest, and court costs when and to the extent that the same are expressly made recoverable as such pursuant to a decree, order, or judgment issued in accordance with applicable State law by a court of competent jurisdiction.

''(B) EXCEPTIONS.—Such term does not include—

''(i) any child support; or

''(ii) any payment or transfer of property or its value by an individual to the spouse or a former spouse of the individual in compliance with any community property settlement, equitable distribution of property, or other division of property between spouses or former spouses.

''(4) PRIVATE PERSON.—The term 'private person' means a person who does not have sovereign or other special immunity or privilege which causes the person not to be subject to legal process.

''(5) LEGAL PROCESS.—The term 'legal process' means any writ, order, summons, or other similar process in the nature of garnishment—

''(A) which is issued by—

''(i) a court or an administrative agency of competent jurisdiction in any State, territory, or possession of the United States;

''(ii) a court or an administrative agency of competent jurisdiction in any foreign country with which the United States has entered into an agreement which requires the United States to honor the process; or

''(iii) an authorized official pursuant to an order of such a court or an administrative agency of competent jurisdiction or pursuant to State or local law; and

''(B) which is directed to, and the purpose of which is to compel, a governmental entity which holds moneys which are otherwise payable to an individual to make a payment from the moneys to another party in order to satisfy a legal obligation of the individual to provide child support or make alimony payments.''.

(b) CONFORMING AMENDMENTS.—

(1) TO PART D OF TITLE IV.—Sections 461 and 462 (42 U.S.C. 661 and 662) are repealed.

(2) TO TITLE 5, UNITED STATES CODE.—Section 5520a of title 5, United States Code, is amended, in subsections (h)(2) and (i), by striking ''sections 459, 461, and 462 of the Social Security Act (42 U.S.C. 659, 661, and 662)'' and inserting ''section 459 of the Social Security Act (42 U.S.C. 659)''.

(c) MILITARY RETIRED AND RETAINER PAY.—

(1) DEFINITION OF COURT.—Section 1408(a)(1) of title 10, United States Code, is amended—

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

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

(C) by adding after subparagraph (C) the following new subparagraph:

''(D) any administrative or judicial tribunal of a State competent to enter orders for support or maintenance (including a State agency administering a program under a State plan approved under part D of title IV of the Social Security Act), and, for purposes of this subparagraph, the term 'State' includes the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and American Samoa.''.

(2) DEFINITION OF COURT ORDER.—Section 1408(a)(2) of such title is amended—

(A) by inserting ''or a support order, as defined in section 453(p) of the Social Security Act (42 U.S.C. 653(p)),'' before ''which—'';

(B) in subparagraph (B)(i), by striking ''(as defined in section 462(b) of the Social Security Act (42 U.S.C. 662(b)))'' and inserting ''(as defined in section 459(i)(2) of the Social Security Act (42 U.S.C. 659(i)(2)))''; and

(C) in subparagraph (B)(ii), by striking ''(as defined in section 462(c) of the Social Security Act (42 U.S.C. 662(c)))'' and inserting ''(as defined in section 459(i)(3) of the Social Security Act (42 U.S.C. 659(i)(3)))''.

(3) PUBLIC PAYEE.—Section 1408(d) of such title is amended—

(A) in the heading, by inserting ''(OR FOR BENEFIT OF)'' before ''SPOUSE OR''; and

(B) in paragraph (1), in the 1st sentence, by inserting ''(or for the benefit of such spouse or former spouse to a State disbursement unit established pursuant to section 454B of the Social Security Act or other public payee designated by a State, in accordance with part D of title IV of the Social Security Act, as directed by court order, or as otherwise directed in accordance with such part D)'' before ''in an amount sufficient''.

(4) RELATIONSHIP TO PART D OF TITLE IV.—Section 1408 of such title is amended by adding at the end the following new subsection:

''(j) RELATIONSHIP TO OTHER LAWS.—In any case involving an order providing for payment of child support (as defined in section 459(i)(2) of the Social Security Act) by a member who has never been married to the other parent of the child, the provisions of this section shall not apply, and the case shall be subject to the provisions of section 459 of such Act.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall become effective 6 months after the date of the enactment of this Act.

SEC. 363. ENFORCEMENT OF CHILD SUPPORT OBLIGATIONS OF MEMBERS OF THE ARMED FORCES.

(a) AVAILABILITY OF LOCATOR INFORMATION.—

(1) MAINTENANCE OF ADDRESS INFORMATION.—The Secretary of Defense shall establish a centralized personnel locator service that includes the address of each member of the Armed Forces under the jurisdiction of the Secretary. Upon request of the Secretary of Transportation, addresses for members of the Coast Guard shall be included in the centralized personnel locator service.

(2) TYPE OF ADDRESS.—

(A) RESIDENTIAL ADDRESS.—Except as provided in subparagraph (B), the address for a member of the Armed Forces shown in the locator service shall be the residential address of that member.

(B) DUTY ADDRESS.—The address for a member of the Armed Forces shown in the locator service shall be the duty address of that member in the case of a member—

(i) who is permanently assigned overseas, to a vessel, or to a routinely deployable unit; or

(ii) with respect to whom the Secretary concerned makes a determination that the member's residential address should not be disclosed due to national security or safety concerns.

(3) UPDATING OF LOCATOR INFORMATION.—Within 30 days after a member listed in the locator service establishes a new residential address (or a new duty address, in the case of a member covered by paragraph (2)(B)), the Secretary concerned shall update the locator service to indicate the new address of the member.

(4) AVAILABILITY OF INFORMATION.—The Secretary of Defense shall make information regarding the address of a member of the Armed Forces listed in the locator service available, on request, to the Federal Parent Locator Service established under section 453 of the Social Security Act.

(b) FACILITATING GRANTING OF LEAVE FOR ATTENDANCE AT HEARINGS.—

(1) REGULATIONS.—The Secretary of each military department, and the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy, shall prescribe regulations to facilitate the granting of leave to a member of the Armed Forces under the jurisdiction of that Secretary in a case in which—

(A) the leave is needed for the member to attend a hearing described in paragraph (2);

(B) the member is not serving in or with a unit deployed in a contingency operation (as defined in section 101 of title 10, United States Code); and

(C) the exigencies of military service (as determined by the Secretary concerned) do not otherwise require that such leave not be granted.

(2) COVERED HEARINGS.—Paragraph (1) applies to a hearing that is conducted by a court or pursuant to an administrative process established under State law, in connection with a civil action—

(A) to determine whether a member of the Armed Forces is a natural parent of a child; or

(B) to determine an obligation of a member of the Armed Forces to provide child support.

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

(A) The term ''court'' has the meaning given that term in section 1408(a) of title 10, United States Code.

(B) The term ''child support'' has the meaning given such term in section 459(i) of the Social Security Act (42 U.S.C. 659(i)).

(c) PAYMENT OF MILITARY RETIRED PAY IN COMPLIANCE WITH CHILD SUPPORT ORDERS.—

(1) DATE OF CERTIFICATION OF COURT ORDER.—Section 1408 of title 10, United States Code, as amended by section 362(c)(4) of this Act, is amended—

(A) by redesignating subsections (i) and (j) as subsections (j) and (k), respectively; and

(B) by inserting after subsection (h) the following new subsection:

''(i) CERTIFICATION DATE.—It is not necessary that the date of a certification of the authenticity or completeness of a copy of a court order for child support received by the Secretary concerned for the purposes of this section be recent in relation to the date of receipt by the Secretary.''.

(2) PAYMENTS CONSISTENT WITH ASSIGNMENTS OF RIGHTS TO STATES.—Section 1408(d)(1) of such title is amended by inserting after the 1st sentence the following new sentence: ''In the case of a spouse or former spouse who, pursuant to section 408(a)(3) of the Social Security Act (42 U.S.C. 608(a)(4)), assigns to a State the rights of the spouse or former spouse to receive support, the Secretary concerned may make the child support payments referred to in the preceding sentence to that State in amounts consistent with that assignment of rights.''.

(3) ARREARAGES OWED BY MEMBERS OF THE UNIFORMED SERVICES.—Section 1408(d) of such title is amended by adding at the end the following new paragraph:

''(6) In the case of a court order for which effective service is made on the Secretary concerned on or after the date of the enactment of this paragraph and which provides for payments from the disposable retired pay of a member to satisfy the amount of child support set forth in the order, the authority provided in paragraph (1) to make payments from the disposable retired pay of a member to satisfy the amount of child support set forth in a court order shall apply to payment of any amount of child support arrearages set forth in that order as well as to amounts of child support that currently become due.''.

(4) PAYROLL DEDUCTIONS.—The Secretary of Defense shall begin payroll deductions within 30 days after receiving notice of withholding, or for the 1st pay period that begins after such 30-day period.

SEC. 364. VOIDING OF FRAUDULENT TRANSFERS.

Section 466 (42 U.S.C. 666), as amended by section 321 of this Act, is amended by adding at the end the following new subsection:

''(g) LAWS VOIDING FRAUDULENT TRANSFERS.—In order to satisfy section 454(20)(A), each State must have in effect—

''(1)(A) the Uniform Fraudulent Conveyance Act of 1981;

''(B) the Uniform Fraudulent Transfer Act of 1984; or

''(C) another law, specifying indicia of fraud which create a prima facie case that a debtor transferred income or property to avoid payment to a child support creditor, which the Secretary finds affords comparable rights to child support creditors; and

''(2) procedures under which, in any case in which the State knows of a transfer by a child support debtor with respect to which such a prima facie case is established, the State must—

''(A) seek to void such transfer; or

''(B) obtain a settlement in the best interests of the child support creditor.''.

SEC. 365. WORK REQUIREMENT FOR PERSONS OWING PAST-DUE CHILD SUPPORT.

(a) IN GENERAL.—Section 466(a) (42 U.S.C. 666(a)), as amended by sections 315, 317, and 323 of this Act, is amended by inserting after paragraph (14) the following new paragraph:

''(15) PROCEDURES TO ENSURE THAT PERSONS OWING PAST-DUE SUPPORT WORK OR HAVE A PLAN FOR PAYMENT OF SUCH SUPPORT.—

''(A) IN GENERAL.—Procedures under which the State has the authority, in any case in which an individual owes past-due support with respect to a child receiving assistance under a State program funded under part A, to issue an order or to request that a court or an administrative process established pursuant to State law issue an order that requires the individual to—

''(i) pay such support in accordance with a plan approved by the court, or, at the option of the State, a plan approved by the State agency administering the State program under this part; or

''(ii) if the individual is subject to such a plan and is not incapacitated, participate in such work activities (as defined in section 407(d)) as the court, or, at the option of the State, the State agency administering the State program under this part, deems appropriate.

''(B) PAST-DUE SUPPORT DEFINED.—For purposes of subparagraph (A), the term 'past-due support' means the amount of a delinquency, determined under a court order, or an order of an administrative process established under State law, for support and maintenance of a child, or of a child and the parent with whom the child is living.''.

(b) CONFORMING AMENDMENT.—The flush paragraph at the end of section 466(a) (42 U.S.C. 666(a)) is amended by striking ''and (7)'' and inserting ''(7), and (15)''.

SEC. 366. DEFINITION OF SUPPORT ORDER.

Section 453 (42 U.S.C. 653) as amended by sections 316 and 345(b) of this Act, is amended by adding at the end the following new subsection:

''(p) SUPPORT ORDER DEFINED.—As used in this part, the term 'support order' means a judgment, decree, or order, whether temporary, final, or subject to modification, issued by a court or an administrative agency of competent jurisdiction, for the support and maintenance of a child, including a child who has attained the age of majority under the law of the issuing State, or a child and the parent with whom the child is living, which provides for monetary support, health care, arrearages, or reimbursement, and which may include related costs and fees, interest and penalties, income withholding, attorneys' fees, and other relief.''.

SEC. 367. REPORTING ARREARAGES TO CREDIT BUREAUS.

Section 466(a)(7) (42 U.S.C. 666(a)(7)) is amended to read as follows:

''(7) REPORTING ARREARAGES TO CREDIT BUREAUS.—

''(A) IN GENERAL.—Procedures (subject to safeguards pursuant to subparagraph (B)) requiring the State to report periodically to consumer reporting agencies (as defined in section 603(f) of the Fair Credit Reporting Act (15 U.S.C. 1681a(f)) the name of any noncustodial parent who is delinquent in the payment of support, and the amount of overdue support owed by such parent.

''(B) SAFEGUARDS.—Procedures ensuring that, in carrying out subparagraph (A), information with respect to a noncustodial parent is reported—

''(i) only after such parent has been afforded all due process required under State law, including notice and a reasonable opportunity to contest the accuracy of such information; and

''(ii) only to an entity that has furnished evidence satisfactory to the State that the entity is a consumer reporting agency (as so defined).''.

SEC. 368. LIENS.

Section 466(a)(4) (42 U.S.C. 666(a)(4)) is amended to read as follows:

''(4) LIENS.—Procedures under which—

''(A) liens arise by operation of law against real and personal property for amounts of overdue support owed by a noncustodial parent who resides or owns property in the State; and

''(B) the State accords full faith and credit to liens described in subparagraph (A) arising in another State, when the State agency, party, or other entity seeking to enforce such a lien complies with the procedural rules relating to recording or serving liens that arise within the State, except that such rules may not require judicial notice or hearing prior to the enforcement of such a lien.''.

SEC. 369. STATE LAW AUTHORIZING SUSPENSION OF LICENSES.

Section 466(a) (42 U.S.C. 666(a)), as amended by sections 315, 317, 323, and 365 of this Act, is amended by inserting after paragraph (15) the following:

''(16) AUTHORITY TO WITHHOLD OR SUSPEND LICENSES.—Procedures under which the State has (and uses in appropriate cases) authority to withhold or suspend, or to restrict the use of driver's licenses, professional and occupational licenses, and recreational licenses of individuals owing overdue support or failing, after receiving appropriate notice, to comply with subpoenas or warrants relating to paternity or child support proceedings.''.

SEC. 370. DENIAL OF PASSPORTS FOR NONPAYMENT OF CHILD SUPPORT.

(a) HHS CERTIFICATION PROCEDURE.—

(1) SECRETARIAL RESPONSIBILITY.—Section 452 (42 U.S.C. 652), as amended by section 345 of this Act, is amended by adding at the end the following new subsection:

''(k)(1) If the Secretary receives a certification by a State agency in accordance with the requirements of section 454(31) that an individual owes arrearages of child support in an amount exceeding $5,000, the Secretary shall transmit such certification to the Secretary of State for action (with respect to denial, revocation, or limitation of passports) pursuant to paragraph (2).

''(2) The Secretary of State shall, upon certification by the Secretary transmitted under paragraph (1), refuse to issue a passport to such individual, and may revoke, restrict, or limit a passport issued previously to such individual.

''(3) The Secretary and the Secretary of State shall not be liable to an individual for any action with respect to a certification by a State agency under this section.''.

(2) STATE AGENCY RESPONSIBILITY.—Section 454 (42 U.S.C. 654), as amended by sections 301(b), 303(a), 312(b), 313(a), 333, and 343(b) of this Act, is amended—

(A) by striking ''and'' at the end of paragraph (29);

(B) by striking the period at the end of paragraph (30) and inserting ''; and''; and

(C) by adding after paragraph (30) the following new paragraph:

''(31) provide that the State agency will have in effect a procedure for certifying to the Secretary, for purposes of the procedure under section 452(k), determinations that individuals owe arrearages of child support in an amount exceeding $5,000, under which procedure—

''(A) each individual concerned is afforded notice of such determination and the consequences thereof, and an opportunity to contest the determination; and

''(B) the certification by the State agency is furnished to the Secretary in such format, and accompanied by such supporting documentation, as the Secretary may require.''.

(b) EFFECTIVE DATE.—This section and the amendments made by this section shall become effective October 1, 1997.

SEC. 371. INTERNATIONAL SUPPORT ENFORCEMENT.

(a) AUTHORITY FOR INTERNATIONAL AGREEMENTS.—Part D of title IV, as amended by section 362(a) of this Act, is amended by adding after section 459 the following new section:

''SEC. 459A. INTERNATIONAL SUPPORT ENFORCEMENT.

''(a) AUTHORITY FOR DECLARATIONS.—

''(1) DECLARATION.—The Secretary of State, with the concurrence of the Secretary of Health and Human Services, is authorized to declare any foreign country (or a political subdivision thereof) to be a foreign reciprocating country if the foreign country has established, or undertakes to establish, procedures for the establishment and enforcement of duties of support owed to obligees who are residents of the United States, and such procedures are substantially in conformity with the standards prescribed under subsection (b).

''(2) REVOCATION.—A declaration with respect to a foreign country made pursuant to paragraph (1) may be revoked if the Secretaries of State and Health and Human Services determine that—

''(A) the procedures established by the foreign country regarding the establishment and enforcement of duties of support have been so changed, or the foreign country's implementation of such procedures is so unsatisfactory, that such procedures do not meet the criteria for such a declaration; or

''(B) continued operation of the declaration is not consistent with the purposes of this part.

''(3) FORM OF DECLARATION.—A declaration under paragraph (1) may be made in the form of an international agreement, in connection with an international agreement or corresponding foreign declaration, or on a unilateral basis.

''(b) STANDARDS FOR FOREIGN SUPPORT ENFORCEMENT PROCEDURES.—

''(1) MANDATORY ELEMENTS.—Support enforcement procedures of a foreign country which may be the subject of a declaration pursuant to subsection (a)(1) shall include the following elements:

''(A) The foreign country (or political subdivision thereof) has in effect procedures, available to residents of the United States—

''(i) for establishment of paternity, and for establishment of orders of support for children and custodial parents; and

''(ii) for enforcement of orders to provide support to children and custodial parents, including procedures for collection and appropriate distribution of support payments under such orders.

''(B) The procedures described in subparagraph (A), including legal and administrative assistance, are provided to residents of the United States at no cost.

''(C) An agency of the foreign country is designated as a Central Authority responsible for—

''(i) facilitating support enforcement in cases involving residents of the foreign country and residents of the United States; and

''(ii) ensuring compliance with the standards established pursuant to this subsection.

''(2) ADDITIONAL ELEMENTS.—The Secretary of Health and Human Services and the Secretary of State, in consultation with the States, may establish such additional standards as may be considered necessary to further the purposes of this section.

''(c) DESIGNATION OF UNITED STATES CENTRAL AUTHORITY.—It shall be the responsibility of the Secretary of Health and Human Services to facilitate support enforcement in cases involving residents of the United States and residents of foreign countries that are the subject of a declaration under this section, by activities including—

''(1) development of uniform forms and procedures for use in such cases;

''(2) notification of foreign reciprocating countries of the State of residence of individuals sought for support enforcement purposes, on the basis of information provided by the Federal Parent Locator Service; and

''(3) such other oversight, assistance, and coordination activities as the Secretary may find necessary and appropriate.

''(d) EFFECT ON OTHER LAWS.—States may enter into reciprocal arrangements for the establishment and enforcement of support obligations with foreign countries that are not the subject of a declaration pursuant to subsection (a), to the extent consistent with Federal law.''.

(b) STATE PLAN REQUIREMENT.—Section 454 (42 U.S.C. 654), as amended by sections 301(b), 303(a), 312(b), 313(a), 333, 343(b), and 370(a)(2) of this Act, is amended—

(1) by striking ''and'' at the end of paragraph (30);

(2) by striking the period at the end of paragraph (31) and inserting ''; and''; and

(3) by adding after paragraph (31) the following new paragraph:

''(32)(A) provide that any request for services under this part by a foreign reciprocating country or a foreign country with which the State has an arrangement described in section 459A(d)(2) shall be treated as a request by a State;

''(B) provide, at State option, notwithstanding paragraph (4) or any other provision of this part, for services under the plan for enforcement of a spousal support order not described in paragraph (4)(B) entered by such a country (or subdivision); and

''(C) provide that no applications will be required from, and no costs will be assessed for such services against, the foreign reciprocating country or foreign obligee (but costs may at State option be assessed against the obligor).''.

SEC. 372. FINANCIAL INSTITUTION DATA MATCHES.

Section 466(a) (42 U.S.C. 666(a)), as amended by sections 315, 317, 323, 365, and 369 of this Act, is amended by inserting after paragraph (16) the following new paragraph:

''(17) FINANCIAL INSTITUTION DATA MATCHES.—

''(A) IN GENERAL.—Procedures under which the State agency shall enter into agreements with financial institutions doing business in the State—

''(i) to develop and operate, in coordination with such financial institutions, a data match system, using automated data exchanges to the maximum extent feasible, in which each such financial institution is required to provide for each calendar quarter the name, record address, social security number or other taxpayer identification number, and other identifying information for each noncustodial parent who maintains an account at such institution and who owes past-due support, as identified by the State by name and social security number or other taxpayer identification number; and

''(ii) in response to a notice of lien or levy, encumber or surrender, as the case may be, assets held by such institution on behalf of any noncustodial parent who is subject to a child support lien pursuant to paragraph (4).

''(B) REASONABLE FEES.—The State agency may pay a reasonable fee to a financial institution for conducting the data match provided for in subparagraph (A)(i), not to exceed the actual costs incurred by such financial institution.

''(C) LIABILITY.—A financial institution shall not be liable under any Federal or State law to any person—

''(i) for any disclosure of information to the State agency under subparagraph (A)(i);

''(ii) for encumbering or surrendering any assets held by such financial institution in response to a notice of lien or levy issued by the State agency as provided for in subparagraph (A)(ii); or

''(iii) for any other action taken in good faith to comply with the requirements of subparagraph (A).

''(D) DEFINITIONS.—For purposes of this paragraph—

''(i) FINANCIAL INSTITUTION.—The term 'financial institution' has the meaning given to such term by section 469A(d)(1).

''(ii) ACCOUNT.—The term 'account' means a demand deposit account, checking or negotiable withdrawal order account, savings account, time deposit account, or money-market mutual fund account.''.

SEC. 373. ENFORCEMENT OF ORDERS AGAINST PATERNAL OR MATERNAL GRANDPARENTS IN CASES OF MINOR PARENTS.

Section 466(a) (42 U.S.C. 666(a)), as amended by sections 315, 317, 323, 365, 369, and 372 of this Act, is amended by inserting after paragraph (17) the following new paragraph:

''(18) ENFORCEMENT OF ORDERS AGAINST PATERNAL OR MATERNAL GRANDPARENTS.—Procedures under which, at the State's option, any child support order enforced under this part with respect to a child of minor parents, if the custodial parent of such child is receiving assistance under the State program under part A, shall be enforceable, jointly and severally, against the parents of the noncustodial parent of such child.''.

SEC. 374. NONDISCHARGEABILITY IN BANKRUPTCY OF CERTAIN DEBTS FOR THE SUPPORT OF A CHILD.

(a) AMENDMENT TO TITLE 11 OF THE UNITED STATES CODE.—Section 523(a) of title 11, United States Code, is amended—

(1) by striking ''or'' at the end of paragraph (16);

(2) by striking the period at the end of paragraph (17) and inserting ''; or'';

(3) by adding at the end the following:

''(18) owed under State law to a State or municipality that is—

''(A) in the nature of support, and

''(B) enforceable under part D of title IV of the Social Security Act (42 U.S.C. 601 et seq.).''; and

(4) in paragraph (5), by striking ''section 402(a)(26)'' and inserting ''section 408(a)(3)''.

(b) AMENDMENT TO THE SOCIAL SECURITY ACT.—Section 456(b) (42 U.S.C. 656(b)) is amended to read as follows:

''(b) NONDISCHARGEABILITY.—A debt (as defined in section 101 of title 11 of the United States Code) owed under State law to a State (as defined in such section) or municipality (as defined in such section) that is in the nature of support and that is enforceable under this part is not released by a discharge in bankruptcy under title 11 of the United States Code.''.

(c) APPLICATION OF AMENDMENTS.—The amendments made by this section shall apply only with respect to cases commenced under title 11 of the United States Code after the date of the enactment of this Act.

SEC. 375. CHILD SUPPORT ENFORCEMENT FOR INDIAN TRIBES.

(a) CHILD SUPPORT ENFORCEMENT AGREEMENTS.—Section 454 (42 U.S.C. 654), as amended by sections 301(b), 303(a), 312(b), 313(a), 333, 343(b), 370(a)(2), and 371(b) of this Act is amended—

(1) by striking ''and'' at the end of paragraph (31);

(2) by striking the period at the end of paragraph (32) and inserting ''; and'';

(3) by adding after paragraph (32) the following new paragraph:

''(33) provide that a State that receives funding pursuant to section 428 and that has within its borders Indian country (as defined in section 1151 of title 18, United States Code) may enter into cooperative agreements with an Indian tribe or tribal organization (as defined in subsections (e) and (l) of section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b)), if the Indian tribe or tribal organization demonstrates that such tribe or organization has an established tribal court system or a Court of Indian Offenses with the authority to establish paternity, establish, modify, and enforce support orders, and to enter support orders in accordance with child support guidelines established by such tribe or organization, under which the State and tribe or organization shall provide for the cooperative delivery of child support enforcement services in Indian country and for the forwarding of all funding collected pursuant to the functions performed by the tribe or organization to the State agency, or conversely, by the State agency to the tribe or organization, which shall distribute such funding in accordance with such agreement; and

(4) by adding at the end the following new sentence: ''Nothing in paragraph (33) shall void any provision of any cooperative agreement entered into before the date of the enactment of such paragraph, nor shall such paragraph deprive any State of jurisdiction over Indian country (as so defined) that is lawfully exercised under section 402 of the Act entitled 'An Act to prescribe penalties for certain acts of violence or intimidation, and for other purposes', approved April 11, 1968 (25 U.S.C. 1322).''.

(b) DIRECT FEDERAL FUNDING TO INDIAN TRIBES AND TRIBAL ORGANIZATIONS.—Section 455 (42 U.S.C. 655) is amended by adding at the end the following new subsection:

''(b) The Secretary may, in appropriate cases, make direct payments under this part to an Indian tribe or tribal organization which has an approved child support enforcement plan under this title. In determining whether such payments are appropriate, the Secretary shall, at a minimum, consider whether services are being provided to eligible Indian recipients by the State agency through an agreement entered into pursuant to section 454(34).''.

(c) COOPERATIVE ENFORCEMENT AGREEMENTS.—Paragraph (7) of section 454 (42

U.S.C. 654) is amended by inserting ''and Indian tribes or tribal organizations (as defined in subsections (e) and (l) of section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b))'' after ''law enforcement officials''.

(d) CONFORMING AMENDMENT.—Subsection (c) of section 428 (42 U.S.C. 628) is amended to read as follows:

''(c) For purposes of this section, the terms 'Indian tribe' and 'tribal organization' shall have the meanings given such terms by subsections (e) and (l) of section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b)), respectively.''.

Subtitle H—Medical Support

SEC. 381. CORRECTION TO ERISA DEFINITION OF MEDICAL CHILD SUPPORT ORDER.

(a) IN GENERAL.—Section 609(a)(2)(B) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1169(a)(2)(B)) is amended—

(1) by striking ''issued by a court of competent jurisdiction'';

(2) by striking the period at the end of clause (ii) and inserting a comma; and

(3) by adding, after and below clause (ii), the following:

''if such judgment, decree, or order (I) is issued by a court of competent jurisdiction or (II) is issued through an administrative process established under State law and has the force and effect of law under applicable State law.''.

(b) EFFECTIVE DATE.—

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

(2) PLAN AMENDMENTS NOT REQUIRED UNTIL JANUARY 1, 1997.—Any amendment to a plan required to be made by an amendment made by this section shall not be required to be made before the 1st plan year beginning on or after January 1, 1997, if—

(A) during the period after the date before the date of the enactment of this Act and before such 1st plan year, the plan is operated in accordance with the requirements of the amendments made by this section; and

(B) such plan amendment applies retroactively to the period after the date before the date of the enactment of this Act and before such 1st plan year.

A plan shall not be treated as failing to be operated in accordance with the provisions of the plan merely because it operates in accordance with this paragraph.

SEC. 382. ENFORCEMENT OF ORDERS FOR HEALTH CARE COVERAGE.

Section 466(a) (42 U.S.C. 666(a)), as amended by sections 315, 317, 323, 365, 369, 372, and 373 of this Act, is amended by inserting after paragraph (18) the following new paragraph:

''(19) HEALTH CARE COVERAGE.—Procedures under which all child support orders enforced pursuant to this part shall include a provision for the health care coverage of the child, and in the case in which a noncustodial parent provides such coverage and changes employment, and the new employer provides health care coverage, the State agency shall transfer notice of the provision to the employer, which notice shall operate to enroll the child in the noncustodial parent's health plan, unless the noncustodial parent contests the notice.''.

Subtitle I—Enhancing Responsibility and Opportunity for Non-Residential Parents

SEC. 391. GRANTS TO STATES FOR ACCESS AND VISITATION PROGRAMS.

Part D of title IV (42 U.S.C. 651–669), as amended by section 353 of this Act, is amended by adding at the end the following new section:

''SEC. 469B. GRANTS TO STATES FOR ACCESS AND VISITATION PROGRAMS.

''(a) IN GENERAL.—The Administration for Children and Families shall make grants under this section to enable States to establish and administer programs to support and facilitate noncustodial parents' access to and visitation of their children, by means of activities including mediation (both voluntary and mandatory), counseling, education, development of parenting plans, visitation enforcement (including monitoring, supervision and neutral drop-off and pickup), and development of guidelines for visitation and alternative custody arrangements.

''(b) AMOUNT OF GRANT.—The amount of the grant to be made to a State under this section for a fiscal year shall be an amount equal to the lesser of—

''(1) 90 percent of State expenditures during the fiscal year for activities described in subsection (a); or

''(2) the allotment of the State under subsection (c) for the fiscal year.

''(c) ALLOTMENTS TO STATES.—

''(1) IN GENERAL.—The allotment of a State for a fiscal year is the amount that bears the same ratio to $10,000,000 for grants under this section for the fiscal year as the number of children in the State living with only 1 biological parent bears to the total number of such children in all States.

''(2) MINIMUM ALLOTMENT.—The Administration for Children and Families shall adjust allotments to States under paragraph (1) as necessary to ensure that no State is allotted less than—

''(A) $50,000 for fiscal year 1997 or 1998; or

''(B) $100,000 for any succeeding fiscal year.

''(d) NO SUPPLANTATION OF STATE EXPENDITURES FOR SIMILAR ACTIVITIES.—A State to which a grant is made under this section may not use the grant to supplant expenditures by the State for activities specified in subsection (a), but shall use the grant to supplement such expenditures at a level at least equal to the level of such expenditures for fiscal year 1995.

''(e) STATE ADMINISTRATION.—Each State to which a grant is made under this section—

''(1) may administer State programs funded with the grant, directly or through grants to or contracts with courts, local public agencies, or nonprofit private entities;

''(2) shall not be required to operate such programs on a statewide basis; and

''(3) shall monitor, evaluate, and report on such programs in accordance with regulations prescribed by the Secretary.''.

Subtitle J—Effective Dates and Conforming Amendments

SEC. 395. EFFECTIVE DATES AND CONFORMING AMENDMENTS.

(a) IN GENERAL.—Except as otherwise specifically provided (but subject to subsections (b) and (c))—

(1) the provisions of this title requiring the enactment or amendment of State laws under section 466 of the Social Security Act, or revision of State plans under section 454 of such Act, shall be effective with respect to periods beginning on and after October 1, 1996; and

(2) all other provisions of this title shall become effective upon the date of the enactment of this Act.

(b) GRACE PERIOD FOR STATE LAW CHANGES.—The provisions of this title shall become effective with respect to a State on the later of—

(1) the date specified in this title, or

(2) the effective date of laws enacted by the legislature of such State implementing such provisions,

but in no event later than the 1st day of the 1st calendar quarter beginning after the close of the 1st regular session of the State legislature that begins after the date of the enactment of this Act. For purposes of the previous sentence, in the case of a State that has a 2-year legislative session, each year of such session shall be deemed to be a separate regular session of the State legislature.

(c) GRACE PERIOD FOR STATE CONSTITUTIONAL AMENDMENT.—A State shall not be found out of compliance with any requirement enacted by this title if the State is unable to so comply without amending the State constitution until the earlier of—

(1) 1 year after the effective date of the necessary State constitutional amendment; or

(2) 5 years after the date of the enactment of this Act.

(d) CONFORMING AMENDMENTS.—

(1) The following provisions are amended by striking ''absent'' each place it appears and inserting ''noncustodial'':

(A) Section 451 (42 U.S.C. 651).

(B) Subsections (a)(1), (a)(8), (a)(10)(E), (a)(10)(F), (f), and (h) of section 452 (42 U.S.C. 652).

(C) Section 453(f) (42 U.S.C. 653(f)).

(D) Paragraphs (8), (13), and (21)(A) of section 454 (42 U.S.C. 654).

(E) Section 455(e)(1) (42 U.S.C. 655(e)(1)).

(F) Section 458(a) (42 U.S.C. 658(a)).

(G) Subsections (a), (b), and (c) of section 463 (42 U.S.C. 663).

(H) Subsections (a)(3)(A), (a)(3)(C), (a)(6), and (a)(8)(B)(ii), the last sentence of subsection (a), and subsections (b)(1), (b)(3)(B), (b)(3)(B)(i), (b)(6)(A)(i), (b)(9), and (e) of section 466 (42 U.S.C. 666).

(2) The following provisions are amended by striking ''an absent'' each place it appears and inserting ''a noncustodial'':

(A) Paragraphs (2) and (3) of section 453(c) (42 U.S.C. 653(c)).

(B) Subparagraphs (B) and (C) of section 454(9) (42 U.S.C. 654(9)).

(C) Section 456(a)(3) (42 U.S.C. 656(a)(3)).

(D) Subsections (a)(3)(A), (a)(6), (a)(8)(B)(i), (b)(3)(A), and (b)(3)(B) of section 466 (42 U.S.C. 666).

(E) Paragraphs (2) and (4) of section 469(b) (42 U.S.C. 669(b)).

TITLE IV—RESTRICTING WELFARE AND PUBLIC BENEFITS FOR ALIENS

SEC. 400. STATEMENTS OF NATIONAL POLICY CONCERNING WELFARE AND IMMIGRATION.

The Congress makes the following statements concerning national policy with respect to welfare and immigration:

(1) Self-sufficiency has been a basic principle of United States immigration law since this country's earliest immigration statutes.

(2) It continues to be the immigration policy of the United States that—

(A) aliens within the Nation's borders not depend on public resources to meet their needs, but rather rely on their own capabilities and the resources of their families, their sponsors, and private organizations, and

(B) the availability of public benefits not constitute an incentive for immigration to the United States.

(3) Despite the principle of self-sufficiency, aliens have been applying for and receiving public benefits from Federal, State, and local governments at increasing rates.

(4) Current eligibility rules for public assistance and unenforceable financial support agreements have proved wholly incapable of assuring that individual aliens not burden the public benefits system.

(5) It is a compelling government interest to enact new rules for eligibility and sponsorship agreements in order to assure that aliens be self-reliant in accordance with national immigration policy.

(6) It is a compelling government interest to remove the incentive for illegal immigration provided by the availability of public benefits.

(7) With respect to the State authority to make determinations concerning the eligibility of qualified aliens for public benefits

in this title, a State that chooses to follow the Federal classification in determining the eligibility of such aliens for public assistance shall be considered to have chosen the least restrictive means available for achieving the compelling governmental interest of assuring that aliens be self-reliant in accordance with national immigration policy.

Subtitle A—Eligibility for Federal Benefits

SEC. 401. ALIENS WHO ARE NOT QUALIFIED ALIENS INELIGIBLE FOR FEDERAL PUBLIC BENEFITS.

(a) IN GENERAL.—Notwithstanding any other provision of law and except as provided in subsection (b), an alien who is not a qualified alien (as defined in section 431) is not eligible for any Federal public benefit (as defined in subsection (c)).

(b) EXCEPTIONS.—

(1) Subsection (a) shall not apply with respect to the following Federal public benefits:

(A) Medical assistance under title XIX of the Social Security Act (or any successor program to such title) for care and services that are necessary for the treatment of an emergency medical condition (as defined in section 1903(v)(3) of such Act) of the alien involved and are not related to an organ transplant procedure, if the alien involved otherwise meets the eligibility requirements for medical assistance under the State plan approved under such title (other than the requirement of the receipt of aid or assistance under title IV of such Act, supplemental security income benefits under title XVI of such Act, or a State supplementary payment).

(B) Short-term, non-cash, in-kind emergency disaster relief.

(C) Public health assistance (not including any assistance under title XIX of the Social Security Act) for immunizations with respect to immunizable diseases and for testing and treatment of symptoms of communicable diseases whether or not such symptoms are caused by a communicable disease.

(D) Programs, services, or assistance (such as soup kitchens, crisis counseling and intervention, and short-term shelter) specified by the Attorney General, in the Attorney General's sole and unreviewable discretion after consultation with appropriate Federal agencies and departments, which (i) deliver in-kind services at the community level, including through public or private nonprofit agencies; (ii) do not condition the provision of assistance, the amount of assistance provided, or the cost of assistance provided on the individual recipient's income or resources; and (iii) are necessary for the protection of life or safety.

(E) Programs for housing or community development assistance or financial assistance administered by the Secretary of Housing and Urban Development, any program under title V of the Housing Act of 1949, or any assistance under section 306C of the Consolidated Farm and Rural Development Act, to the extent that the alien is receiving such a benefit on the date of the enactment of this Act.

(2) Subsection (a) shall not apply to any benefit payable under title II of the Social Security Act to an alien who is lawfully present in the United States as determined by the Attorney General, to any benefit if nonpayment of such benefit would contravene an international agreement described in section 233 of the Social Security Act, to any benefit if nonpayment would be contrary to section 202(t) of the Social Security Act, or to any benefit payable under title II of the Social Security Act to which entitlement is based on an application filed in or before the month in which this Act becomes law.

(c) FEDERAL PUBLIC BENEFIT DEFINED.—

(1) Except as provided in paragraph (2), for purposes of this title the term ''Federal public benefit'' means—

(A) any grant, contract, loan, professional license, or commercial license provided by an agency of the United States or by appropriated funds of the United States; and

(B) any retirement, welfare, health, disability, public or assisted housing, post-secondary education, food assistance, unemployment benefit, or any other similar benefit for which payments or assistance are provided to an individual, household, or family eligibility unit by an agency of the United States or by appropriated funds of the United States.

(2) Such term shall not apply—

(A) to any contract, professional license, or commercial license for a nonimmigrant whose visa for entry is related to such employment in the United States; or

(B) with respect to benefits for an alien who as a work authorized nonimmigrant or as an alien lawfully admitted for permanent residence under the Immigration and Nationality Act qualified for such benefits and for whom the United States under reciprocal treaty agreements is required to pay benefits, as determined by the Attorney General, after consultation with the Secretary of State.

SEC. 402. LIMITED ELIGIBILITY OF QUALIFIED ALIENS FOR CERTAIN FEDERAL PROGRAMS.

(a) LIMITED ELIGIBILITY FOR SPECIFIED FEDERAL PROGRAMS.—

(1) IN GENERAL.—Notwithstanding any other provision of law and except as provided in paragraph (2), an alien who is a qualified alien (as defined in section 431) is not eligible for any specified Federal program (as defined in paragraph (3)).

(2) EXCEPTIONS.—

(A) TIME-LIMITED EXCEPTION FOR REFUGEES AND ASYLEES.—Paragraph (1) shall not apply to an alien until 5 years after the date—

(i) an alien is admitted to the United States as a refugee under section 207 of the Immigration and Nationality Act;

(ii) an alien is granted asylum under section 208 of such Act; or

(iii) an alien's deportation is withheld under section 243(h) of such Act.

(B) CERTAIN PERMANENT RESIDENT ALIENS.—Paragraph (1) shall not apply to an alien who—

(i) is lawfully admitted to the United States for permanent residence under the Immigration and Nationality Act; and

(ii)(I) has worked 40 qualifying quarters of coverage as defined under title II of the Social Security Act or can be credited with such qualifying quarters as provided under section 435, and (II) in the case of any such qualifying quarter creditable for any period beginning after December 31, 1996, did not receive any Federal means-tested public benefit (as provided under section 403) during any such period.

(C) VETERAN AND ACTIVE DUTY EXCEPTION.—Paragraph (1) shall not apply to an alien who is lawfully residing in any State and is—

(i) a veteran (as defined in section 101 of title 38, United States Code) with a discharge characterized as an honorable discharge and not on account of alienage,

(ii) on active duty (other than active duty for training) in the Armed Forces of the United States, or

(iii) the spouse or unmarried dependent child of an individual described in clause (i) or (ii).

(D) TRANSITION FOR ALIENS CURRENTLY RECEIVING BENEFITS.—

(i) SSI.—

(I) IN GENERAL.—With respect to the specified Federal program described in paragraph (3)(A), during the period beginning on the date of the enactment of this Act and ending on the date which is 1 year after such date of enactment, the Commissioner of Social Security shall redetermine the eligibility of any individual who is receiving benefits under such program as of the date of the enactment of this Act and whose eligibility for such benefits may terminate by reason of the provisions of this subsection.

(II) REDETERMINATION CRITERIA.— With respect to any redetermination under subclause (I), the Commissioner of Social Security shall apply the eligibility criteria for new applicants for benefits under such program.

(III) GRANDFATHER PROVISION.—The provisions of this subsection and the redetermination under subclause (I), shall only apply with respect to the benefits of an individual described in subclause (I) for months beginning on or after the date of the redetermination with respect to such individual.

(IV) NOTICE.—Not later than March 31, 1997, the Commissioner of Social Security shall notify an individual described in subclause (I) of the provisions of this clause.

(ii) FOOD STAMPS.—

(I) IN GENERAL.—With respect to the specified Federal program described in paragraph (3)(B), during the period beginning on the date of enactment of this Act and ending on the date which is 1 year after the date of enactment, the State agency shall, at the time of the recertification, recertify the eligibility of any individual who is receiving benefits under such program as of the date of enactment of this Act and whose eligibility for such benefits may terminate by reason of the provisions of this subsection.

(II) RECERTIFICATION CRITERIA.—With respect to any recertification under subclause (I), the State agency shall apply the eligibility criteria for applicants for benefits under such program.

(III) GRANDFATHER PROVISION.—The provisions of this subsection and the recertification under subclause (I) shall only apply with respect to the eligibility of an alien for a program for months beginning on or after the date of recertification, if on the date of enactment of this Act the alien is lawfully residing in any State and is receiving benefits under such program on such date of enactment.

(3) SPECIFIED FEDERAL PROGRAM DEFINED.—For purposes of this title, the term ''specified Federal program'' means any of the following:

(A) SSI.—The supplemental security income program under title XVI of the Social Security Act, including supplementary payments pursuant to an agreement for Federal administration under section 1616(a) of the Social Security Act and payments pursuant to an agreement entered into under section 212(b) of Public Law 93–66.

(B) FOOD STAMPS.—The food stamp program as defined in section 3(h) of the Food Stamp Act of 1977.

(b) LIMITED ELIGIBILITY FOR DESIGNATED FEDERAL PROGRAMS.—

(1) IN GENERAL.—Notwithstanding any other provision of law and except as provided in section 403 and paragraph (2), a State is authorized to determine the eligibility of an alien who is a qualified alien (as defined in section 431) for any designated Federal program (as defined in paragraph (3)).

(2) EXCEPTIONS.—Qualified aliens under this paragraph shall be eligible for any designated Federal program.

(A) TIME-LIMITED EXCEPTION FOR REFUGEES AND ASYLEES.—

(i) An alien who is admitted to the United States as a refugee under section 207 of the Immigration and Nationality Act until 5

years after the date of an alien's entry into the United States.

(ii) An alien who is granted asylum under section 208 of such Act until 5 years after the date of such grant of asylum.

(iii) An alien whose deportation is being withheld under section 243(h) of such Act until 5 years after such withholding.

(B) CERTAIN PERMANENT RESIDENT ALIENS.—An alien who—

(i) is lawfully admitted to the United States for permanent residence under the Immigration and Nationality Act; and

(ii)(I) has worked 40 qualifying quarters of coverage as defined under title II of the Social Security Act or can be credited with such qualifying quarters as provided under section 435, and (II) in the case of any such qualifying quarter creditable for any period beginning after December 31, 1996, did not receive any Federal means-tested public benefit (as provided under section 403) during any such period.

(C) VETERAN AND ACTIVE DUTY EXCEPTION.—An alien who is lawfully residing in any State and is—

(i) a veteran (as defined in section 101 of title 38, United States Code) with a discharge characterized as an honorable discharge and not on account of alienage,

(ii) on active duty (other than active duty for training) in the Armed Forces of the United States, or

(iii) the spouse or unmarried dependent child of an individual described in clause (i) or (ii).

(D) TRANSITION FOR THOSE CURRENTLY RECEIVING BENEFITS.—An alien who on the date of the enactment of this Act is lawfully residing in any State and is receiving benefits under such program on the date of the enactment of this Act shall continue to be eligible to receive such benefits until January 1, 1997.

(3) DESIGNATED FEDERAL PROGRAM DEFINED.—For purposes of this title, the term ''designated Federal program'' means any of the following:

(A) TEMPORARY ASSISTANCE FOR NEEDY FAMILIES.—The program of block grants to States for temporary assistance for needy families under part A of title IV of the Social Security Act.

(B) SOCIAL SERVICES BLOCK GRANT.—The program of block grants to States for social services under title XX of the Social Security Act.

(C) MEDICAID.—A State plan approved under title XIX of the Social Security Act, other than medical assistance described in section 401(b)(1)(A).

SEC. 403. FIVE-YEAR LIMITED ELIGIBILITY OF QUALIFIED ALIENS FOR FEDERAL MEANS-TESTED PUBLIC BENEFIT.

(a) IN GENERAL.—Notwithstanding any other provision of law and except as provided in subsections (b), (c), and (d), an alien who is a qualified alien (as defined in section 431) and who enters the United States on or after the date of the enactment of this Act is not eligible for any Federal means-tested public benefit for a period of five years beginning on the date of the alien's entry into the United States with a status within the meaning of the term ''qualified alien''.

(b) EXCEPTIONS.—The limitation under subsection (a) shall not apply to the following aliens:

(1) EXCEPTION FOR REFUGEES AND ASYLEES.—

(A) An alien who is admitted to the United States as a refugee under section 207 of the Immigration and Nationality Act.

(B) An alien who is granted asylum under section 208 of such Act.

(C) An alien whose deportation is being withheld under section 243(h) of such Act.

(2) VETERAN AND ACTIVE DUTY EXCEPTION.—An alien who is lawfully residing in any State and is—

(A) a veteran (as defined in section 101 of title 38, United States Code) with a discharge characterized as an honorable discharge and not on account of alienage,

(B) on active duty (other than active duty for training) in the Armed Forces of the United States, or

(C) the spouse or unmarried dependent child of an individual described in subparagraph (A) or (B).

(c) APPLICATION OF TERM FEDERAL MEANS-TESTED PUBLIC BENEFIT.—

(1) The limitation under subsection (a) shall not apply to assistance or benefits under paragraph (2).

(2) Assistance and benefits under this paragraph are as follows:

(A) Medical assistance described in section 401(b)(1)(A).

(B) Short-term, non-cash, in-kind emergency disaster relief.

(C) Assistance or benefits under the National School Lunch Act.

(D) Assistance or benefits under the Child Nutrition Act of 1966.

(E) Public health assistance (not including any assistance under title XIX of the Social Security Act) for immunizations with respect to immunizable diseases and for testing and treatment of symptoms of communicable diseases whether or not such symptoms are caused by a communicable disease.

(F) Payments for foster care and adoption assistance under parts B and E of title IV of the Social Security Act for a parent or a child who would, in the absence of subsection (a), be eligible to have such payments made on the child's behalf under such part, but only if the foster or adoptive parent (or parents) of such child is a qualified alien (as defined in section 431).

(G) Programs, services, or assistance (such as soup kitchens, crisis counseling and intervention, and short-term shelter) specified by the Attorney General, in the Attorney General's sole and unreviewable discretion after consultation with appropriate Federal agencies and departments, which (i) deliver in-kind services at the community level, including through public or private nonprofit agencies; (ii) do not condition the provision of assistance, the amount of assistance provided, or the cost of assistance provided on the individual recipient's income or resources; and (iii) are necessary for the protection of life or safety.

(H) Programs of student assistance under titles IV, V, IX, and X of the Higher Education Act of 1965, and titles III, VII, and VIII of the Public Health Service Act.

(I) Means-tested programs under the Elementary and Secondary Education Act of 1965.

(J) Benefits under the Head Start Act.

(K) Benefits under the Job Training Partnership Act.

(d) SPECIAL RULE FOR REFUGEE AND ENTRANT ASSISTANCE FOR CUBAN AND HAITIAN ENTRANTS.—The limitation under subsection (a) shall not apply to refugee and entrant assistance activities, authorized by title IV of the Immigration and Nationality Act and section 501 of the Refugee Education Assistance Act of 1980, for Cuban and Haitian entrants as defined in section 501(e)(2) of the Refugee Education Assistance Act of 1980.

SEC. 404. NOTIFICATION AND INFORMATION REPORTING.

(a) NOTIFICATION.—Each Federal agency that administers a program to which section 401, 402, or 403 applies shall, directly or through the States, post information and provide general notification to the public and to program recipients of the changes regarding eligibility for any such program pursuant to this subtitle.

(b) INFORMATION REPORTING UNDER TITLE IV OF THE SOCIAL SECURITY ACT.—Part A of title IV of the Social Security Act is amended by inserting the following new section after section 411:

''SEC. 411A. STATE REQUIRED TO PROVIDE CERTAIN INFORMATION.

''Each State to which a grant is made under section 403 shall, at least 4 times annually and upon request of the Immigration and Naturalization Service, furnish the Immigration and Naturalization Service with the name and address of, and other identifying information on, any individual who the State knows is unlawfully in the United States.''.

(c) SSI.—Section 1631(e) of such Act (42 U.S.C. 1383(e)) is amended—

(1) by redesignating the paragraphs (6) and (7) inserted by sections 206(d)(2) and 206(f)(1) of the Social Security Independence and Programs Improvement Act of 1994 (Public Law 103–296; 108 Stat. 1514, 1515) as paragraphs (7) and (8), respectively; and

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

''(9) Notwithstanding any other provision of law, the Commissioner shall, at least 4 times annually and upon request of the Immigration and Naturalization Service (hereafter in this paragraph referred to as the 'Service'), furnish the Service with the name and address of, and other identifying information on, any individual who the Commissioner knows is unlawfully in the United States, and shall ensure that each agreement entered into under section 1616(a) with a State provides that the State shall furnish such information at such times with respect to any individual who the State knows is unlawfully in the United States.''.

(d) INFORMATION REPORTING FOR HOUSING PROGRAMS.—Title I of the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended by adding at the end the following new section:

''SEC. 27. PROVISION OF INFORMATION TO LAW ENFORCEMENT AND OTHER AGENCIES.

''Notwithstanding any other provision of law, the Secretary shall, at least 4 times annually and upon request of the Immigration and Naturalization Service (hereafter in this section referred to as the 'Service'), furnish the Service with the name and address of, and other identifying information on, any individual who the Secretary knows is unlawfully in the United States, and shall ensure that each contract for assistance entered into under section 6 or 8 of this Act with a public housing agency provides that the public housing agency shall furnish such information at such times with respect to any individual who the public housing agency knows is unlawfully in the United States.''.

Subtitle B—Eligibility for State and Local Public Benefits Programs

SEC. 411. ALIENS WHO ARE NOT QUALIFIED ALIENS OR NONIMMIGRANTS INELIGIBLE FOR STATE AND LOCAL PUBLIC BENEFITS.

(a) IN GENERAL.—Notwithstanding any other provision of law and except as provided in subsections (b) and (d), an alien who is not—

(1) a qualified alien (as defined in section 431),

(2) a nonimmigrant under the Immigration and Nationality Act, or

(3) an alien who is paroled into the United States under section 212(d)(5) of such Act for less than one year,

is not eligible for any State or local public benefit (as defined in subsection (c)).

(b) EXCEPTIONS.—Subsection (a) shall not apply with respect to the following State or local public benefits:

(1) Assistance for health care items and services that are necessary for the treatment of an emergency medical condition (as defined in section 1903(v)(3) of the Social Security Act) of the alien involved and are not related to an organ transplant procedure.

(2) Short-term, non-cash, in-kind emergency disaster relief.

(3) Public health assistance for immunizations with respect to immunizable diseases and for testing and treatment of symptoms of communicable diseases whether or not such symptoms are caused by a communicable disease.

(4) Programs, services, or assistance (such as soup kitchens, crisis counseling and intervention, and short-term shelter) specified by the Attorney General, in the Attorney General's sole and unreviewable discretion after consultation with appropriate Federal agencies and departments, which (A) deliver in-kind services at the community level, including through public or private nonprofit agencies; (B) do not condition the provision of assistance, the amount of assistance provided, or the cost of assistance provided on the individual recipient's income or resources; and (C) are necessary for the protection of life or safety.

(c) STATE OR LOCAL PUBLIC BENEFIT DEFINED.—

(1) Except as provided in paragraphs (2) and 3, for purposes of this subtitle the term ''State or local public benefit'' means—

(A) any grant, contract, loan, professional license, or commercial license provided by an agency of a State or local government or by appropriated funds of a State or local government; and

(B) any retirement, welfare, health, disability, public or assisted housing, post-secondary education, food assistance, unemployment benefit, or any other similar benefit for which payments or assistance are provided to an individual, household, or family eligibility unit by an agency of a State or local government or by appropriated funds of a State or local government.

(2) Such term shall not apply—

(A) to any contract, professional license, or commercial license for a nonimmigrant whose visa for entry is related to such employment in the United States; or

(B) with respect to benefits for an alien who as a work authorized nonimmigrant or as an alien lawfully admitted for permanent residence under the Immigration and Nationality Act qualified for such benefits and for whom the United States under reciprocal treaty agreements is required to pay benefits, as determined by the Secretary of State, after consultation with the Attorney General.

(3) Such term does not include any Federal public benefit under section 4001(c).

(d) STATE AUTHORITY TO PROVIDE FOR ELIGIBILITY OF ILLEGAL ALIENS FOR STATE AND LOCAL PUBLIC BENEFITS.—A State may provide that an alien who is not lawfully present in the United States is eligible for any State or local public benefit for which such alien would otherwise be ineligible under subsection (a) only through the enactment of a State law after the date of the enactment of this Act which affirmatively provides for such eligibility.

SEC. 412. STATE AUTHORITY TO LIMIT ELIGIBILITY OF QUALIFIED ALIENS FOR STATE PUBLIC BENEFITS.

(a) IN GENERAL.—Notwithstanding any other provision of law and except as provided in subsection (b), a State is authorized to determine the eligibility for any State public benefits of an alien who is a qualified alien (as defined in section 431), a nonimmigrant under the Immigration and Nationality Act, or an alien who is paroled into the United States under section 212(d)(5) of such Act for less than one year.

(b) EXCEPTIONS.—Qualified aliens under this subsection shall be eligible for any State public benefits.

(1) TIME-LIMITED EXCEPTION FOR REFUGEES AND ASYLEES.—

(A) An alien who is admitted to the United States as a refugee under section 207 of the Immigration and Nationality Act until 5 years after the date of an alien's entry into the United States.

(B) An alien who is granted asylum under section 208 of such Act until 5 years after the date of such grant of asylum.

(C) An alien whose deportation is being withheld under section 243(h) of such Act until 5 years after such withholding.

(2) CERTAIN PERMANENT RESIDENT ALIENS.—An alien who—

(A) is lawfully admitted to the United States for permanent residence under the Immigration and Nationality Act; and

(B)(i) has worked 40 qualifying quarters of coverage as defined under title II of the Social Security Act or can be credited with such qualifying quarters as provided under section 435, and (ii) in the case of any such qualifying quarter creditable for any period beginning after December 31, 1996, did not receive any Federal means-tested public benefit (as provided under section 403) during any such period.

(3) VETERAN AND ACTIVE DUTY EXCEPTION.—An alien who is lawfully residing in any State and is—

(A) a veteran (as defined in section 101 of title 38, United States Code) with a discharge characterized as an honorable discharge and not on account of alienage,

(B) on active duty (other than active duty for training) in the Armed Forces of the United States, or

(C) the spouse or unmarried dependent child of an individual described in subparagraph (A) or (B).

(4) TRANSITION FOR THOSE CURRENTLY RECEIVING BENEFITS.—An alien who on the date of the enactment of this Act is lawfully residing in any State and is receiving benefits on the date of the enactment of this Act shall continue to be eligible to receive such benefits until January 1, 1997.

Subtitle C—Attribution of Income and Affidavits of Support

SEC. 421. FEDERAL ATTRIBUTION OF SPONSOR'S INCOME AND RESOURCES TO ALIEN.

(a) IN GENERAL.—Notwithstanding any other provision of law, in determining the eligibility and the amount of benefits of an alien for any Federal means-tested public benefits program (as provided under section 403), the income and resources of the alien shall be deemed to include the following:

(1) The income and resources of any person who executed an affidavit of support pursuant to section 213A of the Immigration and Nationality Act (as added by section 423) on behalf of such alien.

(2) The income and resources of the spouse (if any) of the person.

(b) DURATION OF ATTRIBUTION PERIOD.—Subsection (a) shall apply with respect to an alien until such time as the alien—

(1) achieves United States citizenship through naturalization pursuant to chapter 2 of title III of the Immigration and Nationality Act; or

(2)(A) has worked 40 qualifying quarters of coverage as defined under title II of the Social Security Act or can be credited with such qualifying quarters as provided under section 435, and (B) in the case of any such qualifying quarter creditable for any period beginning after December 31, 1996, did not receive any Federal means-tested public benefit (as provided under section 403) during any such period.

(c) REVIEW OF INCOME AND RESOURCES OF ALIEN UPON REAPPLICATION.—Whenever an alien is required to reapply for benefits under any Federal means-tested public benefits program, the applicable agency shall review the income and resources attributed to the alien under subsection (a).

(d) APPLICATION.—

(1) If on the date of the enactment of this Act, a Federal means-tested public benefits program attributes a sponsor's income and resources to an alien in determining the alien's eligibility and the amount of benefits for an alien, this section shall apply to any such determination beginning on the day after the date of the enactment of this Act.

(2) If on the date of the enactment of this Act, a Federal means-tested public benefits program does not attribute a sponsor's income and resources to an alien in determining the alien's eligibility and the amount of benefits for an alien, this section shall apply to any such determination beginning 180 days after the date of the enactment of this Act.

SEC. 422. AUTHORITY FOR STATES TO PROVIDE FOR ATTRIBUTION OF SPONSORS INCOME AND RESOURCES TO THE ALIEN WITH RESPECT TO STATE PROGRAMS.

(a) OPTIONAL APPLICATION TO STATE PROGRAMS.—Except as provided in subsection (b), in determining the eligibility and the amount of benefits of an alien for any State public benefits (as defined in section 412(c)), the State or political subdivision that offers the benefits is authorized to provide that the income and resources of the alien shall be deemed to include—

(1) the income and resources of any individual who executed an affidavit of support pursuant to section 213A of the Immigration and Nationality Act (as added by section 423) on behalf of such alien, and

(2) the income and resources of the spouse (if any) of the individual.

(b) EXCEPTIONS.—Subsection (a) shall not apply with respect to the following State public benefits:

(1) Assistance described in section 411(b)(1).

(2) Short-term, non-cash, in-kind emergency disaster relief.

(3) Programs comparable to assistance or benefits under the National School Lunch Act.

(4) Programs comparable to assistance or benefits under the Child Nutrition Act of 1966.

(5) Public health assistance for immunizations with respect to immunizable diseases and for testing and treatment of symptoms of communicable diseases whether or not such symptoms are caused by a communicable disease.

(6) Payments for foster care and adoption assistance.

(7) Programs, services, or assistance (such as soup kitchens, crisis counseling and intervention, and short-term shelter) specified by the Attorney General of a State, after consultation with appropriate agencies and departments, which (A) deliver in-kind services at the community level, including through public or private nonprofit agencies; (B) do not condition the provision of assistance, the amount of assistance provided, or the cost of assistance provided on the individual recipient's income or resources; and (C) are necessary for the protection of life or safety.

SEC. 423. REQUIREMENTS FOR SPONSOR'S AFFIDAVIT OF SUPPORT.

(a) IN GENERAL.—Title II of the Immigration and Nationality Act is amended by inserting after section 213 the following new section:

''REQUIREMENTS FOR SPONSOR'S AFFIDAVIT OF SUPPORT

''SEC. 213A. (a) ENFORCEABILITY.—(1) No affidavit of support may be accepted by the Attorney General or by any consular officer to establish that an alien is not excludable as a public charge under section 212(a)(4) unless such affidavit is executed as a contract—

''(A) which is legally enforceable against the sponsor by the sponsored alien, the Federal Government, and by any State (or any political subdivision of such State) which provides any means-tested public benefits program, but not later than 10 years after the alien last receives any such benefit;

''(B) in which the sponsor agrees to financially support the alien, so that the alien will not become a public charge; and

''(C) in which the sponsor agrees to submit to the jurisdiction of any Federal or State court for the purpose of actions brought under subsection (e)(2).

''(2) A contract under paragraph (1) shall be enforceable with respect to benefits provided to the alien until such time as the alien achieves United States citizenship through naturalization pursuant to chapter 2 of title III.

''(b) FORMS.—Not later than 90 days after the date of enactment of this section, the Attorney General, in consultation with the Secretary of State and the Secretary of Health and Human Services, shall formulate an affidavit of support consistent with the provisions of this section.

''(c) REMEDIES.—Remedies available to enforce an affidavit of support under this section include any or all of the remedies described in section 3201, 3203, 3204, or 3205 of title 28, United States Code, as well as an order for specific performance and payment of legal fees and other costs of collection, and include corresponding remedies available under State law. A Federal agency may seek to collect amounts owed under this section in accordance with the provisions of subchapter II of chapter 37 of title 31, United States Code.

''(d) NOTIFICATION OF CHANGE OF ADDRESS.—

''(1) IN GENERAL.—The sponsor shall notify the Attorney General and the State in which the sponsored alien is currently resident within 30 days of any change of address of the sponsor during the period specified in subsection (a)(2).

''(2) PENALTY.—Any person subject to the requirement of paragraph (1) who fails to satisfy such requirement shall be subject to a civil penalty of—

''(A) not less than $250 or more than $2,000, or

''(B) if such failure occurs with knowledge that the alien has received any means-tested public benefit, not less than $2,000 or more than $5,000.

''(e) REIMBURSEMENT OF GOVERNMENT EXPENSES.—(1)(A) Upon notification that a sponsored alien has received any benefit under any means-tested public benefits program, the appropriate Federal, State, or local official shall request reimbursement by the sponsor in the amount of such assistance.

''(B) The Attorney General, in consultation with the Secretary of Health and Human Services, shall prescribe such regulations as may be necessary to carry out subparagraph (A).

''(2) If within 45 days after requesting reimbursement, the appropriate Federal, State, or local agency has not received a response from the sponsor indicating a willingness to commence payments, an action may be brought against the sponsor pursuant to the affidavit of support.

''(3) If the sponsor fails to abide by the repayment terms established by such agency, the agency may, within 60 days of such failure, bring an action against the sponsor pursuant to the affidavit of support.

''(4) No cause of action may be brought under this subsection later than 10 years after the alien last received any benefit under any means-tested public benefits program.

''(5) If, pursuant to the terms of this subsection, a Federal, State, or local agency requests reimbursement from the sponsor in the amount of assistance provided, or brings an action against the sponsor pursuant to the affidavit of support, the appropriate agency may appoint or hire an individual or other person to act on behalf of such agency acting under the authority of law for purposes of collecting any moneys owed. Nothing in this subsection shall preclude any appropriate Federal, State, or local agency from directly requesting reimbursement from a sponsor for the amount of assistance provided, or from bringing an action against a sponsor pursuant to an affidavit of support.

''(f) DEFINITIONS.—For the purposes of this section—

''(1) SPONSOR.—The term 'sponsor' means an individual who—

''(A) is a citizen or national of the United States or an alien who is lawfully admitted to the United States for permanent residence;

''(B) is 18 years of age or over;

''(C) is domiciled in any of the 50 States or the District of Columbia; and

''(D) is the person petitioning for the admission of the alien under section 204.''.

(b) CLERICAL AMENDMENT.—The table of contents of such Act is amended by inserting after the item relating to section 213 the following:

''Sec. 213A. Requirements for sponsor's affidavit of support.''.

(c) EFFECTIVE DATE.—Subsection (a) of section 213A of the Immigration and Nationality Act, as inserted by subsection (a) of this section, shall apply to affidavits of support executed on or after a date specified by the Attorney General, which date shall be not earlier than 60 days (and not later than 90 days) after the date the Attorney General formulates the form for such affidavits under subsection (b) of such section.

(d) BENEFITS NOT SUBJECT TO REIMBURSEMENT.—Requirements for reimbursement by a sponsor for benefits provided to a sponsored alien pursuant to an affidavit of support under section 213A of the Immigration and Nationality Act shall not apply with respect to the following:

(1) Medical assistance described in section 401(b)(1)(A) or assistance described in section 411(b)(1).

(2) Short-term, non-cash, in-kind emergency disaster relief.

(3) Assistance or benefits under the National School Lunch Act.

(4) Assistance or benefits under the Child Nutrition Act of 1966.

(5) Public health assistance for immunizations (not including any assistance under title XIX of the Social Security Act) with respect to immunizable diseases and for testing and treatment of symptoms of communicable diseases whether or not such symptoms are caused by a communicable disease.

(6) Payments for foster care and adoption assistance under parts B and E of title IV of the Social Security Act for a parent or a child, but only if the foster or adoptive parent (or parents) of such child is a qualified alien (as defined in section 431).

(7) Programs, services, or assistance (such as soup kitchens, crisis counseling and intervention, and short-term shelter) specified by the Attorney General, in the Attorney General's sole and unreviewable discretion after consultation with appropriate Federal agencies and departments, which (A) deliver in-kind services at the community level, including through public or private nonprofit agencies; (B) do not condition the provision of assistance, the amount of assistance provided, or the cost of assistance provided on the individual recipient's income or resources; and (C) are necessary for the protection of life or safety.

(8) Programs of student assistance under titles IV, V, IX, and X of the Higher Education Act of 1965, and titles III, VII, and VIII of the Public Health Service Act.

(9) Benefits under the Head Start Act.

(10) Means-tested programs under the Elementary and Secondary Education Act of 1965.

(11) Benefits under the Job Training Partnership Act.

Subtitle D—General Provisions

SEC. 431. DEFINITIONS.

(a) IN GENERAL.—Except as otherwise provided in this title, the terms used in this title have the same meaning given such terms in section 101(a) of the Immigration and Nationality Act.

(b) QUALIFIED ALIEN.—For purposes of this title, the term ''qualified alien'' means an alien who, at the time the alien applies for, receives, or attempts to receive a Federal public benefit, is—

(1) an alien who is lawfully admitted for permanent residence under the Immigration and Nationality Act,

(2) an alien who is granted asylum under section 208 of such Act,

(3) a refugee who is admitted to the United States under section 207 of such Act,

(4) an alien who is paroled into the United States under section 212(d)(5) of such Act for a period of at least 1 year,

(5) an alien whose deportation is being withheld under section 243(h) of such Act, or

(6) an alien who is granted conditional entry pursuant to section 203(a)(7) of such Act as in effect prior to April 1, 1980.

SEC. 432. VERIFICATION OF ELIGIBILITY FOR FEDERAL PUBLIC BENEFITS.

(a) IN GENERAL.—Not later than 18 months after the date of the enactment of this Act, the Attorney General of the United States, after consultation with the Secretary of Health and Human Services, shall promulgate regulations requiring verification that a person applying for a Federal public benefit (as defined in section 401(c)), to which the limitation under section 401 applies, is a qualified alien and is eligible to receive such benefit. Such regulations shall, to the extent feasible, require that information requested and exchanged be similar in form and manner to information requested and exchanged under section 1137 of the Social Security Act.

(b) STATE COMPLIANCE.—Not later than 24 months after the date the regulations described in subsection (a) are adopted, a State that administers a program that provides a Federal public benefit shall have in effect a verification system that complies with the regulations.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out the purpose of this section.

SEC. 433. STATUTORY CONSTRUCTION.

(a) LIMITATION.—

(1) Nothing in this title may be construed as an entitlement or a determination of an individual's eligibility or fulfillment of the requisite requirements for any Federal, State, or local governmental program, assistance, or benefits. For purposes of this title, eligibility relates only to the general issue of eligibility or ineligibility on the basis of alienage.

(2) Nothing in this title may be construed as addressing alien eligibility for a basic public education as determined by the Supreme Court of the United States under Plyler v. Doe (457 U.S. 202)(1982).

(b) NOT APPLICABLE TO FOREIGN ASSISTANCE.—This title does not apply to any Federal, State, or local governmental program, assistance, or benefits provided to an alien under any program of foreign assistance as determined by the Secretary of State in consultation with the Attorney General.

(c) SEVERABILITY.—If any provision of this title or the application of such provision to any person or circumstance is held to be unconstitutional, the remainder of this title and the application of the provisions of such to any person or circumstance shall not be affected thereby.

SEC. 434. COMMUNICATION BETWEEN STATE AND LOCAL GOVERNMENT AGENCIES AND THE IMMIGRATION AND NATURALIZATION SERVICE.

Notwithstanding any other provision of Federal, State, or local law, no State or local government entity may be prohibited, or in any way restricted, from sending to or receiving from the Immigration and Naturalization Service information regarding the immigration status, lawful or unlawful, of an alien in the United States.

SEC. 435. QUALIFYING QUARTERS.

For purposes of this title, in determining the number of qualifying quarters of coverage under title II of the Social Security Act an alien shall be credited with—

(1) all of the qualifying quarters of coverage as defined under title II of the Social Security Act worked by a parent of such alien while the alien was under age 18, and

(2) all of the qualifying quarters worked by a spouse of such alien during their marriage and the alien remains married to such spouse or such spouse is deceased.

No such qualifying quarter of coverage that is creditable under title II of the Social Security Act for any period beginning after December 31, 1996, may be credited to an alien under paragraph (1) or (2) if the parent or spouse (as the case may be) of such alien received any Federal means-tested public benefit (as provided under section 403) during the period for which such qualifying quarter of coverage is so credited.

Subtitle E—Conforming Amendments Relating to Assisted Housing

SEC. 441. CONFORMING AMENDMENTS RELATING TO ASSISTED HOUSING.

(a) LIMITATIONS ON ASSISTANCE.—Section 214 of the Housing and Community Development Act of 1980 (42 U.S.C. 1436a) is amended—

(1) by striking ''Secretary of Housing and Urban Development'' each place it appears and inserting ''applicable Secretary'';

(2) in subsection (b), by inserting after ''National Housing Act,'' the following: ''the direct loan program under section 502 of the Housing Act of 1949 or section 502(c)(5)(D), 504, 521(a)(2)(A), or 542 of such Act, subtitle A of title III of the Cranston-Gonzalez National Affordable Housing Act,'';

(3) in paragraphs (2) through (6) of subsection (d), by striking ''Secretary'' each place it appears and inserting ''applicable Secretary'';

(4) in subsection (d), in the matter following paragraph (6), by striking ''the term 'Secretary'' and inserting ''the term 'applicable Secretary''''; and

(5) by adding at the end the following new subsection:

''(h) For purposes of this section, the term 'applicable Secretary' means—

''(1) the Secretary of Housing and Urban Development, with respect to financial assistance administered by such Secretary and financial assistance under subtitle A of title III of the Cranston-Gonzalez National Affordable Housing Act; and

''(2) the Secretary of Agriculture, with respect to financial assistance administered by such Secretary.''.

(b) CONFORMING AMENDMENTS.—Section 501(h) of the Housing Act of 1949 (42 U.S.C. 1471(h)) is amended—

(1) by striking ''(1)'';

(2) by striking ''by the Secretary of Housing and Urban Development''; and

(3) by striking paragraph (2).

Subtitle F—Earned Income Credit Denied to Unauthorized Employees

SEC. 451. EARNED INCOME CREDIT DENIED TO INDIVIDUALS NOT AUTHORIZED TO BE EMPLOYED IN THE UNITED STATES.

(a) IN GENERAL.—Section 32(c)(1) of the Internal Revenue Code of 1986 (relating to individuals eligible to claim the earned income credit) is amended by adding at the end the following new subparagraph:

''(F) IDENTIFICATION NUMBER REQUIREMENT.—The term 'eligible individual' does not include any individual who does not include on the return of tax for the taxable year—

''(i) such individual's taxpayer identification number, and

''(ii) if the individual is married (within the meaning of section 7703), the taxpayer identification number of such individual's spouse.''.

(b) SPECIAL IDENTIFICATION NUMBER.—Section 32 of such Code is amended by adding at the end the following new subsection:

''(l) IDENTIFICATION NUMBERS.—Solely for purposes of subsections (c)(1)(F) and (c)(3)(D), a taxpayer identification number means a social security number issued to an individual by the Social Security Administration (other than a social security number issued pursuant to clause (II) (or that portion of clause (III) that relates to clause (II)) of section 205(c)(2)(B)(i) of the Social Security Act).''.

(c) EXTENSION OF PROCEDURES APPLICABLE TO MATHEMATICAL OR CLERICAL ERRORS.—Section 6213(g)(2) of such Code (relating to the definition of mathematical or clerical errors) is amended by striking ''and' at the end of subparagraph (D), by striking the period at the end of subparagraph (E) and inserting a comma, and by inserting after subparagraph (E) the following new subparagraphs:

''(F) an omission of a correct taxpayer identification number required under section 32 (relating to the earned income credit) to be included on a return, and

''(G) an entry on a return claiming the credit under section 32 with respect to net earnings from self-employment described in section 32(c)(2)(A) to the extent the tax imposed by section 1401 (relating to self-employment tax) on such net earnings has not been paid.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to returns the due date for which (without regard to extensions) is more than 30 days after the date of the enactment of this Act.

TITLE V—CHILD PROTECTION

SEC. 501. AUTHORITY OF STATES TO MAKE FOSTER CARE MAINTENANCE PAYMENTS ON BEHALF OF CHILDREN IN ANY PRIVATE CHILD CARE INSTITUTION.

Section 472(c)(2) of the Social Security Act (42 U.S.C. 672(c)(2)) is amended by striking ''nonprofit''.

SEC. 502. EXTENSION OF ENHANCED MATCH FOR IMPLEMENTATION OF STATEWIDE AUTOMATED CHILD WELFARE INFORMATION SYSTEMS.

Section 13713(b)(2) of the Omnibus Budget Reconciliation Act of 1993 (42 U.S.C. 674 note; 107 Stat. 657) is amended by striking ''1996'' and inserting ''1997''.

SEC. 503. NATIONAL RANDOM SAMPLE STUDY OF CHILD WELFARE.

Part B of title IV of the Social Security Act (42 U.S.C. 620–628a) is amended by adding at the end the following:

''SEC. 429A. NATIONAL RANDOM SAMPLE STUDY OF CHILD WELFARE.

''(a) IN GENERAL.—The Secretary shall conduct a national study based on random samples of children who are at risk of child abuse or neglect, or are determined by States to have been abused or neglected.

''(b) REQUIREMENTS.—The study required by subsection (a) shall—

''(1) have a longitudinal component; and

''(2) yield data reliable at the State level for as many States as the Secretary determines is feasible.

''(c) PREFERRED CONTENTS.—In conducting the study required by subsection (a), the Secretary should—

''(1) carefully consider selecting the sample from cases of confirmed abuse or neglect; and

''(2) follow each case for several years while obtaining information on, among other things—

''(A) the type of abuse or neglect involved;

''(B) the frequency of contact with State or local agencies;

''(C) whether the child involved has been separated from the family, and, if so, under what circumstances;

''(D) the number, type, and characteristics of out-of-home placements of the child; and

''(E) the average duration of each placement.

''(d) REPORTS.—

''(1) IN GENERAL.—From time to time, the Secretary shall prepare reports summarizing the results of the study required by subsection (a).

''(2) AVAILABILITY.—The Secretary shall make available to the public any report prepared under paragraph (1), in writing or in the form of an electronic data tape.

''(3) AUTHORITY TO CHARGE FEE.—The Secretary may charge and collect a fee for the furnishing of reports under paragraph (2).

''(e) APPROPRIATION.—Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated to the Secretary for each of fiscal years 1996 through 2002 $6,000,000 to carry out this section.''.

SEC. 504. REDESIGNATION OF SECTION 1123.

The Social Security Act is amended by redesignating section 1123, the second place it appears (42 U.S.C. 1320a–1a), as section 1123A.

SEC. 505. KINSHIP CARE.

Section 471(a) of the Social Security Act (42 U.S.C. 671(a)) is amended—

(1) by striking ''and'' at the end of paragraph (16);

(2) by striking the period at the end of paragraph (17) and inserting ''; and''; and

(3) by adding at the end the following:

''(18) provides that the State shall consider giving preference to an adult relative over a non-related caregiver when determining a placement for a child, provided that the relative caregiver meets all relevant State child protection standards.''.

TITLE VI—CHILD CARE

SEC. 601. SHORT TITLE AND REFERENCES.

(a) SHORT TITLE.—This title may be cited as the ''Child Care and Development Block Grant Amendments of 1996''.

(b) REFERENCES.—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 a section or other provision of the Child Care and Development

Block Grant Act of 1990 (42 U.S.C. 9858 et seq.).

SEC. 602. GOALS.

Section 658A (42 U.S.C. 9801 note) is amended—

(1) in the section heading by inserting ''AND GOALS'' after ''TITLE'';

(2) by inserting ''(a) SHORT TITLE.—'' before ''This''; and

(3) by adding at the end the following:

''(b) GOALS.—The goals of this subchapter are—

''(1) to allow each State maximum flexibility in developing child care programs and policies that best suit the needs of children and parents within such State;

''(2) to promote parental choice to empower working parents to make their own decisions on the child care that best suits their family's needs;

''(3) to encourage States to provide consumer education information to help parents make informed choices about child care;

''(4) to assist States to provide child care to parents trying to achieve independence from public assistance; and

''(5) to assist States in implementing the health, safety, licensing, and registration standards established in State regulations.''.

SEC. 603. AUTHORIZATION OF APPROPRIATIONS AND ENTITLEMENT AUTHORITY.

(a) IN GENERAL.—Section 658B (42 U.S.C. 9858) is amended to read as follows:

''SEC. 658B. AUTHORIZATION OF APPROPRIATIONS.

''There is authorized to be appropriated to carry out this subchapter $1,000,000,000 for each of the fiscal years 1996 through 2002.''.

(b) SOCIAL SECURITY ACT.—Part A of title IV of the Social Security Act (42 U.S.C. 601–617) is amended by adding at the end the following new section:

''SEC. 418. FUNDING FOR CHILD CARE.

''(a) GENERAL CHILD CARE ENTITLEMENT.—

''(1) GENERAL ENTITLEMENT.—Subject to the amount appropriated under paragraph (3), each State shall, for the purpose of providing child care assistance, be entitled to payments under a grant under this subsection for a fiscal year in an amount equal to—

''(A) the sum of the total amount required to be paid to the State under section 403 for fiscal year 1994 or 1995 (whichever is greater) with respect to amounts expended for child care under section—

''(i) 402(g) of this Act (as such section was in effect before October 1, 1995); and

''(ii) 402(i) of this Act (as so in effect); or

''(B) the average of the total amounts required to be paid to the State for fiscal years 1992 through 1994 under the sections referred to in subparagraph (A);

whichever is greater.

''(2) REMAINDER.—

''(A) GRANTS.—The Secretary shall use any amounts appropriated for a fiscal year under paragraph (3), and remaining after the reservation described in paragraph (4) and after grants are awarded under paragraph (1), to make grants to States under this paragraph.

''(B) AMOUNT.—Subject to subparagraph (C), the amount of a grant awarded to a State for a fiscal year under this paragraph shall be based on the formula used for determining the amount of Federal payments to the State under section 403(n) (as such section was in effect before October 1, 1995).

''(C) MATCHING REQUIREMENT.—The Secretary shall pay to each eligible State in a fiscal year an amount, under a grant under subparagraph (A), equal to the Federal medical assistance percentage for such State for fiscal year 1995 (as defined in section 1905(b)) of so much of the expenditures by the State for child care in such year as exceed the State set-aside for such State under paragraph (1)(A) for such year and the amount of State expenditures in fiscal year 1994 or 1995 (whichever is greater) that equal the non-Federal share for the programs described in subparagraph (A) of paragraph (1).

''(D) REDISTRIBUTION.—

''(i) IN GENERAL.—With respect to any fiscal year, if the Secretary determines (in accordance with clause (ii)) that amounts under any grant awarded to a State under this paragraph for such fiscal year will not be used by such State during such fiscal year for carrying out the purpose for which the grant is made, the Secretary shall make such amounts available in the subsequent fiscal year for carrying out such purpose to 1 or more States which apply for such funds to the extent the Secretary determines that such States will be able to use such additional amounts for carrying out such purpose. Such available amounts shall be redistributed to a State pursuant to section 403(n) (as such section was in effect before October 1, 1995) by substituting 'the number of children residing in all States applying for such funds' for 'the number of children residing in the United States in the second preceding fiscal year'.

''(ii) TIME OF DETERMINATION AND DISTRIBUTION.—The determination of the Secretary under clause (i) for a fiscal year shall be made not later than the end of the first quarter of the subsequent fiscal year. The redistribution of amounts under clause (i) shall be made as close as practicable to the date on which such determination is made. Any amount made available to a State from an appropriation for a fiscal year in accordance with this subparagraph shall, for purposes of this part, be regarded as part of such State's payment (as determined under this subsection) for the fiscal year in which the redistribution is made.

''(3) APPROPRIATION.—For grants under this section, there are appropriated—

''(A) $1,967,000,000 for fiscal year 1997;

''(B) $2,067,000,000 for fiscal year 1998;

''(C) $2,167,000,000 for fiscal year 1999;

''(D) $2,367,000,000 for fiscal year 2000;

''(E) $2,567,000,000 for fiscal year 2001; and

''(F) $2,717,000,000 for fiscal year 2002.

''(4) INDIAN TRIBES.—The Secretary shall reserve not less than 1 percent, and not more 2 percent, of the aggregate amount appropriated to carry out this section in each fiscal year for payments to Indian tribes and tribal organizations.

''(b) USE OF FUNDS.—

''(1) IN GENERAL.—Amounts received by a State under this section shall only be used to provide child care assistance. Amounts received by a State under a grant under subsection (a)(1) shall be available for use by the State without fiscal year limitation.

''(2) USE FOR CERTAIN POPULATIONS.—A State shall ensure that not less than 70 percent of the total amount of funds received by the State in a fiscal year under this section are used to provide child care assistance to families who are receiving assistance under a State program under this part, families who are attempting through work activities to transition off of such assistance program, and families who are at risk of becoming dependent on such assistance program.

''(c) APPLICATION OF CHILD CARE AND DEVELOPMENT BLOCK GRANT ACT of 1990.—Notwithstanding any other provision of law, amounts provided to a State under this section shall be transferred to the lead agency under the Child Care and Development Block Grant Act of 1990, integrated by the State into the programs established by the State under such Act, and be subject to requirements and limitations of such Act.

''(d) DEFINITION.—As used in this section, the term 'State' means each of the 50 States or the District of Columbia.''.

SEC. 604. LEAD AGENCY.

Section 658D(b) (42 U.S.C. 9858b(b)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (A), by striking ''State'' the first place that such appears and inserting ''governmental or nongovernmental''; and

(B) in subparagraph (C), by inserting ''with sufficient time and Statewide distribution of the notice of such hearing,'' after ''hearing in the State''; and

(2) in paragraph (2), by striking the second sentence.

SEC. 605. APPLICATION AND PLAN.

Section 658E (42 U.S.C. 9858c) is amended—

(1) in subsection (b)—

(A) by striking ''implemented—'' and all that follows through ''(2)'' and inserting ''implemented''; and

(B) by striking ''for subsequent State plans'';

(2) in subsection (c)—

(A) in paragraph (2)—

(i) in subparagraph (A)—

(I) in clause (i) by striking '', other than through assistance provided under paragraph (3)(C),''; and

(II) by striking ''except'' and all that follows through ''1992'', and inserting ''and provide a detailed description of the procedures the State will implement to carry out the requirements of this subparagraph'';

(ii) in subparagraph (B)—

(I) by striking ''Provide assurances'' and inserting ''Certify''; and

(II) by inserting before the period at the end ''and provide a detailed description of such procedures'';

(iii) in subparagraph (C)—

(I) by striking ''Provide assurances'' and inserting ''Certify''; and

(II) by inserting before the period at the end ''and provide a detailed description of how such record is maintained and is made available'';

(iv) by amending subparagraph (D) to read as follows:

''(D) CONSUMER EDUCATION INFORMATION.—Certify that the State will collect and disseminate to parents of eligible children and the general public, consumer education information that will promote informed child care choices.'';

(v) in subparagraph (E), to read as follows:

''(E) COMPLIANCE WITH STATE LICENSING REQUIREMENTS.—

''(i) IN GENERAL.—Certify that the State has in effect licensing requirements applicable to child care services provided within the State, and provide a detailed description of such requirements and of how such requirements are effectively enforced. Nothing in the preceding sentence shall be construed to require that licensing requirements be applied to specific types of providers of child care services.

''(ii) INDIAN TRIBES AND TRIBAL ORGANIZATIONS.—In lieu of any licensing and regulatory requirements applicable under State and local law, the Secretary, in consultation with Indian tribes and tribal organizations, shall develop minimum child care standards (that appropriately reflect tribal needs and available resources) that shall be applicable to Indian tribes and tribal organization receiving assistance under this subchapter.'';

(vi) in subparagraph (F) by striking ''Provide assurances'' and inserting ''Certify'';

(vii) in subparagraph (G) by striking ''Provide assurances'' and inserting ''Certify''; and

(viii) by striking subparagraphs (H), (I), and (J) and inserting the following:

''(H) MEETING THE NEEDS OF CERTAIN POPULATIONS.—Demonstrate the manner in which the State will meet the specific child care

needs of families who are receiving assistance under a State program under part A of title IV of the Social Security Act, families who are attempting through work activities to transition off of such assistance program, and families that are at risk of becoming dependent on such assistance program.'';

(B) in paragraph (3)—

(i) in subparagraph (A), by striking ''(B) and (C)'' and inserting ''(B) through (D)'';

(ii) in subparagraph (B)—

(I) by striking ''.—Subject to the reservation contained in subparagraph (C), the'' and inserting ''AND RELATED ACTIVITIES.—The'';

(II) in clause (i) by striking ''; and'' at the end and inserting a period;

(III) by striking ''for—'' and all that follows through ''section 658E(c)(2)(A)'' and inserting ''for child care services on a sliding fee scale basis, activities that improve the quality or availability of such services, and any other activity that the State deems appropriate to realize any of the goals specified in paragraphs (2) through (5) of section 658A(b)''; and

(IV) by striking clause (ii);

(iii) by amending subparagraph (C) to read as follows:

''(C) LIMITATION ON ADMINISTRATIVE COSTS.—Not more than 5 percent of the aggregate amount of funds available to the State to carry out this subchapter by a State in each fiscal year may be expended for administrative costs incurred by such State to carry out all of its functions and duties under this subchapter. As used in the preceding sentence, the term 'administrative costs' shall not include the costs of providing direct services.''; and

(iv) by adding at the end thereof the following:

''(D) ASSISTANCE FOR CERTAIN FAMILIES.—A State shall ensure that a substantial portion of the amounts available (after the State has complied with the requirement of section 418(b)(2) of the Social Security Act with respect to each of the fiscal years 1997 through 2002) to the State to carry out activities under this subchapter in each fiscal year is used to provide assistance to low-income working families other than families described in paragraph (2)(H).''; and

(C) in paragraph (4)(A)—

(i) by striking ''provide assurances'' and inserting ''certify'';

(ii) in the first sentence by inserting ''and shall provide a summary of the facts relied on by the State to determine that such rates are sufficient to ensure such access'' before the period; and

(iii) by striking the last sentence.

SEC. 606. LIMITATION ON STATE ALLOTMENTS.

Section 658F(b)(1) (42 U.S.C. 9858d(b)(1)) is amended by striking ''No'' and inserting ''Except as provided for in section 658O(c)(6), no''.

SEC. 607. ACTIVITIES TO IMPROVE THE QUALITY OF CHILD CARE.

Section 658G (42 U.S.C. 9858e) is amended to read as follows:

''SEC. 658G. ACTIVITIES TO IMPROVE THE QUALITY OF CHILD CARE.

''A State that receives funds to carry out this subchapter for a fiscal year, shall use not less than 4 percent of the amount of such funds for activities that are designed to provide comprehensive consumer education to parents and the public, activities that increase parental choice, and activities designed to improve the quality and availability of child care (such as resource and referral services).''.

SEC. 608. REPEAL OF EARLY CHILDHOOD DEVELOPMENT AND BEFORE- AND AFTER-SCHOOL CARE REQUIREMENT.

Section 658H (42 U.S.C. 9858f) is repealed.

SEC. 609. ADMINISTRATION AND ENFORCEMENT.

Section 658I(b) (42 U.S.C. 9858g(b)) is amended—

(1) in paragraph (1), by striking '', and shall have'' and all that follows through ''(2)''; and

(2) in the matter following clause (ii) of paragraph (2)(A), by striking ''finding and that'' and all that follows through the period and inserting ''finding and shall require that the State reimburse the Secretary for any funds that were improperly expended for purposes prohibited or not authorized by this subchapter, that the Secretary deduct from the administrative portion of the State allotment for the following fiscal year an amount that is less than or equal to any improperly expended funds, or a combination of such options.''.

SEC. 610. PAYMENTS.

Section 658J(c) (42 U.S.C. 9858h(c)) is amended—

(1) by striking ''expended'' and inserting ''obligated''; and

(2) by striking ''3 fiscal years'' and inserting ''fiscal year''.

SEC. 611. ANNUAL REPORT AND AUDITS.

Section 658K (42 U.S.C. 9858i) is amended—

(1) in the section heading by striking ''ANNUAL REPORT'' and inserting ''REPORTS'';

(2) in subsection (a), to read as follows:

''(a) REPORTS.—

''(1) COLLECTION OF INFORMATION BY STATES.—

''(A) IN GENERAL.—A State that receives funds to carry out this subchapter shall collect the information described in subparagraph (B) on a monthly basis.

''(B) REQUIRED INFORMATION.—The information required under this subparagraph shall include, with respect to a family unit receiving assistance under this subchapter information concerning—

''(i) family income;

''(ii) county of residence;

''(iii) the gender, race, and age of children receiving such assistance;

''(iv) whether the family includes only 1 parent;

''(v) the sources of family income, including the amount obtained from (and separately identified)—

''(I) employment, including self-employment;

''(II) cash or other assistance under part A of title IV of the Social Security Act;

''(III) housing assistance;

''(IV) assistance under the Food Stamp Act of 1977; and

''(V) other assistance programs;

''(vi) the number of months the family has received benefits;

''(vii) the type of child care in which the child was enrolled (such as family child care, home care, or center-based child care);

''(viii) whether the child care provider involved was a relative;

''(ix) the cost of child care for such families; and

''(x) the average hours per week of such care;

during the period for which such information is required to be submitted.

''(C) SUBMISSION TO SECRETARY.—A State described in subparagraph (A) shall, on a quarterly basis, submit the information required to be collected under subparagraph (B) to the Secretary.

''(D) SAMPLING.—The Secretary may disapprove the information collected by a State under this paragraph if the State uses sampling methods to collect such information.

''(2) BIANNUAL REPORTS.—Not later than December 31, 1997, and every 6 months thereafter, a State described in paragraph (1)(A) shall prepare and submit to the Secretary a report that includes aggregate data concerning—

''(A) the number of child care providers that received funding under this subchapter as separately identified based on the types of providers listed in section 658P(5);

''(B) the monthly cost of child care services, and the portion of such cost that is paid for with assistance provided under this subchapter, listed by the type of child care services provided;

''(C) the number of payments made by the State through vouchers, contracts, cash, and disregards under public benefit programs, listed by the type of child care services provided;

''(D) the manner in which consumer education information was provided to parents and the number of parents to whom such information was provided; and

''(E) the total number (without duplication) of children and families served under this subchapter;

during the period for which such report is required to be submitted.''; and

(2) in subsection (b)—

(A) in paragraph (1) by striking ''a application'' and inserting ''an application'';

(B) in paragraph (2) by striking ''any agency administering activities that receive'' and inserting ''the State that receives''; and

(C) in paragraph (4) by striking ''entitles'' and inserting ''entitled''.

SEC. 612. REPORT BY THE SECRETARY.

Section 658L (42 U.S.C. 9858j) is amended—

(1) by striking ''1993'' and inserting ''1997'';

(2) by striking ''annually'' and inserting ''biennially''; and

(3) by striking ''Education and Labor'' and inserting ''Economic and Educational Opportunities''.

SEC. 613. ALLOTMENTS.

Section 658O (42 U.S.C. 9858m) is amended—

(1) in subsection (a)—

(A) in paragraph (1)

(i) by striking ''POSSESSIONS'' and inserting ''POSSESSIONS'';

(ii) by inserting ''and'' after ''States,''; and

(iii) by striking '', and the Trust Territory of the Pacific Islands''; and

(B) in paragraph (2), by striking ''more than 3 percent'' and inserting ''less than 1 percent, and not more than 2 percent,'';

(2) in subsection (c)—

(A) in paragraph (5) by striking ''our'' and inserting ''out''; and

(B) by adding at the end thereof the following new paragraph:

''(6) CONSTRUCTION OR RENOVATION OF FACILITIES.—

''(A) REQUEST FOR USE OF FUNDS.—An Indian tribe or tribal organization may submit to the Secretary a request to use amounts provided under this subsection for construction or renovation purposes.

''(B) DETERMINATION.—With respect to a request submitted under subparagraph (A), and except as provided in subparagraph (C), upon a determination by the Secretary that adequate facilities are not otherwise available to an Indian tribe or tribal organization to enable such tribe or organization to carry out child care programs in accordance with this subchapter, and that the lack of such facilities will inhibit the operation of such programs in the future, the Secretary may permit the tribe or organization to use assistance provided under this subsection to make payments for the construction or renovation of facilities that will be used to carry out such programs.

''(C) LIMITATION.—The Secretary may not permit an Indian tribe or tribal organization to use amounts provided under this subsection for construction or renovation if such use will result in a decrease in the level of child care services provided by the tribe or organization as compared to the level of such services provided by the tribe or organization in the fiscal year preceding the year for

which the determination under subparagraph (A) is being made.

''(D) UNIFORM PROCEDURES.—The Secretary shall develop and implement uniform procedures for the solicitation and consideration of requests under this paragraph.''; and

(3) in subsection (e), by adding at the end thereof the following new paragraph:

''(4) INDIAN TRIBES OR TRIBAL ORGANIZATIONS.—Any portion of a grant or contract made to an Indian tribe or tribal organization under subsection (c) that the Secretary determines is not being used in a manner consistent with the provision of this subchapter in the period for which the grant or contract is made available, shall be allotted by the Secretary to other tribes or organizations that have submitted applications under subsection (c) in accordance with their respective needs.''.

SEC. 614. DEFINITIONS.

Section 658P (42 U.S.C. 9858n) is amended—

(1) in paragraph (2), in the first sentence by inserting ''or as a deposit for child care services if such a deposit is required of other children being cared for by the provider'' after ''child care services''; and

(2) by striking paragraph (3);

(3) in paragraph (4)(B), by striking ''75 percent'' and inserting ''85 percent'';

(4) in paragraph (5)(B)—

(A) by inserting ''great grandchild, sibling (if such provider lives in a separate residence),'' after ''grandchild,'';

(B) by striking ''is registered and''; and

(C) by striking ''State'' and inserting ''applicable''.

(5) by striking paragraph (10);

(6) in paragraph (13)—

(A) by inserting ''or'' after ''Samoa,''; and

(B) by striking '', and the Trust Territory of the Pacific Islands'';

(7) in paragraph (14)—

(A) by striking ''The term'' and inserting the following:

''(A) IN GENERAL.—The term''; and

(B) by adding at the end thereof the following new subparagraph:

''(B) OTHER ORGANIZATIONS.—Such term includes a Native Hawaiian Organization, as defined in section 4009(4) of the Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Improvement Amendments of 1988 (20 U.S.C. 4909(4)) and a private nonprofit organization established for the purpose of serving youth who are Indians or Native Hawaiians.''.

SEC. 615. EFFECTIVE DATE.

(a) IN GENERAL.—Except as provided in subsection (b), this title and the amendments made by this title shall take effect on October 1, 1996.

(b) EXCEPTION.—The amendment made by section 603(a) shall take effect on the date of enactment of this Act.

TITLE VII—CHILD NUTRITION PROGRAMS

Subtitle A—National School Lunch Act

SEC. 701. STATE DISBURSEMENT TO SCHOOLS.

(a) IN GENERAL.—Section 8 of the National School Lunch Act (42 U.S.C. 1757) is amended—

(1) in the third sentence, by striking ''Nothing'' and all that follows through ''educational agency to'' and inserting ''The State educational agency may'';

(2) by striking the fourth and fifth sentences;

(3) by redesignating the first through seventh sentences, as amended by paragraph (2), as subsections (a) through (g), respectively;

(4) in subsection (b), as redesignated by paragraph (3), by striking ''the preceding sentence'' and inserting ''subsection (a)''; and

(5) in subsection (d), as redesignated by paragraph (3), by striking ''Such food costs'' and inserting ''Use of funds paid to States''.

(b) DEFINITION OF CHILD.—Section 12(d) of the National School Lunch Act (42 U.S.C. 1760(d)) is amended by adding at the end the following:

''(9) CHILD.—

''(A) IN GENERAL.—The term 'child' includes an individual, regardless of age, who—

''(i) is determined by a State educational agency, in accordance with regulations prescribed by the Secretary, to have 1 or more mental or physical disabilities; and

''(ii) is attending any institution, as defined in section 17(a), or any nonresidential public or nonprofit private school of high school grade or under, for the purpose of participating in a school program established for individuals with mental or physical disabilities.

''(B) RELATIONSHIP TO CHILD AND ADULT CARE FOOD PROGRAM.—No institution that is not otherwise eligible to participate in the program under section 17 shall be considered eligible because of this paragraph.''.

SEC. 702. NUTRITIONAL AND OTHER PROGRAM REQUIREMENTS.

(a) NUTRITIONAL STANDARDS.—Section 9(a) of the National School Lunch Act (42 U.S.C. 1758(a)) is amended—

(1) in paragraph (2)—

(A) by striking ''(2)(A) Lunches'' and inserting ''(2) Lunches'';

(B) by striking subparagraph (B); and

(C) by redesignating clauses (i) and (ii) as subparagraphs (A) and (B), respectively;

(2) by striking paragraph (3); and

(3) by redesignating paragraph (4) as paragraph (3).

(b) UTILIZATION OF AGRICULTURAL COMMODITIES.—Section 9(c) of the National School Lunch Act (42 U.S.C. 1758(c)) is amended—

(1) in the fifth sentence, by striking ''of the provisions of law referred to in the preceding sentence'' and inserting ''provision of law''; and

(2) by striking the second, fourth, and sixth sentences.

(c) NUTRITIONAL INFORMATION.—Section 9(f) of the National School Lunch Act (42 U.S.C. 1758(f)) is amended—

(1) by striking paragraph (1);

(2) by striking ''(2)'';

(3) by redesignating subparagraphs (A) through (D) as paragraphs (1) through (4), respectively;

(4) by striking paragraph (1), as redesignated by paragraph (3), and inserting the following:

''(1) NUTRITIONAL REQUIREMENTS.—Except as provided in paragraph (2), not later than the first day of the 1996–1997 school year, schools that are participating in the school lunch or school breakfast program shall serve lunches and breakfasts under the program that—

''(A) are consistent with the goals of the most recent Dietary Guidelines for Americans published under section 301 of the National Nutrition Monitoring and Related Research Act of 1990 (7 U.S.C. 5341); and

''(B) provide, on the average over each week, at least—

''(i) with respect to school lunches, ⅓ of the daily recommended dietary allowance established by the Food and Nutrition Board of the National Research Council of the National Academy of Sciences; and

''(ii) with respect to school breakfasts, ¼ of the daily recommended dietary allowance established by the Food and Nutrition Board of the National Research Council of the National Academy of Sciences.'';

(5) in paragraph (3), as redesignated by paragraph (3)—

(A) by redesignating clauses (i) and (ii) as subparagraphs (A) and (B), respectively; and

(B) in subparagraph (A), as so redesignated, by redesignating subclauses (I) and (II) as clauses (i) and (ii), respectively; and

(6) in paragraph (4), as redesignated by paragraph (3)—

(A) by redesignating clauses (i) and (ii) as subparagraphs (A) and (B), respectively;

(B) in subparagraph (A), as redesignated by subparagraph (A), by redesignating subclauses (I) and (II) as clauses (i) and (ii), respectively; and

(C) in subparagraph (A)(ii), as redesignated by subparagraph (B), by striking ''subparagraph (C)'' and inserting ''paragraph (3)''.

(d) USE OF RESOURCES.—Section 9 of the National School Lunch Act (42 U.S.C. 1758) is amended by striking subsection (h).

SEC. 703. FREE AND REDUCED PRICE POLICY STATEMENT.

Section 9(b)(2) of the National School Lunch Act (42 U.S.C. 1758(b)(2)) is amended by adding at the end the following:

''(D) FREE AND REDUCED PRICE POLICY STATEMENT.—After the initial submission, a school food authority shall not be required to submit a free and reduced price policy statement to a State educational agency under this Act unless there is a substantive change in the free and reduced price policy of the school food authority. A routine change in the policy of a school food authority, such as an annual adjustment of the income eligibility guidelines for free and reduced price meals, shall not be sufficient cause for requiring the school food authority to submit a policy statement.''.

SEC. 704. SPECIAL ASSISTANCE.

(a) EXTENSION OF PAYMENT PERIOD.—Section 11(a)(1)(D)(i) of the National School Lunch Act (42 U.S.C. 1759a(a)(1)(D)(i)) is amended by striking '', on the date of enactment of this subparagraph,''.

(b) ROUNDING RULE FOR LUNCH, BREAKFAST, AND SUPPLEMENT RATES.—

(1) IN GENERAL.—The third sentence of section 11(a)(3)(B) of the National School Lunch Act (42 U.S.C. 1759a(a)(3)(B)) is amended by adding before the period at the end the following: '', except that adjustments to payment rates for meals and supplements served to individuals not determined to be eligible for free or reduced price meals and supplements shall be computed to the nearest lower cent increment and based on the unrounded amount for the preceding 12-month period''.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall become effective on July 1, 1997.

(c) APPLICABILITY OF OTHER PROVISIONS.—Section 11 of the National School Lunch Act (42 U.S.C. 1759a) is amended—

(1) by striking subsection (d);

(2) in subsection (e)(2)—

(A) by striking ''The'' and inserting ''On request of the Secretary, the''; and

(B) by striking ''each month''; and

(3) by redesignating subsections (e) and (f), as so amended, as subsections (d) and (e), respectively.

SEC. 705. MISCELLANEOUS PROVISIONS AND DEFINITIONS.

(a) ACCOUNTS AND RECORDS.—The second sentence of section 12(a) of the National School Lunch Act (42 U.S.C. 1760(a)) is amended by striking ''at all times be available'' and inserting ''be available at any reasonable time''.

(b) RESTRICTION ON REQUIREMENTS.—Section 12(c) of the National School Lunch Act (42 U.S.C. 1760(c)) is amended by striking ''neither the Secretary nor the State shall'' and inserting ''the Secretary shall not''.

(c) DEFINITIONS.—Section 12(d) of the National School Lunch Act (42 U.S.C. 1760(d)), as amended by section 701(b), is amended—

(1) in paragraph (1), by striking ''the Trust Territory of the Pacific Islands'' and inserting ''the Commonwealth of the Northern Mariana Islands'';

(2) by striking paragraphs (3) and (4); and

(3) by redesignating paragraphs (1), (2), and (5) through (9) as paragraphs (6), (7), (3), (4), (2), (5), and (1), respectively, and rearranging the paragraphs so as to appear in numerical order.

(d) ADJUSTMENTS TO NATIONAL AVERAGE PAYMENT RATES.—Section 12(f) of the National School Lunch Act (42 U.S.C. 1760(f)) is amended by striking ''the Trust Territory of the Pacific Islands,''.

(e) EXPEDITED RULEMAKING.—Section 12(k) of the National School Lunch Act (42 U.S.C. 1760(k)) is amended—

(1) by striking paragraphs (1), (2), and (5);

(2) by redesignating paragraphs (3) and (4) as paragraphs (1) and (2), respectively; and

(3) in paragraph (1), as redesignated by paragraph (2), by striking ''Guidelines'' and inserting ''guidelines contained in the most recent 'Dietary Guidelines for Americans' that is published under section 301 of the National Nutrition Monitoring and Related Research Act of 1990 (7 U.S.C. 5341)''.

(f) WAIVER.—Section 12(l) of the National School Lunch Act (42 U.S.C. 1760(l)) is amended—

(1) in paragraph (2)(A)—

(A) in clause (iii), by adding ''and'' at the end;

(B) in clause (iv), by striking the semicolon at the end and inserting a period; and

(C) by striking clauses (v) through (vii);

(2) in paragraph (3)—

(A) in subparagraph (A), by striking ''(A)''; and

(B) by striking subparagraphs (B) through (D);

(3) in paragraph (4)—

(A) in the matter preceding subparagraph (A), by striking ''of any requirement relating'' and inserting ''that increases Federal costs or that relates'';

(B) by striking subparagraph (D);

(C) by redesignating subparagraphs (E) through (N) as subparagraphs (D) through (M), respectively; and

(D) in subparagraph (L), as redesignated by subparagraph (C), by striking ''and'' at the end and inserting ''or''; and

(4) in paragraph (6)—

(A) by striking ''(A)(i)'' and all that follows through ''(B)''; and

(B) by redesignating clauses (i) through (iv) as subparagraphs (A) through (D), respectively.

SEC. 706. SUMMER FOOD SERVICE PROGRAM FOR CHILDREN.

(a) ESTABLISHMENT OF PROGRAM.—Section 13(a) of the National School Lunch Act (42 U.S.C. 1761(a)) is amended—

(1) in paragraph (1)—

(A) in the first sentence, by striking ''initiate, maintain, and expand'' and inserting ''initiate and maintain''; and

(B) in subparagraph (E) of the second sentence, by striking ''the Trust Territory of the Pacific Islands,''; and

(2) in paragraph (7)(A), by striking ''Except as provided in subparagraph (C), private'' and inserting ''Private''.

(b) SERVICE INSTITUTIONS.—Section 13(b) of the National School Lunch Act (42 U.S.C. 1761(b)) is amended by striking ''(b)(1)'' and all that follows through the end of paragraph (1) and inserting the following:

''(b) SERVICE INSTITUTIONS.—

''(1) PAYMENTS.—

''(A) IN GENERAL.—Except as otherwise provided in this paragraph, payments to service institutions shall equal the full cost of food service operations (which cost shall include the costs of obtaining, preparing, and serving food, but shall not include administrative costs).

''(B) MAXIMUM AMOUNTS.—Subject to subparagraph (C), payments to any institution under subparagraph (A) shall not exceed—

''(i) $1.97 for each lunch and supper served;

''(ii) $1.13 for each breakfast served; and

''(iii) 46 cents for each meal supplement served.

''(C) ADJUSTMENTS.—Amounts specified in subparagraph (B) shall be adjusted on January 1, 1997, and each January 1 thereafter, to the nearest lower cent increment to reflect changes for the 12-month period ending the preceding November 30 in the series for food away from home of the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics of the Department of Labor. Each adjustment shall be based on the unrounded adjustment for the prior 12-month period.''.

(c) ADMINISTRATION OF SERVICE INSTITUTIONS.—Section 13(b)(2) of the National School Lunch Act (42 U.S.C. 1761(b)(2)) is amended—

(1) in the first sentence, by striking ''four meals'' and inserting ''3 meals, or 2 meals and 1 supplement,''; and

(2) by striking the second sentence.

(d) REIMBURSEMENTS.—Section 13(c)(2) of the National School Lunch Act (42 U.S.C. 1761(c)(2)) is amended—

(1) by striking subparagraphs (A), (C), (D), and (E);

(2) by striking ''(B)'';

(3) by striking '', and such higher education institutions,''; and

(4) by striking ''without application'' and inserting ''on showing residence in areas in which poor economic conditions exist or on the basis of income eligibility statements for children enrolled in the program''.

(e) ADVANCE PROGRAM PAYMENTS.—Section 13(e)(1) of the National School Lunch Act (42 U.S.C. 1761(e)(1)) is amended—

(1) by striking ''institution: *Provided,* That (A) the'' and inserting ''institution. The'';

(2) by inserting ''(excluding a school)'' after ''any service institution''; and

(3) by striking ''responsibilities, and (B) no'' and inserting ''responsibilities. No''.

(f) FOOD REQUIREMENTS.—Section 13(f) of the National School Lunch Act (42 U.S.C. 1761(f)) is amended—

(1) by redesignating the first through seventh sentences as paragraphs (1) through (7), respectively;

(2) by striking paragraph (3), as redesignated by paragraph (1);

(3) in paragraph (4), as redesignated by paragraph (1), by striking ''the first sentence'' and inserting ''paragraph (1)'';

(4) in subparagraph (B) of paragraph (6), as redesignated by paragraph (1), by striking ''that bacteria levels'' and all that follows through the period at the end and inserting ''conformance with standards set by local health authorities.''; and

(5) by redesignating paragraphs (4) through (7), as redesignated by paragraph (1), as paragraphs (3) through (6), respectively.

(g) PERMITTING OFFER VERSUS SERVE.—Section 13(f) of the National School Lunch Act (42 U.S.C. 1761(f)), as amended by subsection (f), is amended by adding at the end the following:

''(7) OFFER VERSUS SERVE.—A school food authority participating as a service institution may permit a child attending a site on school premises operated directly by the authority to refuse 1 or more items of a meal that the child does not intend to consume, under rules that the school uses for school meals programs. A refusal of an offered food item shall not affect the amount of payments made under this section to a school for the meal.''.

(h) RECORDS.—The second sentence of section 13(m) of the National School Lunch Act (42 U.S.C. 1761(m)) is amended by striking ''at all times be available'' and inserting ''be available at any reasonable time''.

(i) REMOVING MANDATORY NOTICE TO INSTITUTIONS.—Section 13(n)(2) of the National School Lunch Act (42 U.S.C. 1761(n)(2)) is amended by striking '', and its plans and schedule for informing service institutions of the availability of the program''.

(j) PLAN.—Section 13(n) of the National School Lunch Act (42 U.S.C. 1761(n)), as amended by subsection (i), is amended—

(1) in paragraph (2), by striking '', including the State's methods of assessing need'';

(2) by striking paragraph (3);

(3) in paragraph (4), by striking ''and schedule''; and

(4) by redesignating paragraphs (4) through (7) as paragraphs (3) through (6), respectively.

(k) MONITORING AND TRAINING.—Section 13(q) of the National School Lunch Act (42 U.S.C. 1761(q)) is amended—

(1) by striking paragraphs (2) and (4);

(2) in paragraph (3), by striking ''paragraphs (1) and (2) of this subsection'' and inserting ''paragraph (1)''; and

(3) by redesignating paragraph (3) as paragraph (2).

(l) EXPIRED PROGRAM.—Section 13 of the National School Lunch Act (42 U.S.C. 1761) is amended—

(1) by striking subsection (p); and

(2) by redesignating subsections (q) and (r) as subsections (p) and (q), respectively.

(m) EFFECTIVE DATE.—The amendments made by subsection (b) shall become effective on January 1, 1997.

SEC. 707. COMMODITY DISTRIBUTION.

(a) CEREAL AND SHORTENING IN COMMODITY DONATIONS.—Section 14(b) of the National School Lunch Act (42 U.S.C. 1762a(b)) is amended—

(1) by striking paragraph (1); and

(2) by redesignating paragraphs (2) and (3) as paragraphs (1) and (2), respectively.

(b) STATE ADVISORY COUNCIL.—Section 14(e) of the National School Lunch Act (42 U.S.C. 1762a(e)) is amended to read as follows:

''(e) Each State agency that receives food assistance payments under this section for any school year shall consult with representatives of schools in the State that participate in the school lunch program with respect to the needs of such schools relating to the manner of selection and distribution of commodity assistance for such program.''.

(c) CASH COMPENSATION FOR PILOT PROJECT SCHOOLS.—Section 14(g) of the National School Lunch Act (42 U.S.C. 1762a(g)) is amended by striking paragraph (3).

SEC. 708. CHILD AND ADULT CARE FOOD PROGRAM.

(a) ESTABLISHMENT OF PROGRAM.—Section 17 of the National School Lunch Act (42 U.S.C. 1766) is amended in the first sentence of subsection (a), by striking ''initiate, maintain, and expand'' and inserting ''initiate and maintain''.

(b) PAYMENTS TO SPONSOR EMPLOYEES.—Paragraph (2) of the last sentence of section 17(a) of the National School Lunch Act (42 U.S.C. 1766(a)) is amended—

(1) in subparagraph (B), by striking ''and'' at the end;

(2) in subparagraph (C), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(D) in the case of a family or group day care home sponsoring organization that employs more than 1 employee, the organization does not base payments to an employee of the organization on the number of family or group day care homes recruited.''.

(c) TECHNICAL ASSISTANCE.—The last sentence of section 17(d)(1) of the National School Lunch Act (42 U.S.C. 1766(d)(1)) is amended by striking '', and shall provide technical assistance'' and all that follows through ''its application''.

(d) REIMBURSEMENT OF CHILD CARE INSTITUTIONS.—Section 17(f)(2)(B) of the National

School Lunch Act (42 U.S.C. 1766(f)(2)(B)) is amended by striking ''two meals and two supplements or three meals and one supplement'' and inserting ''2 meals and 1 supplement''.

(e) IMPROVED TARGETING OF DAY CARE HOME REIMBURSEMENTS.—

(1) RESTRUCTURED DAY CARE HOME REIMBURSEMENTS.—Section 17(f)(3) of the National School Lunch Act (42 U.S.C. 1766(f)(3)) is amended by striking ''(3)(A) Institutions'' and all that follows through the end of subparagraph (A) and inserting the following:

''(3) REIMBURSEMENT OF FAMILY OR GROUP DAY CARE HOME SPONSORING ORGANIZATIONS.—

''(A) REIMBURSEMENT FACTOR.—

''(i) IN GENERAL.—An institution that participates in the program under this section as a family or group day care home sponsoring organization shall be provided, for payment to a home sponsored by the organization, reimbursement factors in accordance with this subparagraph for the cost of obtaining and preparing food and prescribed labor costs involved in providing meals under this section.

''(ii) TIER I FAMILY OR GROUP DAY CARE HOMES.—

''(I) DEFINITION OF TIER I FAMILY OR GROUP DAY CARE HOME.—In this paragraph, the term 'tier I family or group day care home' means—

''(aa) a family or group day care home that is located in a geographic area, as defined by the Secretary based on census data, in which at least 50 percent of the children residing in the area are members of households whose incomes meet the income eligibility guidelines for free or reduced price meals under section 9;

''(bb) a family or group day care home that is located in an area served by a school enrolling elementary students in which at least 50 percent of the total number of children enrolled are certified eligible to receive free or reduced price school meals under this Act or the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.); or

''(cc) a family or group day care home that is operated by a provider whose household meets the income eligibility guidelines for free or reduced price meals under section 9 and whose income is verified by the sponsoring or organization of the home under regulations established by the Secretary.

''(II) REIMBURSEMENT.—Except as provided in subclause (III), a tier I family or group day care home shall be provided reimbursement factors under this clause without a requirement for documentation of the costs described in clause (i), except that reimbursement shall not be provided under this subclause for meals or supplements served to the children of a person acting as a family or group day care home provider unless the children meet the income eligibility guidelines for free or reduced price meals under section 9.

''(III) FACTORS.—Except as provided in subclause (IV), the reimbursement factors applied to a home referred to in subclause (II) shall be the factors in effect on July 1, 1996.

''(IV) ADJUSTMENTS.—The reimbursement factors under this subparagraph shall be adjusted on July 1, 1997, and each July 1 thereafter, to reflect changes in the Consumer Price Index for food at home for the most recent 12-month period for which the data are available. The reimbursement factors under this subparagraph shall be rounded to the nearest lower cent increment and based on the unrounded adjustment in effect on June 30 of the preceding school year.

''(iii) TIER II FAMILY OR GROUP DAY CARE HOMES.—

''(I) IN GENERAL.—

''(aa) FACTORS.—Except as provided in subclause (II), with respect to meals or supplements served under this clause by a family or group day care home that does not meet the criteria set forth in clause (ii)(I), the reimbursement factors shall be 95 cents for lunches and suppers, 27 cents for breakfasts, and 13 cents for supplements.

''(bb) ADJUSTMENTS.—The factors shall be adjusted on July 1, 1997, and each July 1 thereafter, to reflect changes in the Consumer Price Index for food at home for the most recent 12-month period for which the data are available. The reimbursement factors under this item shall be rounded down to the nearest lower cent increment and based on the unrounded adjustment for the preceding 12-month period.

''(cc) REIMBURSEMENT.—A family or group day care home shall be provided reimbursement factors under this subclause without a requirement for documentation of the costs described in clause (i), except that reimbursement shall not be provided under this subclause for meals or supplements served to the children of a person acting as a family or group day care home provider unless the children meet the income eligibility guidelines for free or reduced price meals under section 9.

''(II) OTHER FACTORS.—A family or group day care home that does not meet the criteria set forth in clause (ii)(I) may elect to be provided reimbursement factors determined in accordance with the following requirements:

''(aa) CHILDREN ELIGIBLE FOR FREE OR REDUCED PRICE MEALS.—In the case of meals or supplements served under this subsection to children who are members of households whose incomes meet the income eligibility guidelines for free or reduced price meals under section 9, the family or group day care home shall be provided reimbursement factors set by the Secretary in accordance with clause (ii)(III).

''(bb) INELIGIBLE CHILDREN.—In the case of meals or supplements served under this subsection to children who are members of households whose incomes do not meet the income eligibility guidelines, the family or group day care home shall be provided reimbursement factors in accordance with subclause (I).

''(III) INFORMATION AND DETERMINATIONS.—

''(aa) IN GENERAL.—If a family or group day care home elects to claim the factors described in subclause (II), the family or group day care home sponsoring organization serving the home shall collect the necessary income information, as determined by the Secretary, from any parent or other caretaker to make the determinations specified in subclause (II) and shall make the determinations in accordance with rules prescribed by the Secretary.

''(bb) CATEGORICAL ELIGIBILITY.—In making a determination under item (aa), a family or group day care home sponsoring organization may consider a child participating in or subsidized under, or a child with a parent participating in or subsidized under, a federally or State supported child care or other benefit program with an income eligibility limit that does not exceed the eligibility standard for free or reduced price meals under section 9 to be a child who is a member of a household whose income meets the income eligibility guidelines under section 9.

''(cc) FACTORS FOR CHILDREN ONLY.—A family or group day care home may elect to receive the reimbursement factors prescribed under clause (ii)(III) solely for the children participating in a program referred to in item (bb) if the home elects not to have income statements collected from parents or other caretakers.

''(IV) SIMPLIFIED MEAL COUNTING AND REPORTING PROCEDURES.—The Secretary shall prescribe simplified meal counting and reporting procedures for use by a family or group day care home that elects to claim the factors under subclause (II) and by a family or group day care home sponsoring organization that sponsors the home. The procedures the Secretary prescribes may include 1 or more of the following:

''(aa) Setting an annual percentage for each home of the number of meals served that are to be reimbursed in accordance with the reimbursement factors prescribed under clause (ii)(III) and an annual percentage of the number of meals served that are to be reimbursed in accordance with the reimbursement factors prescribed under subclause (I), based on the family income of children enrolled in the home in a specified month or other period.

''(bb) Placing a home into 1 of 2 or more reimbursement categories annually based on the percentage of children in the home whose households have incomes that meet the income eligibility guidelines under section 9, with each such reimbursement category carrying a set of reimbursement factors such as the factors prescribed under clause (ii)(III) or subclause (I) or factors established within the range of factors prescribed under clause (ii)(III) and subclause (I).

''(cc) Such other simplified procedures as the Secretary may prescribe.

''(V) MINIMUM VERIFICATION REQUIREMENTS.—The Secretary may establish any minimum verification requirements that are necessary to carry out this clause.''.

(2) GRANTS TO STATES TO PROVIDE ASSISTANCE TO FAMILY OR GROUP DAY CARE HOMES.—Section 17(f)(3) of the National School Lunch Act (42 U.S.C. 1766(f)(3)) is amended by adding at the end the following:

''(D) GRANTS TO STATES TO PROVIDE ASSISTANCE TO FAMILY OR GROUP DAY CARE HOMES.—

''(i) IN GENERAL.—

''(I) RESERVATION.—From amounts made available to carry out this section, the Secretary shall reserve $5,000,000 of the amount made available for fiscal year 1997.

''(II) PURPOSE.—The Secretary shall use the funds made available under subclause (I) to provide grants to States for the purpose of providing—

''(aa) assistance, including grants, to family and day care home sponsoring organizations and other appropriate organizations, in securing and providing training, materials, automated data processing assistance, and other assistance for the staff of the sponsoring organizations; and

''(bb) training and other assistance to family and group day care homes in the implementation of the amendment to subparagraph (A) made by section 708(e)(1) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.

''(ii) ALLOCATION.—The Secretary shall allocate from the funds reserved under clause (i)(I)—

''(I) $30,000 in base funding to each State; and

''(II) any remaining amount among the States, based on the number of family day care homes participating in the program in a State during fiscal year 1995 as a percentage of the number of all family day care homes participating in the program during fiscal year 1995.

''(iii) RETENTION OF FUNDS.—Of the amount of funds made available to a State for fiscal year 1997 under clause (i), the State may retain not to exceed 30 percent of the amount to carry out this subparagraph.

''(iv) ADDITIONAL PAYMENTS.—Any payments received under this subparagraph shall be in addition to payments that a State receives under subparagraph (A).''.

(3) PROVISION OF DATA.—Section 17(f)(3) of the National School Lunch Act (42 U.S.C.

1766(f)(3)), as amended by paragraph (2), is amended by adding at the end the following:

''(E) PROVISION OF DATA TO FAMILY OR GROUP DAY CARE HOME SPONSORING ORGANIZATIONS.—

''(i) CENSUS DATA.—The Secretary shall provide to each State agency administering a child and adult care food program under this section data from the most recent decennial census survey or other appropriate census survey for which the data are available showing which areas in the State meet the requirements of subparagraph (A)(ii)(I)(aa). The State agency shall provide the data to family or group day care home sponsoring organizations located in the State.

''(ii) SCHOOL DATA.—

''(I) IN GENERAL.—A State agency administering the school lunch program under this Act or the school breakfast program under the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.) shall provide to approved family or group day care home sponsoring organizations a list of schools serving elementary school children in the State in which not less than ½ of the children enrolled are certified to receive free or reduced price meals. The State agency shall collect the data necessary to create the list annually and provide the list on a timely basis to any approved family or group day care home sponsoring organization that requests the list.

''(II) USE OF DATA FROM PRECEDING SCHOOL YEAR.—In determining for a fiscal year or other annual period whether a home qualifies as a tier I family or group day care home under subparagraph (A)(ii)(I), the State agency administering the program under this section, and a family or group day care home sponsoring organization, shall use the most current available data at the time of the determination.

''(iii) DURATION OF DETERMINATION.—For purposes of this section, a determination that a family or group day care home is located in an area that qualifies the home as a tier I family or group day care home (as the term is defined in subparagraph (A)(ii)(I)), shall be in effect for 3 years (unless the determination is made on the basis of census data, in which case the determination shall remain in effect until more recent census data are available) unless the State agency determines that the area in which the home is located no longer qualifies the home as a tier I family or group day care home.''.

(4) CONFORMING AMENDMENTS.—Section 17(c) of the National School Lunch Act (42 U.S.C. 1766(c)) is amended by inserting ''except as provided in subsection (f)(3),'' after ''For purposes of this section,'' each place it appears in paragraphs (1), (2), and (3).

(f) REIMBURSEMENT.—Section 17(f) of the National School Lunch Act (42 U.S.C. 1766(f)) is amended—

(1) in paragraph (3)—

(A) in subparagraph (B), by striking the third and fourth sentences; and

(B) in subparagraph (C)(ii), by striking ''conduct outreach'' and all that follows through ''may become'' and inserting ''assist unlicensed family or group day care homes in becoming''; and

(2) in the first sentence of paragraph (4), by striking ''shall'' and inserting ''may''.

(g) NUTRITIONAL REQUIREMENTS.—Section 17(g)(1) of the National School Lunch Act (42 U.S.C. 1766(g)(1)) is amended—

(1) in subparagraph (A), by striking the second sentence; and

(2) in subparagraph (B), by striking the second sentence.

(h) ELIMINATION OF STATE PAPERWORK AND OUTREACH BURDEN.—Section 17 of the National School Lunch Act (42 U.S.C. 1766) is amended by striking subsection (k) and inserting the following:

''(k) TRAINING AND TECHNICAL ASSISTANCE.—A State participating in the program established under this section shall provide sufficient training, technical assistance, and monitoring to facilitate effective operation of the program. The Secretary shall assist the State in developing plans to fulfill the requirements of this subsection.''.

(i) RECORDS.—The second sentence of section 17(m) of the National School Lunch Act (42 U.S.C. 1766(m)) is amended by striking ''at all times'' and inserting ''at any reasonable time''.

(j) UNNEEDED PROVISION.—Section 17 of the National School Lunch Act is amended by striking subsection (q).

(k) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall become effective on the date of enactment of this Act.

(2) IMPROVED TARGETING OF DAY CARE HOME REIMBURSEMENTS.—The amendments made by paragraphs (1) and (4) of subsection (e) shall become effective on July 1, 1997.

(3) REGULATIONS.—

(A) INTERIM REGULATIONS.—Not later than January 1, 1997, the Secretary of Agriculture shall issue interim regulations to implement—

(i) the amendments made by paragraphs (1), (3), and (4) of subsection (e); and

(ii) section 17(f)(3)(C) of the National School Lunch Act (42 U.S.C. 1766(f)(3)(C)).

(B) FINAL REGULATIONS.—Not later than July 1, 1997, the Secretary of Agriculture shall issue final regulations to implement the provisions of law referred to in subparagraph (A).

(l) STUDY OF IMPACT OF AMENDMENTS ON PROGRAM PARTICIPATION AND FAMILY DAY CARE LICENSING.—

(1) IN GENERAL.—The Secretary of Agriculture, in conjunction with the Secretary of Health and Human Services, shall study the impact of the amendments made by this section on—

(A) the number of family day care homes participating in the child and adult care food program established under section 17 of the National School Lunch Act (42 U.S.C. 1766);

(B) the number of day care home sponsoring organizations participating in the program;

(C) the number of day care homes that are licensed, certified, registered, or approved by each State in accordance with regulations issued by the Secretary;

(D) the rate of growth of the numbers referred to in subparagraphs (A) through (C);

(E) the nutritional adequacy and quality of meals served in family day care homes that—

(i) received reimbursement under the program prior to the amendments made by this section but do not receive reimbursement after the amendments made by this section; or

(ii) received full reimbursement under the program prior to the amendments made by this section but do not receive full reimbursement after the amendments made by this section; and

(F) the proportion of low-income children participating in the program prior to the amendments made by this section and the proportion of low-income children participating in the program after the amendments made by this section.

(2) REQUIRED DATA.—Each State agency participating in the child and adult care food program under section 17 of the National School Lunch Act (42 U.S.C. 1766) shall submit to the Secretary of Agriculture data on—

(A) the number of family day care homes participating in the program on June 30, 1997, and June 30, 1998;

(B) the number of family day care homes licensed, certified, registered, or approved for service on June 30, 1997, and June 30, 1998; and

(C) such other data as the Secretary may require to carry out this subsection.

(3) SUBMISSION OF REPORT.—Not later than 2 years after the date of enactment of this section, the Secretary of Agriculture shall submit the study required under this subsection to the Committee on Economic and Educational Opportunities of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.

SEC. 709. PILOT PROJECTS.

(a) UNIVERSAL FREE PILOT.—Section 18(d) of the National School Lunch Act (42 U.S.C. 1769(d)) is amended—

(1) by striking paragraph (3); and

(2) by redesignating paragraphs (4) and (5) as paragraphs (3) and (4), respectively.

(b) DEMONSTRATION PROJECT OUTSIDE SCHOOL HOURS.—Section 18(e) of the National School Lunch Act (42 U.S.C. 1769(e)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (A)—

(i) by striking ''(A)''; and

(ii) by striking ''shall'' and inserting ''may''; and

(B) by striking subparagraph (B); and

(2) by striking paragraph (5) and inserting the following:

''(5) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subsection such sums as are necessary for each of fiscal years 1997 and 1998.''.

SEC. 710. REDUCTION OF PAPERWORK.

Section 19 of the National School Lunch Act (42 U.S.C. 1769a) is repealed.

SEC. 711. INFORMATION ON INCOME ELIGIBILITY.

Section 23 of the National School Lunch Act (42 U.S.C. 1769d) is repealed.

SEC. 712. NUTRITION GUIDANCE FOR CHILD NUTRITION PROGRAMS.

Section 24 of the National School Lunch Act (42 U.S.C. 1769e) is repealed.

Subtitle B—Child Nutrition Act of 1966

SEC. 721. SPECIAL MILK PROGRAM.

Section 3(a)(3) of the Child Nutrition Act of 1966 (42 U.S.C. 1772(a)(3)) is amended by striking ''the Trust Territory of the Pacific Islands'' and inserting ''the Commonwealth of the Northern Mariana Islands''.

SEC. 722. FREE AND REDUCED PRICE POLICY STATEMENT.

Section 4(b)(1) of the Child Nutrition Act of 1966 (42 U.S.C. 1773(b)(1)) is amended by adding at the end the following:

''(E) FREE AND REDUCED PRICE POLICY STATEMENT.—After the initial submission, a school food authority shall not be required to submit a free and reduced price policy statement to a State educational agency under this Act unless there is a substantive change in the free and reduced price policy of the school food authority. A routine change in the policy of a school food authority, such as an annual adjustment of the income eligibility guidelines for free and reduced price meals, shall not be sufficient cause for requiring the school food authority to submit a policy statement.''.

SEC. 723. SCHOOL BREAKFAST PROGRAM AUTHORIZATION.

(a) TRAINING AND TECHNICAL ASSISTANCE IN FOOD PREPARATION.—Section 4(e)(1)(B) of the Child Nutrition Act of 1966 (42 U.S.C. 1773(e)(1)(B)) is amended by striking the second sentence.

(b) EXPANSION OF PROGRAM; STARTUP AND EXPANSION COSTS.—

(1) IN GENERAL.—Section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773) is amended by striking subsections (f) and (g).

(2) EFFECTIVE DATE.—The amendments made by paragraph (1) shall become effective on October 1, 1996.

SEC. 724. STATE ADMINISTRATIVE EXPENSES.

(a) USE OF FUNDS FOR COMMODITY DISTRIBUTION ADMINISTRATION; STUDIES.—Section 7 of the Child Nutrition Act of 1966 (42 U.S.C. 1776) is amended—

(1) by striking subsections (e) and (h); and

(2) by redesignating subsections (f), (g), and (i) as subsections (e), (f), and (g), respectively.

(b) APPROVAL OF CHANGES.—Section 7(e) of the Child Nutrition Act of 1966 (42 U.S.C. 1776(e)), as so redesignated, is amended—

(1) by striking ''each year an annual plan'' and inserting ''the initial fiscal year a plan''; and

(2) by adding at the end the following: ''After submitting the initial plan, a State shall be required to submit to the Secretary for approval only a substantive change in the plan.''.

SEC. 725. REGULATIONS.

Section 10(b) of the Child Nutrition Act of 1966 (42 U.S.C. 1779(b)) is amended—

(1) in paragraph (1), by striking ''(1)''; and

(2) by striking paragraphs (2) through (4).

SEC. 726. PROHIBITIONS.

Section 11(a) of the Child Nutrition Act of 1966 (42 U.S.C. 1780(a)) is amended by striking ''neither the Secretary nor the State shall'' and inserting ''the Secretary shall not''.

SEC. 727. MISCELLANEOUS PROVISIONS AND DEFINITIONS.

Section 15 of the Child Nutrition Act of 1966 (42 U.S.C. 1784) is amended—

(1) in paragraph (1), by striking ''the Trust Territory of the Pacific Islands'' and inserting ''the Commonwealth of the Northern Mariana Islands''; and

(2) in the first sentence of paragraph (3)—

(A) in subparagraph (A), by inserting ''and'' at the end; and

(B) by striking '', and (C)'' and all that follows through ''Governor of Puerto Rico''.

SEC. 728. ACCOUNTS AND RECORDS.

The second sentence of section 16(a) of the Child Nutrition Act of 1966 (42 U.S.C. 1785(a)) is amended by striking ''at all times be available'' and inserting ''be available at any reasonable time''.

SEC. 729. SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN.

(a) DEFINITIONS.—Section 17(b) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(b)) is amended—

(1) in paragraph (15)(B)(iii), by inserting ''of not more than 365 days'' after ''accommodation''; and

(2) in paragraph (16)—

(A) in subparagraph (A), by adding ''and'' at the end; and

(B) in subparagraph (B), by striking ''; and'' and inserting a period; and

(C) by striking subparagraph (C).

(b) SECRETARY'S PROMOTION OF WIC.—Section 17(c) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(c)) is amended by striking paragraph (5).

(c) ELIGIBLE PARTICIPANTS.—Section 17(d) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(d)) is amended by striking paragraph (4).

(d) NUTRITION EDUCATION.—Section 17(e) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(e)) is amended—

(1) in paragraph (2), by striking the third sentence;

(2) in paragraph (4)—

(A) in the matter preceding subparagraph (A), by striking ''shall'';

(B) by striking subparagraph (A);

(C) by redesignating subparagraphs (B) and (C) as subparagraphs (A) and (B), respectively;

(D) in subparagraph (A), as so redesignated—

(i) by inserting ''shall'' before ''provide''; and

(ii) by striking ''and'' at the end;

(E) in subparagraph (B), as so redesignated—

(i) by inserting ''shall'' before ''provide''; and

(ii) by striking the period at the end and inserting ''; and''; and

(F) by adding at the end the following:

''(C) may provide a local agency with materials describing other programs for which a participant in the program may be eligible.'';

(3) in paragraph (5), by striking ''The State agency shall ensure that each'' and inserting ''Each''; and

(4) by striking paragraph (6).

(e) STATE PLAN.—Section 17(f) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(f)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (A)—

(i) by striking ''annually to the Secretary, by a date specified by the Secretary, a'' and inserting ''to the Secretary, by a date specified by the Secretary, an initial''; and

(ii) by adding at the end the following: ''After submitting the initial plan, a State shall be required to submit to the Secretary for approval only a substantive change in the plan.'';

(B) in subparagraph (C)—

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

''(iii) a plan to coordinate operations under the program with other services or programs that may benefit participants in, and applicants for, the program;'';

(ii) in clause (vi), by inserting after ''in the State'' the following: ''(including a plan to improve access to the program for participants and prospective applicants who are employed, or who reside in rural areas)'';

(iii) in clause (vii), by striking ''to provide program benefits'' and all that follows through ''emphasis on'' and inserting ''for'';

(iv) by striking clauses (ix), (x), and (xii);

(v) in clause (xiii), by striking ''may require'' and inserting ''may reasonably require'';

(vi) by redesignating clauses (xi) and (xiii), as so amended, as clauses (ix) and (x), respectively; and

(vii) in clause (ix), as so redesignated, by adding ''and'' at the end;

(C) by striking subparagraph (D); and

(D) by redesignating subparagraph (E) as subparagraph (D);

(2) by striking paragraphs (6) and (22);

(3) in the second sentence of paragraph (5), by striking ''at all times be available'' and inserting ''be available at any reasonable time'';

(4) in paragraph (9)(B), by striking the second sentence;

(5) in the first sentence of paragraph (11), by striking '', including standards that will ensure sufficient State agency staff'';

(6) in paragraph (12), by striking the third sentence;

(7) in paragraph (14), by striking ''shall'' and inserting ''may'';

(8) in paragraph (17), by striking ''and to accommodate'' and all that follows through ''facilities'';

(9) in paragraph (19), by striking ''shall'' and inserting ''may''; and

(10) by redesignating paragraphs (7) through (21) as paragraphs (6) through (20), and paragraphs (23) and (24) as paragraphs (21) and (22), respectively.

(f) INFORMATION.—Section 17(g) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(g)) is amended—

(1) in paragraph (5), by striking ''the report required under subsection (d)(4)'' and inserting ''reports on program participant characteristics''; and

(2) by striking paragraph (6).

(g) PROCUREMENT OF INFANT FORMULA.—

(1) IN GENERAL.—Section 17(h) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)) is amended—

(A) in paragraph (4)(E), by striking ''and, on'' and all that follows through ''(d)(4)''; and

(B) in paragraph (8)—

(i) by striking subparagraphs (A), (C), and (M);

(ii) in subparagraph (G)—

(I) in clause (i), by striking ''(i)''; and

(II) by striking clauses (ii) through (ix);

(iii) in subparagraph (I), by striking ''Secretary—'' and all that follows through ''(v) may'' and inserting ''Secretary may'';

(iv) by redesignating subparagraphs (B) and (D) through (L) as subparagraphs (A) and (B) through (J), respectively;

(v) in subparagraph (A)(i), as so redesignated, by striking ''subparagraphs (C), (D), and (E)(iii), in carrying out subparagraph (A),'' and inserting ''subparagraphs (B) and (C)(iii),'';

(vi) in subparagraph (B)(i), as so redesignated, by striking ''subparagraph (B)'' each place it appears and inserting ''subparagraph (A)''; and

(vii) in subparagraph (C)(iii), as so redesignated, by striking ''subparagraph (B)'' and inserting ''subparagraph (A)''.

(2) APPLICATION.—The amendments made by paragraph (1) shall not apply to a contract for the procurement of infant formula under section 17(h)(8) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)(8)) that is in effect on the date of enactment of this subsection.

(h) NATIONAL ADVISORY COUNCIL ON MATERNAL, INFANT, AND FETAL NUTRITION.—Section 17(k)(3) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(k)(3)) is amended by striking ''Secretary shall designate'' and inserting ''Council shall elect''.

(i) COMPLETED STUDY; COMMUNITY COLLEGE DEMONSTRATION; GRANTS FOR INFORMATION AND DATA SYSTEM.—Section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786) is amended by striking subsections (n), (o), and (p).

(j) DISQUALIFICATION OF VENDORS WHO ARE DISQUALIFIED UNDER THE FOOD STAMP PROGRAM.—Section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786), as amended by subsection (i), is amended by adding at the end the following:

''(n) DISQUALIFICATION OF VENDORS WHO ARE DISQUALIFIED UNDER THE FOOD STAMP PROGRAM.—

''(1) IN GENERAL.—The Secretary shall issue regulations providing criteria for the disqualification under this section of an approved vendor that is disqualified from accepting benefits under the food stamp program established under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.).

''(2) TERMS.—A disqualification under paragraph (1)—

''(A) shall be for the same period as the disqualification from the program referred to in paragraph (1);

''(B) may begin at a later date than the disqualification from the program referred to in paragraph (1); and

''(C) shall not be subject to judicial or administrative review.''.

SEC. 730. CASH GRANTS FOR NUTRITION EDUCATION.

Section 18 of the Child Nutrition Act of 1966 (42 U.S.C. 1787) is repealed.

SEC. 731. NUTRITION EDUCATION AND TRAINING.

(a) FINDINGS.—Section 19 of the Child Nutrition Act of 1966 (42 U.S.C. 1788) is amended—

(1) in subsection (a), by striking ''that—'' and all that follows through the period at

the end and inserting ''that effective dissemination of scientifically valid information to children participating or eligible to participate in the school lunch and related child nutrition programs should be encouraged.''; and

(2) in subsection (b), by striking ''encourage'' and all that follows through ''establishing'' and inserting ''establish''.

(b) USE OF FUNDS.—Section 19(f) of the Child Nutrition Act of 1966 (42 U.S.C. 1788(f)) is amended—

(1) in paragraph (1)—

(A) by striking subparagraph (B); and

(B) in subparagraph (A)—

(i) by striking ''(A)'';

(ii) by striking clauses (ix) through (xix);

(iii) by redesignating clauses (i) through (viii) and (xx) as subparagraphs (A) through (H) and (I), respectively;

(iv) in subparagraph (I), as so redesignated, by striking the period at the end and inserting ''; and''; and

(v) by adding at the end the following:

''(J) other appropriate related activities, as determined by the State.'';

(2) by striking paragraphs (2) and (4); and

(3) by redesignating paragraph (3) as paragraph (2).

(c) ACCOUNTS, RECORDS, AND REPORTS.—The second sentence of section 19(g)(1) of the Child Nutrition Act of 1966 (42 U.S.C. 1788(g)(1)) is amended by striking ''at all times be available'' and inserting ''be available at any reasonable time''.

(d) STATE COORDINATORS FOR NUTRITION; STATE PLAN.—Section 19(h) of the Child Nutrition Act of 1966 (42 U.S.C. 1788(h)) is amended—

(1) in the second sentence of paragraph (1)—

(A) by striking ''as provided in paragraph (2) of this subsection''; and

(B) by striking ''as provided in paragraph (3) of this subsection'';

(2) in paragraph (2), by striking the second and third sentences; and

(3) by striking paragraph (3).

(e) AUTHORIZATION OF APPROPRIATIONS.—Section 19(i) of the Child Nutrition Act of 1966 (42 U.S.C. 1788(i)) is amended—

(1) in the first sentence of paragraph (2)(A), by striking ''and each succeeding fiscal year'';

(2) by redesignating paragraphs (3) and (4) as paragraphs (4) and (5), respectively; and

(3) by inserting after paragraph (2) the following:

''(3) FISCAL YEARS 1997 THROUGH 2002.—

''(A) IN GENERAL.—There are authorized to be appropriated to carry out this section $10,000,000 for each of fiscal years 1997 through 2002.

''(B) GRANTS.—

''(i) IN GENERAL.—Grants to each State from the amounts made available under subparagraph (A) shall be based on a rate of 50 cents for each child enrolled in schools or institutions within the State, except that no State shall receive an amount less than $75,000 per fiscal year.

''(ii) INSUFFICIENT FUNDS.—If the amount made available for any fiscal year is insufficient to pay the amount to which each State is entitled under clause (i), the amount of each grant shall be ratably reduced.''.

(f) ASSESSMENT.—Section 19 of the Child Nutrition Act of 1966 (42 U.S.C. 1788) is amended by striking subsection (j).

(g) EFFECTIVE DATE.—The amendments made by subsection (e) shall become effective on October 1, 1996.

Subtitle C—Miscellaneous Provisions

SEC. 741. COORDINATION OF SCHOOL LUNCH, SCHOOL BREAKFAST, AND SUMMER FOOD SERVICE PROGRAMS.

(a) COORDINATION.—

(1) IN GENERAL.—The Secretary of Agriculture shall develop proposed changes to the regulations under the school lunch program under the National School Lunch Act (42 U.S.C. 1751 et seq.), the summer food service program under section 13 of that Act (42 U.S.C. 1761), and the school breakfast program under section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773), for the purpose of simplifying and coordinating those programs into a comprehensive meal program.

(2) CONSULTATION.—In developing proposed changes to the regulations under paragraph (1), the Secretary of Agriculture shall consult with local, State, and regional administrators of the programs described in such paragraph.

(b) REPORT.—Not later than November 1, 1997, the Secretary of Agriculture shall submit to the Committee on Agriculture, Nutrition, and Forestry of the Senate and the Committee on Economic and Educational Opportunities of the House of Representatives a report containing the proposed changes developed under subsection (a).

SEC. 742. REQUIREMENTS RELATING TO PROVISION OF BENEFITS BASED ON CITIZENSHIP, ALIENAGE, OR IMMIGRATION STATUS UNDER THE NATIONAL SCHOOL LUNCH ACT, THE CHILD NUTRITION ACT OF 1966, AND CERTAIN OTHER ACTS.

(a) SCHOOL LUNCH AND BREAKFAST PROGRAMS.—Notwithstanding any other provision of this Act, an individual who is eligible to receive free public education benefits under State or local law shall not be ineligible to receive benefits provided under the school lunch program under the National School Lunch Act (42 U.S.C. 1751 et seq.) or the school breakfast program under section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773) on the basis of citizenship, alienage, or immigration status.

(b) OTHER PROGRAMS.—

(1) IN GENERAL.—Nothing in this Act shall prohibit or require a State to provide to an individual who is not a citizen or a qualified alien, as defined in section 431(b), benefits under programs established under the provisions of law described in paragraph (2).

(2) PROVISIONS OF LAW DESCRIBED.—The provisions of law described in this paragraph are the following:

(A) Programs (other than the school lunch program and the school breakfast program) under the National School Lunch Act (42 U.S.C. 1751 et seq.) and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.).

(B) Section 4 of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c note).

(C) The Emergency Food Assistance Act of 1983 (7 U.S.C 612c note).

(D) The food distribution program on Indian reservations established under section 4(b) of the Food Stamp Act of 1977 (7 U.S.C 2013(b)).

TITLE VIII—FOOD STAMPS AND COMMODITY DISTRIBUTION

Subtitle A—Food Stamp Program

SEC. 801. DEFINITION OF CERTIFICATION PERIOD.

Section 3(c) of the Food Stamp Act of 1977 (7 U.S.C. 2012(c)) is amended by striking ''Except as provided'' and all that follows and inserting the following: ''The certification period shall not exceed 12 months, except that the certification period may be up to 24 months if all adult household members are elderly or disabled. A State agency shall have at least 1 contact with each certified household every 12 months.''.

SEC. 802. DEFINITION OF COUPON.

Section 3(d) of the Food Stamp Act of 1977 (7 U.S.C. 2012(d)) is amended by striking ''or type of certificate'' and inserting ''type of certificate, authorization card, cash or check issued in lieu of a coupon, or access device, including an electronic benefit transfer card or personal identification number,''.

SEC. 803. TREATMENT OF CHILDREN LIVING AT HOME.

The second sentence of section 3(i) of the Food Stamp Act of 1977 (7 U.S.C. 2012(i)) is amended by striking ''(who are not themselves parents living with their children or married and living with their spouses)''.

SEC. 804. ADJUSTMENT OF THRIFTY FOOD PLAN.

The second sentence of section 3(o) of the Food Stamp Act of 1977 (7 U.S.C. 2012(o)) is amended—

(1) by striking ''shall (1) make'' and inserting the following: ''shall—

''(1) make'';

(2) by striking ''scale, (2) make'' and inserting the following: ''scale;

''(2) make'';

(3) by striking ''Alaska, (3) make'' and inserting the following: ''Alaska;

''(3) make''; and

(4) by striking ''Columbia, (4) through'' and all that follows through the end of the subsection and inserting the following: ''Columbia; and

''(4) on October 1, 1996, and each October 1 thereafter, adjust the cost of the diet to reflect the cost of the diet in the preceding June, and round the result to the nearest lower dollar increment for each household size, except that on October 1, 1996, the Secretary may not reduce the cost of the diet in effect on September 30, 1996.''.

SEC. 805. DEFINITION OF HOMELESS INDIVIDUAL.

Section 3(s)(2)(C) of the Food Stamp Act of 1977 (7 U.S.C. 2012(s)(2)(C)) is amended by inserting ''for not more than 90 days'' after ''temporary accommodation''.

SEC. 806. STATE OPTION FOR ELIGIBILITY STANDARDS.

Section 5(b) of the Food Stamp Act of 1977 (7 U.S.C. 2014(d)) is amended by striking ''(b) The Secretary'' and inserting the following:

''(b) ELIGIBILITY STANDARDS.—Except as otherwise provided in this Act, the Secretary''.

SEC. 807. EARNINGS OF STUDENTS.

Section 5(d)(7) of the Food Stamp Act of 1977 (7 U.S.C. 2014(d)(7)) is amended by striking ''21'' and inserting ''17''.

SEC. 808. ENERGY ASSISTANCE.

(a) IN GENERAL.—Section 5(d) of the Food Stamp Act of 1977 (7 U.S.C. 2014(d)) is amended by striking paragraph (11) and inserting the following: ''(11)(A) any payments or allowances made for the purpose of providing energy assistance under any Federal law (other than part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.)), or (B) a 1-time payment or allowance made under a Federal or State law for the costs of weatherization or emergency repair or replacement of an unsafe or inoperative furnace or other heating or cooling device,''.

(b) CONFORMING AMENDMENTS.—Section 5(k) of the Food Stamp Act of 1977 (7 U.S.C. 2014(k)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (A), by striking ''plan for aid to families with dependent children approved'' and inserting ''program funded''; and

(B) in subparagraph (B), by striking '', not including energy or utility-cost assistance,'';

(2) in paragraph (2), by striking subparagraph (C) and inserting the following:

''(C) a payment or allowance described in subsection (d)(11);''; and

(3) by adding at the end the following:

''(4) THIRD PARTY ENERGY ASSISTANCE PAYMENTS.—

''(A) ENERGY ASSISTANCE PAYMENTS.—For purposes of subsection (d)(1), a payment

made under a State law (other than a law referred to in paragraph (2)(H)) to provide energy assistance to a household shall be considered money payable directly to the household.

''(B) ENERGY ASSISTANCE EXPENSES.—For purposes of subsection (e)(7), an expense paid on behalf of a household under a State law to provide energy assistance shall be considered an out-of-pocket expense incurred and paid by the household.''.

SEC. 809. DEDUCTIONS FROM INCOME.

(a) IN GENERAL.—Section 5 of the Food Stamp Act of 1977 (7 U.S.C. 2014) is amended by striking subsection (e) and inserting the following:

''(e) DEDUCTIONS FROM INCOME.—

''(1) STANDARD DEDUCTION.—The Secretary shall allow a standard deduction for each household in the 48 contiguous States and the District of Columbia, Alaska, Hawaii, Guam, and the Virgin Islands of the United States of $134, $229, $189, $269, and $118, respectively.

''(2) EARNED INCOME DEDUCTION.—

''(A) DEFINITION OF EARNED INCOME.—In this paragraph, the term 'earned income' does not include—

''(i) income excluded by subsection (d); or

''(ii) any portion of income earned under a work supplementation or support program, as defined under section 16(b), that is attributable to public assistance.

''(B) DEDUCTION.—Except as provided in subparagraph (C), a household with earned income shall be allowed a deduction of 20 percent of all earned income to compensate for taxes, other mandatory deductions from salary, and work expenses.

''(C) EXCEPTION.—The deduction described in subparagraph (B) shall not be allowed with respect to determining an overissuance due to the failure of a household to report earned income in a timely manner.

''(3) DEPENDENT CARE DEDUCTION.—

''(A) IN GENERAL.—A household shall be entitled, with respect to expenses (other than excluded expenses described in subparagraph (B)) for dependent care, to a dependent care deduction, the maximum allowable level of which shall be $200 per month for each dependent child under 2 years of age and $175 per month for each other dependent, for the actual cost of payments necessary for the care of a dependent if the care enables a household member to accept or continue employment, or training or education that is preparatory for employment.

''(B) EXCLUDED EXPENSES.—The excluded expenses referred to in subparagraph (A) are—

''(i) expenses paid on behalf of the household by a third party;

''(ii) amounts made available and excluded, for the expenses referred to in subparagraph (A), under subsection (d)(3); and

''(iii) expenses that are paid under section 6(d)(4).

''(4) DEDUCTION FOR CHILD SUPPORT PAYMENTS.—

''(A) IN GENERAL.—A household shall be entitled to a deduction for child support payments made by a household member to or for an individual who is not a member of the household if the household member is legally obligated to make the payments.

''(B) METHODS FOR DETERMINING AMOUNT.—The Secretary may prescribe by regulation the methods, including calculation on a retrospective basis, that a State agency shall use to determine the amount of the deduction for child support payments.

''(5) HOMELESS SHELTER ALLOWANCE.—Under rules prescribed by the Secretary, a State agency may develop a standard homeless shelter allowance, which shall not exceed $143 per month, for such expenses as may reasonably be expected to be incurred by households in which all members are homeless individuals but are not receiving free shelter throughout the month. A State agency that develops the allowance may use the allowance in determining eligibility and allotments for the households. The State agency may make a household with extremely low shelter costs ineligible for the allowance.

''(6) EXCESS MEDICAL EXPENSE DEDUCTION.—

''(A) IN GENERAL.—A household containing an elderly or disabled member shall be entitled, with respect to expenses other than expenses paid on behalf of the household by a third party, to an excess medical expense deduction for the portion of the actual costs of allowable medical expenses, incurred by the elderly or disabled member, exclusive of special diets, that exceeds $35 per month.

''(B) METHOD OF CLAIMING DEDUCTION.—

''(i) IN GENERAL.—A State agency shall offer an eligible household under subparagraph (A) a method of claiming a deduction for recurring medical expenses that are initially verified under the excess medical expense deduction in lieu of submitting information on, or verification of, actual expenses on a monthly basis.

''(ii) METHOD.—The method described in clause (i) shall—

''(I) be designed to minimize the burden for the eligible elderly or disabled household member choosing to deduct the recurrent medical expenses of the member pursuant to the method;

''(II) rely on reasonable estimates of the expected medical expenses of the member for the certification period (including changes that can be reasonably anticipated based on available information about the medical condition of the member, public or private medical insurance coverage, and the current verified medical expenses incurred by the member); and

''(III) not require further reporting or verification of a change in medical expenses if such a change has been anticipated for the certification period.

''(7) EXCESS SHELTER EXPENSE DEDUCTION.—

''(A) IN GENERAL.—A household shall be entitled, with respect to expenses other than expenses paid on behalf of the household by a third party, to an excess shelter expense deduction to the extent that the monthly amount expended by a household for shelter exceeds an amount equal to 50 percent of monthly household income after all other applicable deductions have been allowed.

''(B) MAXIMUM AMOUNT OF DEDUCTION.—In the case of a household that does not contain an elderly or disabled individual, in the 48 contiguous States and the District of Columbia, Alaska, Hawaii, Guam, and the Virgin Islands of the United States, the excess shelter expense deduction shall not exceed—

''(i) for the period beginning on the date of enactment of this subparagraph and ending on December 31, 1996, $247, $429, $353, $300, and $182 per month, respectively;

''(ii) for the period beginning on January 1, 1997, and ending on September 30, 1998, $250, $434, $357, $304, and $184 per month, respectively;

''(iii) for fiscal years 1999 and 2000, $275, $478, $393, $334, and $203 per month, respectively; and

''(iv) for fiscal year 2001 and each subsequent fiscal year, $300, $521, $429, $364, and $221 per month, respectively.

''(C) STANDARD UTILITY ALLOWANCE.—

''(i) IN GENERAL.—In computing the excess shelter expense deduction, a State agency may use a standard utility allowance in accordance with regulations promulgated by the Secretary, except that a State agency may use an allowance that does not fluctuate within a year to reflect seasonal variations.

''(ii) RESTRICTIONS ON HEATING AND COOLING EXPENSES.—An allowance for a heating or cooling expense may not be used in the case of a household that—

''(I) does not incur a heating or cooling expense, as the case may be;

''(II) does incur a heating or cooling expense but is located in a public housing unit that has central utility meters and charges households, with regard to the expense, only for excess utility costs; or

''(III) shares the expense with, and lives with, another individual not participating in the food stamp program, another household participating in the food stamp program, or both, unless the allowance is prorated between the household and the other individual, household, or both.

''(iii) MANDATORY ALLOWANCE.—

''(I) IN GENERAL.—A State agency may make the use of a standard utility allowance mandatory for all households with qualifying utility costs if—

''(aa) the State agency has developed 1 or more standards that include the cost of heating and cooling and 1 or more standards that do not include the cost of heating and cooling; and

''(bb) the Secretary finds that the standards will not result in an increased cost to the Secretary.

''(II) HOUSEHOLD ELECTION.—A State agency that has not made the use of a standard utility allowance mandatory under subclause (I) shall allow a household to switch, at the end of a certification period, between the standard utility allowance and a deduction based on the actual utility costs of the household.

''(iv) AVAILABILITY OF ALLOWANCE TO RECIPIENTS OF ENERGY ASSISTANCE.—

''(I) IN GENERAL.—Subject to subclause (II), if a State agency elects to use a standard utility allowance that reflects heating or cooling costs, the standard utility allowance shall be made available to households receiving a payment, or on behalf of which a payment is made, under the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621 et seq.) or other similar energy assistance program, if the household still incurs out-of-pocket heating or cooling expenses in excess of any assistance paid on behalf of the household to an energy provider.

''(II) SEPARATE ALLOWANCE.—A State agency may use a separate standard utility allowance for households on behalf of which a payment described in subclause (I) is made, but may not be required to do so.

''(III) STATES NOT ELECTING TO USE SEPARATE ALLOWANCE.—A State agency that does not elect to use a separate allowance but makes a single standard utility allowance available to households incurring heating or cooling expenses (other than a household described in subclause (I) or (II) of clause (ii)) may not be required to reduce the allowance due to the provision (directly or indirectly) of assistance under the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621 et seq.).

''(IV) PRORATION OF ASSISTANCE.—For the purpose of the food stamp program, assistance provided under the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621 et seq.) shall be considered to be prorated over the entire heating or cooling season for which the assistance was provided.''.

(b) CONFORMING AMENDMENT.—Section 11(e)(3) of the Food Stamp Act of 1977 (7 U.S.C. 2020(e)(3)) is amended by striking ''. Under rules prescribed'' and all that follows through ''verifies higher expenses''.

SEC. 810. VEHICLE ALLOWANCE.

Section 5(g) of the Food Stamp Act of 1977 (7 U.S.C. 2014(g)) is amended by striking paragraph (2) and inserting the following:

''(2) INCLUDED ASSETS.—

''(A) IN GENERAL.—Subject to the other provisions of this paragraph, the Secretary shall, in prescribing inclusions in, and exclusions from, financial resources, follow the regulations in force as of June 1, 1982 (other than those relating to licensed vehicles and inaccessible resources).

''(B) ADDITIONAL INCLUDED ASSETS.—The Secretary shall include in financial resources—

''(i) any boat, snowmobile, or airplane used for recreational purposes;

''(ii) any vacation home;

''(iii) any mobile home used primarily for vacation purposes;

''(iv) subject to subparagraph (C), any licensed vehicle that is used for household transportation or to obtain or continue employment to the extent that the fair market value of the vehicle exceeds $4,600 through September 30, 1996, and $4,650 beginning October 1, 1996; and

''(v) any savings or retirement account (including an individual account), regardless of whether there is a penalty for early withdrawal.

''(C) EXCLUDED VEHICLES.—A vehicle (and any other property, real or personal, to the extent the property is directly related to the maintenance or use of the vehicle) shall not be included in financial resources under this paragraph if the vehicle is—

''(i) used to produce earned income;

''(ii) necessary for the transportation of a physically disabled household member; or

''(iii) depended on by a household to carry fuel for heating or water for home use and provides the primary source of fuel or water, respectively, for the household.''.

SEC. 811. VENDOR PAYMENTS FOR TRANSITIONAL HOUSING COUNTED AS INCOME.

Section 5(k)(2) of the Food Stamp Act of 1977 (7 U.S.C. 2014(k)(2)) is amended—

(1) by striking subparagraph (F); and

(2) by redesignating subparagraphs (G) and (H) as subparagraphs (F) and (G), respectively.

SEC. 812. SIMPLIFIED CALCULATION OF INCOME FOR THE SELF-EMPLOYED.

Section 5 of the Food Stamp Act of 1977 (7 U.S.C. 2014), as amended by title I, is amended by adding at the end the following:

''(m) SIMPLIFIED CALCULATION OF INCOME FOR THE SELF-EMPLOYED.—

''(1) IN GENERAL.—Not later than 1 year after the date of enactment of this subsection, the Secretary shall establish a procedure by which a State may submit a method, designed to not increase Federal costs, for the approval of the Secretary, that the Secretary determines will produce a reasonable estimate of income excluded under subsection (d)(9) in lieu of calculating the actual cost of producing self-employment income.

''(2) INCLUSIVE OF ALL TYPES OF INCOME OR LIMITED TYPES OF INCOME.—The method submitted by a State under paragraph (1) may allow a State to estimate income for all types of self-employment income or may be limited to 1 or more types of self-employment income.

''(3) DIFFERENCES FOR DIFFERENT TYPES OF INCOME.—The method submitted by a State under paragraph (1) may differ for different types of self-employment income.''.

SEC. 813. DOUBLED PENALTIES FOR VIOLATING FOOD STAMP PROGRAM REQUIREMENTS.

Section 6(b)(1) of the Food Stamp Act of 1977 (7 U.S.C. 2015(b)(1)) is amended—

(1) in clause (i), by striking ''six months'' and inserting ''1 year''; and

(2) in clause (ii), by striking ''1 year'' and inserting ''2 years''.

SEC. 814. DISQUALIFICATION OF CONVICTED INDIVIDUALS.

Section 6(b)(1)(iii) of the Food Stamp Act of 1977 (7 U.S.C. 2015(b)(1)(iii)) is amended—

(1) in subclause (II), by striking ''or'' at the end;

(2) in subclause (III), by striking the period at the end and inserting ''; or''; and

(3) by inserting after subclause (III) the following:

''(IV) a conviction of an offense under subsection (b) or (c) of section 15 involving an item covered by subsection (b) or (c) of section 15 having a value of $500 or more.''.

SEC. 815. DISQUALIFICATION.

(a) IN GENERAL.—Section 6(d) of the Food Stamp Act of 1977 (7 U.S.C. 2015(d)) is amended by striking ''(d)(1) Unless otherwise exempted by the provisions'' and all that follows through the end of paragraph (1) and inserting the following:

''(d) CONDITIONS OF PARTICIPATION.—

''(1) WORK REQUIREMENTS.—

''(A) IN GENERAL.—No physically and mentally fit individual over the age of 15 and under the age of 60 shall be eligible to participate in the food stamp program if the individual—

''(i) refuses, at the time of application and every 12 months thereafter, to register for employment in a manner prescribed by the Secretary;

''(ii) refuses without good cause to participate in an employment and training program established under paragraph (4), to the extent required by the State agency;

''(iii) refuses without good cause to accept an offer of employment, at a site or plant not subject to a strike or lockout at the time of the refusal, at a wage not less than the higher of—

''(I) the applicable Federal or State minimum wage; or

''(II) 80 percent of the wage that would have governed had the minimum hourly rate under section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)) been applicable to the offer of employment;

''(iv) refuses without good cause to provide a State agency with sufficient information to allow the State agency to determine the employment status or the job availability of the individual;

''(v) voluntarily and without good cause—

''(I) quits a job; or

''(II) reduces work effort and, after the reduction, the individual is working less than 30 hours per week; or

''(vi) fails to comply with section 20.

''(B) HOUSEHOLD INELIGIBILITY.—If an individual who is the head of a household becomes ineligible to participate in the food stamp program under subparagraph (A), the household shall, at the option of the State agency, become ineligible to participate in the food stamp program for a period, determined by the State agency, that does not exceed the lesser of—

''(i) the duration of the ineligibility of the individual determined under subparagraph (C); or

''(ii) 180 days.

''(C) DURATION OF INELIGIBILITY.—

''(i) FIRST VIOLATION.—The first time that an individual becomes ineligible to participate in the food stamp program under subparagraph (A), the individual shall remain ineligible until the later of—

''(I) the date the individual becomes eligible under subparagraph (A);

''(II) the date that is 1 month after the date the individual became ineligible; or

''(III) a date determined by the State agency that is not later than 3 months after the date the individual became ineligible.

''(ii) SECOND VIOLATION.—The second time that an individual becomes ineligible to participate in the food stamp program under subparagraph (A), the individual shall remain ineligible until the later of—

''(I) the date the individual becomes eligible under subparagraph (A);

''(II) the date that is 3 months after the date the individual became ineligible; or

''(III) a date determined by the State agency that is not later than 6 months after the date the individual became ineligible.

''(iii) THIRD OR SUBSEQUENT VIOLATION.—The third or subsequent time that an individual becomes ineligible to participate in the food stamp program under subparagraph (A), the individual shall remain ineligible until the later of—

''(I) the date the individual becomes eligible under subparagraph (A);

''(II) the date that is 6 months after the date the individual became ineligible;

''(III) a date determined by the State agency; or

''(IV) at the option of the State agency, permanently.

''(D) ADMINISTRATION.—

''(i) GOOD CAUSE.—The Secretary shall determine the meaning of good cause for the purpose of this paragraph.

''(ii) VOLUNTARY QUIT.—The Secretary shall determine the meaning of voluntarily quitting and reducing work effort for the purpose of this paragraph.

''(iii) DETERMINATION BY STATE AGENCY.—

''(I) IN GENERAL.—Subject to subclause (II) and clauses (i) and (ii), a State agency shall determine—

''(aa) the meaning of any term used in subparagraph (A);

''(bb) the procedures for determining whether an individual is in compliance with a requirement under subparagraph (A); and

''(cc) whether an individual is in compliance with a requirement under subparagraph (A).

''(II) NOT LESS RESTRICTIVE.—A State agency may not use a meaning, procedure, or determination under subclause (I) that is less restrictive on individuals receiving benefits under this Act than a comparable meaning, procedure, or determination under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.).

''(iv) STRIKE AGAINST THE GOVERNMENT.—For the purpose of subparagraph (A)(v), an employee of the Federal Government, a State, or a political subdivision of a State, who is dismissed for participating in a strike against the Federal Government, the State, or the political subdivision of the State shall be considered to have voluntarily quit without good cause.

''(v) SELECTING A HEAD OF HOUSEHOLD.—

''(I) IN GENERAL.—For purposes of this paragraph, the State agency shall allow the household to select any adult parent of a child in the household as the head of the household if all adult household members making application under the food stamp program agree to the selection.

''(II) TIME FOR MAKING DESIGNATION.—A household may designate the head of the household under subclause (I) each time the household is certified for participation in the food stamp program, but may not change the designation during a certification period unless there is a change in the composition of the household.

''(vi) CHANGE IN HEAD OF HOUSEHOLD.—If the head of a household leaves the household during a period in which the household is ineligible to participate in the food stamp program under subparagraph (B)—

''(I) the household shall, if otherwise eligible, become eligible to participate in the food stamp program; and

''(II) if the head of the household becomes the head of another household, the household that becomes headed by the individual shall become ineligible to participate in the food stamp program for the remaining period of ineligibility.''.

(b) CONFORMING AMENDMENT.—

(1) The second sentence of section 17(b)(2) of the Food Stamp Act of 1977 (7 U.S.C. 2026(b)(2)) is amended by striking ''6(d)(1)(i)'' and inserting ''6(d)(1)(A)(i)''.

(2) Section 20 of the Food Stamp Act of 1977 (7 U.S.C. 2029) is amended by striking subsection (f) and inserting the following:

''(f) DISQUALIFICATION.—An individual or a household may become ineligible under section 6(d)(1) to participate in the food stamp program for failing to comply with this section.''.

SEC. 816. CARETAKER EXEMPTION.

Section 6(d)(2) of the Food Stamp Act of 1977 (7 U.S.C. 2015(d)(2)) is amended by adding at the end the following: ''A State that requested a waiver to lower the age specified in subparagraph (B) and had the waiver denied by the Secretary as of August 1, 1996, may, for a period of not more than 3 years, lower the age of a dependent child that qualifies a parent or other member of a household for an exemption under subparagraph (B) to between 1 and 6 years of age.''.

SEC. 817. EMPLOYMENT AND TRAINING.

(a) IN GENERAL.—Section 6(d)(4) of the Food Stamp Act of 1977 (7 U.S.C. 2015(d)(4)) is amended—

(1) by striking ''(4)(A) Not later than April 1, 1987, each'' and inserting the following:

''(4) EMPLOYMENT AND TRAINING.—

''(A) IN GENERAL.—

''(i) IMPLEMENTATION.—Each'';

(2) in subparagraph (A)—

(A) by inserting ''work,'' after ''skills, training,''; and

(B) by adding at the end the following:

''(ii) STATEWIDE WORKFORCE DEVELOPMENT SYSTEM.—Each component of an employment and training program carried out under this paragraph shall be delivered through a statewide workforce development system, unless the component is not available locally through such a system.'';

(3) in subparagraph (B)—

(A) in the matter preceding clause (i), by striking the colon at the end and inserting the following: '', except that the State agency shall retain the option to apply employment requirements prescribed under this subparagraph to a program applicant at the time of application:'';

(B) in clause (i), by striking ''with terms and conditions'' and all that follows through ''time of application''; and

(C) in clause (iv)—

(i) by striking subclauses (I) and (II); and

(ii) by redesignating subclauses (III) and (IV) as subclauses (I) and (II), respectively;

(4) in subparagraph (D)—

(A) in clause (i), by striking ''to which the application'' and all that follows through ''30 days or less'';

(B) in clause (ii), by striking ''but with respect'' and all that follows through ''child care''; and

(C) in clause (iii), by striking '', on the basis of'' and all that follows through ''clause (ii)'' and inserting ''the exemption continues to be valid'';

(5) in subparagraph (E), by striking the third sentence;

(6) in subparagraph (G)—

(A) by striking ''(G)(i) The State'' and inserting ''(G) The State''; and

(B) by striking clause (ii);

(7) in subparagraph (H), by striking ''(H)(i) The Secretary'' and all that follows through ''(ii) Federal funds'' and inserting ''(H) Federal funds'';

(8) in subparagraph (I)(i)(II), by striking '', or was in operation,'' and all that follows through ''Social Security Act'' and inserting the following: ''), except that no such payment or reimbursement shall exceed the applicable local market rate'';

(9)(A) by striking subparagraphs (K) and (L) and inserting the following:

''(K) LIMITATION ON FUNDING.—Notwithstanding any other provision of this paragraph, the amount of funds a State agency uses to carry out this paragraph (including funds used to carry out subparagraph (I)) for participants who are receiving benefits under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) shall not exceed the amount of funds the State agency used in fiscal year 1995 to carry out this paragraph for participants who were receiving benefits in fiscal year 1995 under a State program funded under part A of title IV of the Act (42 U.S.C. 601 et seq.).''; and

(B) by redesignating subparagraphs (M) and (N) as subparagraphs (L) and (M), respectively; and

(10) in subparagraph (L), as so redesignated—

(A) by striking ''(L)(i) The Secretary'' and inserting ''(L) The Secretary''; and

(B) by striking clause (ii).

(b) FUNDING.—Section 16(h) of the Food Stamp Act of 1977 (7 U.S.C. 2025(h)) is amended by striking ''(h)(1)(A) The Secretary'' and all that follows through the end of paragraph (1) and inserting the following:

''(h) FUNDING OF EMPLOYMENT AND TRAINING PROGRAMS.—

''(1) IN GENERAL.—

''(A) AMOUNTS.—To carry out employment and training programs, the Secretary shall reserve for allocation to State agencies from funds made available for each fiscal year under section 18(a)(1) the amount of—

''(i) for fiscal year 1996, $75,000,000;

''(ii) for fiscal year 1997, $79,000,000;

''(iii) for fiscal year 1998, $81,000,000;

''(iv) for fiscal year 1999, $84,000,000;

''(v) for fiscal year 2000, $86,000,000;

''(vi) for fiscal year 2001, $88,000,000; and

''(vii) for fiscal year 2002, $90,000,000.

''(B) ALLOCATION.—The Secretary shall allocate the amounts reserved under subparagraph (A) among the State agencies using a reasonable formula (as determined by the Secretary) that gives consideration to the population in each State affected by section 6(o).

''(C) REALLOCATION.—

''(i) NOTIFICATION.—A State agency shall promptly notify the Secretary if the State agency determines that the State agency will not expend all of the funds allocated to the State agency under subparagraph (B).

''(ii) REALLOCATION.—On notification under clause (i), the Secretary shall reallocate the funds that the State agency will not expend as the Secretary considers appropriate and equitable.

''(D) MINIMUM ALLOCATION.—Notwithstanding subparagraphs (A) through (C), the Secretary shall ensure that each State agency operating an employment and training program shall receive not less than $50,000 for each fiscal year.''.

(c) ADDITIONAL MATCHING FUNDS.—Section 16(h)(2) of the Food Stamp Act of 1977 (7 U.S.C. 2025(h)(2)) is amended by inserting before the period at the end the following: '', including the costs for case management and casework to facilitate the transition from economic dependency to self-sufficiency through work''.

(d) REPORTS.—Section 16(h) of the Food Stamp Act of 1977 (7 U.S.C. 2025(h)) is amended—

(1) in paragraph (5)—

(A) by striking ''(5)(A) The Secretary'' and inserting ''(5) The Secretary''; and

(B) by striking subparagraph (B); and

(2) by striking paragraph (6).

SEC. 818. FOOD STAMP ELIGIBILITY.

The third sentence of section 6(f) of the Food Stamp Act of 1977 (7 U.S.C. 2015(f)) is amended by inserting '', at State option,'' after ''less''.

SEC. 819. COMPARABLE TREATMENT FOR DISQUALIFICATION.

(a) IN GENERAL.—Section 6 of the Food Stamp Act of 1977 (7 U.S.C. 2015) is amended by adding at the end the following:

''(i) COMPARABLE TREATMENT FOR DISQUALIFICATION.—

''(1) IN GENERAL.—If a disqualification is imposed on a member of a household for a failure of the member to perform an action required under a Federal, State, or local law relating to a means-tested public assistance program, the State agency may impose the same disqualification on the member of the household under the food stamp program.

''(2) RULES AND PROCEDURES.—If a disqualification is imposed under paragraph (1) for a failure of an individual to perform an action required under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), the State agency may use the rules and procedures that apply under part A of title IV of the Act to impose the same disqualification under the food stamp program.

''(3) APPLICATION AFTER DISQUALIFICATION PERIOD.—A member of a household disqualified under paragraph (1) may, after the disqualification period has expired, apply for benefits under this Act and shall be treated as a new applicant, except that a prior disqualification under subsection (d) shall be considered in determining eligibility.''.

(b) STATE PLAN PROVISIONS.—Section 11(e) of the Food Stamp Act of 1977 (7 U.S.C. 2020(e)) is amended—

(1) in paragraph (24), by striking ''and'' at the end;

(2) in paragraph (25), by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following:

''(26) the guidelines the State agency uses in carrying out section 6(i); and''.

(c) CONFORMING AMENDMENT.—Section 6(d)(2)(A) of the Food Stamp Act of 1977 (7 U.S.C. 2015(d)(2)(A)) is amended by striking ''that is comparable to a requirement of paragraph (1)''.

SEC. 820. DISQUALIFICATION FOR RECEIPT OF MULTIPLE FOOD STAMP BENEFITS.

Section 6 of the Food Stamp Act of 1977 (7 U.S.C. 2015), as amended by section 819, is amended by adding at the end the following:

''(j) DISQUALIFICATION FOR RECEIPT OF MULTIPLE FOOD STAMP BENEFITS.—An individual shall be ineligible to participate in the food stamp program as a member of any household for a 10-year period if the individual is found by a State agency to have made, or is convicted in a Federal or State court of having made, a fraudulent statement or representation with respect to the identity or place of residence of the individual in order to receive multiple benefits simultaneously under the food stamp program.''.

SEC. 821. DISQUALIFICATION OF FLEEING FELONS.

Section 6 of the Food Stamp Act of 1977 (7 U.S.C. 2015), as amended by section 820, is amended by adding at the end the following:

''(k) DISQUALIFICATION OF FLEEING FELONS.—No member of a household who is otherwise eligible to participate in the food stamp program shall be eligible to participate in the program as a member of that or any other household during any period during which the individual is—

''(1) fleeing to avoid prosecution, or custody or confinement after conviction, under

the law of the place from which the individual is fleeing, for a crime, or attempt to commit a crime, that is a felony under the law of the place from which the individual is fleeing or that, in the case of New Jersey, is a high misdemeanor under the law of New Jersey; or

''(2) violating a condition of probation or parole imposed under a Federal or State law.''.

SEC. 822. COOPERATION WITH CHILD SUPPORT AGENCIES.

Section 6 of the Food Stamp Act of 1977 (7 U.S.C. 2015), as amended by section 821, is amended by adding at the end the following:

''(l) CUSTODIAL PARENT'S COOPERATION WITH CHILD SUPPORT AGENCIES.—

''(1) IN GENERAL.—At the option of a State agency, subject to paragraphs (2) and (3), no natural or adoptive parent or other individual (collectively referred to in this subsection as 'the individual') who is living with and exercising parental control over a child under the age of 18 who has an absent parent shall be eligible to participate in the food stamp program unless the individual cooperates with the State agency administering the program established under part D of title IV of the Social Security Act (42 U.S.C. 651 et seq.)—

''(A) in establishing the paternity of the child (if the child is born out of wedlock); and

''(B) in obtaining support for—

''(i) the child; or

''(ii) the individual and the child.

''(2) GOOD CAUSE FOR NONCOOPERATION.—Paragraph (1) shall not apply to the individual if good cause is found for refusing to cooperate, as determined by the State agency in accordance with standards prescribed by the Secretary in consultation with the Secretary of Health and Human Services. The standards shall take into consideration circumstances under which cooperation may be against the best interests of the child.

''(3) FEES.—Paragraph (1) shall not require the payment of a fee or other cost for services provided under part D of title IV of the Social Security Act (42 U.S.C. 651 et seq.).

''(m) NONCUSTODIAL PARENT'S COOPERATION WITH CHILD SUPPORT AGENCIES.—

''(1) IN GENERAL.—At the option of a State agency, subject to paragraphs (2) and (3), a putative or identified noncustodial parent of a child under the age of 18 (referred to in this subsection as 'the individual') shall not be eligible to participate in the food stamp program if the individual refuses to cooperate with the State agency administering the program established under part D of title IV of the Social Security Act (42 U.S.C. 651 et seq.)—

''(A) in establishing the paternity of the child (if the child is born out of wedlock); and

''(B) in providing support for the child.

''(2) REFUSAL TO COOPERATE.—

''(A) GUIDELINES.—The Secretary, in consultation with the Secretary of Health and Human Services, shall develop guidelines on what constitutes a refusal to cooperate under paragraph (1).

''(B) PROCEDURES.—The State agency shall develop procedures, using guidelines developed under subparagraph (A), for determining whether an individual is refusing to cooperate under paragraph (1).

''(3) FEES.—Paragraph (1) shall not require the payment of a fee or other cost for services provided under part D of title IV of the Social Security Act (42 U.S.C. 651 et seq.).

''(4) PRIVACY.—The State agency shall provide safeguards to restrict the use of information collected by a State agency administering the program established under part D of title IV of the Social Security Act (42 U.S.C. 651 et seq.) to purposes for which the information is collected.''.

SEC. 823. DISQUALIFICATION RELATING TO CHILD SUPPORT ARREARS.

Section 6 of the Food Stamp Act of 1977 (7 U.S.C. 2015), as amended by section 822, is amended by adding at the end the following:

''(n) DISQUALIFICATION FOR CHILD SUPPORT ARREARS.—

''(1) IN GENERAL.—At the option of a State agency, no individual shall be eligible to participate in the food stamp program as a member of any household during any month that the individual is delinquent in any payment due under a court order for the support of a child of the individual.

''(2) EXCEPTIONS.—Paragraph (1) shall not apply if—

''(A) a court is allowing the individual to delay payment; or

''(B) the individual is complying with a payment plan approved by a court or the State agency designated under part D of title IV of the Social Security Act (42 U.S.C. 651 et seq.) to provide support for the child of the individual.''.

SEC. 824. WORK REQUIREMENT.

(a) IN GENERAL.—Section 6 of the Food Stamp Act of 1977 (7 U.S.C. 2015), as amended by section 823, is amended by adding at the end the following:

''(o) WORK REQUIREMENT.—

''(1) DEFINITION OF WORK PROGRAM.—In this subsection, the term 'work program' means—

''(A) a program under the Job Training Partnership Act (29 U.S.C. 1501 et seq.);

''(B) a program under section 236 of the Trade Act of 1974 (19 U.S.C. 2296); and

''(C) a program of employment and training operated or supervised by a State or political subdivision of a State that meets standards approved by the Governor of the State, including a program under subsection (d)(4), other than a job search program or a job search training program.

''(2) WORK REQUIREMENT.—Subject to the other provisions of this subsection, no individual shall be eligible to participate in the food stamp program as a member of any household if, during the preceding 36-month period, the individual received food stamp benefits for not less than 3 months (consecutive or otherwise) during which the individual did not—

''(A) work 20 hours or more per week, averaged monthly;

''(B) participate in and comply with the requirements of a work program for 20 hours or more per week, as determined by the State agency;

''(C) participate in and comply with the requirements of a program under section 20 or a comparable program established by a State or political subdivision of a State; or

''(D) receive benefits pursuant to paragraph (3), (4), or (5).

''(3) EXCEPTION.—Paragraph (2) shall not apply to an individual if the individual is—

''(A) under 18 or over 50 years of age;

''(B) medically certified as physically or mentally unfit for employment;

''(C) a parent or other member of a household with responsibility for a dependent child;

''(D) otherwise exempt under subsection (d)(2); or

''(E) a pregnant woman.

''(4) WAIVER.—

''(A) IN GENERAL.—On the request of a State agency, the Secretary may waive the applicability of paragraph (2) to any group of individuals in the State if the Secretary makes a determination that the area in which the individuals reside—

''(i) has an unemployment rate of over 10 percent; or

''(ii) does not have a sufficient number of jobs to provide employment for the individuals.

''(B) REPORT.—The Secretary shall report the basis for a waiver under subparagraph (A) to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.

''(5) SUBSEQUENT ELIGIBILITY.—

''(A) REGAINING ELIGIBILITY.—An individual denied eligibility under paragraph (2) shall regain eligibility to participate in the food stamp program if, during a 30-day period, the individual—

''(i) works 80 or more hours;

''(ii) participates in and complies with the requirements of a work program for 80 or more hours, as determined by a State agency; or

''(iii) participates in and complies with the requirements of a program under section 20 or a comparable program established by a State or political subdivision of a State.

''(B) MAINTAINING ELIGIBILITY.—An individual who regains eligibility under subparagraph (A) shall remain eligible as long as the individual meets the requirements of subparagraph (A), (B), or (C) of paragraph (2).

''(C) LOSS OF EMPLOYMENT.—

''(i) IN GENERAL.—An individual who regained eligibility under subparagraph (A) and who no longer meets the requirements of subparagraph (A), (B), or (C) of paragraph (2) shall remain eligible for a consecutive 3-month period, beginning on the date the individual first notifies the State agency that the individual no longer meets the requirements of subparagraph (A), (B), or (C) of paragraph (2).

''(ii) LIMITATION.—An individual shall not receive any benefits pursuant to clause (i) for more than a single 3-month period in any 36-month period.

''(6) OTHER PROGRAM RULES.—Nothing in this subsection shall make an individual eligible for benefits under this Act if the individual is not otherwise eligible for benefits under the other provisions of this Act.''.

(b) TRANSITION PROVISION.—The term ''preceding 36-month period'' in section 6(o) of the Food Stamp Act of 1977, as added by subsection (a), does not include, with respect to a State, any period before the earlier of—

(1) the date the State notifies recipients of food stamp benefits of the application of section 6(o); or

(2) the date that is 3 months after the date of enactment of this Act.

SEC. 825. ENCOURAGEMENT OF ELECTRONIC BENEFIT TRANSFER SYSTEMS.

(a) IN GENERAL.—Section 7(i) of the Food Stamp Act of 1977 (7 U.S.C. 2016(i)) is amended—

(1) by striking ''(i)(1)(A) Any State'' and all that follows through the end of paragraph (1) and inserting the following:

''(i) ELECTRONIC BENEFIT TRANSFERS.—

''(1) IN GENERAL.—

''(A) IMPLEMENTATION.—Not later than October 1, 2002, each State agency shall implement an electronic benefit transfer system under which household benefits determined under section 8(a) or 26 are issued from and stored in a central databank, unless the Secretary provides a waiver for a State agency that faces unusual barriers to implementing an electronic benefit transfer system.

''(B) TIMELY IMPLEMENTATION.—Each State agency is encouraged to implement an electronic benefit transfer system under subparagraph (A) as soon as practicable.

''(C) STATE FLEXIBILITY.—Subject to paragraph (2), a State agency may procure and implement an electronic benefit transfer system under the terms, conditions, and design that the State agency considers appropriate.

''(D) OPERATION.—An electronic benefit transfer system should take into account generally accepted standard operating rules based on—

''(i) commercial electronic funds transfer technology;

''(ii) the need to permit interstate operation and law enforcement monitoring; and

''(iii) the need to permit monitoring and investigations by authorized law enforcement agencies.'';

(2) in paragraph (2)—

(A) by striking ''effective no later than April 1, 1992,'';

(B) in subparagraph (A)—

(i) by striking '', in any 1 year,''; and

(ii) by striking ''on-line'';

(C) by striking subparagraph (D) and inserting the following:

''(D)(i) measures to maximize the security of a system using the most recent technology available that the State agency considers appropriate and cost effective and which may include personal identification numbers, photographic identification on electronic benefit transfer cards, and other measures to protect against fraud and abuse; and

''(ii) effective not later than 2 years after the date of enactment of this clause, to the extent practicable, measures that permit a system to differentiate items of food that may be acquired with an allotment from items of food that may not be acquired with an allotment;'';

(D) in subparagraph (G), by striking ''and'' at the end;

(E) in subparagraph (H), by striking the period at the end and inserting ''; and''; and

(F) by adding at the end the following:

''(I) procurement standards.''; and

(3) by adding at the end the following:

''(7) REPLACEMENT OF BENEFITS.—Regulations issued by the Secretary regarding the replacement of benefits and liability for replacement of benefits under an electronic benefit transfer system shall be similar to the regulations in effect for a paper-based food stamp issuance system.

''(8) REPLACEMENT CARD FEE.—A State agency may collect a charge for replacement of an electronic benefit transfer card by reducing the monthly allotment of the household receiving the replacement card.

''(9) OPTIONAL PHOTOGRAPHIC IDENTIFICATION.—

''(A) IN GENERAL.—A State agency may require that an electronic benefit card contain a photograph of 1 or more members of a household.

''(B) OTHER AUTHORIZED USERS.—If a State agency requires a photograph on an electronic benefit card under subparagraph (A), the State agency shall establish procedures to ensure that any other appropriate member of the household or any authorized representative of the household may utilize the card.

''(10) APPLICABLE LAW.—Disclosures, protections, responsibilities, and remedies established by the Federal Reserve Board under section 904 of the Electronic Fund Transfer Act (15 U.S.C. 1693b) shall not apply to benefits under this Act delivered through any electronic benefit transfer system.

''(11) APPLICATION OF ANTI-TYING RESTRICTIONS TO ELECTRONIC BENEFIT TRANSFER SYSTEMS.—

''(A) DEFINITIONS.—In this paragraph:

''(i) AFFILIATE.—The term 'affiliate' has the meaning provided the term in section 2(k) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(k)).

''(ii) COMPANY.—The term 'company' has the meaning provided the term in section 106(a) of the Bank Holding Company Act Amendments of 1970 (12 U.S.C. 1971), but shall not include a bank, a bank holding company, or any subsidiary of a bank holding company.

''(iii) ELECTRONIC BENEFIT TRANSFER SERVICE.—The term 'electronic benefit transfer service' means the processing of electronic transfers of household benefits, determined under section 8(a) or 26, if the benefits are—

''(I) issued from and stored in a central databank;

''(II) electronically accessed by household members at the point of sale; and

''(III) provided by a Federal or State government.

''(iv) POINT-OF-SALE SERVICE.—The term 'point-of-sale service' means any product or service related to the electronic authorization and processing of payments for merchandise at a retail food store, including credit or debit card services, automated teller machines, point-of-sale terminals, or access to on-line systems.

''(B) RESTRICTIONS.—A company may not sell or provide electronic benefit transfer services, or fix or vary the consideration for electronic benefit transfer services, on the condition or requirement that the customer—

''(i) obtain some additional point-of-sale service from the company or an affiliate of the company; or

''(ii) not obtain some additional point-of-sale service from a competitor of the company or competitor of any affiliate of the company.

''(C) CONSULTATION WITH THE FEDERAL RESERVE BOARD.—Before promulgating regulations or interpretations of regulations to carry out this paragraph, the Secretary shall consult with the Board of Governors of the Federal Reserve System.''.

(b) SENSE OF CONGRESS.—It is the sense of Congress that a State that operates an electronic benefit transfer system under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.) should operate the system in a manner that is compatible with electronic benefit transfer systems operated by other States.

SEC. 826. VALUE OF MINIMUM ALLOTMENT.

The proviso in section 8(a) of the Food Stamp Act of 1977 (7 U.S.C. 2017(a)) is amended by striking '', and shall be adjusted'' and all that follows through ''$5''.

SEC. 827. BENEFITS ON RECERTIFICATION.

Section 8(c)(2)(B) of the Food Stamp Act of 1977 (7 U.S.C. 2017(c)(2)(B)) is amended by striking ''of more than one month''.

SEC. 828. OPTIONAL COMBINED ALLOTMENT FOR EXPEDITED HOUSEHOLDS.

Section 8(c) of the Food Stamp Act of 1977 (7 U.S.C. 2017(c)) is amended by striking paragraph (3) and inserting the following:

''(3) OPTIONAL COMBINED ALLOTMENT FOR EXPEDITED HOUSEHOLDS.—A State agency may provide to an eligible household applying after the 15th day of a month, in lieu of the initial allotment of the household and the regular allotment of the household for the following month, an allotment that is equal to the total amount of the initial allotment and the first regular allotment. The allotment shall be provided in accordance with section 11(e)(3) in the case of a household that is not entitled to expedited service and in accordance with paragraphs (3) and (9) of section 11(e) in the case of a household that is entitled to expedited service.''.

SEC. 829. FAILURE TO COMPLY WITH OTHER MEANS-TESTED PUBLIC ASSISTANCE PROGRAMS.

Section 8 of the Food Stamp Act of 1977 (7 U.S.C. 2017) is amended by striking subsection (d) and inserting the following:

''(d) REDUCTION OF PUBLIC ASSISTANCE BENEFITS.—

''(1) IN GENERAL.—If the benefits of a household are reduced under a Federal, State, or local law relating to a means-tested public assistance program for the failure of a member of the household to perform an action required under the law or program, for the duration of the reduction—

''(A) the household may not receive an increased allotment as the result of a decrease in the income of the household to the extent that the decrease is the result of the reduction; and

''(B) the State agency may reduce the allotment of the household by not more than 25 percent.

''(2) RULES AND PROCEDURES.—If the allotment of a household is reduced under this subsection for a failure to perform an action required under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), the State agency may use the rules and procedures that apply under part A of title IV of the Act to reduce the allotment under the food stamp program.''.

SEC. 830. ALLOTMENTS FOR HOUSEHOLDS RESIDING IN CENTERS.

Section 8 of the Food Stamp Act of 1977 (7 U.S.C. 2017) is amended by adding at the end the following:

''(f) ALLOTMENTS FOR HOUSEHOLDS RESIDING IN CENTERS.—

''(1) IN GENERAL.—In the case of an individual who resides in a center for the purpose of a drug or alcoholic treatment program described in the last sentence of section 3(i), a State agency may provide an allotment for the individual to—

''(A) the center as an authorized representative of the individual for a period that is less than 1 month; and

''(B) the individual, if the individual leaves the center.

''(2) DIRECT PAYMENT.—A State agency may require an individual referred to in paragraph (1) to designate the center in which the individual resides as the authorized representative of the individual for the purpose of receiving an allotment.''.

SEC. 831. CONDITION PRECEDENT FOR APPROVAL OF RETAIL FOOD STORES AND WHOLESALE FOOD CONCERNS.

Section 9(a)(1) of the Food Stamp Act of 1977 (7 U.S.C. 2018(a)(1)) is amended by adding at the end the following: ''No retail food store or wholesale food concern of a type determined by the Secretary, based on factors that include size, location, and type of items sold, shall be approved to be authorized or reauthorized for participation in the food stamp program unless an authorized employee of the Department of Agriculture, a designee of the Secretary, or, if practicable, an official of the State or local government designated by the Secretary has visited the store or concern for the purpose of determining whether the store or concern should be approved or reauthorized, as appropriate.''.

SEC. 832. AUTHORITY TO ESTABLISH AUTHORIZATION PERIODS.

Section 9(a) of the Food Stamp Act of 1977 (7 U.S.C. 2018(a)) is amended by adding at the end the following:

''(3) AUTHORIZATION PERIODS.—The Secretary shall establish specific time periods during which authorization to accept and redeem coupons, or to redeem benefits through an electronic benefit transfer system, shall be valid under the food stamp program.''.

SEC. 833. INFORMATION FOR VERIFYING ELIGIBILITY FOR AUTHORIZATION.

Section 9(c) of the Food Stamp Act of 1977 (7 U.S.C. 2018(c)) is amended—

(1) in the first sentence, by inserting '', which may include relevant income and sales tax filing documents,'' after ''submit information''; and

(2) by inserting after the first sentence the following: ''The regulations may require retail food stores and wholesale food concerns to provide written authorization for the Secretary to verify all relevant tax filings with

appropriate agencies and to obtain corroborating documentation from other sources so that the accuracy of information provided by the stores and concerns may be verified.''.

SEC. 834. WAITING PERIOD FOR STORES THAT FAIL TO MEET AUTHORIZATION CRITERIA.

Section 9(d) of the Food Stamp Act of 1977 (7 U.S.C. 2018(d)) is amended by adding at the end the following: ''A retail food store or wholesale food concern that is denied approval to accept and redeem coupons because the store or concern does not meet criteria for approval established by the Secretary may not, for at least 6 months, submit a new application to participate in the program. The Secretary may establish a longer time period under the preceding sentence, including permanent disqualification, that reflects the severity of the basis of the denial.''.

SEC. 835. OPERATION OF FOOD STAMP OFFICES.

Section 11 of the Food Stamp Act of 1977 (7 U.S.C. 2020), as amended by sections 809(b) and 819(b), is amended—

(1) in subsection (e)—

(A) by striking paragraph (2) and inserting the following:

''(2)(A) that the State agency shall establish procedures governing the operation of food stamp offices that the State agency determines best serve households in the State, including households with special needs, such as households with elderly or disabled members, households in rural areas with low-income members, homeless individuals, households residing on reservations, and households in areas in which a substantial number of members of low-income households speak a language other than English.

''(B) In carrying out subparagraph (A), a State agency—

''(i) shall provide timely, accurate, and fair service to applicants for, and participants in, the food stamp program;

''(ii) shall develop an application containing the information necessary to comply with this Act;

''(iii) shall permit an applicant household to apply to participate in the program on the same day that the household first contacts a food stamp office in person during office hours;

''(iv) shall consider an application that contains the name, address, and signature of the applicant to be filed on the date the applicant submits the application;

''(v) shall require that an adult representative of each applicant household certify in writing, under penalty of perjury, that—

''(I) the information contained in the application is true; and

''(II) all members of the household are citizens or are aliens eligible to receive food stamps under section 6(f);

''(vi) shall provide a method of certifying and issuing coupons to eligible homeless individuals, to ensure that participation in the food stamp program is limited to eligible households; and

''(vii) may establish operating procedures that vary for local food stamp offices to reflect regional and local differences within the State.

''(C) Nothing in this Act shall prohibit the use of signatures provided and maintained electronically, storage of records using automated retrieval systems only, or any other feature of a State agency's application system that does not rely exclusively on the collection and retention of paper applications or other records.

''(D) The signature of any adult under this paragraph shall be considered sufficient to comply with any provision of Federal law requiring a household member to sign an application or statement;'';

(B) in paragraph (3)—

(i) by striking ''shall—'' and all that follows through ''provide each'' and inserting ''shall provide each''; and

(ii) by striking ''(B) assist'' and all that follows through ''representative of the State agency;'';

(C) by striking paragraphs (14) and (25);

(D)(i) by redesignating paragraphs (15) through (24) as paragraphs (14) through (23), respectively; and

(ii) by redesignating paragraph (26), as paragraph (24); and

(2) in subsection (i)—

(A) by striking ''(i) Notwithstanding'' and all that follows through ''(2)'' and inserting the following:

''(i) APPLICATION AND DENIAL PROCEDURES.—

''(1) APPLICATION PROCEDURES.—Notwithstanding any other provision of law,''; and

(B) by striking ''; (3) households'' and all that follows through ''title IV of the Social Security Act. No'' and inserting a period and the following:

''(2) DENIAL AND TERMINATION.—Except in a case of disqualification as a penalty for failure to comply with a public assistance program rule or regulation, no''.

SEC. 836. STATE EMPLOYEE AND TRAINING STANDARDS.

Section 11(e)(6) of the Food Stamp Act of 1977 (7 U.S.C. 2020(e)(6)) is amended—

(1) by striking ''that (A) the'' and inserting ''that—

''(A) the'';

(2) by striking ''Act; (B) the'' and inserting ''Act; and

''(B) the'';

(3) in subparagraph (B), by striking ''United States Civil Service Commission'' and inserting ''Office of Personnel Management''; and

(4) by striking subparagraphs (C) through (E).

SEC. 837. EXCHANGE OF LAW ENFORCEMENT INFORMATION.

Section 11(e)(8) of the Food Stamp Act of 1977 (7 U.S.C. 2020(e)(8)) is amended—

(1) by striking ''that (A) such'' and inserting the following: ''that—

''(A) the'';

(2) by striking ''law, (B) notwithstanding'' and inserting the following: ''law;

''(B) notwithstanding'';

(3) by striking ''Act, and (C) such'' and inserting the following: ''Act;

''(C) the''; and

(4) by adding at the end the following:

''(D) notwithstanding any other provision of law, the address, social security number, and, if available, photograph of any member of a household shall be made available, on request, to any Federal, State, or local law enforcement officer if the officer furnishes the State agency with the name of the member and notifies the agency that—

''(i) the member—

''(I) is fleeing to avoid prosecution, or custody or confinement after conviction, for a crime (or attempt to commit a crime) that, under the law of the place the member is fleeing, is a felony (or, in the case of New Jersey, a high misdemeanor), or is violating a condition of probation or parole imposed under Federal or State law; or

''(II) has information that is necessary for the officer to conduct an official duty related to subclause (I);

''(ii) locating or apprehending the member is an official duty; and

''(iii) the request is being made in the proper exercise of an official duty; and

''(E) the safeguards shall not prevent compliance with paragraph (16);''.

SEC. 838. EXPEDITED COUPON SERVICE.

Section 11(e)(9) of the Food Stamp Act of 1977 (7 U.S.C. 2020(e)(9)) is amended—

(1) in subparagraph (A), by striking ''five days'' and inserting ''7 days'';

(2) by striking subparagraph (B);

(3) by redesignating subparagraphs (C) and (D) as subparagraphs (B) and (C);

(4) in subparagraph (B), as redesignated by paragraph (3), by striking ''five days'' and inserting ''7 days''; and

(5) in subparagraph (C), as redesignated by paragraph (3), by striking '', (B), or (C)'' and inserting ''or (B)''.

SEC. 839. WITHDRAWING FAIR HEARING REQUESTS.

Section 11(e)(10) of the Food Stamp Act of 1977 (7 U.S.C. 2020(e)(10)) is amended by inserting before the semicolon at the end a period and the following: ''At the option of a State, at any time prior to a fair hearing determination under this paragraph, a household may withdraw, orally or in writing, a request by the household for the fair hearing. If the withdrawal request is an oral request, the State agency shall provide a written notice to the household confirming the withdrawal request and providing the household with an opportunity to request a hearing''.

SEC. 840. INCOME, ELIGIBILITY, AND IMMIGRATION STATUS VERIFICATION SYSTEMS.

Section 11 of the Food Stamp Act of 1977 (7 U.S.C. 2020) is amended—

(1) in subsection (e)(18), as redesignated by section 835(1)(D)—

(A) by striking ''that information is'' and inserting ''at the option of the State agency, that information may be''; and

(B) by striking ''shall be requested'' and inserting ''may be requested''; and

(2) by adding at the end the following:

''(p) STATE VERIFICATION OPTION.—Notwithstanding any other provision of law, in carrying out the food stamp program, a State agency shall not be required to use an income and eligibility or an immigration status verification system established under section 1137 of the Social Security Act (42 U.S.C. 1320b–7).''.

SEC. 841. INVESTIGATIONS.

Section 12(a) of the Food Stamp Act of 1977 (7 U.S.C. 2021(a)) is amended by adding at the end the following: ''Regulations issued pursuant to this Act shall provide criteria for the finding of a violation and the suspension or disqualification of a retail food store or wholesale food concern on the basis of evidence that may include facts established through on-site investigations, inconsistent redemption data, or evidence obtained through a transaction report under an electronic benefit transfer system.''.

SEC. 842. DISQUALIFICATION OF RETAILERS WHO INTENTIONALLY SUBMIT FALSIFIED APPLICATIONS.

Section 12(b) of the Food Stamp Act of 1977 (7 U.S.C. 2021(b)) is amended—

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

(2) in paragraph (3), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(4) for a reasonable period of time to be determined by the Secretary, including permanent disqualification, on the knowing submission of an application for the approval or reauthorization to accept and redeem coupons that contains false information about a substantive matter that was a part of the application.''.

SEC. 843. DISQUALIFICATION OF RETAILERS WHO ARE DISQUALIFIED UNDER THE WIC PROGRAM.

Section 12 of the Food Stamp Act of 1977 (7 U.S.C. 2021) is amended by adding at the end the following:

''(g) DISQUALIFICATION OF RETAILERS WHO ARE DISQUALIFIED UNDER THE WIC PROGRAM.—

''(1) IN GENERAL.—The Secretary shall issue regulations providing criteria for the disqualification under this Act of an approved retail food store or a wholesale food concern that is disqualified from accepting benefits under the special supplemental nutrition program for women, infants, and children established under section 17 of the Child Nutrition Act of 1966 (7 U.S.C. 1786).

''(2) TERMS.—A disqualification under paragraph (1)—

''(A) shall be for the same length of time as the disqualification from the program referred to in paragraph (1);

''(B) may begin at a later date than the disqualification from the program referred to in paragraph (1); and

''(C) notwithstanding section 14, shall not be subject to judicial or administrative review.''.

SEC. 844. COLLECTION OF OVERISSUANCES.

(a) COLLECTION OF OVERISSUANCES.—Section 13 of the Food Stamp Act of 1977 (7 U.S.C. 2022) is amended—

(1) by striking subsection (b) and inserting the following:

''(b) COLLECTION OF OVERISSUANCES.—

''(1) IN GENERAL.—Except as otherwise provided in this subsection, a State agency shall collect any overissuance of coupons issued to a household by—

''(A) reducing the allotment of the household;

''(B) withholding amounts from unemployment compensation from a member of the household under subsection (c);

''(C) recovering from Federal pay or a Federal income tax refund under subsection (d); or

''(D) any other means.

''(2) COST EFFECTIVENESS.—Paragraph (1) shall not apply if the State agency demonstrates to the satisfaction of the Secretary that all of the means referred to in paragraph (1) are not cost effective.

''(3) MAXIMUM REDUCTION ABSENT FRAUD.—If a household received an overissuance of coupons without any member of the household being found ineligible to participate in the program under section 6(b)(1) and a State agency elects to reduce the allotment of the household under paragraph (1)(A), the State agency shall not reduce the monthly allotment of the household under paragraph (1)(A) by an amount in excess of the greater of—

''(A) 10 percent of the monthly allotment of the household; or

''(B) $10.

''(4) PROCEDURES.—A State agency shall collect an overissuance of coupons issued to a household under paragraph (1) in accordance with the requirements established by the State agency for providing notice, electing a means of payment, and establishing a time schedule for payment.''; and

(2) in subsection (d)—

(A) by striking ''as determined under subsection (b) and except for claims arising from an error of the State agency,'' and inserting '', as determined under subsection (b)(1),''; and

(B) by inserting before the period at the end the following: ''or a Federal income tax refund as authorized by section 3720A of title 31, United States Code''.

(b) CONFORMING AMENDMENTS.—Section 11(e)(8)(C) of the Food Stamp Act of 1977 (7 U.S.C. 2020(e)(8)(C)) is amended—

(1) by striking ''and excluding claims'' and all that follows through ''such section''; and

(2) by inserting before the semicolon at the end the following: ''or a Federal income tax refund as authorized by section 3720A of title 31, United States Code''.

(c) RETENTION RATE.—The proviso of the first sentence of section 16(a) of the Food Stamp Act of 1977 (7 U.S.C. 2025(a)) is amended by striking ''25 percent during the period beginning October 1, 1990'' and all that follows through ''section 13(b)(2) which arise'' and inserting ''35 percent of the value of all funds or allotments recovered or collected pursuant to sections 6(b) and 13(c) and 20 percent of the value of any other funds or allotments recovered or collected, except the value of funds or allotments recovered or collected that arise''.

SEC. 845. AUTHORITY TO SUSPEND STORES VIOLATING PROGRAM REQUIREMENTS PENDING ADMINISTRATIVE AND JUDICIAL REVIEW.

Section 14(a) of the Food Stamp Act of 1977 (7 U.S.C. 2023(a)) is amended—

(1) by redesignating the first through seventeenth sentences as paragraphs (1) through (17), respectively; and

(2) by adding at the end the following:

''(18) SUSPENSION OF STORES PENDING REVIEW.—Notwithstanding any other provision of this subsection, any permanent disqualification of a retail food store or wholesale food concern under paragraph (3) or (4) of section 12(b) shall be effective from the date of receipt of the notice of disqualification. If the disqualification is reversed through administrative or judicial review, the Secretary shall not be liable for the value of any sales lost during the disqualification period.''.

SEC. 846. EXPANDED CRIMINAL FORFEITURE FOR VIOLATIONS.

(a) FORFEITURE OF ITEMS EXCHANGED IN FOOD STAMP TRAFFICKING.—The first sentence of section 15(g) of the Food Stamp Act of 1977 (7 U.S.C. 2024(g)) is amended by striking ''or intended to be furnished''.

(b) CRIMINAL FORFEITURE.—Section 15 of the Food Stamp Act of 1977 (7 U.S.C. 2024) is amended by adding at the end the following:

''(h) CRIMINAL FORFEITURE.—

''(1) IN GENERAL.—In imposing a sentence on a person convicted of an offense in violation of subsection (b) or (c), a court shall order, in addition to any other sentence imposed under this section, that the person forfeit to the United States all property described in paragraph (2).

''(2) PROPERTY SUBJECT TO FORFEITURE.—All property, real and personal, used in a transaction or attempted transaction, to commit, or to facilitate the commission of, a violation (other than a misdemeanor) of subsection (b) or (c), or proceeds traceable to a violation of subsection (b) or (c), shall be subject to forfeiture to the United States under paragraph (1).

''(3) INTEREST OF OWNER.—No interest in property shall be forfeited under this subsection as the result of any act or omission established by the owner of the interest to have been committed or omitted without the knowledge or consent of the owner.

''(4) PROCEEDS.—The proceeds from any sale of forfeited property and any monies forfeited under this subsection shall be used—

''(A) first, to reimburse the Department of Justice for the costs incurred by the Department to initiate and complete the forfeiture proceeding;

''(B) second, to reimburse the Department of Agriculture Office of Inspector General for any costs the Office incurred in the law enforcement effort resulting in the forfeiture;

''(C) third, to reimburse any Federal or State law enforcement agency for any costs incurred in the law enforcement effort resulting in the forfeiture; and

''(D) fourth, by the Secretary to carry out the approval, reauthorization, and compliance investigations of retail stores and wholesale food concerns under section 9.''.

SEC. 847. LIMITATION ON FEDERAL MATCH.

Section 16(a)(4) of the Food Stamp Act of 1977 (7 U.S.C. 2025(a)(4)) is amended by inserting after the comma at the end the following: ''but not including recruitment activities,''.

SEC. 848. STANDARDS FOR ADMINISTRATION.

(a) IN GENERAL.—Section 16 of the Food Stamp Act of 1977 (7 U.S.C. 2025) is amended by striking subsection (b).

(b) CONFORMING AMENDMENTS.—

(1) The first sentence of section 11(g) of the Food Stamp Act of 1977 (7 U.S.C. 2020(g)) is amended by striking ''the Secretary's standards for the efficient and effective administration of the program established under section 16(b)(1) or''.

(2) Section 16(c)(1)(B) of the Food Stamp Act of 1977 (7 U.S.C. 2025(c)(1)(B)) is amended by striking ''pursuant to subsection (b)''.

SEC. 849. WORK SUPPLEMENTATION OR SUPPORT PROGRAM.

Section 16 of the Food Stamp Act of 1977 (7 U.S.C. 2025), as amended by section 848(a), is amended by inserting after subsection (a) the following:

''(b) WORK SUPPLEMENTATION OR SUPPORT PROGRAM.—

''(1) DEFINITION OF WORK SUPPLEMENTATION OR SUPPORT PROGRAM.—In this subsection, the term 'work supplementation or support program' means a program under which, as determined by the Secretary, public assistance (including any benefits provided under a program established by the State and the food stamp program) is provided to an employer to be used for hiring and employing a public assistance recipient who was not employed by the employer at the time the public assistance recipient entered the program.

''(2) PROGRAM.—A State agency may elect to use an amount equal to the allotment that would otherwise be issued to a household under the food stamp program, but for the operation of this subsection, for the purpose of subsidizing or supporting a job under a work supplementation or support program established by the State.

''(3) PROCEDURE.—If a State agency makes an election under paragraph (2) and identifies each household that participates in the food stamp program that contains an individual who is participating in the work supplementation or support program—

''(A) the Secretary shall pay to the State agency an amount equal to the value of the allotment that the household would be eligible to receive but for the operation of this subsection;

''(B) the State agency shall expend the amount received under subparagraph (A) in accordance with the work supplementation or support program in lieu of providing the allotment that the household would receive but for the operation of this subsection;

''(C) for purposes of—

''(i) sections 5 and 8(a), the amount received under this subsection shall be excluded from household income and resources; and

''(ii) section 8(b), the amount received under this subsection shall be considered to be the value of an allotment provided to the household; and

''(D) the household shall not receive an allotment from the State agency for the period during which the member continues to participate in the work supplementation or support program.

''(4) OTHER WORK REQUIREMENTS.—No individual shall be excused, by reason of the fact that a State has a work supplementation or support program, from any work requirement under section 6(d), except during the periods in which the individual is employed under the work supplementation or support program.

''(5) LENGTH OF PARTICIPATION.—A State agency shall provide a description of how the public assistance recipients in the program

shall, within a specific period of time, be moved from supplemented or supported employment to employment that is not supplemented or supported.

''(6) DISPLACEMENT.—A work supplementation or support program shall not displace the employment of individuals who are not supplemented or supported.''.

SEC. 850. WAIVER AUTHORITY.

Section 17(b)(1) of the Food Stamp Act of 1977 (7 U.S.C. 2026(b)(1)) is amended—

(1) by redesignating subparagraph (B) as subparagraph (C); and

(2) in subparagraph (A)—

(A) in the first sentence, by striking ''benefits to eligible households, including'' and inserting the following: ''benefits to eligible households, and may waive any requirement of this Act to the extent necessary for the project to be conducted.

''(B) PROJECT REQUIREMENTS.—

''(i) PROGRAM GOAL.—The Secretary may not conduct a project under subparagraph (A) unless—

''(I) the project is consistent with the goal of the food stamp program of providing food assistance to raise levels of nutrition among low-income individuals; and

''(II) the project includes an evaluation to determine the effects of the project.

''(ii) PERMISSIBLE PROJECTS.—The Secretary may conduct a project under subparagraph (A) to—

''(I) improve program administration;

''(II) increase the self-sufficiency of food stamp recipients;

''(III) test innovative welfare reform strategies; or

''(IV) allow greater conformity with the rules of other programs than would be allowed but for this paragraph.

''(iii) RESTRICTIONS ON PERMISSIBLE PROJECTS.—If the Secretary finds that a project under subparagraph (A) would reduce benefits by more than 20 percent for more than 5 percent of households in the area subject to the project (not including any household whose benefits are reduced due to a failure to comply with work or other conduct requirements), the project—

''(I) may not include more than 15 percent of the State's food stamp households; and

''(II) shall continue for not more than 5 years after the date of implementation, unless the Secretary approves an extension requested by the State agency at any time.

''(iv) IMPERMISSIBLE PROJECTS.—The Secretary may not conduct a project under subparagraph (A) that—

''(I) involves the payment of the value of an allotment in the form of cash, unless the project was approved prior to the date of enactment of this subparagraph;

''(II) has the effect of substantially transferring funds made available under this Act to services or benefits provided primarily through another public assistance program, or using the funds for any purpose other than the purchase of food, program administration, or an employment or training program;

''(III) is inconsistent with—

''(aa) the last 2 sentences of section 3(i);

''(bb) the last sentence of section 5(a), insofar as a waiver denies assistance to an otherwise eligible household or individual if the household or individual has not failed to comply with any work, behavioral, or other conduct requirement under this or another program;

''(cc) section 5(c)(2);

''(dd) paragraph (2)(B), (4)(F)(i), or (4)(K) of section 6(d);

''(ee) section 8(b);

''(ff) section 11(e)(2)(B);

''(gg) the time standard under section 11(e)(3);

''(hh) subsection (a), (c), (g), (h)(2), or (h)(3) of section 16;

''(ii) this paragraph; or

''(jj) subsection (a)(1) or (g)(1) of section 20;

''(IV) modifies the operation of section 5 so as to have the effect of—

''(aa) increasing the shelter deduction to households with no out-of-pocket housing costs or housing costs that consume a low percentage of the household's income; or

''(bb) absolving a State from acting with reasonable promptness on substantial reported changes in income or household size (except that this subclause shall not apply with regard to changes related to food stamp deductions);

''(V) is not limited to a specific time period; or

''(VI) waives a provision of section 26.

''(v) ADDITIONAL INCLUDED PROJECTS.—A pilot or experimental project may include'';

(B) by striking ''to aid to families with dependent children under part A of title IV of the Social Security Act'' and inserting ''are receiving assistance under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.)''; and

(C) by striking ''coupons. The Secretary'' and all that follows through ''Any pilot'' and inserting the following: ''coupons.

''(vi) CASH PAYMENT PILOT PROJECTS.—Any pilot''.

SEC. 851. RESPONSE TO WAIVERS.

Section 17(b)(1) of the Food Stamp Act of 1977 (7 U.S.C. 2026(b)(1)), as amended by section 850, is amended by adding at the end the following:

''(D) RESPONSE TO WAIVERS.—

''(i) RESPONSE.—Not later than 60 days after the date of receiving a request for a waiver under subparagraph (A), the Secretary shall provide a response that—

''(I) approves the waiver request;

''(II) denies the waiver request and describes any modification needed for approval of the waiver request;

''(III) denies the waiver request and describes the grounds for the denial; or

''(IV) requests clarification of the waiver request.

''(ii) FAILURE TO RESPOND.—If the Secretary does not provide a response in accordance with clause (i), the waiver shall be considered approved, unless the approval is specifically prohibited by this Act.

''(iii) NOTICE OF DENIAL.—On denial of a waiver request under clause (i)(III), the Secretary shall provide a copy of the waiver request and a description of the reasons for the denial to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.''.

SEC. 852. EMPLOYMENT INITIATIVES PROGRAM.

Section 17 of the Food Stamp Act of 1977 (7 U.S.C. 2026) is amended by striking subsection (d) and inserting the following:

''(d) EMPLOYMENT INITIATIVES PROGRAM.—

''(1) ELECTION TO PARTICIPATE.—

''(A) IN GENERAL.—Subject to the other provisions of this subsection, a State may elect to carry out an employment initiatives program under this subsection.

''(B) REQUIREMENT.—A State shall be eligible to carry out an employment initiatives program under this subsection only if not less than 50 percent of the households in the State that received food stamp benefits during the summer of 1993 also received benefits under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) during the summer of 1993.

''(2) PROCEDURE.—

''(A) IN GENERAL.—A State that has elected to carry out an employment initiatives program under paragraph (1) may use amounts equal to the food stamp allotments that would otherwise be issued to a household under the food stamp program, but for the operation of this subsection, to provide cash benefits in lieu of the food stamp allotments to the household if the household is eligible under paragraph (3).

''(B) PAYMENT.—The Secretary shall pay to each State that has elected to carry out an employment initiatives program under paragraph (1) an amount equal to the value of the allotment that each household participating in the program in the State would be eligible to receive under this Act but for the operation of this subsection.

''(C) OTHER PROVISIONS.—For purposes of the food stamp program (other than this subsection)—

''(i) cash assistance under this subsection shall be considered to be an allotment; and

''(ii) each household receiving cash benefits under this subsection shall not receive any other food stamp benefit during the period for which the cash assistance is provided.

''(D) ADDITIONAL PAYMENTS.—Each State that has elected to carry out an employment initiatives program under paragraph (1) shall—

''(i) increase the cash benefits provided to each household participating in the program in the State under this subsection to compensate for any State or local sales tax that may be collected on purchases of food by the household, unless the Secretary determines on the basis of information provided by the State that the increase is unnecessary on the basis of the limited nature of the items subject to the State or local sales tax; and

''(ii) pay the cost of any increase in cash benefits required by clause (i).

''(3) ELIGIBILITY.—A household shall be eligible to receive cash benefits under paragraph (2) if an adult member of the household—

''(A) has worked in unsubsidized employment for not less than the preceding 90 days;

''(B) has earned not less than $350 per month from the employment referred to in subparagraph (A) for not less than the preceding 90 days;

''(C)(i) is receiving benefits under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.); or

''(ii) was receiving benefits under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) at the time the member first received cash benefits under this subsection and is no longer eligible for the State program because of earned income;

''(D) is continuing to earn not less than $350 per month from the employment referred to in subparagraph (A); and

''(E) elects to receive cash benefits in lieu of food stamp benefits under this subsection.

''(4) EVALUATION.—A State that operates a program under this subsection for 2 years shall provide to the Secretary a written evaluation of the impact of cash assistance under this subsection. The State agency, with the concurrence of the Secretary, shall determine the content of the evaluation.''.

SEC. 853. REAUTHORIZATION.

The first sentence of section 18(a)(1) of the Food Stamp Act of 1977 (7 U.S.C. 2027(a)(1)) is amended by striking ''1991 through 1997'' and inserting ''1996 through 2002''.

SEC. 854. SIMPLIFIED FOOD STAMP PROGRAM.

(a) IN GENERAL.—The Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.) is amended by adding at the end the following:

''SEC. 26. SIMPLIFIED FOOD STAMP PROGRAM.

''(a) DEFINITION OF FEDERAL COSTS.—In this section, the term 'Federal costs' does not include any Federal costs incurred under section 17.

''(b) ELECTION.—Subject to subsection (d), a State may elect to carry out a Simplified

Food Stamp Program (referred to in this section as a 'Program'), statewide or in a political subdivision of the State, in accordance with this section.

''(c) OPERATION OF PROGRAM.—If a State elects to carry out a Program, within the State or a political subdivision of the State—

''(1) a household in which no members receive assistance under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) may not participate in the Program;

''(2) a household in which all members receive assistance under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) shall automatically be eligible to participate in the Program;

''(3) if approved by the Secretary, a household in which 1 or more members but not all members receive assistance under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) may be eligible to participate in the Program; and

''(4) subject to subsection (f), benefits under the Program shall be determined under rules and procedures established by the State under—

''(A) a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.);

''(B) the food stamp program; or

''(C) a combination of a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) and the food stamp program.

''(d) APPROVAL OF PROGRAM.—

''(1) STATE PLAN.—A State agency may not operate a Program unless the Secretary approves a State plan for the operation of the Program under paragraph (2).

''(2) APPROVAL OF PLAN.—The Secretary shall approve any State plan to carry out a Program if the Secretary determines that the plan—

''(A) complies with this section; and

''(B) contains sufficient documentation that the plan will not increase Federal costs for any fiscal year.

''(e) INCREASED FEDERAL COSTS.—

''(1) DETERMINATION.—

''(A) IN GENERAL.—The Secretary shall determine whether a Program being carried out by a State agency is increasing Federal costs under this Act.

''(B) NO EXCLUDED HOUSEHOLDS.—In making a determination under subparagraph (A), the Secretary shall not require the State agency to collect or report any information on households not included in the Program.

''(C) ALTERNATIVE ACCOUNTING PERIODS.—The Secretary may approve the request of a State agency to apply alternative accounting periods to determine if Federal costs do not exceed the Federal costs had the State agency not elected to carry out the Program.

''(2) NOTIFICATION.—If the Secretary determines that the Program has increased Federal costs under this Act for any fiscal year or any portion of any fiscal year, the Secretary shall notify the State not later than 30 days after the Secretary makes the determination under paragraph (1).

''(3) ENFORCEMENT.—

''(A) CORRECTIVE ACTION.—Not later than 90 days after the date of a notification under paragraph (2), the State shall submit a plan for approval by the Secretary for prompt corrective action that is designed to prevent the Program from increasing Federal costs under this Act.

''(B) TERMINATION.—If the State does not submit a plan under subparagraph (A) or carry out a plan approved by the Secretary, the Secretary shall terminate the approval of the State agency operating the Program and the State agency shall be ineligible to operate a future Program.

''(f) RULES AND PROCEDURES.—

''(1) IN GENERAL.—In operating a Program, a State or political subdivision of a State may follow the rules and procedures established by the State or political subdivision under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) or under the food stamp program.

''(2) STANDARDIZED DEDUCTIONS.—In operating a Program, a State or political subdivision of a State may standardize the deductions provided under section 5(e). In developing the standardized deduction, the State shall consider the work expenses, dependent care costs, and shelter costs of participating households.

''(3) REQUIREMENTS.—In operating a Program, a State or political subdivision shall comply with the requirements of—

''(A) subsections (a) through (g) of section 7;

''(B) section 8(a) (except that the income of a household may be determined under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.));

''(C) subsection (b) and (d) of section 8;

''(D) subsections (a), (c), (d), and (n) of section 11;

''(E) paragraphs (8), (12), (16), (18), (20), (24), and (25) of section 11(e);

''(F) section 11(e)(10) (or a comparable requirement established by the State under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.)); and

''(G) section 16.

''(4) LIMITATION ON ELIGIBILITY.—Notwithstanding any other provision of this section, a household may not receive benefits under this section as a result of the eligibility of the household under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), unless the Secretary determines that any household with income above 130 percent of the poverty guidelines is not eligible for the program.''.

(b) STATE PLAN PROVISIONS.—Section 11(e) of the Food Stamp Act of 1977 (7 U.S.C. 2020(e)), as amended by sections 819(b) and 835, is amended by adding at the end the following:

''(25) if a State elects to carry out a Simplified Food Stamp Program under section 26, the plans of the State agency for operating the program, including—

''(A) the rules and procedures to be followed by the State agency to determine food stamp benefits;

''(B) how the State agency will address the needs of households that experience high shelter costs in relation to the incomes of the households; and

''(C) a description of the method by which the State agency will carry out a quality control system under section 16(c).''.

(c) CONFORMING AMENDMENTS.—

(1) Section 8 of the Food Stamp Act of 1977 (7 U.S.C. 2017), as amended by section 830, is amended—

(A) by striking subsection (e); and

(B) by redesignating subsection (f) as subsection (e).

(2) Section 17 of the Food Stamp Act of 1977 (7 U.S.C. 2026) is amended—

(A) by striking subsection (i); and

(B) by redesignating subsections (j) through (l) as subsections (i) through (k), respectively.

SEC. 855. STUDY OF THE USE OF FOOD STAMPS TO PURCHASE VITAMINS AND MINERALS.

(a) IN GENERAL.—The Secretary of Agriculture, in consultation with the National Academy of Sciences and the Center for Disease Control and Prevention, shall conduct a study on the use of food stamps provided under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.) to purchase vitamins and minerals.

(b) ANALYSIS.—The study shall include—

(1) an analysis of scientific findings on the efficacy of and need for vitamins and minerals, including—

(A) the adequacy of vitamin and mineral intakes in low-income populations, as shown by research and surveys conducted prior to the study; and

(B) the potential value of nutritional supplements in filling nutrient gaps that may exist in the United States population as a whole or in vulnerable subgroups in the population;

(2) the impact of nutritional improvements (including vitamin or mineral supplementation) on the health status and health care costs of women of childbearing age, pregnant or lactating women, and the elderly;

(3) the cost of commercially available vitamin and mineral supplements;

(4) the purchasing habits of low-income populations with regard to vitamins and minerals;

(5) the impact of using food stamps to purchase vitamins and minerals on the food purchases of low-income households; and

(6) the economic impact on the production of agricultural commodities of using food stamps to purchase vitamins and minerals.

(c) REPORT.—Not later than December 15, 1998, the Secretary shall report the results of the study to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.

SEC. 856. DEFICIT REDUCTION.

It is the sense of the Committee on Agriculture of the House of Representatives that reductions in outlays resulting from this title shall not be taken into account for purposes of section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 902).

Subtitle B—Commodity Distribution Programs

SEC. 871. EMERGENCY FOOD ASSISTANCE PROGRAM.

(a) DEFINITIONS.—Section 201A of the Emergency Food Assistance Act of 1983 (Public Law 98–8; 7 U.S.C. 612c note) is amended to read as follows:

''SEC. 201A. DEFINITIONS.

''In this Act:

''(1) ADDITIONAL COMMODITIES.—The term 'additional commodities' means commodities made available under section 214 in addition to the commodities made available under sections 202 and 203D.

''(2) AVERAGE MONTHLY NUMBER OF UNEMPLOYED PERSONS.—The term 'average monthly number of unemployed persons' means the average monthly number of unemployed persons in each State during the most recent fiscal year for which information concerning the number of unemployed persons is available, as determined by the Bureau of Labor Statistics of the Department of Labor.

''(3) ELIGIBLE RECIPIENT AGENCY.—The term 'eligible recipient agency' means a public or nonprofit organization that—

''(A) administers—

''(i) an emergency feeding organization;

''(ii) a charitable institution (including a hospital and a retirement home, but excluding a penal institution) to the extent that the institution serves needy persons;

''(iii) a summer camp for children, or a child nutrition program providing food service;

''(iv) a nutrition project operating under the Older Americans Act of 1965 (42 U.S.C.

3001 et seq.), including a project that operates a congregate nutrition site and a project that provides home-delivered meals; or

''(v) a disaster relief program;

''(B) has been designated by the appropriate State agency, or by the Secretary; and

''(C) has been approved by the Secretary for participation in the program established under this Act.

''(4) EMERGENCY FEEDING ORGANIZATION.—The term 'emergency feeding organization' means a public or nonprofit organization that administers activities and projects (including the activities and projects of a charitable institution, a food bank, a food pantry, a hunger relief center, a soup kitchen, or a similar public or private nonprofit eligible recipient agency) providing nutrition assistance to relieve situations of emergency and distress through the provision of food to needy persons, including low-income and unemployed persons.

''(5) FOOD BANK.—The term 'food bank' means a public or charitable institution that maintains an established operation involving the provision of food or edible commodities, or the products of food or edible commodities, to food pantries, soup kitchens, hunger relief centers, or other food or feeding centers that, as an integral part of their normal activities, provide meals or food to feed needy persons on a regular basis.

''(6) FOOD PANTRY.—The term 'food pantry' means a public or private nonprofit organization that distributes food to low-income and unemployed households, including food from sources other than the Department of Agriculture, to relieve situations of emergency and distress.

''(7) POVERTY LINE.—The term 'poverty line' has the meaning provided in section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)).

''(8) SOUP KITCHEN.—The term 'soup kitchen' means a public or charitable institution that, as an integral part of the normal activities of the institution, maintains an established feeding operation to provide food to needy homeless persons on a regular basis.

''(9) TOTAL VALUE OF ADDITIONAL COMMODITIES.—The term 'total value of additional commodities' means the actual cost of all additional commodities that are paid by the Secretary (including the distribution and processing costs incurred by the Secretary).

''(10) VALUE OF ADDITIONAL COMMODITIES ALLOCATED TO EACH STATE.—The term 'value of additional commodities allocated to each State' means the actual cost of additional commodities allocated to each State that are paid by the Secretary (including the distribution and processing costs incurred by the Secretary).''.

(b) STATE PLAN.—Section 202A of the Emergency Food Assistance Act of 1983 (Public Law 98–8; 7 U.S.C. 612c note) is amended to read as follows:

''SEC. 202A. STATE PLAN.

''(a) IN GENERAL.—To receive commodities under this Act, a State shall submit a plan of operation and administration every 4 years to the Secretary for approval. The plan may be amended at any time, with the approval of the Secretary.

''(b) REQUIREMENTS.—Each plan shall—

''(1) designate the State agency responsible for distributing the commodities received under this Act;

''(2) set forth a plan of operation and administration to expeditiously distribute commodities under this Act;

''(3) set forth the standards of eligibility for recipient agencies; and

''(4) set forth the standards of eligibility for individual or household recipients of commodities, which shall require—

''(A) individuals or households to be comprised of needy persons; and

''(B) individual or household members to be residing in the geographic location served by the distributing agency at the time of applying for assistance.

''(c) STATE ADVISORY BOARD.—The Secretary shall encourage each State receiving commodities under this Act to establish a State advisory board consisting of representatives of all entities in the State, both public and private, interested in the distribution of commodities received under this Act.''.

(c) AUTHORIZATION OF APPROPRIATIONS FOR ADMINISTRATIVE FUNDS.—Section 204(a)(1) of the Emergency Food Assistance Act of 1983 (Public Law 98–8; 7 U.S.C. 612c note) is amended—

(1) in the first sentence, by striking ''for State and local'' and all that follows through ''under this title'' and inserting ''to pay for the direct and indirect administrative costs of the States related to the processing, transporting, and distributing to eligible recipient agencies of commodities provided by the Secretary under this Act and commodities secured from other sources''; and

(2) by striking the fourth sentence.

(d) DELIVERY OF COMMODITIES.—Section 214 of the Emergency Food Assistance Act of 1983 (Public Law 98–8; 7 U.S.C. 612c note) is amended—

(1) by striking subsections (a) through (e) and (j);

(2) by redesignating subsections (f) through (i) as subsections (a) through (d), respectively;

(3) in subsection (b), as redesignated by paragraph (2)—

(A) in the first sentence, by striking ''subsection (f) or subsection (j) if applicable,'' and inserting ''subsection (a),''; and

(B) in the second sentence, by striking ''subsection (f)'' and inserting ''subsection (a)'';

(4) by striking subsection (c), as redesignated by paragraph (2), and inserting the following:

''(c) ADMINISTRATION.—

''(1) IN GENERAL.—Commodities made available for each fiscal year under this section shall be delivered at reasonable intervals to States based on the grants calculated under subsection (a), or reallocated under subsection (b), before December 31 of the following fiscal year.

''(2) ENTITLEMENT.—Each State shall be entitled to receive the value of additional commodities determined under subsection (a).''; and

(5) in subsection (d), as redesignated by paragraph (2), by striking ''or reduce'' and all that follows through ''each fiscal year''.

(e) TECHNICAL AMENDMENTS.—The Emergency Food Assistance Act of 1983 (Public Law 98–8; 7 U.S.C. 612c note) is amended—

(1) in the first sentence of section 203B(a), by striking ''203 and 203A of this Act'' and inserting ''203A'';

(2) in section 204(a), by striking ''title'' each place it appears and inserting ''Act'';

(3) in the first sentence of section 210(e), by striking ''(except as otherwise provided for in section 214(j))''; and

(4) by striking section 212.

(f) REPORT ON EFAP.—Section 1571 of the Food Security Act of 1985 (Public Law 99–198; 7 U.S.C. 612c note) is repealed.

(g) AVAILABILITY OF COMMODITIES UNDER THE FOOD STAMP PROGRAM.—The Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.), as amended by section 854(a), is amended by adding at the end the following:

''SEC. 27. AVAILABILITY OF COMMODITIES FOR THE EMERGENCY FOOD ASSISTANCE PROGRAM.

''(a) PURCHASE OF COMMODITIES.—From amounts made available to carry out this Act, for each of fiscal years 1997 through 2002, the Secretary shall purchase $100,000,000 of a variety of nutritious and useful commodities of the types that the Secretary has the authority to acquire through the Commodity Credit Corporation or under section 32 of the Act entitled 'An Act to amend the Agricultural Adjustment Act, and for other purposes', approved August 24, 1935 (7 U.S.C. 612c), and distribute the commodities to States for distribution in accordance with section 214 of the Emergency Food Assistance Act of 1983 (Public Law 98–8; 7 U.S.C. 612c note).

''(b) BASIS FOR COMMODITY PURCHASES.—In purchasing commodities under subsection (a), the Secretary shall, to the extent practicable and appropriate, make purchases based on—

''(1) agricultural market conditions;

''(2) preferences and needs of States and distributing agencies; and

''(3) preferences of recipients.''.

(h) EFFECTIVE DATE.—The amendments made by subsection (d) shall become effective on October 1, 1996.

SEC. 872. FOOD BANK DEMONSTRATION PROJECT.

Section 3 of the Charitable Assistance and Food Bank Act of 1987 (Public Law 100–232; 7 U.S.C. 612c note) is repealed.

SEC. 873. HUNGER PREVENTION PROGRAMS.

The Hunger Prevention Act of 1988 (Public Law 100–435; 7 U.S.C. 612c note) is amended—

(1) by striking section 110;

(2) by striking subtitle C of title II; and

(3) by striking section 502.

SEC. 874. REPORT ON ENTITLEMENT COMMODITY PROCESSING.

Section 1773 of the Food, Agriculture, Conservation, and Trade Act of 1990 (Public Law 101–624; 7 U.S.C. 612c note) is amended by striking subsection (f).

Subtitle C—Electronic Benefit Transfer Systems

SEC. 891. PROVISIONS TO ENCOURAGE ELECTRONIC BENEFIT TRANSFER SYSTEMS.

Section 904 of the Electronic Fund Transfer Act (15 U.S.C. 1693b) is amended—

(1) by striking ''(d) In the event that'' and inserting ''(d) APPLICABILITY TO SERVICE PROVIDERS OTHER THAN CERTAIN FINANCIAL INSTITUTIONS.—

''(1) IN GENERAL.—If''; and

(2) by adding at the end the following:

''(2) STATE AND LOCAL GOVERNMENT ELECTRONIC BENEFIT TRANSFER SYSTEMS.—

''(A) DEFINITION OF ELECTRONIC BENEFIT TRANSFER SYSTEM.—In this paragraph, the term 'electronic benefit transfer system'—

''(i) means a system under which a government agency distributes needs-tested benefits by establishing accounts that may be accessed by recipients electronically, such as through automated teller machines or point-of-sale terminals; and

''(ii) does not include employment-related payments, including salaries and pension, retirement, or unemployment benefits established by a Federal, State, or local government agency.

''(B) EXEMPTION GENERALLY.—The disclosures, protections, responsibilities, and remedies established under this title, and any regulation prescribed or order issued by the Board in accordance with this title, shall not apply to any electronic benefit transfer system established under State or local law or administered by a State or local government.

''(C) EXCEPTION FOR DIRECT DEPOSIT INTO RECIPIENT'S ACCOUNT.—Subparagraph (B) shall not apply with respect to any electronic funds transfer under an electronic benefit transfer system for a deposit directly into a consumer account held by the recipient of the benefit.

''(D) RULE OF CONSTRUCTION.—No provision of this paragraph—

''(i) affects or alters the protections otherwise applicable with respect to benefits established by any other provision Federal, State, or local law; or

''(ii) otherwise supersedes the application of any State or local law.''.

TITLE IX—MISCELLANEOUS

SEC. 901. APPROPRIATION BY STATE LEGISLATURES.

(a) IN GENERAL.—Any funds received by a State under the provisions of law specified in subsection (b) shall be subject to appropriation by the State legislature, consistent with the terms and conditions required under such provisions of law.

(b) PROVISIONS OF LAW.—The provisions of law specified in this subsection are the following:

(1) Part A of title IV of the Social Security Act (relating to block grants for temporary assistance for needy families).

(2) The Child Care and Development Block Grant Act of 1990 (relating to block grants for child care).

SEC. 902. SANCTIONING FOR TESTING POSITIVE FOR CONTROLLED SUBSTANCES.

Notwithstanding any other provision of law, States shall not be prohibited by the Federal Government from testing welfare recipients for use of controlled substances nor from sanctioning welfare recipients who test positive for use of controlled substances.

SEC. 903. ELIMINATION OF HOUSING ASSISTANCE WITH RESPECT TO FUGITIVE FELONS AND PROBATION AND PAROLE VIOLATORS.

(a) ELIGIBILITY FOR ASSISTANCE.—The United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended—

(1) in section 6(l)—

(A) in paragraph (5), by striking ''and'' at the end;

(B) in paragraph (6), by striking the period at the end and inserting ''; and''; and

(C) by inserting immediately after paragraph (6) the following new paragraph:

''(7) provide that it shall be cause for immediate termination of the tenancy of a public housing tenant if such tenant—

''(A) is fleeing to avoid prosecution, or custody or confinement after conviction, under the laws of the place from which the individual flees, for a crime, or attempt to commit a crime, which is a felony under the laws of the place from which the individual flees, or which, in the case of the State of New Jersey, is a high misdemeanor under the laws of such State; or

''(2) is violating a condition of probation or parole imposed under Federal or State law.''; and

(2) in section 8(d)(1)(B)—

(A) in clause (iii), by striking ''and'' at the end;

(B) in clause (iv), by striking the period at the end and inserting ''; and''; and

(C) by adding after clause (iv) the following new clause:

''(v) it shall be cause for termination of the tenancy of a tenant if such tenant—

''(I) is fleeing to avoid prosecution, or custody or confinement after conviction, under the laws of the place from which the individual flees, for a crime, or attempt to commit a crime, which is a felony under the laws of the place from which the individual flees, or which, in the case of the State of New Jersey, is a high misdemeanor under the laws of such State; or

''(II) is violating a condition of probation or parole imposed under Federal or State law;''.

(b) PROVISION OF INFORMATION TO LAW ENFORCEMENT AGENCIES.—Title I of the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended by adding at the end the following:

''SEC. 27. EXCHANGE OF INFORMATION WITH LAW ENFORCEMENT AGENCIES.

''Notwithstanding any other provision of law, each public housing agency that enters into a contract for assistance under section 6 or 8 of this Act with the Secretary shall furnish any Federal, State, or local law enforcement officer, upon the request of the officer, with the current address, Social Security number, and photograph (if applicable) of any recipient of assistance under this Act, if the officer—

''(1) furnishes the public housing agency with the name of the recipient; and

''(2) notifies the agency that—

''(A) such recipient—

''(i) is fleeing to avoid prosecution, or custody or confinement after conviction, under the laws of the place from which the individual flees, for a crime, or attempt to commit a crime, which is a felony under the laws of the place from which the individual flees, or which, in the case of the State of New Jersey, is a high misdemeanor under the laws of such State; or

''(ii) is violating a condition of probation or parole imposed under Federal or State law; or

''(iii) has information that is necessary for the officer to conduct the officer's official duties;

''(B) the location or apprehension of the recipient is within such officer's official duties; and

''(C) the request is made in the proper exercise of the officer's official duties.''.

SEC. 904. SENSE OF THE SENATE REGARDING THE INABILITY OF THE NONCUSTODIAL PARENT TO PAY CHILD SUPPORT.

It is the sense of the Senate that—

(a) States should diligently continue their efforts to enforce child support payments by the non-custodial parent to the custodial parent, regardless of the employment status or location of the non-custodial parent; and

(b) States are encouraged to pursue pilot programs in which the parents of a non-adult, non-custodial parent who refuses to or is unable to pay child support must—

(1) pay or contribute to the child support owed by the non-custodial parent; or

(2) otherwise fulfill all financial obligations and meet all conditions imposed on the non-custodial parent, such as participation in a work program or other related activity.

SEC. 905. ESTABLISHING NATIONAL GOALS TO PREVENT TEENAGE PREGNANCIES.

(a) IN GENERAL.—Not later than January 1, 1997, the Secretary of Health and Human Services shall establish and implement a strategy for—

(1) preventing out-of-wedlock teenage pregnancies, and

(2) assuring that at least 25 percent of the communities in the United States have teenage pregnancy prevention programs in place.

(b) REPORT.—Not later than June 30, 1998, and annually thereafter, the Secretary shall report to the Congress with respect to the progress that has been made in meeting the goals described in paragraphs (1) and (2) of subsection (a).

SEC. 906. SENSE OF THE SENATE REGARDING ENFORCEMENT OF STATUTORY RAPE LAWS.

(a) SENSE OF THE SENATE.—It is the sense of the Senate that States and local jurisdictions should aggressively enforce statutory rape laws.

(b) JUSTICE DEPARTMENT PROGRAM ON STATUTORY RAPE.—Not later than January 1, 1997, the Attorney General shall establish and implement a program that—

(1) studies the linkage between statutory rape and teenage pregnancy, particularly by predatory older men committing repeat offensives; and

(2) educates State and local criminal law enforcement officials on the prevention and prosecution of statutory rape, focusing in particular on the commission of statutory rape by predatory older men committing repeat offensives, and any links to teenage pregnancy.

(c) VIOLENCE AGAINST WOMEN INITIATIVE.—The Attorney General shall ensure that the Department of Justice's Violence Against Women initiative addresses the issue of statutory rape, particularly the commission of statutory rape by predatory older men committing repeat offensives.

SEC. 907. PROVISIONS TO ENCOURAGE ELECTRONIC BENEFIT TRANSFER SYSTEMS.

Section 904 of the Electronic Fund Transfer Act (15 U.S.C. 1693b) is amended—

(1) by striking ''(d) In the event'' and inserting ''(d) APPLICABILITY TO SERVICE PROVIDERS OTHER THAN CERTAIN FINANCIAL INSTITUTIONS.—

''(1) IN GENERAL.—In the event''; and

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

''(2) STATE AND LOCAL GOVERNMENT ELECTRONIC BENEFIT TRANSFER PROGRAMS.—

''(A) EXEMPTION GENERALLY.—The disclosures, protections, responsibilities, and remedies established under this title, and any regulation prescribed or order issued by the Board in accordance with this title, shall not apply to any electronic benefit transfer program established under State or local law or administered by a State or local government.

''(B) EXCEPTION FOR DIRECT DEPOSIT INTO RECIPIENT'S ACCOUNT.—Subparagraph (A) shall not apply with respect to any electronic funds transfer under an electronic benefit transfer program for deposits directly into a consumer account held by the recipient of the benefit.

''(C) RULE OF CONSTRUCTION.—No provision of this paragraph may be construed as—

''(i) affecting or altering the protections otherwise applicable with respect to benefits established by Federal, State, or local law; or

''(ii) otherwise superseding the application of any State or local law.

''(D) ELECTRONIC BENEFIT TRANSFER PROGRAM DEFINED.—For purposes of this paragraph, the term 'electronic benefit transfer program'—

''(i) means a program under which a government agency distributes needs-tested benefits by establishing accounts to be accessed by recipients electronically, such as through automated teller machines, or point-of-sale terminals; and

''(ii) does not include employment-related payments, including salaries and pension, retirement, or unemployment benefits established by Federal, State, or local governments.''.

SEC. 908. REDUCTION OF BLOCK GRANTS TO STATES FOR SOCIAL SERVICES; USE OF VOUCHERS.

(a) REDUCTION OF GRANTS.—Section 2003(c) of the Social Security Act (42 U.S.C. 1397b(c)) is amended—

(1) by striking ''and'' at the end of paragraph (4); and

(2) by striking paragraph (5) and inserting the following:

''(5) $2,800,000,000 for each of the fiscal years 1990 through 1995;

''(6) $2,381,000,000 for the fiscal year 1996;

''(7) $2,380,000,000 for each of the fiscal years 1997 through 2002; and

''(8) $2,800,000,000 for the fiscal year 2003 and each succeeding fiscal year.''.

(b) AUTHORITY TO USE VOUCHERS.—Section 2002 of such Act (42 U.S.C. 1937a) is amended by adding at the end the following:

''(f) A State may use funds provided under this title to provide vouchers, for services directed at the goals set forth in section 2001, to families, including—

''(1) families who have become ineligible for assistance under a State program funded under part A of title IV by reason of a durational limit on the provision of such assistance; and

''(2) families denied cash assistance under the State program funded under part A of title IV for a child who is born to a member of the family who is—

''(A) a recipient of assistance under the program; or

''(B) a person who received such assistance at any time during the 10-month period ending with the birth of the child.''.

SEC. 909. RULES RELATING TO DENIAL OF EARNED INCOME CREDIT ON BASIS OF DISQUALIFIED INCOME.

(a) REDUCTION IN DISQUALIFIED INCOME THRESHOLD.—

(1) IN GENERAL.—Paragraph (1) of section 32(i) of the Internal Revenue Code of 1986 (relating to denial of credit for individuals having excessive investment income) is amended by striking ''$2,350'' and inserting ''$2,200''.

(2) ADJUSTMENT FOR INFLATION.—Subsection (j) of section 32 of such Code is amended to read as follows:

''(j) INFLATION ADJUSTMENTS.—

''(1) IN GENERAL.—In the case of any taxable year beginning after 1996, each of the dollar amounts in subsections (b)(2) and (i)(1) shall be increased by an amount equal to—

''(A) such dollar amount, multiplied by

''(B) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting 'calendar year 1995' for 'calendar year 1992' in subparagraph (B) thereof.

''(2) ROUNDING.—

''(A) IN GENERAL.—If any dollar amount in subsection (b)(2), after being increased under paragraph (1), is not a multiple of $10, such dollar amount shall be rounded to the nearest multiple of $10.

''(B) DISQUALIFIED INCOME THRESHOLD AMOUNT.—If the dollar amount in subsection (i)(1), after being increased under paragraph (1), is not a multiple of $50, such amount shall be rounded to the next lowest multiple of $50.''.

(3) CONFORMING AMENDMENT.—Paragraph (2) of section 32(b) of such Code is amended to read as follows:

''(2) AMOUNTS.—The earned income amount and the phaseout amount shall be determined as follows:

In the case of an eligible individual with:	The earned income amount is:	The phaseout amount is:
1 qualifying child	$6,330	$11,610
2 or more qualifying children	$8,890	$11,610
No qualifying children	$4,220	$ 5,280''.

(b) DEFINITION OF DISQUALIFIED INCOME.—Paragraph (2) of section 32(i) of such Code (defining disqualified income) is amended by striking ''and'' at the end of subparagraph (B), by striking the period at the end of subparagraph (C) and inserting a comma, and by adding at the end the following new subparagraphs:

''(D) the capital gain net income (as defined in section 1222) of the taxpayer for such taxable year, and

''(E) the excess (if any) of—

''(i) the aggregate income from all passive activities for the taxable year (determined without regard to any amount included in earned income under subsection (c)(2) or described in a preceding subparagraph), over

''(ii) the aggregate losses from all passive activities for the taxable year (as so determined).

For purposes of subparagraph (E), the term 'passive activity' has the meaning given such term by section 469.''.

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to taxable years beginning after December 31, 1995.

(2) ADVANCE PAYMENT INDIVIDUALS.—In the case of any individual who on or before June 26, 1996, has in effect an earned income eligibility certificate for the individual's taxable year beginning in 1996, the amendments made by this section shall apply to taxable years beginning after December 31, 1996.

SEC. 910. MODIFICATION OF ADJUSTED GROSS INCOME DEFINITION FOR EARNED INCOME CREDIT.

(a) IN GENERAL.—Subsections (a)(2)(B), (c)(1)(C), and (f)(2)(B) of section 32 of the Internal Revenue Code of 1986 are each amended by striking ''adjusted gross income'' each place it appears and inserting ''modified adjusted gross income''.

(b) MODIFIED ADJUSTED GROSS INCOME DEFINED.—Section 32(c) of such Code (relating to definitions and special rules) is amended by adding at the end the following new paragraph:

''(5) MODIFIED ADJUSTED GROSS INCOME.—

''(A) IN GENERAL.—The term 'modified adjusted gross income' means adjusted gross income determined without regard to the amounts described in subparagraph (B).

''(B) CERTAIN AMOUNTS DISREGARDED.—An amount is described in this subparagraph if it is—

''(i) the amount of losses from sales or exchanges of capital assets in excess of gains from such sales or exchanges to the extent such amount does not exceed the amount under section 1211(b)(1),

''(ii) the net loss from estates and trusts,

''(iii) the excess (if any) of amounts described in subsection (i)(2)(C)(ii) over the amounts described in subsection (i)(2)(C)(i) (relating to nonbusiness rents and royalties), and

''(iv) 50 percent of the net loss from the carrying on of trades or businesses, computed separately with respect to—

''(I) trades or businesses (other than farming) conducted as sole proprietorships,

''(II) trades or businesses of farming conducted as sole proprietorships, and

''(III) other trades or businesses.

For purposes of clause (iv), there shall not be taken into account items which are attributable to a trade or business which consists of the performance of services by the taxpayer as an employee.''.

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to taxable years beginning after December 31, 1995.

(2) ADVANCE PAYMENT INDIVIDUALS.—In the case of any individual who on or before June 26, 1996, has in effect an earned income eligibility certificate for the individual's taxable year beginning in 1996, the amendments made by this section shall apply to taxable years beginning after December 31, 1996.

SEC. 911. FRAUD UNDER MEANS-TESTED WELFARE AND PUBLIC ASSISTANCE PROGRAMS.

(a) IN GENERAL.—If an individual's benefits under a Federal, State, or local law relating to a means-tested welfare or a public assistance program are reduced because of an act of fraud by the individual under the law or program, the individual may not, for the duration of the reduction, receive an increased benefit under any other means-tested welfare or public assistance program for which Federal funds are appropriated as a result of a decrease in the income of the individual (determined under the applicable program) attributable to such reduction.

(b) WELFARE OR PUBLIC ASSISTANCE PROGRAMS FOR WHICH FEDERAL FUNDS ARE APPROPRIATED.—For purposes of subsection (a), the term ''means-tested welfare or public assistance program for which Federal funds are appropriated'' includes the food stamp program under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.), any program of public or assisted housing under title I of the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.), and any State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.).

SEC. 912. ABSTINENCE EDUCATION.

Title V of the Social Security Act (42 U.S.C. 701 et seq.) is amended by adding at the end the following section:

''SEPARATE PROGRAM FOR ABSTINENCE EDUCATION

''SEC. 510. (a) For the purpose described in subsection (b), the Secretary shall, for fiscal year 1998 and each subsequent fiscal year, allot to each State which has transmitted an application for the fiscal year under section 505(a) an amount equal to the product of—

''(1) the amount appropriated in subsection (d) for the fiscal year; and

''(2) the percentage determined for the State under section 502(c)(1)(B)(ii).

''(b)(1) The purpose of an allotment under subsection (a) to a State is to enable the State to provide abstinence education, and at the option of the State, where appropriate, mentoring, counseling, and adult supervision to promote abstinence from sexual activity, with a focus on those groups which are most likely to bear children out-of-wedlock.

''(2) For purposes of this section, the term 'abstinence education' means an educational or motivational program which—

''(A) has as its exclusive purpose, teaching the social, psychological, and health gains to be realized by abstaining from sexual activity;

''(B) teaches abstinence from sexual activity outside marriage as the expected standard for all school age children;

''(C) teaches that abstinence from sexual activity is the only certain way to avoid out-of-wedlock pregnancy, sexually transmitted diseases, and other associated health problems;

''(D) teaches that a mutually faithful monogamous relationship in context of marriage is the expected standard of human sexual activity;

''(E) teaches that sexual activity outside of the context of marriage is likely to have harmful psychological and physical effects;

''(F) teaches that bearing children out-of-wedlock is likely to have harmful consequences for the child, the child's parents, and society;

''(G) teaches young people how to reject sexual advances and how alcohol and drug use increases vulnerability to sexual advances; and

''(H) teaches the importance of attaining self-sufficiency before engaging in sexual activity.

''(c)(1) Sections 503, 507, and 508 apply to allotments under subsection (a) to the same extent and in the same manner as such sections apply to allotments under section 502(c).

''(2) Sections 505 and 506 apply to allotments under subsection (a) to the extent determined by the Secretary to be appropriate.

''(d) For the purpose of allotments under subsection (a), there is appropriated, out of any money in the Treasury not otherwise appropriated, an additional $50,000,000 for each of the fiscal years 1998 through 2002. The appropriation under the preceding sentence for a fiscal year is made on October 1 of the fiscal year.''.

SEC. 913. CHANGE IN REFERENCE.

Effective January 1, 1997, the third sentence of section 1902(a) and section 1908(e)(1) of the Social Security Act (42 U.S.C. 1396a(a), 1396g–1(e)(1)) are each amended by striking ''The First Church of Christ, Scientist, Boston, Massachusetts'' and inserting ''The Commission for Accreditation of Christian Science Nursing Organizations/Facilities, Inc.'' each place it appears.

And the Senate agree to the same.

JOHN R. KASICH,
BILL ARCHER,
WILLIAM F. GOODLING,
PAT ROBERTS,
TOM BLILEY,
E. CLAY SHAW, Jr.,
JAMES TALENT,
JIM NUSSLE,
TIM HUTCHINSON,
JIM MCCRERY,
MICHAEL BILIRAKIS,
LAMAR SMITH,
NANCY L. JOHNSON,
DAVE CAMP,
GARY A. FRANKS,
''DUKE'' CUNNINGHAM,
MIKE CASTLE,
BOB GOODLATTE,
Managers on the Part of the House.

From the Committee on the Budget:
PETE V. DOMENICI,
D. NICKLES,
PHIL GRAMM,
JIM EXON,

From the Committee on Agriculture, Nutrition, and Forestry:
RICHARD G. LUGAR,
JESSE HELMS,
THAD COCHRAN,
RICK SANTORUM,

From the Committee on Finance:
WILLIAM V. ROTH, Jr.,
JOHN H. CHAFEE,
CHUCK GRASSLEY,
ORRIN HATCH,
AL SIMPSON,

From the Committee on Labor and Human Resources:
NANCY LANDON KASSEBAUM,
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. 3734) to provide for reconciliation pursuant to section 201(a)(1) of the concurrent resolution on the budget for fiscal year 1997, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment struck all of the House bill after the enacting clause and inserted a substitute text.

The House recedes from its disagreement to the amendment of the Senate with an amendment that is a substitute for the House bill and the Senate amendment. The differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clerical changes.

EXPLANATION OF THE CONFERENCE AGREEMENT

PRINCIPAL COMPONENTS OF THE CONFERENCE AGREEMENT

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 puts in place the most fundamental reform of welfare since the program's inception. It promotes work over welfare and self-reliance over dependency, thereby showing true compassion for those in America who need a helping hand, not a handout. It takes the historic step of eliminating a Federal entitlement program—Aid to Families with Dependent Children—and replacing it with a block grant that restores the States' fundamental role in assisting needy families. It makes substantial reforms in the Food Stamp Program, cracking down on fraud and abuse and applying tough work standards. It reforms the Supplemental Security Income [SSI] disability program to strengthen eligibility requirements and eliminating incentives for coaching children to misbehave so they can qualify for benefits. It makes sweeping reforms relating to benefits for noncitizens, strengthening the principle that immigrants come to America to work, not to collect welfare benefits.

The legislation does not abandon those Americans who truly need a helping hand. It retains protections for those who experience genuine and intractable hardship. Above all, it recognizes the vulnerability of America's children. It guarantees that they will continue to receive the support they need. Indeed, by discouraging illegitimacy and promoting stable families, this bill vastly improves the prospects of children in welfare families. But for most, welfare should mean temporary assistance for those striving to return to self-sufficiency.

The legislation is the first of three reconciliation bills called for in the reconciliation directives contained in the fiscal year 1997 budget resolution (H. Con. Res. 178). The measure will slow the growth of Federal welfare spending, but still maintain sufficient increases to protect vulnerable populations. According to preliminary estimates, welfare spending would grow from approximately $83 billion this year to about $107 billion in 2002, excluding the effects of Earned Income Credit [EIC] outlays. When EIC outlays are included, the preliminary estimates show welfare spending growing from about $99 billion this year to roughly $128 billion in 2002. The Federal Government still will spend nearly $600 billion on welfare programs not counting the EIC, and nearly $700 billion when the EIC is included. Either way, when compared with Federal spending projections for the current welfare program, this legislation will reduce the Federal budget deficit by about $55 billion to $56 billion over 6 years.

The importance of these budgetary effects is matched by the historic transformation of the welfare program embraced in this legislation. This measure rests on five principles that are the pillars of the welfare reform strategy in the 104th Congress:

Welfare Should Not Be a Way of Life. The legislation assures that welfare will be a helping hand, not a lifetime handout, by imposing a 5-year lifetime limit on benefits (although as many as 20 percent of families may be allowed exceptions for conditions of hardship).

Work, Not Welfare. For the first time ever, able-bodied welfare recipients will be required to work for their benefits. At least one person in every family must be working within 2 years after receiving welfare or lose benefits, and States are required to have at least half of their single-parent welfare recipients working by 2002.

No More Welfare for Noncitizens and Felons. Most welfare (except emergency benefits) ends for most non-citizens during their first 5 years in the United States. Exceptions are made for refugees, persons who have worked and paid taxes in the United States for 10 years, and those who have served in the U.S. military. States will have the option of denying Medicaid eligibility to noncitizens who enter the United States after enactment. The legislation also terminates benefits for fugitive felons fleeing from prosecution or imprisonment or violating parole, and offers financial incentives to local corrections authorities to report persons incarcerated in their jails who are improperly receiving welfare checks.

Power and Flexibility to the States. The best welfare solutions come from those closest to the problems—not from bureaucrats in Washington. The legislation creates broad cash welfare and child care block grants providing maximum flexibility so that States can reform welfare in ways that are appropriate for them, and can move families into jobs.

Encouraging Personal Responsibility to Halt Rising Illegitimacy Rates. As a result of the current welfare system, which discourages two-parent families, today's illegitimacy rate among welfare families is almost 50 percent and is rising. This legislation seeks to reverse the trend by boosting efforts to establish paternity and make fathers pay child support. As an added incentive, States that reduce out-of-wedlock births will receive added cash grants.

This legislation reforms welfare to make it more consistent with fundamental American values—by rewarding work and self-reliance, encouraging personal responsibility, and restoring a sense of hope in the future.

TITLE I: BLOCK GRANT FOR TEMPORARY ASSISTANCE FOR NEEDY FAMILIES

1. FINDINGS

Present law

No provision.

House bill

Congress finds that marriage is the foundation of a successful society and an essential institution that promotes the interests of children. Promotion of responsible fatherhood and motherhood is integral to successful child-rearing and the well-being of children. It is the sense of Congress that prevention of out-of-wedlock pregnancy and reduction on out-of-wedlock birth are very important government interests and that the policy outlined in the provisions of this title is intended to address the crisis.

Senate amendment

Adds that an effective strategy to combat teenage pregnancy must deal with the issue of male responsibility, including statutory rape culpability and prevention. Finds protection of teenage girls from pregnancy as well as predatory sexual behavior to be very important Government interests.

Conference agreement

The conference agreement follows the Senate amendment.

2. REFERENCE TO THE SOCIAL SECURITY ACT

Present law

No provision

House bill

Unless otherwise specified, any reference in this title to an amendment to or repeal of

a section or other provision is to the Social Security Act.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

3. BLOCK GRANT TO STATES; PURPOSE

Present law

Title IV–A of the Social Security Act, which provides grants to States for aid and services to needy families with children (AFDC), is designed to encourage care of dependent children in their own homes by enabling States to provide cash aid and services, maintain and strengthen family life, and help parents attain maximum self-support consistent with maintaining parental care and protection.

House bill

Block grants for temporary assistance for needy families (TANF), which replace Title IV–A of the Social Security Act, are established to increase the flexibility of States in operating a program designed to provide assistance to needy families; end dependence on government benefits by promoting job preparation, work and marriage; prevent and reduce the incidence of out-of-wedlock pregnancies; and encourage the formation and maintenance of two-parent families.

This part shall not be interpreted to entitle any individual or family to assistance under any State program funded under this part.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

4. ELIGIBLE STATES—STATE PLAN REQUIREMENTS

Present law

A State must have an approved State plan for aid and services to needy families containing 43 provisions, ranging from single-agency administration to overpayment recovery rules. State plans explain the aid and services that are offered by the State. Aid is defined as money payments. For most parents without a child under age 3, States must provide education, work, or training under the JOBS program to help needy families with children avoid long-term welfare dependence. Note: work and education requirements of JOBS are subject to two conditions—State resources must permit them and the program must be available in the recipient's political subdivision. To receive Federal funds, States must share in program costs. The Federal share of costs (matching rate) varies among States and is inversely related to the square of State per capita income. For AFDC benefits and child care, the Medicaid matching rate is used. This rate now ranges from 50 percent to 78 percent among States and averages about 55 percent. For JOBS activities, the rate averages 60 percent; for administrative costs, 50 percent. The general JOBS participation rate, which expired September 30, 1995, required 20 percent of employable (nonexempt) adult recipients to participate in education, work, or training under JOBS, in fiscal year 1995. In fiscal year 1996, at least one parent in 60 percent of unemployed-parent families must participate at least 16 hours weekly in an unpaid work experience or other work program. States must restrict disclosure of information to purposes directly connected to administration of the program and to any connected investigation, prosecution, legal proceeding or audit. Each State must offer family planning services to all ''appropriate'' cases, including minors considered sexually active. State may not require acceptance of these services. Regulations require that States determine need and amount of eligibility on an objective and equitable basis.

House bill

An ''eligible State'' is a State that, during the 2-year period immediately preceding the fiscal year, has submitted a plan to the Secretary of HHS that the Secretary has found includes a written document describing how the State will:

1. conduct a program, designed to serve all political subdivisions in the State, that provides cash assistance to needy families with (or expecting) children, and that provides parents with work and support services to enable them to become self-sufficient;

2. require a parent or a caretaker receiving assistance to engage in work as defined by the State once the parent or caretaker has received assistance for 24 months (whether or not consecutive) or earlier;

3. ensure that parents and caretakers engage in work activities as described below;

4. take such reasonable steps as the State deems necessary to restrict the use and disclosure of information about recipients of assistance attributable to funds provided by the Federal government.

5. no provision. (See purpose above.)

Further, the document must:

6. indicate whether the State intends to treat families moving into the State differently; and, if so, how.

7. indicate whether it intends to aid noncitizens.

8. set forth objective criteria for delivery of benefits and determinations of eligibility, and for fair and equitable treatment, including an explanation of how it will provide opportunities for adversely affected recipients to be heard in a State administrative or appeal process;

9. no provision;

10. no provision;

11. no provision.

Senate amendment

1. Same.

2. Similar provision.

3. Same.

4. Same.

5. Establish goals and take action to prevent and reduce the incidence of pregnancies outside marriage, and establish numerical goals for reducing the proportion of births out of wedlock for calendar years 1996 through 2005.

Further, the document must:

6. Same.

7. Same.

8. outline how the State intends to determine, on an objective and equitable basis, the needs of and amount of aid to be provided to needy families; and, except as allowed for incoming families and noncitizens (items 6 and 7) to treat families of similar needs and circumstances similarly.

9. outline how it will grant opportunity for a fair hearing to anyone adversely affected or whose application is not acted on promptly.

10. require, not later than 1 year after enactment, a parent or caretaker is not engaged in work or exempt from work requirements and who has received assistance for more than 2 months to participate in community service. States may opt out of this requirement by notifying the Secretary.

11. outline how the State will conduct a program, designed to reach States and local law enforcement officials, the education system, and relevant counseling services, that provides education and training on the problem of statutory rape so that teenage pregnancy prevention programs may be expanded to include men.

Conference agreement

In general, the conference agreement follows the Senate amendment, except that the Senate recedes on requirements 2, 8, and 9. Requirement 10 is modified to provide that a State may opt out of this requirement by submitting a letter from the Governor to the Secretary.

5. ELIGIBLE STATES—CERTIFICATIONS

Present law

States must have in effect an approved child support program. States must also have an approved plan for foster care and adoption assistance. States must have an income and verification system covering AFDC, Medicaid, unemployment compensation, food stamps, and—in outlying areas—adult cash aid.

House bill

State plans must include the following certifications:

1. that the State will operate a child support enforcement program;

2. that the State will operate a child protection program under Title IV–B (child welfare services and family preservation);

3. specifying which State agency or agencies will administer and supervise the State plan, and assurances that local governments and private sector organizations have been consulted and have had an opportunity to submit comments on the plan; and

4. that the State will provide Indians with equitable access to assistance.

5. no provision.

6. no provision.

Senate amendment

1. Same.

2. that the State will operate a foster care and adoption assistance program under Title IV–E and ensure medical assistance for the children;

3. Same.

4. Same.

5. that the State has established standards to ensure against fraud and abuse.

6. that the State has established and is enforcing standards and procedures to screen for and identify recipients with a history of domestic violence, will refer them to counseling and supportive services, and will waive program requirements that would make it more difficult for these persons to escape violence.

Conference agreement

The conference agreement generally follows the Senate amendment, except that the certification that the State establish and enforce standards and special procedures regarding recipients with a history of domestic violence is made a State option.

6. ELIGIBLE STATES—PUBLIC AVAILABILITY OF STATE PLAN SUMMARY

Present law

Federal regulations require that State program manuals and other policy issuances, which reflect the State plan, be maintained in the State office and in each local and district office for examination on regular workdays.

House bill

The State shall make available to the public a summary of the State plan.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

7. GRANTS TO STATES—FAMILY ASSISTANCE GRANT

Present law

AFDC entitles States to Federal matching funds. Current law provides permanent authority for appropriations without limit for

grants to States for AFDC benefits, administration, and AFDC-related child care. Over the years, because of court rulings, AFDC has evolved into an entitlement for qualified individuals to receive cash benefits. In general, States must give AFDC to all persons whose income and resources are below State-set limits if they are in a class or category eligible under Federal rules.

House bill

Each eligible State and Territory is entitled to receive a grant from the Secretary for each of 6 fiscal years (1996 through 2001) in an amount equal to the State family assistance grant for the fiscal year.

A State's family assistance grant is equal to the highest of former Federal payments to the State for AFDC benefits, AFDC Administration, Emergency Assistance, and JOBS during (1) fiscal years 1992 through 1994, on average; (2) fiscal year 1994 plus, under certain circumstances, 85 percent of increased fiscal year 1995 spending for emergency assistance, or (3) fiscal year 1995.

If a State fails to make qualified State expenditures for eligible families under all State programs equal to at least 75 percent of its fiscal year 1994 spending level (or at least 80 percent, if the State fails to meet its mandatory work requirements) for AFDC benefits, AFDC Administration, Emergency Assistance, JOBS, AFDC-related child care, and at-risk child care, its family assistance grant is reduced by the shortfall (see the discussion of penalties below).

Senate amendment

Same, except raises required State expenditures to 80 percent of fiscal year 1994 level.

Conference agreement

The conference agreement follows the House bill.

8. GRANTS TO STATES—GRANT TO REWARD STATES THAT REDUCE OUT-OF-WEDLOCK BIRTHS

Present law

No provision.

House bill

For each fiscal year beginning with 1998, a State's grant amount is increased by 5 or 10 percent if the State ''illegitimacy ratio'' is 1 or 2 percentage points, respectively, lower in that year than its 1995 illegitimacy ratio. Only States in which the rate of abortion falls below the 1995 level are eligible for these additional grants.

The term ''illegitimacy ratio'' means, during a fiscal year, the number of out-of-wedlock births that occurred in the State divided by the number of births. In calculating grants, the Secretary must disregard any difference in illegitimacy ratios or abortion rates attributable to a change in State methods of reporting data.

Senate amendment

Follows the House bill, except that for each of 5 fiscal years (1999 through 2003) the Secretary shall make a grant of up to $20 million for each of the 5 States that demonstrate the greatest decrease in out-of-wedlock births during the most recent 2-year period for which the information is available. If fewer than 5 States are eligible, the amount of such grants shall be $25 million.

Conference agreement

The conference agreement follows the Senate amendment, with the modification that funds are available between 1999 and 2002.

9. GRANTS TO STATES—SUPPLEMENTAL GRANT FOR POPULATION INCREASES AND LOW FEDERAL SPENDING PER POOR PERSON IN CERTAIN STATES

Present Law

There is no adjustment for population growth. Instead, current law provides unlimited matching funds. When AFDC enrollment climbs, Federal funding automatically rises.

House bill

Subject to the eligibility criteria below, each qualifying State (for purposes of this section, the term ''State'' is limited to the 50 States and the District of Columbia) is entitled to receive from the Secretary supplemental grants to assist in making cash welfare payments for 4 years, fiscal years 1997-2000. For fiscal year 1997 the supplemental grant equals 2.5 percent of Federal payments to the qualifying State during fiscal year 1994 for AFDC benefits, AFDC Administration, Emergency Assistance, JOBS and AFDC-related child care. For fiscal years 1998 through 2000, each qualifying State is entitled to receive an amount equal to the supplemental grant for the immediately preceding year plus, if it continues to meet the eligibility criteria below, an annual increase. States that no longer meet the qualification criteria are entitled to receive the prior year's grant without increase. A State is a qualifying State for a fiscal year if average Federal welfare spending per poor person is less than the national average and State population growth exceeds the average for all States. States must qualify during fiscal year 1997 in order to qualify during later years. Certain States (i.e. those in which Federal welfare spending per poor person for fiscal year 1994 was less than 35 percent of the fiscal year 1994 national average or in which population has increased by more than 10 percent from April 1, 1990 to July 1, 1994) are deemed to qualify for supplemental grants in each year between fiscal year 1997 and 2000. A total of $800 million is appropriated for this purpose. If this sum is insufficient for full supplemental grants for all qualifying States, pro rata reductions will be made. (p. 244)

Senate amendment

Same except for change in years of possible supplemental grants: fiscal years 1998 through 2001 (instead of 1997 through 2000). States must qualify during fiscal year 1998 in order to do so in later years.

Conference agreement

The conference agreement follows the Senate amendment.

10. GRANTS TO STATES—BONUS TO REWARD HIGH PERFORMANCE STATES

Present law

No provision.

House bill

Certain ''high performing'' States (i.e. those most successful in achieving the purposes of the block grant program) are entitled to receive additional payments of up to five percent of their State family assistance grant. The formula for measuring State performance shall be developed by the Secretary in consultation with the National Governors' Association and the American Public Welfare Association. A total of $0.5 billion is appropriated for high performance bonuses to States during 5 fiscal years, 1999 through 2003, and average annual performance bonuses are to equal $100 million.

Note.—In addition, required maintenance-of-effort spending is to be reduced for States that achieve performance scores above a threshold set by the Secretary.

Senate amendment

Appropriates twice as much money for high performance bonuses—$1 billion—and provides that average annual bonuses are to equal $175 million for fiscal years 1999 through 2002 and $300 million for fiscal year 2003.

Conference agreement

The conference agreement follows the Senate amendment regarding funding (total of $1 billion) and follows the House bill regarding the criteria for awarding bonuses to ''high performance'' States. The provision allowing certain high performance States to meet a lower maintenance of effort requirement is dropped (see below).

11. GRANTS TO STATES—CONTINGENCY FUND FOR STATE WELFARE PROGRAMS

Present law

No provision. Current law provides unlimited matching funds.

House bill

To assist States (for purposes of this section, the term ''State'' is limited to the 50 States and the District of Columbia) with increased welfare needs, the House proposal establishes a contingency fund for matching grants and appropriates up to $2 billion over a total of 5 fiscal years (1997 through 2001) for the fund. Eligible States may receive contingency fund payments totaling up to 20 percent of their annual family assistance grant in any single year (in any single month, States cannot receive more than 1/12 of 20 percent of the annual family assistance grant). States are to submit requests for payment of contingency funds, and the Secretary of the Treasury must make payments to eligible States in the order in which requests are received.

States are eligible to receive payments if State unemployment is high (at or above 6.5 percent in the most recent three-month period) and rising relative to previous years (at least 10 percent above the comparable level in either or both of two preceding years). States also are eligible to receive payments if food stamp participation in the State in the most recent three-month period has risen at least 10 percent from the average monthly number of recipients who would have participated in the comparable quarter of fiscal year 1994 or fiscal year 1995, as determined by the Secretary of Agriculture, if amendments made by this proposal to the food stamp program (including optional food stamp block grant provisions) and to eligibility of noncitizens had been in effect throughout fiscal year 1994 and 1995. States must maintain 100 percent of historic State welfare spending (generally, the amount of State funds spent in fiscal year 1994 for AFDC benefits and administration, AFDC-related child care, at-risk child care, Emergency Assistance, and JOBS) during years in which contingency fund payments are made, or repay an amount reflecting the shortfall. States must share in the cost of contingency funds at their fiscal year 1995 Medicaid matching rate. To smooth their transition to recovery, States that have been receiving contingency fund payments will continue to receive payments for one month after they no longer meet the criteria described above.

Senate amendment

Contingency fund of $2 billion covers 4 fiscal years (1998 through 2001) rather than 5. (Because of the Byrd rule, the provision specifying that the CBO baseline is to assume that no grant will be made after 2001 is deleted.)

Conference agreement

The conference agreement follows the House bill, with the modification that, notwithstanding section 257(b)(2) of the Balanced Budget and Emergency Deficit Control Act of 1985, the baseline shall assume that no grant shall be made under this subsection after fiscal year 2001.

12. GRANTS TO STATES—WORK PROGRAM GRANT

Present law
House bill

To assist States in meeting the work requirements, eligible States may receive funds from a supplemental grant for the operation of work programs. To be eligible, a

State's total expenditures for the fiscal year to meet work participation requirements must exceed its total jobs spending for fiscal year 1994, its TANF work programs must be coordinated with job training programs of Title II of the Job Training Partnership Act (JTPA), or its successor, and the State must need the extra funds to meet TANF work requirements or certify that it intends to exceed participation requirements. The Secretary is to issue regulations for equitable distribution of the grants. For these supplemental grants, $3 billion is authorized for fiscal year 1999 (amounts appropriated are authorized to remain available until spent).

Senate amendment

No provision.

Conference agreement

The conference agreement follows the Senate amendment.

13. USE OF GRANTS—IN GENERAL

Present law

AFDC and JOBS funds are to be used in conformity with State plans. A State may replace a caretaker relative with a protective payee or a guardian or legal representative.

House bill

Grants may be used in any manner reasonably calculated to accomplish the purposes of this title, including activities now authorized under Titles IV-A and IV-F of the Social Security Act, or to provide low-income households with assistance in meeting home heating and cooling costs.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

14. USE OF GRANTS—LIMITATION ON ADMINISTRATIVE SPENDING

Present law

No provision.

House bill

States may not use more than 15 percent of the family assistance grant for administrative purposes. However, this cap does not apply to spending for information technology and computerization needed to implement the tracking and monitoring required by this title.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

15. USE OF GRANTS—RECIPIENTS MOVING INTO THE STATE FROM ANOTHER STATE

Present law

The Social Security Act forbids the Secretary to approve a plan that denies AFDC eligibility to a child unless he has resided in the State for 1 year. The U.S. Supreme Court has invalidated some State laws that withheld aid from persons who had not resided there for at least 1 year. It has not ruled on the question of paying lower amounts of aid for incoming residents.

House bill

States may impose program rules and benefit levels of the State from which a family moved if the family has lived in the State for fewer than 12 months.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

16. USE OF GRANTS—TRANSFER OF FUNDS

Present law

No provision.

House bill

States may transfer up to 30 percent of funds paid under this section to carry out a State program under Part B (child welfare and family preservation) or Part E (foster care and adoption assistance), the social services block grant, and the child care and development block grant. Of the 30 percent that may be transferred, not more than one-third (that is, not more than 10 percent of the total block grant) may be transferred into the Social Services Block Grant. Amounts transferred to the Social Services Block Grant must be spent on programs and services for children or their families.

Senate amendment

States may transfer up to 30 percent of funds only to the child care and development block grant.

Conference agreement

The conference agreement follows the House bill, except that the provision allowing transfers into the child protection block grant, which was deleted, is dropped. The conference agreement adds the modification that funds transferred into the Title XX Social Services Block Grant must be spent on families with incomes that do not exceed 200 percent of the poverty level (as determined annually by the Federal Office of Management and Budget).

17. USE OF GRANTS—RESERVATION OF FUNDS

Present law

No provision.

House bill

A State may reserve amounts paid to the State for any fiscal year for the purpose of providing assistance under this part. Reserve funds can be used in any fiscal year.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

18. USE OF GRANTS—AUTHORITY TO OPERATE AN EMPLOYMENT PLACEMENT PROGRAM

Present law

Required JOBS services include job development and job placement. The State agency may provide services directly or through arrangements or under contracts with public agencies or private organizations.

House bill

States may use a portion of the family assistance grant to make payments (or provide job placement vouchers) to State-approved agencies that provide employment services to recipients of cash aid.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

19. USE OF GRANTS—IMPLEMENTATION OF ELECTRONIC BENEFIT TRANSFER SYSTEM

Present law

Regulations permit States to receive Federal reimbursement funds (50 percent administrative cost- sharing rate) for operation of electronic benefit systems. To do so, States must receive advance approval from HHS and must comply with automatic data processing rules.

House bill

States are encouraged to implement an electronic benefit transfer (EBT) system for providing assistance under the State program funded under this part, and may use the grant for such purpose. (The food stamp title of the bill exempts any EBT system distributing need-tested benefits established or administered by a State from Federal Reserve Board rules known collectively as ''Regulation E.'' The most important Regulation E provision requires that lost/stolen benefits be restored; individuals with accounts are responsible only for the first $50 of any loss, when reported in a timely fashion.)

Senate amendment

Same (in Miscellaneous chapter).

Conference Agreement

The conference agreement follows the House bill. Conferees also agreed to put comprehensive language on EBT and Regulation E in the food stamps section of this legislation.

20. USE OF GRANTS—INDIVIDUAL DEVELOPMENT ACCOUNTS

Present law

No provision.

House bill

No provision.

Senate amendment

Authorizes a State to use TANF funds to fund individual development accounts established by recipients for specified purposes: postsecondary educational expenses, first-home purchase, business capitalization. Terms include: contributions must be from earned income, withdrawals would be allowed only for the above purposes, and Federal benefit programs must disregard funds in the account in determining eligibility and amount of aid.

Conference agreement

The conference agreement follows the Senate amendment.

21. ADMINISTRATIVE PROVISIONS

Present law

The Secretary pays AFDC funds to the State on a quarterly basis.

House bill

The Secretary shall make each grant payable to a State in quarterly installments. The Secretary is to estimate each State's payment on the basis of a report about expected expenditures from the State and to certify to the Secretary of the Treasury the amount estimated, adjusted if needed for overpayments or underpayments for any past quarter. The Secretary must notify States not later than three months in advance of any quarterly payment that will be reduced to reflect payments made to Indian tribes in the State. Under certain circumstances, overpayments to individuals no longer receiving temporary family assistance will be collected from Federal income tax refunds and repaid to affected States.

Senate amendment

Same, except the provision regarding ''Collection of State Overpayments to Families from Federal Tax Refunds'' was deleted because of the Byrd rule.

Conference agreement

The conference agreement follows the Senate amendment.

22. FEDERAL LOANS FOR STATE WELFARE PROGRAMS

Present law

No provision. Instead, current law provides unlimited matching funds.

House bill

The proposal establishes a $1.7 billion revolving loan fund from which eligible States may borrow funds to meet the purposes of this title. States that have been penalized for misspending block grant funds as determined by an audit are ineligible for loans. Loans are to mature in 3 years, at the latest, and the cumulative amount of all loans to a

State during fiscal years 1997 through 2001 cannot exceed 10 percent of its basic block grant. The interest rate shall equal the current average market yield on outstanding U.S. securities with a comparable remaining maturity length. States face penalties for failing to make timely payments on their loan.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

23. MANDATORY WORK REQUIREMENTS—PARTICIPATION RATE REQUIREMENTS

Present law

The following minimum percentage of nonexempt AFDC families must participate in JOBS:

Fiscal year:	*Minimum percentage*
1995	20
1996 and thereafter (no requirement).	0

The following minimum percentages of two-parent families receiving cash assistance must participate in specified work activities:

Fiscal year:	*Minimum percentage*
1995	50
1996	60
1997	75
1998 (last year)	75
1999 and thereafter (no requirement).	0

House bill

The following minimum percentages of all families receiving assistance funded by the family assistance grant (except those with a child under 1, if exempted by the State) must participate in work activities:

Fiscal year:	*Minimum percentage*
1997	25
1998	30
1999	35
2000	40
2001	45
2002 or thereafter	50

The following minimum percentages of two-parent families receiving cash assistance must participate in specified work activities:

Fiscal year:	*Minimum percentage*
1996	50
1997	75
1998	75
1999 and thereafter	90.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

24. MANDATORY WORK REQUIREMENTS—CALCULATION OF PARTICIPATION RATES

Present law

Participation rates for all families are calculated for each month. A State's rate, expressed as a percentage, equals the number of actual JOBS participants divided by the number of AFDC recipients required to participate (nonexempt from JOBS). In calculating a State's overall JOBS participation rate, a standard of 20 hours per week is used. The welfare agency is to count as participants the largest number of persons whose combined and averaged hours in JOBS activities during the month equal 20 per week.

Participation rates for two-parent families for a month equal the number of parents who participate divided by the number of principal earners in AFDC-UP families (but excluding families who received aid for two months or less, if one parent engaged in intensive job search).

House bill

1. The participation rate (for all families and for two-parent families) for a State for the fiscal year is the average of the participation rates for each month in the fiscal year. The monthly participation rate for a State is a percentage obtained by dividing the number of families receiving assistance that include an adult who is engaged in work by the number of families receiving assistance (not counting those subject to a recent sanction for refusal to work).

2. The required participation rate for a year is to be adjusted down one percentage point for each percentage point that the average monthly caseload is below fiscal year 1995 levels, unless the Secretary finds that the decrease was required by Federal law or results from changes in State eligibility criteria (which must be proved by the Secretary). The Secretary is to prescribe regulations for this adjustment.

3. States have the option of counting individuals receiving assistance under a tribal family assistance plan towards the State work participation requirement.

4. States have the option of not requiring single parents of children under age one to engage in work and may disregard these parents in determining work participation rates.

Senate amendment

1. Same.
2. Same.
3. Same.
4. Allows a parent to receive this exemption only for a total of 12 months, whether or not consecutive.

Conference agreement

The conference agreement follows the Senate amendment, with a modification. For item 1, the conference agreement includes minor heads of households along with adults in the calculation of State work participation rates (in both the numerator and denominator of the calculation).

25. MANDATORY WORK REQUIREMENTS—OPTIONAL INDIVIDUAL RESPONSIBILITY PLAN

Present law

States must make an initial assessment of the educational, child care, and other supportive service needs, and of the skills and employability of each JOBS participant. In consultation with the participant, the agency shall develop an employability plan for the participant, which shall not be considered a contract. After these steps, the State agency may require the participant to negotiate and enter into an agreement that specifies matters such as the participant's obligations, duration of participation, and services to be provided.

House bill

States are required to make an initial assessment of the skills, work experience, and employability of each recipient of assisting under the block grant who is over age 17 or has not completed high school or the equivalent, and is not attending secondary school. States may develop individual responsibility plans setting forth employment goals, obligations of the individual, and services the State will provide. In addition to other penalties that may apply, States may reduce assistance to families that include an individual who fails to comply with the terms of such plans.

Senate amendment

Requires States to require TANF recipient families to enter into a personal responsibility agreement, as developed by the State. The agreement means a binding contract. It is to include a negotiated individual time limit for benefit eligibility, outline steps the family and State will take to move the family to self-sufficiency, provide for sanctions if the individual fails to sign the agreement or comply with its terms and shall be invalid if the State fails to comply with its terms.

Conference agreement

The conference agreement follows the House bill.

26. MANDATORY WORK REQUIREMENTS—ENGAGED IN WORK

Present law

Not relevant. (As discussed below, required activities in State JOBS programs are education, jobs skills training, job readiness, job development and job placement and two of these four: job search, on-the-job training, work supplementation, and community work experience, or other approved work experience. In general, to be counted as a JOBS participant, a person must be engaged in a JOBS activity for an average of 20 hours weekly.)

House bill

To be counted as engaged in work for a month, a recipient must be participating for at least the minimum average number of hours per week shown in the table below in one or more of these activities: unsubsidized employment, subsidized (private or public) employment, work experience, on-the-job training, job search and job readiness assistance, community service programs, or vocational educational training (12 months maximum).

Fiscal year:	*Minimum average weekly hours*
1996	20
1997	20
1998	20
1999	25
2000	30

Exceptions to the above table: (1) to be considered engaged in work, an adult in a two-parent family must make progress in work activities at least 35 hours per week, with not fewer than 30 hours attributable to the work activities cited above; (2) an individual in job search may be counted as engaged in work for up to 8 weeks, no more than 4 of which may be consecutive; (3) a State may count a single parent with a child under age 11 as engaged in work for a month if the parent works an average of 20 hours weekly in all years (the hourly minimum does not rise for these parents); (4) not more than 20 percent of adults in all families and in two-parent families determined to be engaged in work in the State for a month may meet the work requirement through participation in vocational educational training; (5) teen parents (under age 20) who head their households are considered to be engaged in work if they maintain satisfactory attendance at secondary school or participate in work-related education for at least the minimum average number of hours in the table; and (6) no provision.

Senate amendment

Changes list of work activities by substituting ''educational training (not to exceed 24 months with respect to any individual)'' for ''vocational educational training (not to exceed 12 months with respect to any individual).'' (Also, as the table below shows, required weekly hours of work rise to 35 in fiscal year 2002 and thereafter.)

Fiscal year:	*Minimum average weekly hours*
1996	20

	Minimum average weekly hours
1997	20
1998	20
1999	25
2000	30
2001	30
2002 and thereafter	35

Exceptions to the above table: (1) an adult in a two-parent family is considered engaged in work if he/she works at least 35 hours weekly, with at least 30 hours attributable to one of the activities cited above, and, if the family receives federally-funded child care, the second parent makes satisfactory progress for at least 20 hours weekly in employment, work experience, on-the-job training, or community service; (2) an individual in job search may be counted as engaged in work for only 4 weeks (12 weeks if the State unemployment rate exceeds the national average); (3) same as House provision; (4) not more than 30 percent of adults in all families and in 2-parent families may meet the work activity requirement through participation in vocational educational training (note: bill language refers to vocational educational training, although references elsewhere are to educational training—see above); (5) teen parents (under age 20) who head their households are considered to be engaged in work if they maintain satisfactory attendance at secondary school or the equivalent during the month or participate in education directly related to employment for at least the minimum average number of hours per week in the table; and (6) a person participating in a community service program may be treated as being engaged in work if she provides child care services to another participant in the community service program for the period of time each week determined by the State.

Conference agreement

The conference agreement follows the house bill and the Senate amendment as follows:

First, the conference agreement follows the House bill regarding vocational educational training as a work activity which is creditable for up to 12 months.

Second, the conference agreement follows the House bill regarding the minimum average weekly hours of work required.

Finally, regarding exceptions to the work hour requirements, the conference agreement: (1) follows the Senate amendment on hours of work for adults in a 2-parent family, with the modification exempting the second parent, if such parent is disabled or caring for a severely disabled child; (2) follows the Senate amendment regarding job search, with the modification that a total of 6 weeks is allowed, of which not more than 4 may be consecutive (and, in the case of States in which the unemployment rate is at least 50 percent above the national average, a total of 12 weeks is allowed); in addition an individual may count a partial week of job search as a full week of work limited to one occasion; (3) follows the House bill in permitting States to count certain single parents as engaged in work if the parent works for 20 hours per week, with the modification that the parent's child must be under age 6 (however, the conference agreement follows the Senate amendment regarding the requirement that States may not disregard such an adult in calculating their work rates); (4) follows the House bill regarding the limitation on the number of parents countable if in vocational education; (5) follows the Senate amendment on teen parents and education, with the modification that teen parents meeting the work requirement in this way are counted towards the 20 percent limitation on vocational education (see above); and (6) follows the Senate amendment on persons providing child care, with the clarification that such hours spent providing child care count towards fulfillment of the hours of work required.

27. MANDATORY WORK REQUIREMENTS—WORK ACTIVITIES DEFINED

Present law

JOBS programs must include specified educational activities (high school or equivalent education, basic and remedial education, and education for those with limited English proficiency); job skills training, job readiness activities, and job development and placement. In addition, States must offer at least two of these four items: group and individual job search; on-the-job training; work supplementation or community work experience program (or another work experience program approved by the HHS Secretary). The State also may offer postsecondary education in ''appropriate'' cases.

House bill

''Work activities'' are defined as unsubsidized employment, subsidized private sector employment, subsidized public sector employment, work experience if sufficient private sector employment is not available, on-the-job training, job search and job readiness assistance, community service programs, vocational educational training (1 year maximum), jobs skills training directly related to employment, education directly related to employment in the case of a recipient who lacks a high school diploma or equivalency, and satisfactory attendance at secondary school for a recipient who has not completed high school.

Senate amendment

Same as House provision except for last two items in list of ''work activities.'' These activities (work-related education and secondary school attendance) are creditable as ''work'' only for persons under age 20.

Conference agreement

The conference agreement follows the House bill, with the modification to include the provision of child care services to an individual who is participating in a community service program.

28. MANDATORY WORK REQUIREMENTS—PENALTIES AGAINST INDIVIDUALS

Present law

For failure to meet JOBS requirements without good cause, AFDC benefits are denied to the offending parent and payments for the children are made to a third party. In a two-parent family, failure of one parent to meet JOBS requirements without good cause results in denial of benefits for both parents (unless the other parent participates) and third-party payment on behalf of the children. Repeated failures to comply bring potentially longer penalty periods.

House bill

If an adult recipient refuses to engage in required work, the State shall reduce the amount of assistance to the family pro rata (or more, at State option) with respect to the period of work refusal, or shall discontinue aid, subject to good cause and other exceptions that the State may establish. In addition, if block grant recipients fail to meet any of the work requirements, States may terminate their coverage under the Medicaid program. A State may not penalize a single parent caring for a child under age eleven for refusal to work if the parent proves a demonstrated inability to obtain needed child care for specified reasons.

Senate amendment

Same as House provision except that Senate does not provide that States may end Medicaid for block grant recipients who fail to meet any of the work requirements in the act.

Conference agreement

The conference agreement follows the House bill with the modification that, if benefits are terminated under the work requirements of section 407 of this part, States may end Medicaid eligibility for adults made ineligible, but not children in the family. In addition, modifies the House bill and Senate amendment so that States may not penalize a single parent caring for a child under age 6 for refusal to work if the parent proves a demonstrated inability to obtain needed child care for specified reasons.

29. MANDATORY WORK REQUIREMENTS—NONDISPLACEMENT IN WORK ACTIVITIES

Present law

Under JOBS law, no work assignment may displace any currently employed worker or position (including partial displacement such as a reduction in hours of non-overtime work, wages, or employment benefits). Nor may a JOBS participant fill a position vacant because of layoff or because the employer has reduced the workforce with the effect of creating a position to be subsidized.

House bill

In general, an adult in a family receiving IV-A assistance may fill a work vacancy. However, no adult in a Title IV-A work activity shall be employed or assigned when another person is on layoff from the same or a substantially equivalent job, or when the employer has terminated the employment of a regular worker or otherwise caused an involuntary reduction of its workforce in order to fill the vacancy thus created with a subsidized worker. This provision does not preempt or supersede any State or local law providing greater protection from displacement.

Senate amendment

In general, an adult in a family receiving IV-A assistance may fill a work vacancy. However, no IV-A work assignment may displace a currently employed worker (including any partial displacement such as a reduction in hours of overtime work, wages, or employment benefits), impair an existing contract or collective bargaining agreement, or result in ending a regular worker's employment. States must establish and maintain a grievance procedure, including hearing opportunity, for resolving complaints and providing remedies for violations. This section does not preempt or supersede any State or local law providing greater protection from displacement.

Conference agreement

The conference agreement follows the House bill, with the modification to include a requirement that States establish a grievance procedure for workers adversely affected pursuant to this section.

30. MANDATORY WORK REQUIREMENTS—SENSE OF THE CONGRESS THAT STATE SHOULD PLACE A PRIORITY ON PLACING CERTAIN PARENTS IN WORK

Present law

As a condition of receiving full matching funds, a State must use 55 percent of its JOBS spending for these target groups: persons who have received aid for any 36 of the 60 preceding months, parents under age 24 who failed to complete high school, and parents whose youngest child is within 2 years of becoming ineligible for aid (i.e., whose youngest child is, usually, at least 16).

House bill

It is the sense of Congress that States should give highest priority to requiring adults in two-parent families and adults in single-parent families with children that are

older than preschool age to engage in work activities.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

31. MANDATORY WORK REQUIREMENTS—SENSE OF THE CONGRESS THAT STATES SHOULD IMPOSE CERTAIN REQUIREMENTS ON NONCUSTODIAL, NONSUPPORTING MINOR PARENTS

Present law

No provision.

House bill

It is the sense of the Congress that States should require noncustodial, nonsupporting parents who have not attained 18 years of age to fulfill community work obligations and attend appropriate parenting or money management classes after school.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

32. MANDATORY WORK REQUIREMENTS—REVIEW OF IMPLEMENTATION OF STATE WORK PROGRAMS

Present law

No provision.

House bill

During fiscal year 1999, the Committees on Ways and Means and Finance must hold hearings to review the implementation by States of the mandatory work requirements, and may introduce legislation to remedy any problems found.

Senate amendment

No provision.

Conference agreement

The conference agreement follows the House bill.

33. PROHIBITIONS; REQUIREMENTS—FAMILIES WITH NO MINOR CHILDREN

Present law

Only families with dependent children (under age 18, or 19 at State option if the child is still in secondary school or in the equivalent level of vocational or technical training) can participate in the program.

House bill

Only families with a minor child (who resides with a custodial parent or other adult caretaker relative of the child) or a pregnant individual may receive assistance under this part.

Senate amendment

Adds prohibition against assistance to a family in which an adult already has received 60 months of assistance attributable to Federal funds. See also item 41.

Conference agreement

The conference agreement follows the House bill and the Senate amendment. Conferees note that the 5-year time limit on benefits applies only to benefits provided using Temporary Assistance for Needy Families (TANF) Block Grant funds. Other Federal funds, such as Title XX Social Services Block Grants and support through the expanded Child Care and Development Block Grant, are not restricted for families that have already received 5 years of TANF support.

34. PROHIBITIONS; REQUIREMENTS—NO ADDITIONAL CASH ASSISTANCE FOR CHILDREN BORN TO FAMILIES RECEIVING ASSISTANCE

Present law

No provision.

House bill

1. Block grant funds may not be used to provide cash benefits for a child born to a recipient of cash welfare benefits or an individual who received cash benefits at any time during the 10-month period ending with the birth of the child. This prohibition does not apply to children born as a result of rape or incest. Block grant funds can be used to provide noncash (voucher) assistance for particular goods and services suitable for the care of the child.

2. States that pass a law specifically exempting their own programs from this national rule may use Federal funds to increase cash benefits for families that have additional children while on welfare.

3. If a State has a family cap policy under a section 1115 waiver on the date of enactment, it may continue terms of those family caps.

Senate amendment

1. Same family cap provision except that Senate amendment does not explicitly provide for use of block grant funds to give voucher assistance for care of the excluded child. (This provision was deleted because of the Byrd rule.)

2. Same.

3. Same provision, but adds permission for States to continue terms of family caps resulting from State law passed within 2 years of enactment.

Conference agreement

This provision was deleted due to the Byrd rule.

35. PROHIBITIONS; REQUIREMENTS—NONCOOPERATION IN CHILD SUPPORT

Present law

As a condition of eligibility, applicants or recipients must cooperate in establishing paternity of a child born out-of-wedlock, in obtaining support payments, and in identifying any third party who may be liable to pay for medical care and services for the child.

House bill

The State must stop paying the parent's share of the family welfare benefit if the parent fails to cooperate in establishing paternity, or in establishing, modifying or enforcing a child support order, and the individual does not qualify for a good cause or other exception; the State may deny benefits to the entire family for the parent's failure to cooperate.

Senate amendment

If a parent fails to cooperate in establishing paternity or in establishing, modifying, or enforcing a child support order, and the individual does not qualify for a good cause or other exception, the State shall reduce the family's benefit by at least 25 percent. It may reduce the benefit to zero.

Conference agreement

The conference agreement follows the Senate amendment.

36. PROHIBITIONS; REQUIREMENTS—FAILURE TO ASSIGN CERTAIN SUPPORT RIGHTS TO THE STATE

Present law

As a condition of AFDC eligibility, applicants must assign child support and spousal support rights to the State.

House bill

Block grant funds may not be used to provide cash benefits to a family with an adult who has not assigned to the State rights to child support or spousal support.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

37. PROHIBITIONS; REQUIREMENTS—SCHOOL ATTENDANCE REQUIRED FOR ADULTS WITHOUT A DIPLOMA

Present law

No provision.

House bill

No provision.

Senate amendment

Prohibits any TANF-funded assistance to the family of an adult older than 20 but younger than 51 who has received IV-A aid or food stamps if the person does not have, or is not working toward, a secondary school diploma or its equivalent. An exception is made for a person determined to lack the capacity to successfully complete the course of study.

Conference agreement

The conference agreement follows the Senate amendment.

38. PROHIBITIONS; REQUIREMENTS—SCHOOL ATTENDANCE REQUIRED FOR MINOR CHILDREN

Present law

No provision.

House bill

No provision.

Senate amendment

Prohibits any TANF-funded aid to a family that includes an adult who has received IV-A benefits or food stamps unless the adult ensures that the family's minor dependent children attend school as required by the law of their State.

Provides that a State shall not be prohibited from sanctioning a family with an adult who fails to meet this requirement.

Conference agreement

The conference agreement follows the Senate amendment.

39. PROHIBITIONS; REQUIREMENTS—UNWED MINOR PARENT NOT ATTENDING HIGH SCHOOL OR NOT LIVING WITH AN ADULT

Present law

States may require unwed parents under age 18 to live with an adult in order to receive AFDC. They must require a custodial parent who is under 20 years old and who has not completed high school to participate in an educational activity under the JOBS program.

House bill

States have the option of using Federal funds to provide cash welfare payments to unmarried minors only under specified conditions. States may not use Federal family assistance grant funds to provide assistance to unwed parents under age 18 who have a child at least 12 weeks of age and did not complete high school unless they attend high school or an alternative educational or training program. States may not use Federal funds to provide assistance to unmarried parents under age 18 unless they live with a parent or in another adult-supervised setting; States may, under certain circumstances, use Federal funds to assist teen parents in locating and providing payment for a second chance home or other adult-supervised living arrangement.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

40. PROHIBITIONS; REQUIREMENTS—MEDICAL SERVICES

Present law

States must assure that family planning services are offered to all AFDC recipients who request them. (The Secretary is to reduce AFDC payments by 1 percent for failure

to offer and provide family planning services to those requesting them.)

House bill

Federal family assistance grants may not be used to provide medical services; Federal funds may, however, be used to provide prepregnancy family planning services.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

41. PROHIBITIONS; REQUIREMENTS—TIME-LIMITED BENEFITS

Present law

No provision.

House bill

Federal family assistance grants may not be used to provide assistance for the family of a person who has received block grant aid for 60 months (or fewer, at State option), whether or not consecutive. States may give hardship exemptions in a fiscal year to up to 20 percent of their average monthly caseload, including individuals who have been battered or subjected to sexual abuse (but States are not required to exempt these persons). When considering an individual's length of stay on welfare, States are to count only time during which the individual received assistance as the head of household or as the spouse of the household head. Any State funds spent to aid persons no longer eligible for TANF after 5 years of benefits may be counted toward the maintenance-of-effort requirement.

This part shall not be interpreted to prohibit a State from using State funds not originating with the Federal government to aid families that lose eligibility for the block grant program because of the 5-year time limit.

Senate amendment

Same, except adds an exemption from the time limit for persons who live on a reservation of an Indian tribe with a population of at least 1,000 persons and with at least 50 percent of the adult population not employed.

Conference agreement

The conference agreement follows the House bill and the Senate amendment on the time limit policy, and includes the Senate provision on exceptions for certain Indian populations and the House provision specifying States' authority to use State and local funds to provide support, including cash assistance, after 5 years. (For a description of other Federal funds that may be provided such families, see the conference agreement description of item 33 above.)

42. PROHIBITIONS; REQUIREMENTS—FRAUDULENT MISREPRESENTATION OF RESIDENCE IN TWO STATES

Present law

No provision.

House bill

Any person convicted in Federal court or State court of having fraudulently misrepresented residence in order to obtain benefits or services in two or more States from the family assistance grant, Medicaid, Food Stamps, or Supplemental Security Income programs is ineligible for family assistance grant aid for 10 years.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

43. PROHIBITIONS; REQUIREMENTS—FUGITIVE FELONS AND PROBATION AND PAROLE VIOLATORS

Present law

States may provide a recipient's address to a State or local law enforcement officer who furnishes the recipient's name and social security number and demonstrates that the recipient is a fugitive felon and that the officer's official duties include locating or apprehending the felon.

House bill

No assistance may be provided to an individual who is fleeing to avoid prosecution, custody or confinement after conviction for a crime (or an attempt to commit a crime) that is a felony (or, in New Jersey, a high misdemeanor), or who violates probation or parole imposed under Federal or State law.

Any safeguards established by the State against use or disclosure of information about individual recipients shall not prevent the agency, under certain conditions, from providing the address of a recipient to a law enforcement officer who is pursuing a fugitive felon or parole or probation violator. This provision applies also to a recipient sought by an officer not because he is a fugitive but because he has information that the officer says is necessary for his official duties. In both cases the officer must notify the State that location or apprehension of the recipient is within his official duties.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

44. PROHIBITIONS; REQUIREMENTS—MINOR CHILDREN ABSENT FROM HOME FOR A SIGNIFICANT PERIOD

Present law

Regulations allow benefits to continue for children who are ''temporarily absent'' from home.

House bill

No assistance may be provided for a minor child who has been absent from the home for 45 consecutive days or, at State option, between 30 and 180 consecutive days. States may establish a good cause exemption as long as it is detailed in the State report to the Secretary. No assistance can be given to a parent or caretaker who fails to report a missing minor child within five days of the time when it is clear (to the parent) that the child will be absent for the specified time.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

45. PROHIBITIONS; REQUIREMENTS—MEDICAL ASSISTANCE REQUIRED TO BE PROVIDED FOR FAMILIES BECOMING INELIGIBLE FOR ASSISTANCE DUE TO INCREASED EARNINGS OR COLLECTION OF CHILD SUPPORT

Present law

States must continue Medicaid (or pay premiums for employer-provided health insurance) for 6 months to a family that loses AFDC eligibility because of hours of, or income from, work of the caretaker relative, or because of loss of the earned income disregard after 4 months of work. States must offer an additional 6 months of medical assistance, for which it may require a premium payment if the family's income after child care expenses is above the poverty guideline. For extended medical aid, families must submit specified reports. States must continue Medicaid for 4 months to those who lose AFDC because of increased child or spousal support.

House bill

States must provide medical assistance for 1 year to families that become ineligible for block grant assistance because of increased earnings, provided they received cash block grant assistance in at least 3 of the 6 months before the month in which they became ineligible and their income is below the poverty line. For purposes of determining family income to compare with the Federal poverty line, States have the authority to set their own definition of income except that income from the Earned Income Tax Credit must be disregarded. States also must provide medical assistance for 4 months to families that leave welfare (after being enrolled for at least 3 of the previous 6 months) because of increased income from child support or spousal support.

Senate amendment

Same as current law.

Conference agreement

The conference agreement follows the House bill and the Senate amendment, with the modification that income restrictions conform to current law. Transitional Medicaid coverage is extended through the life of the block grant.

46. PROHIBITIONS; REQUIREMENTS—MEDICAID

Present law

States must provide Medicaid to all AFDC recipients and to some AFDC-related groups who do not receive cash aid. Examples include persons who do not receive a monthly payment because the amount would be below $10 (Federal law prohibits payments this small) and persons whose payments are reduced to zero in order to recover previous overpayments.

States must continue Medicaid for specified periods for certain families who lose AFDC benefits. If the family loses AFDC benefits because of increased earnings or hours of employment, Medicaid coverage must be extended for 12 months. (During the second 6 months a premium may be imposed, the scope of benefits may be limited, or alternate delivery systems may be used.) If the family loses AFDC because of increased child or spousal support, coverage must be extended for 4 months. States are also required to furnish Medicaid to certain two-parent families whose principal earner is unemployed and who are not receiving cash assistance because the State has set a time limit on their AFDC coverage.

House bill

States must provide medical assistance to persons who would be eligible for AFDC cash benefits (under terms of July 16, 1996) if that program still were in effect.

A State may increase the AFDC income standard above that of July 16, 1996 by the percentage increase in the consumer price index for all urban consumers over the same period.

Senate amendment

States must provide medical assistance to persons who would be eligible for AFDC (under terms of July 1, 1996) as if that program were still in effect. Simplifies standards to make it easier for States to administer. States would have the option to: (1) lower their income standard, but not below those in effect on May 1, 1988; and (2) use income and resource standards and methodologies that are less restrictive than those in effect on July 1, 1996.

In order to provide States additional flexibility, States may use 1 application form and may administer the program through either its title IV agency or its title XIX agency.

Families would receive transitional Medicaid benefits as under current law.

Conference agreement

The conference agreement follows the House bill and the Senate amendment, with the modification that States must retain the income and resource standards they had for

AFDC eligibility on July 16, 1996. States may terminate Medicaid eligibility for an adult who is terminated from TANF because of failure to work. Conferees are concerned that the conference agreement may require States to maintain a dual-eligibility determination system. Conferees, however, lacked adequate information to determine the true nature and extent of this problem. Thus, conferees recommend that the Committees on Ways and Means, Commerce, and Finance conduct hearings in the next Congress to carefully examine this problem. If the committees determine that the dual-eligibility system does in fact impose additional administrative costs on the States, Congress should consider Federal-State cost-sharing schemes and other legislative solutions. In the meantime, conferees are establishing a fund of $.5 billion in entitlement spending that will be distributed among States that experience additional administrative expenses directly attributable to conducting a dual-eligibility system.

47. PROHIBITIONS; REQUIREMENTS—STATE DISREGARD OF INCOME SECURITY PAYMENTS

Present law

AFDC benefits may not be paid to a recipient of old-age assistance (predecessor to Supplemental Security Income (SSI) and now available only in Puerto Rico, Guam, and the U.S. Virgin Islands), SSI, or AFDC foster care payments.

House bill

This provision allows States to disregard payments from old age and survivors' insurance (social security), disability insurance, old-age assistance, foster care, and Supplemental Security Income in determining the amount of block grant cash assistance to be provided to a family.

Senate amendment

No provision.

Conference agreement

The conference agreement follows the Senate amendment.

48. PROHIBITIONS; REQUIREMENTS—NONDISCRIMINATION

Present law

No explicit provision in current AFDC/JOBS law.

House bill

No provision.

Senate amendment

States that have any program or activity that receives block grant funds for Temporary Assistance for Needy Families shall be subject to enforcement authorized under the Age Discrimination Act of 1975, the Rehabilitation Act of 1973 (sec. 504), and the Civil Rights Act of 1964 (Title VI).

Conference agreement

The conference agreement follows the Senate amendment.

49. PROHIBITIONS; REQUIREMENTS—DENIAL OF BENEFITS FOR CERTAIN DRUG-RELATED CONVICTIONS

Present law

No explicit provision.

House bill

No provision.

Senate amendment

An individual convicted under Federal or State law of any crime related to illegal possession, use, or distribution of a drug is ineligible for any Federal means-tested benefit (for 5 years for a misdemeanor and for life for a felony). Family members or dependents of the individual are exempted, and individuals made ineligible would continue to be eligible for emergency benefits, including emergency medical services.

Conference agreement

The conference agreement follows the Senate amendment, with the modification that only TANF block grant benefits and food stamps are denied and that the denial is only for a felony offense.

50. PENALTIES—USE OF GRANT IN VIOLATION OF THIS PART

Present law

If the Secretary finds that a State has failed to comply with the State plan, she is to withhold all payments from the State (or limit payments to categories not affected by noncompliance).

House bill

Note.—Before imposing any of the penalties below, the Secretary shall notify the State of the violation and allow the State to enter into a corrective action plan (item 60). Also, except for items 51 and 52, the Secretary may not impose a penalty if she finds that the State has reasonable cause for its failure to comply.

If an audit finds that a State has used Federal funds in violation of the purposes of this title, the Secretary shall reduce the following quarter's payment by the amount misused. If the State cannot prove that the misuse was unintentional, the State's following quarter payment will be reduced by an additional five percent.

Senate amendment

Same. See also item 57, Failure to Comply with Provisions of IV–A or State Plan.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

51. PENALTIES—FAILURE TO SUBMIT REQUIRED REPORT

Present law

There is no specific penalty for failure to submit a report, although the general noncompliance penalty could apply.

House bill

If a State fails to submit a required quarterly report within one month after the end of a fiscal quarter, the Secretary shall reduce by four percent the block grant amount otherwise payable to the State for the next fiscal year. However, the penalty shall be rescinded if the State submits the report before the end of the fiscal quarter succeeding the one for which the report was due.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

52. PENALTIES—FAILURE TO SATISFY MINIMUM PARTICIPATION RATES

Present law

If a State fails to achieve the JOBS participation rate specified in law, the Secretary is to reduce to 50 percent the Federal matching rate for JOBS activities and for full-time personnel costs, which now ranges from 60 percent to 78 percent among States. (However, see item 54, ''Corrective Compliance,'' for penalty waiver authority.)

House bill

If a State fails to achieve its required work participation rate for the fiscal year, the Secretary shall reduce the following year's block grant by up to five percent, with the percentage cut based on the ''degree of noncompliance.'' The Secretary has the authority to reduce the penalty if the State economy is in recession. In addition, failure to meet required work participation requirements results in States' being required to maintain 80 percent of historic spending levels, instead of 75 percent.

Senate amendment

Imposes a graduated penalty on each consecutive failure by a State to meet the work participation standard. The Senate amendment also does not authorize the Secretary to reduce the penalty for States with high unemployment.

Conference agreement

On penalty amounts, the conference agreement follows the Senate amendment with the modification that there is a graduated penalty of 5 percent the first year and 2 percent in addition to the prior year's penalty in subsequent years (so annual penalties in consecutive years would be 5 percent in the first year, 7 percent in the second, 9 percent in the third, and so on), with a maximum cumulative penalty of 21 percent. The conference agreement follows the House bill in authorizing the Secretary to reduce the penalty for needy States as defined under the contingency fund eligibility criteria.

53. FAILURE TO PARTICIPATE IN THE INCOME AND ELIGIBILITY VERIFICATION SYSTEM

Present law

States must have in effect an Income and Eligibility Verification System covering AFDC, Medicaid, unemployment compensation, the Food Stamp program, and adult cash aid in the outlying areas. There is no specific penalty for failure to comply.

House bill

If the State fails to participate in the Income and Eligibility Verification System (IEVS) designed to reduce welfare fraud, the Secretary shall reduce by up to two percent the annual family assistance grant of the State.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

54. FAILURE TO COMPLY WITH PATERNITY ESTABLISHMENT AND CHILD SUPPORT ENFORCEMENT REQUIREMENTS

Present law

The penalty against a State for noncompliance with child support enforcement rules—loss of AFDC matching funds—shall be suspended if a State submits and implements a corrective action plan.

House bill

If the Secretary determines that a State does not enforce penalties requested by the Title IV–D child support enforcement agency against recipients of cash aid who fail to cooperate in establishing paternity or in establishing, modifying, or enforcing a child support order under Title IV–D (and who do not qualify for any good cause or other exception), the Secretary shall reduce the cash assistance block grant by up to five percent.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

55. FAILURE TO TIMELY REPAY A FEDERAL LOAN FUND FOR STATE WELFARE PROGRAMS

Present law

No provision.

House bill

If a State fails to pay any amount borrowed from the Federal Loan Fund for State Welfare Programs within the maturity period, plus any interest owed, the Secretary shall reduce the State's family assistance block grant for the immediately succeeding fiscal year quarter by the outstanding loan amount, plus the interest owed on it. The

Secretary may not forgive these overdue debts.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

56. FAILURE OF ANY STATE TO MAINTAIN CERTAIN LEVEL OF HISTORIC EFFORT

Present law

No provision.

House bill

If in fiscal years 1997 through 2001 a State fails to spend a sum equal to at least 75 percent of its ''historic level'' (generally fiscal year 1994 expenditures for AFDC, JOBS, Emergency Assistance, AFDC-related child care and ''at-risk'' child care) of State spending on specified programs, the Secretary shall reduce the following year's family assistance grant (that is, in fiscal years 1998 through 2002) by the difference between the 75 percent requirement and what the State actually spent. However, States that fail to meet required work participation rates must maintain 80 percent of historic spending levels.

Qualified State expenditures that count toward the 75 percent (or 80 percent) spending requirement are all State-funded expenditures under all State programs that provide any of the following assistance to families eligible for family assistance benefits (and those no longer eligible because of the 5-year time limit or ineligible because of the Act's treatment of noncitizens): cash and child care assistance; educational activities designed to increase self-sufficiency, job training and work (excluding any expenditure for public education in the State other than expenditures for services or assistance to a member of an eligible family that is not generally available to other persons); administrative costs not to exceed 15 percent of the total amount of qualified State expenditures; and any other use of funds reasonably calculated to accomplish purposes of the temporary family assistance. Qualified expenditures exclude spending from funds transferred from State or local programs except those that exceed the amount expended in 1996 or those for which the State is entitled to a Federal payment under former AFDC/JOBS law (as in effect just before enactment).

The Secretary is to reduce the 75 percent (or 80 percent) maintenance of effort spending requirement by up to eight percentage points (i.e., to no lower than 67 percent or 72 percent) for States that achieve ''high performance'' scores, based on a threshold to be set by the Secretary, for achieving the goals of the program of Temporary Assistance for Needy Families (TANF).

Senate amendment

Raises required State spending to 80 percent of the ''historic'' level for all States. (Does not distinguish between States that meet or fail work participation rates in maintenance-of-effort rule.)

The Secretary is to reduce the 80 percent spending requirement by up to 8 percentage points (to as low as 72 percent) for States with high performance scores. (This provision was deleted because of the Byrd rule.)

Conference agreement

The conference agreement follows the House bill, except that the provision allowing reduction of required State spending for high performance States is dropped. Conferees note that State spending on programs that promote self-sufficiency and prevent welfare dependence including, but not limited to, substance abuse treatment, teen parenting and pregnancy prevention shall count towards a State's maintenance of effort. The fact that such funds are spent through or by State or local education agencies should not prevent their being counted towards the State maintenance of effort.

57. SUBSTANTIAL NONCOMPLIANCE OF STATE CHILD SUPPORT ENFORCEMENT PROGRAM REQUIREMENTS

Present law

If a State child support program is found not to be in substantial compliance with Federal requirements, the Secretary is to reduce AFDC matching funds: by 1–2 percent for first finding of noncompliance, by 2–3 percent for second consecutive finding, and by 3–5 percent for third or subsequent finding. (See ''corrective compliance'' item 54.) Note: State child support plans must undertake to establish paternity of children born out-of-wedlock for whom AFDC is sought, and AFDC law requires the parent to cooperate in establishing paternity. Failure to cooperate makes the parent ineligible for AFDC.

House bill

If a State child support enforcement program is found by review not to have complied with Title IV–D requirements, and the Secretary determines that the program is not in compliance at the time the finding is made, then the Secretary will reduce the State's quarterly block grant payment for each quarter during which the State is not in compliance. For the first finding of noncompliance, the reduction will be between one and two percent; for the second consecutive finding, between two and three percent; for the third or subsequent findings, between three and five percent. Non-compliance of a technical nature is to be disregarded.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

58. FAILURE OF STATE RECEIVING AMOUNTS FROM CONTINGENCY FUND TO MAINTAIN 100 PERCENT OF HISTORIC EFFORT

Present law

Not relevant.

House bill

If the Secretary determines that a State failed to maintain 100 percent of historic State spending, as required during a year in which contingency funds are paid to the State, the following year's block grant payment to the State is to be reduced by the amount of contingency funds paid.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

59. REQUIRED REPLACEMENT OF GRANT FUND REDUCTIONS CAUSED BY PENALTIES

Present law

Not applicable.

House bill

If a State's block grant is reduced as a result of one of the above penalties, the State must, during the following fiscal year, replace the penalized funds using State funds.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

60. PENALTIES—FAILURE TO PROVIDE MEDICAL ASSISTANCE TO FAMILIES BECOMING INELIGIBLE FOR ASSISTANCE UNDER THIS PART DUE TO INCREASED EARNINGS FROM EMPLOYMENT OR COLLECTION OF CHILD SUPPORT

Present law

If the Secretary finds that a State fails to comply substantially with any required provision of its Medicaid plan (including transitional benefits for former AFDC families), she shall withhold all payments to the State (or limit payments to categories not affected by the noncompliance).

House bill

If the Secretary determines that a State does not comply with the requirement to provide extended medical assistance for certain families that become ineligible for block grant assistance due to increased earnings or the collection of child support, the Secretary must reduce the State's block grant by up to 5 percent (depending on the severity of the violation).

Senate amendment

No specific provision about failure to comply with requirement for extended medical assistance, but see item below.

Conference agreement

The conference agreement follows the Senate amendment.

61. PENALTIES—FAILURE TO COMPLY WITH PROVISIONS OF IV-A OR STATE PLAN

Present law

If the Secretary finds that a State has failed to comply with the State plan, she is to withhold all payments from the State (or limit payments to categories not affected by noncompliance). (Item 46 above.)

House bill

No general penalty for failure to comply with State plan.

Senate amendment

If the Secretary, after notice and hearing, finds that a State has not substantially complied with any provision of IV-A or the State plan during a fiscal year, she shall (if a preceding penalty paragraph does not apply) reduce the grant for the next year by up to 5 percent and shall continue an annual reduction of up to 5 percent until she determines that the State no longer is out of compliance.

Conference agreement

The conference agreement follows the House bill, with the modification that a new penalty provision is added for States that fail to meet the requirement to not sanction, for failure to perform work, single parents who prove they cannot find child care for a child under age 6.

62. PENALTIES—FAILURE TO COMPLY WITH 5-YEAR LIMIT ON ASSISTANCE

Present law

Not relevant.

House bill

No specific provision.

Senate amendment

If the Secretary determines that a State during a fiscal year has not complied with the 5-year time limit (for TANF-funded aid), she is to reduce the basic TANF grant for the next year by 5 percent.

Conference agreement

The conference agreement follows the Senate amendment.

63. PENALTIES—REASONABLE CAUSE EXCEPTION

Present law

Not applicable. (States are eligible for unlimited funds, but must match every dollar at a prescribed rate.)

House bill

The Secretary may (except for failure to timely repay the loan fund, failure to meet the maintenance-of-effort requirement and requirement to replace grant reductions caused by penalties) withhold penalties against a State if she determines that the State had reasonable cause for failing to comply with the requirement.

Senate amendment

The Secretary may (except for failure to timely repay the loan fund or failure to meet the maintenance-of-effort requirement) withhold penalties against a State if she determines that the State had reasonable cause for the failure.

Conference agreement

The conference agreement follows the House bill.

64. PENALTIES—CORRECTIVE COMPLIANCE PLAN

Present law

The penalty against a State for substantial noncompliance with child support rules is loss of AFDC matching funds. That penalty shall be suspended if a State submits and implements a corrective action plan. Also, if a State fails to achieve the JOBS participation rate specified in law, the Secretary may waive, in whole or part, the reduction in matching funds, provided the State has submitted a proposal likely to achieve the applicable participation rate for the current year.

House bill

Before assessing a penalty against a State under any program established or modified by this Act, the Secretary must notify the State of the violation and allow the State an opportunity to enter into a corrective compliance plan within 60 days of the notification. The Federal government will have 60 days within which to accept or reject the plan; if it accepts the plan, and if the State corrects the violation, no penalty will be assessed. A plan submitted by a State is deemed to be accepted if the Secretary does not accept or reject the plan during the 60-day period after the plan is submitted.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

65. PENALTIES—LIMITATION ON AMOUNT OF PENALTY

Present law

If the Secretary finds that a State has failed to comply with the State AFDC plan, he is to withhold all AFDC payments from the State (or limit payments to categories not affected by the noncompliance.)

House bill

In imposing the penalties described above, a State's quarterly family assistance grant cannot be reduced by more than a total of 25 percent; if necessary, penalties in excess of 25 percent will be carried forward to the immediately following fiscal year.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

66. APPEAL OF ADVERSE DECISION

Present law

Current law (sec. 1116 of the Social Security Act) entitles a State to a reconsideration, which HHS must grant upon request, of any disallowed reimbursement claim for an item or class of items. The section also provides for administrative and judicial review, upon petition of a State, of HHS decisions about approval of State plans. At the option of a State, any plan amendment may be treated as the submission of a new plan.

House bill

The Secretary is required to notify the Governor of a State within five days of any adverse decision or action under Title IV–A, including any decision about the State's plan or imposition of a penalty. This section provides for administrative review by a Departmental Appeals Board within HHS, requires a Board decision within 60 days after an appeal is filed, and provides for judicial review (by a United States district court) within 90 days after a final decision by the Board. The proposal also repeals the reference to Title IV–A in section 1116.

Senate agreement

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

67. DATA COLLECTION AND REPORTING—GENERAL REPORTING REQUIREMENT

Present law

States are required to report the average monthly number of families in each JOBS activity, their types, amounts spent per family, length of JOBS participation and the number of families aided with AFDC/JOBS child care services, the kinds of child care services provided, and sliding fee schedules. States that disallow AFDC for minor mothers in their own living quarters are required to report the number living in their parent's home or in another supervised arrangement. States also must report data (including numbers aided, types of families, how long aided, payments made) for families who receive transitional Medicaid benefits.

House bill

The National Integrated Quality Control System draws monthly samples of AFDC cases and reports extensive background information about each case in the sample. JOBS regulations require States to submit a sample of monthly unaggregated case record data.

Senate amendment

Each eligible State must collect on a monthly basis, and report to the Secretary on a quarterly basis, the following information on individual families receiving assistance:

1. the county of residence of the family;
2. whether a child receiving assistance or an adult in the family is disabled;
3. the ages of family members;
4. the number of individuals in the family, and the relationship of each member to the youngest child;
5. the employment status and earnings of the employed adult;
6. the marital status of adults, including whether they are never married, widowed, or divorced;
7. the race and educational status of each adult;
8. the race and educational status of each child;
9. whether the family received subsidized housing, Medicaid, food stamps, or subsidized child care, and if the latter two, the amount received;
10. the number of months the family has received each type of assistance under the program;
11. if the adults participated in, and the number of hours per week of participation in, the following activities: education; subsidized private sector employment; unsubsidized employment; public sector employment, work experience, or community service; job search; job skills training or on-the-job training; and vocational education;
12. information necessary to calculate the State work participation rates;
13. the type and amount of assistance received under the program, including the amount of and reason for any reduction of assistance (including sanctions);
14. any amount of unearned income received by any family member; and
15. the citizenship of family members.

In addition to data on individual cases, States must report, on a sample of cases closed during the quarter, whether families left welfare because of employment, marriage, the five-year time limit on benefits, sanction, or State policy.

States may use scientifically acceptable sampling methods approved by the Secretary to estimate the required data elements. The Secretary shall provide States with case sampling plans and data collection procedures deemed necessary for statistically valid estimates.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

68. OTHER STATE REPORTING REQUIREMENTS

Present law

Regulations require each State to submit quarterly estimates of the total amount (and the Federal share) of expenditures for AFDC benefits and administration. Required quarterly reports include estimates of the Federal share of child support collections made by the State.

House bill

The above quarterly report submitted by the State must also include:

1. a statement of the percentage of the funds paid to the State that is used to cover administrative costs or overhead;
2. a statement of the total amount expended by the State during the quarter on programs for needy families;
3. the number of noncustodial parents in the State who participated in work activities as defined in the proposal during the quarter; and
4. the total amount spent by the State for providing transitional services to a family that no longer receives assistance because of employment, along with a description of those services.

The Secretary shall prescribe regulations necessary to define the data elements.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

69. DATA COLLECTION AND REPORTING—ANNUAL REPORTS TO THE CONGRESS BY THE SECRETARY

Present law

The law requires the HHS Secretary to report promptly to Congress the results of State reevaluations of AFDC need standards and payment standards required at least every 3 years. The Secretary is to annually compile and submit to Congress annual State reports on at-risk child care. The Family Support Act requires the Secretary to submit recommendations regarding JOBS performance standards by a deadline that was extended.

House bill

Not later than 6 months after the end of fiscal year 1997, and each fiscal year thereafter, the Secretary shall send Congress a report describing:

1. whether States are meeting minimum participation rates and whether they are

meeting objectives of increasing employment and earnings of needy families, increasing child support collections, and decreasing out-of-wedlock pregnancies and child poverty;

2. demographic and financial characteristics of applicant families, recipient families, and those no longer eligible for temporary family assistance;

3. characteristics of each State program funded under this part; and

4. trends in employment and earnings of needy families with minor children.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

70. DIRECT FUNDING AND ADMINISTRATION BY INDIAN TRIBES—GRANTS FOR INDIAN TRIBES

Present law

No provision for AFDC administration by Indian tribes. Indian and Alaska families with children receive AFDC benefits on the same terms as other families in their States, from State or local AFDC agencies.

More than 80 tribes and native organizations in 24 States are JOBS grantees, having applied to conduct JOBS within 6 months of enactment of the law establishing it. Their JOBS allocation of funds is deducted from that of their State.

House bill

For each fiscal year 1997 through 2000, the Secretary shall pay tribal family assistance grants to eligible Indian tribes (and shall reduce the family assistance grant for the State(s) in which the tribe's service area lies accordingly). The tribal family assistance grant is equal to the total amount of Federal payments to the State for fiscal year 1994 in AFDC benefits, AFDC Administration, Emergency Assistance, and JOBS funds for Indian families residing in the tribal service area. The Secretary shall pay tribes that participated in the JOBS program in fiscal year 1995 a grant equal to their fiscal year 1994 JOBS funding ($7.6 million). This sum is appropriated for each of six fiscal years, 1996 through 2001.

Senate amendment

Same as the House bill, except for adding a fifth year, 2001, for tribal family assistance grants.

Conference agreement

The conference agreement follows the Senate amendment.

71. DIRECT FUNDING AND ADMINISTRATION BY INDIAN TRIBES—THREE-YEAR TRIBAL FAMILY ASSISTANCE PLAN

Present law

Not applicable.

House bill

Indian tribes must submit a tribal family assistance plan to be eligible to receive a tribal family assistance grant. The plan must outline the tribe's approach to providing welfare services during the 3-year period, specify how services will be provided, identify populations and areas served, provide that families will not receive duplicate assistance from a State or other tribal assistance plan, identify employment opportunities in the service area, and apply fiscal accountability provisions of the Indian Self-Determination and Education Assistance Act relating to the submission of a single-agency audit report required under current law.

The Secretary must approve tribal family assistance plans that meet the above requirements. For each tribe receiving a family assistance grant and with the participation of the tribe, the Secretary shall establish minimum work requirements, time limits, and penalties that are consistent with provisions of this Act and the economic conditions and resources of the tribe. Tribes will be subject to the same penalties as States for misusing funds, failing to pay back Federal loan funds, and failing to meet work participation rates. Tribes will also be required to abide by the same data collection and reporting requirements as States.

Unless excepted through a waiver, tribes in Alaska that receive tribal family assistance grants must operate a program comparable to the temporary family assistance program of the State of Alaska.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

72. RESEARCH, EVALUATIONS, AND NATIONAL STUDIES—RESEARCH

Present law

Section 1110 of the Social Security Act authorizes and appropriates ''such sums as the Congress may determine'' for making grants and contracts to (or jointly financed arrangements with) States and public or private organizations for cooperative research or demonstration projects, such as those relating to the prevention and reduction of dependency.

House bill

The Secretary shall conduct research on the effects, benefits, and costs of operating State programs of Temporary Assistance for Needy Families, including time limits for eligibility. The research shall include studies on the effects of different programs and the impacts of the programs on welfare dependency, illegitimacy, teen pregnancy, employment rates, child well-being, and other appropriate issues.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

73. RESEARCH, EVALUATIONS, AND NATIONAL STUDIES—DEVELOPMENT AND EVALUATION OF INNOVATIVE APPROACHES TO REDUCING WELFARE DEPENDENCY AND INCREASING CHILD WELL-BEING

Present law

Section 1115 of the Social Security Act authorizes waiver of specified provisions of AFDC law for State experimental, pilot or demonstration projects to promote objectives of the law, including self-support of parents and stronger family life.

House bill

The Secretary may assist States in developing, and shall evaluate, innovative approaches for reducing welfare dependency and increasing the well-being of minor children, using random assignments in these evaluations to the maximum extent feasible.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

74. RESEARCH, EVALUATIONS, AND NATIONAL STUDIES—DISSEMINATION OF INFORMATION

Present law

No provision.

House bill

The Secretary shall develop innovative methods of disseminating information on research, evaluations, and studies, including ways to facilitate sharing of information via computers and other technologies.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

75. RESEARCH, EVALUATIONS, AND NATIONAL STUDIES—ANNUAL RANKINGS OF STATES AND REVIEW OF MOST AND LEAST SUCCESSFUL WORK PROGRAMS

Present law

No provision.

House bill

The Secretary shall rank annually States receiving family assistance grants in the order of their success in moving families off welfare and into work, reducing the caseload, and, when a practicable method of calculation becomes available, diverting persons from applying to the program. The Secretary shall review annually the three most and three least successful programs under these criteria.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

76. RESEARCH, EVALUATIONS, AND NATIONAL STUDIES—ANNUAL RANKINGS OF STATES AND REVIEW OF ISSUES RELATING TO OUT-OF-WEDLOCK BIRTHS

Present law

No provision.

House bill

The Secretary shall rank States annually on the percentage of births to families on welfare that are out-of-wedlock and on net changes in the percentage of out-of-wedlock births to families on welfare. The Secretary must review the programs of the five highest and five lowest ranking States under these criteria.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

77. RESEARCH, EVALUATIONS, AND NATIONAL STUDIES—STATE-INITIATED EVALUATIONS

Present law

In a 1994 public notice, HHS stated that it is committed to a broad range of evaluation strategies, including true experimental, quasi-experimental, and qualitative designs, for demonstrations operating under waivers. Section 1115(d) of the Social Security Act required the Secretary to enter into agreements with up to eight applicant States to conduct demonstration projects testing more liberal treatment of unemployed 2-parent families. The law stipulated that the States must evaluate costs and work effort results by use of experimental and control groups.

House bill

A State is eligible to receive funding to evaluate its family assistance program if it submits an evaluation design determined by the Secretary to be rigorous and likely to yield credible and useful information. The State must pay 10 percent of the study's cost, unless the Secretary waives this rule.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

78. RESEARCH, EVALUATIONS, AND NATIONAL STUDIES—REPORT ON CIRCUMSTANCES OF CERTAIN CHILDREN AND FAMILIES

Present law

No provision.

House bill

Beginning 3 years after enactment, the Secretary shall submit an annual report to 4 congressional committees (Ways and Means, Economic and Educational Opportunities, Finance, and Labor and Human Resources) about children whose families reached the cash assistance time limit of TANF, families that include a child ineligible because of the family cap, children born to teenaged parents, and persons who became parents as teenagers after enactment. For each of these four groups, detailed information is required, including percentages that dropped out of school, are employed, have been convicted of a crime or judged delinquent, continue to participate in TANF, have health insurance (and whether from private entity or government), and average family incomes.

Senate amendment

No provision.

Conference agreement

The conference agreement follows the House bill.

79. RESEARCH, EVALUATIONS, AND NATIONAL STUDIES—FUNDING OF STUDIES AND DEMONSTRATIONS

Present law

See ''Research'' above. For Section 1115(a) ''waiver'' projects (''Innovative Approaches'' above) Federal cost neutrality over the life of a demonstration project is required.

Note: The annual budgets of HHS request funds for policy research. The fiscal year 1997 budget seeks $9 million and lists these priority issues: issues related to welfare reform, health care, family support and independence, poverty, at-risk children and youth, aging and disability, science policy, and improved access to health care and support services.

House bill

For research, development and evaluation of innovative approaches, State-initiated evaluation studies of the family assistance program, and for costs of operating and evaluating demonstration projects begun under the AFDC waiver process, this section authorizes to be appropriated, and appropriates, a total of $15 million annually for 6 fiscal years, 1996 through 2001. Half of this sum is allocated to the purposes described above in ''Research'' and ''Innovative Approaches'' and half to the other purposes.

The Secretary may implement and evaluate demonstrations of innovative and promising strategies that provide one-time capital funds to establish, expand, or replicate programs, test performance-based funding, and test strategies in multiple States and types of communities.

Senate amendment

Same, except provides funding only in 4 fiscal years, 1998 through 2001.

Conference agreement

The conference agreement follows the House bill, with the modification to appropriate for the years 1996 through 2002.

80. CHILD POVERTY RATES

Present law

No provision.

House bill

No provision.

Senate amendment

Not later than 90 days after enactment, the governor of a State shall submit to the Secretary a statement of the child poverty rate in the State. Annually thereafter, the governor shall report the child poverty rate to the Secretary. If the rate increases by 5 percent or more as a result of changes made by the Act, the State shall prepare a corrective action plan to reduce the incidence of child poverty.

Conference agreement

The conference agreement follows the Senate amendment on the submission of reports on child poverty rates and the corrective action plans. The conference agreement follows the House bill on provisions in the Senate amendment that provide the Secretary of HHS with the authority to alter State plans.

81. STUDY BY THE CENSUS BUREAU

Present law

No provision.

House bill

The Census Bureau must expand the Survey of Income and Program Participation (SIPP) to evaluate the impact of welfare reforms made by this title on a random national sample of recipients and, as appropriate, other low-income families. The study should focus on the impact of welfare reform on children and families, and should pay particular attention to the issues of out-of-wedlock birth, welfare dependency, the beginning and end of welfare spells, and the causes of repeat welfare spells. $10 million per year for 7 years (1996–2002) is appropriated for this study.

Senate amendment

Same provision, except that the $10 million annual appropriation is for only 5 years (fiscal years 1998–2002).

Conference agreement

The conference agreement follows the House bill.

82. WAIVERS

Present law

Section 1115 of the Social Security Act authorizes the HHS Secretary to waive specified requirements of State AFDC plans in order to enable a State to carry out any experimental, pilot, or demonstration project that the Secretary judges likely to assist in promoting the program's objectives. Some 38 States have received waivers from the Clinton Administration for welfare reforms, as of late May 1996.

House bill

This section provides that terms of AFDC waivers in effect, or approved, as of September 30, 1995, will continue until their expiration, except that beginning with fiscal year 1996 a State operating under a waiver shall receive the block grant described under Section 403 in lieu of any other payment provided for in the waiver. The section also allows for continuation, under certain conditions of waivers on or approved before July 1, 1997, on the basis of applications made before enactment of the new program.

States have the option to terminate waivers before their expiration, but projects that are ended prematurely must be summarized in written reports. A State that submits a request to end a waiver within 90 days after the adjournment of the first regular session of the State legislature that begins after the date of enactment will be held harmless for accrued cost neutrality liabilities incurred under the waiver.

The Secretary is directed to encourage any State now operating a waiver to continue the project and to evaluate its result or effect. A State may elect to continue one or more individual waivers.

Senate amendment

Same.

Conference agreement

The conference agreement follows the Senate amendment, with the modification that such waivers may only apply to the geographical areas of the State and to the specific program features for which the waiver was granted. All geographical areas of the State and program features of the State program not specifically covered by the waiver must conform to this part. Conferees urge the Secretary to approve the Wisconsin comprehensive welfare reform waiver request (published in the Federal Register on June 10, 1996) by September 1, 1996.

83. ADMINISTRATION (AND REDUCTION IN FEDERAL WORKFORCE)

Present law

An Assistant Secretary for Family Support, appointed by the President by and with consent of the Senate, is to administer AFDC, child support enforcement, and the Jobs Opportunities and Basic Skills (JOBS) program.

House bill

The provision for an Assistant Secretary for Family Support now found in section 417 of Part A of the Social Security Act is retained but modified to remove the reference to the JOBS program, which is repealed.

No requirements to reduce workforce at HHS.

Senate amendment

The Temporary Assistance for Needy Families (TANF) block grant program and the child support enforcement program shall be administered by an Assistant Secretary for Family Support. The HHS Secretary must reduce the number of positions within the Department by 245 equivalent full-time equivalent (FTE) positions related to the conversion of AFDC, Emergency Assistance, and Jobs into TANF and by 60 FTE managerial positions. In general, it requires the Secretary to reduce by 75 percent the number of FTE positions that relate to any direct spending program, or any program funded through discretionary spending that is converted into a block grant program under the bill and to reduce FTE department management positions similarly (on the basis of the portion of the Department's total appropriation represented by programs converted to block grants).

Conference agreement

The conference agreement follows the Senate amendment.

84. LIMITATION ON FEDERAL AUTHORITY

Present law

No provision.

House bill

No officer or employee of the Federal Government may regulate the conduct of States under this part or enforce any provision of this part, except to the extent expressly provided in this part.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

85. DEFINITIONS—ADULT

Present law

No provision.

House bill

An individual who is not a minor child.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

86. DEFINITIONS—MINOR CHILD

Present law

No provision. A dependent child is defined as a needy child who is under age 18 (19, at State option, if a full time student in a secondary school or equivalent level of vocational and technical training and expected to complete school before age 19).

House bill

An individual who has not attained 18 years of age or has not attained 19 years of age and is a full-time student in a secondary school (or in the equivalent level of vocational or technical training).

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

87. DEFINITIONS—FISCAL YEAR

Present Law

No provision.

House Bill

Any 12-month period ending on September 30 of a calendar year.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

88. DEFINITIONS—INDIAN, INDIAN TRIBE, AND TRIBAL ORGANIZATION

Present law

For JOBS purposes, an Indian tribe is defined as any tribe, band, Nation, or other organized group of Indians that is recognized as eligible for special programs and services of the U.S. because of their status as Indians. An Alaska native organization is any organized group of Alaska natives eligible to operate a Federal program under P.L. 93-638 or that group's designee.

House bill

With the exception of specified Indian tribes in Alaska, these terms have the meaning given in the Indian Self-Determination and Education Assistance Act.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

89. DEFINITIONS—STATE

Present law

For purposes of AFDC, the term ''State'' means the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, the U.S. Virgin Islands, Guam, and American Samoa. The last jurisdiction has not implemented AFDC.

House bill

Except as otherwise specifically provided (e.g., regarding the provision of population growth funds and contingency funds), the term ''State'' means the 50 States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, and American Samoa.

Senate amendment

Same, except adds to this definition an option for a State to contract to provide services: The term ''State'' includes administration and provision of services under the family assistance program and under the programs of child welfare, foster care and adoption assistance, family preservation, and independent living, through contracts with charitable, religious or private organizations, and provision of aid by means of certificates, vouchers, or other forms of disbursement redeemable by these organizations. See item 92.

Conference agreement

The conference agreement follows the House bill.

90. ADDITIONAL GRANTS TO PUERTO RICO, THE VIRGIN ISLANDS, GUAM, AND AMERICAN SAMOA; LIMITATION ON TOTAL PAYMENTS

Present law

Under current law, the territories are eligible for 75 percent matching grants for their expenditures on cash welfare for adult assistance (i.e., assistance for needy persons who are aged, blind, or disabled), Aid to Families with Dependent Children (AFDC), Emergency Assistance (EA), Foster Care and Adoption Assistance, the Job Opportunities and Basic Skills (JOBS) program, and the Family Preservation program (Title IV–B, subpart 2). These matching grants are limited by caps on Federal payments. The territories also receive grants under the child welfare services (Title IV–B, subpart 1) program.

[Note.—Although eligible, territories do not claim foster care and adoption assistance funds.]

The law places a ceiling on total payments for AFDC, aid to needy aged, blind or disabled adults, and foster care and adoption assistance to Puerto Rico—$82 million, the Virgin Islands—$2.8 million, Guam—$3.8 million, and American Samoa (AFDC, foster care, and adoption assistance)—$1 million.

House bill

The proposal retains but increases aggregate welfare ceilings in each of the territories and combines the individual programs into a single block grant. The new ceilings would apply to aggregate spending for cash aid for needy families (TANF), cash aid to needy aged, blind or disabled adults, and child protection (child welfare and family preservation services). The proposal authorizes territories to transfer funds among these programs. Maximum potential fiscal year payments (including both the capped mandatory payments listed below and the authorization of discretionary grants) are as follows: Puerto Rico—$113.5 million; Guam—$5.2 million; U.S. Virgin Islands—$4.0 million; and American Samoa—$1.3 million.

To receive mandatory ceiling amounts (capped entitlements), territories must spend from their own funds in a fiscal year as much as they did in fiscal year 1995 for cash aid to needy families, and cash aid to needy aged, blind, or disabled adults. Federal matching funds, at a 75 percent rate, would reimburse territories for expenditures above their fiscal year 1995 base level, but below the Federal cap. Mandatory ceiling amounts: Puerto Rico—$105.5 million; Guam, $4.9 million; Virgin Islands, $3.7 million; and American Samoa, $1.1 million.

Senate amendment

The proposal retains but increases aggregate welfare ceilings in each of the territories and, in effect, combines all but IV–B services (child welfare services and family preservation) into a single block grant. The new ceilings would apply to aggregate spending for cash aid for needy families (TANF), cash aid to needy aged, blind, or disabled adults, and foster care and adoption assistance. The proposal authorizes territories to transfer funds among these programs.

To receive the new ceiling amounts (capped entitlements), territories must spend from their own funds in a fiscal year for cash aid to needy families and cash aid to needy aged, blind, or disabled adults. Federal matching funds, at a 75 percent rate, would reimburse them for expenditures above their fiscal year 1995 base level, but below the Federal cap. Mandatory ceiling amounts—Puerto Rico—$102 million; Guam, $4.7 million; Virgin Islands, $3.6 million; and American Samoa, $1 million. (Current law and funding arrangements are retained for IV–B programs.)

Conference agreement

The conference agreement generally follows the Senate amendment. The conference agreement adds a provision specifying that States may use Title XX funds to provide vouchers to families losing TANF block grant assistance due to a State-imposed family cap.

91. REPEAL OF PROVISIONS REQUIRING DISAPPROVAL OF MEDICAID PLANS OR DENIAL OF SAME MEDICAID PAYMENTS TO STATES THAT REDUCE WELFARE PAYMENT LEVELS

Present law

If a State reduces AFDC ''payment levels'' below those of May 1, 1988, the Secretary shall not approve the State's Medicaid plan.

If a State reduces AFDC payment levels below those of July 1, 1987, Medicaid matching funds shall be disallowed for required services to pregnant women and children not enrolled in AFDC but eligible for Medicaid on grounds of low income.

House bill

The House proposal repeals provisions that impose Medicaid sanctions upon States that reduce AFDC payment levels.

Senate amendment

Same.

Conference Agreement

The conference agreement follows the House bill and the Senate amendment.

92. SERVICES PROVIDED BY CHARITABLE, RELIGIOUS, AND PRIVATE ORGANIZATIONS

Present law

The Child Care and Development Block Grant (CCDBG) Act prohibits use of any financial assistance provided through any grant or contract for any sectarian purpose or activity. In general, the CCDBG requires religious nondiscrimination, but it does allow a sectarian organization to require employees to adhere to its religious tenets and teachings.

House bill

The proposal authorizes States to administer and provide family assistance services (and services under SSI, the child protection block grant program, foster care, adoption assistance, and independent living programs) through contracts with charitable, religious, or private organizations. Under this provision, religious organizations would be eligible, on the same basis as any other private organization, to provide assistance as contractors or to accept certificates and vouchers so long as their programs are implemented consistent with the Establishment Clause of the Constitution. States may pay recipients by means of certificates, vouchers, or other forms of disbursement that are redeemable with such private organizations.

The proposal provides that, except as otherwise allowed by law, a religious organization administering the program may not discriminate against beneficiaries on the basis of religious belief or refusal to participate in a religious practice. States must provide an alternative provider for a beneficiary who objects to the religious character of the designated organization.

Nothing in this section shall be construed to preempt any provision of a State constitution or State statute that prohibits or restricts the expenditure of State funds in or by religious organizations.

Senate amendment

Same provision, except that administration by charitable, religious, and private organizations is authorized only for TANF and SSI.

Conference agreement

The conference agreement follows the House bill.

93. CENSUS DATA ON GRANDPARENTS AS PRIMARY CAREGIVERS FOR THEIR GRANDCHILDREN

Present law

No provision.

House bill

The Secretary of Commerce shall expand the Census Bureau's question (for the decennial census and the mid-decade census) concerning households with both grandparents and their grandchildren so as to distinguish between households in which a grandparent temporarily provides a home and those where the grandparent serves as primary caregiver.

Senate amendment

Same.

Conference Agreement

The conference agreement follows the House bill and the Senate amendment.

94. REPORT ON DATA PROCESSING

Present Law

No provision. (State child support plans may provide for establishment of a statewide automated data processing and information retrieval system.)

House bill

The Secretary must report to Congress within six months on the status of automatic data processing systems in the States and on what would be required to produce a system capable of tracking participants in public programs over time and checking case records across States to determine whether some individuals are participating in public programs in more than one State. The report should include a plan for building on the current automatic data processing system to produce a system capable of performing these functions as well as an estimate of the time required to put the system in place and the cost of the system.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

95. STUDY ON ALTERNATIVE OUTCOMES MEASURES

Present law

The Family Support Act required the Secretary to submit to Congress recommendations for JOBS performance standards regarding ''specific measures of outcomes''. It said the standards should not be measured solely by levels of activity or participation. (The report, due Oct. 1, 1993, was submitted 1 year late.)

House bill

The Secretary must, in cooperation with the States, study and analyze measures of program outcomes (as an alternative to minimum participation rates) for evaluating the success of State block grant programs in helping recipients leave welfare. The study must include a determination of whether outcomes measures should be applied on a State or national basis and a preliminary assessment of the job placement performance bonus established in the Act. The Secretary must report findings to the Committee on Finance and the Committee on Ways and Means not later than September 30, 1998.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

96. WELFARE FORMULA FAIRNESS COMMISSION

Present law

No provision. AFDC funds are not distributed by formula. States are entitled to reimbursement, at matching rates inversely related to their per capita income squared, for all AFDC benefits and AFDC- related child care spending (but not ''at-risk'' child care). Federal funds received by a State are a function of its AFDC benefit levels, caseloads, and matching rate.

House bill

No provision.

Senate amendment

Establishes a welfare formula fairness commission to make recommendations on funding formulas, bonus payments, and work requirements of the new TANF program. Commission is to have 15 members, 3 each appointed by the President, Senate Majority Leader, Senate Minority Leader, House Speaker, and House Minority Leader. It is to report to Congress by Sept. 1, 1998, either making recommendations for change or giving notice that none is needed.

Conference agreement

The conference agreement follows the House bill.

97. CONFORMING AMENDMENTS TO THE SOCIAL SECURITY ACT

Present law

No provision.

House bill

This section makes a series of technical amendments, including the repeal of the JOBS program, that conform provisions of the proposal with various titles of the Social Security Act.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

98. CONFORMING AMENDMENTS TO THE FOOD STAMP ACT OF 1977 AND RELATED PROVISIONS

Present law

No provision.

House bill

This section makes a series of technical amendments that conform provisions of the proposal with various titles of the Food Stamp Act and other related provisions.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

99. CONFORMING AMENDMENTS TO OTHER LAWS

Present law

No provision.

House bill

This section makes a series of amendments that conform provisions of the proposal to the Unemployment Compensation Amendments of 1976, the Omnibus Budget Reconciliation Act of 1987, the Housing and Urban-Rural Recovery Act of 1983, the Tax Equity and Fiscal Responsibility Act of 1982, the Social Security Amendments of 1967, the Stewart B. McKinney Homeless Assistance Amendments Act of 1988, the Higher Education Act of 1965, the Carl D. Perkins Vocational and Applied Technology Education Act, the Elementary and Secondary Education Act of 1965, Public Law 99-88, the Internal Revenue Code of 1986, the Wagner-Peyser Act, the Job Training Partnership Act, the Low-Income Home Energy Assistance Act of 1981, the Family Support Act of 1988, the Balanced Budget and Emergency Deficit Control Act of 1985, the Immigration and Nationality Act, the Head Start Act, and the School-to-Work Opportunities Act of 1994.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

100. DEVELOPMENT OF PROTOTYPE OF COUNTERFEIT-RESISTANT SOCIAL SECURITY CARD REQUIRED

Present law

No provision.

House bill

The Commissioner of Social Security is required to develop a prototype of a counterfeit-resistant Social Security card. The Commissioner must report to Congress on the cost of issuing a tamper-proof card for all persons over a three, five, and 10-year period.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

101. COMMUNITY STEERING COMMITTEES DEMONSTRATION PROJECTS

Present law

No provision.

House bill

No provision.

Senate amendment

Requires the Secretary to enter into agreements with up to 5 applicant States to conduct demonstration projects designed to help TANF parents move into the nonsubsidized workforce. Duties of the committee: identify and create unsubsidized jobs for TANF recipients; propose and implement solutions to work barriers; assess needs of the children and provide services to ensure that the children enter school ready to learn and stay in school. A primary responsibility of the committee shall be to help assure that parents who have obtained work retain their jobs. Activities may include counseling, emergency day care, sick day care, transportation, provision of clothing, housing assistance, or any other needed help. Not later than Oct. 1, 2002, the Secretary shall report to congress on the project results.

Conference agreement

The conference agreement follows the House bill.

102. DISCLOSURE OF RECEIPT OF FEDERAL FUNDS

Present law

No provision.

House bill

Under certain circumstances specified public funds received by nonprofit, tax-exempt 501(c) organizations, must be publicly disclosed. When a 501(c) organization that accepts Federal funds under the Personal Responsibility and Work Opportunity Act (other than those provided under Titles IV, XVI, and XX of the Social Security Act) makes any communication intended to promote public support or opposition to any governmental policy (Federal, State or local) through any broadcasting station, newspaper, magazine, outdoor advertising facility, direct mailing, or any other type of general public advertising, the communication must state: ''This was prepared and paid for by an organization that accepts taxpayer dollars.''

Senate amendment

Applies the fund disclosure rule to all Federal funds under the Personal Responsibility and Work Opportunity Act. (This provision was deleted because of the Byrd rule.)

Conference agreement

The conference agreement follows the Senate amendment (no provision as a result of the Byrd rule).

103. MODIFICATIONS TO THE JOB OPPORTUNITIES FOR CERTAIN LOW-INCOME INDIVIDUALS PROGRAMS

Present law

The Family Support Act of 1988 (Sec. 505) directed the Secretary to enter into agreement with between 5 and 10 nonprofit organizations to conduct demonstrations to create job opportunities for AFDC recipients and other low-income persons. For these projects, $6.5 million was authorized to be appropriated for each fiscal year, 1990–1992.

House bill

The word ''demonstration'' is struck from the description of these projects; the projects are converted to grant status. The provision requires the Secretary to enter into agreements with nonprofit organizations to conduct projects that create job opportunities for recipients of family assistance and other persons with income below the poverty guideline. $25 million annually is authorized for these projects.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

104. CONFORMING AMENDMENTS TO MEDICAID

Present law
House bill

Provides for continued application of AFDC standards and methodologies for certain families, entitling them to Medicaid. Allows cost-of-living adjustments in income standards above level of July 16, 1996. See ''Prohibitions; Requirements—Medicaid'' above.

Senate amendment

Same except that States may use less restrictive income standards and methodologies than under current law.

Conference agreement

The conference agreement follows the House bill.

105. EFFECTIVE DATE; TRANSITION RULE

Present law

No provision.

House bill

Except as otherwise provided, this title and the amendments made by it take effect on July 1, 1997. Penalties (with the major exception of penalties for misuse of Federal family assistance grant funds) will not take effect until July 1, 1997, or six months after the State plan is received by the Secretary, whichever is later.

Within 90 days of enactment, the Secretary of HHS, the Commissioner of Social Security and other heads of appropriate agencies shall submit to appropriate congressional committees. Necessary technical and conforming amendments.

States may opt to begin their block grant program before July 1, 1997, in which case the State is entitled to receive no more than the State family assistance grant for the entire fiscal year; block grant payments will be made pro rata based on the number of days remaining in the fiscal year after the Secretary first received the State plan. The submission of a State plan is deemed to constitute the State's acceptance of the family assistance grant (including pro rata reductions for a partial fiscal year) and the termination of the individual entitlement to benefits under the AFDC program. Effective October 1, 1996, no individual or family shall be entitled to any benefits or services under any State plan under part A or F of Title IV of the Social Security Act (as in effect on September 30, 1995).

The amendments made do not apply with respect to powers, duties, penalties and other considerations applicable to aid, assistance or services provided before the effective date, or with respect to administrative actions and proceedings that commenced before the effective date. Federal and State officials may use scientifically acceptable statistical sampling techniques in closing out accounts. Each State shall complete the filing of all claims within 2 years after the date of enactment. The person serving as Assistant Secretary for Family Support within HHS on the day before the effective date of this title will continue to serve in that position until a successor is named, performing functions provided under current law and having powers and duties provided in Section 103 of this bill.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

TITLE II: SUPPLEMENTAL SECURITY INCOME

1. REFERENCE TO THE SOCIAL SECURITY ACT

Present law

No provision.

House bill

Any reference in this title expressed in terms of an amendment to or repeal of a section or other provision is made to the Social Security Act.

Senate amendment

Identical to House bill.

Conference agreement

The conference agreement follows the House bill.

Subtitle A—Eligibility Restrictions

2. DENIAL OF SSI BENEFITS TO INDIVIDUALS FOUND TO HAVE FRAUDULENTLY MISREPRESENTED RESIDENCE IN ORDER TO OBTAIN BENEFITS SIMULTANEOUSLY IN 2 OF MORE STATES

Present law

Current law states that any person who knowingly and willfully makes or causes to be made any false statements or misrepresentations in applying for or continuing to receive Supplemental Security Income (SSI) payments may be subject to a civil monetary penalty or be fined or imprisoned pursuant to title 18, U.S. Code.

House bill

Any person convicted in Federal court or State court of having fraudulently misrepresented residence in order to obtain benefits or services from two or more States under title IV, title XV, title XIX, or the Food Stamp Act of 1977, or benefits in 2 or more States from the SSI program, is ineligible for SSI benefits for 10 years. In addition, an official of the court in which the individual was convicted is required to notify the Commissioner of such conviction.

Senate amendment

Identical to House Bill.

Conference agreement

The conference agreement follows the House bill.

3. DENIAL OF SSI BENEFITS FOR FUGITIVE FELONS AND PROBATION AND PAROLE VIOLATORS

Present law

Current law provides safeguards which restrict the use or disclosure of information concerning SSI applicants or recipients to purposes directly connected with the administration of the SSI program or other federally-funded programs.

House bill

No individual who is fleeing to avoid prosecution, custody or confinement after conviction for a crime (or an attempt to commit a crime) that is a felony (or, in New Jersey, a high misdemeanor), or who violates probation or parole imposed under Federal or State, law shall be eligible for SSI benefits.

The Social Security Administration (SSA) shall furnish the current address, Social Security number, and photograph (if applicable) of a recipient to any Federal, State, or local law enforcement officer who is pursuing a fugitive felon or parole or probation violator. This provision applies also to a recipient sought by an officer because the recipient has information necessary to the officer's official duties.

Senate amendment

Identical to House Bill.

Conference agreement

The conference agreement follows the House bill with technical modification.

4. TREATMENT OF PRISONERS

Implementation of Prohibition Against Payment of Benefits to Prisoners

Present law

Current law prohibits prisoners from receiving benefits while incarcerated. Federal, State, or county or local prisons are required to make available, upon written request, the name and Social Security account number of any individual who is confined in a penal institution or correctional facility and convicted of any crime punishable by imprisonment of more than 1 year.

House bill

The Commissioner shall enter into an agreement with any interested State or local institution (defined as a jail, prison, other correctional facility, or institution where the individual is confined due to court order) under which the institution shall provide monthly the names, Social Security account numbers, dates of birth, confinement dates, and other identifying information. The Commissioner shall pay to the institution for each eligible individual who becomes ineligible $400 if the information is provided within 30 days of the individual becoming an inmate. The payment is $200 if the information is furnished after 30 days but within 90 days.

In addition, the Computer Matching and Privacy Protection Act of 1988 shall not apply to the information exchanged pursuant to this contract.

The Commissioner is authorized to provide, on a reimbursable basis, information obtained pursuant to agreements to any Federal or federally assisted cash, food, or medical assistance program for eligibility purposes.

The dollar amounts paid to the institution shall be reduced by 50 percent if the Commissioner is also required to make a payment with respect to the same individual based on eligibility for Social Security disability insurance benefits.

Payments to institutions shall be made from funds otherwise available for the payment of benefits.

Senate amendment

The Senate amendment is similar to the House bill, however, it deletes all references to OASDI programs (due to Senate rule) and does not include the provision for the Commissioner to provide information to other Federal or federally assisted programs.

Conference agreement

The conference agreement follows the House bill, except that all OASDI references are deleted.

Denial of SSI Benefits for 10 Years to a Person Found to Have Fraudulently Obtained SSI Benefits While in Prison

Present law

No provision.

House bill

No provision.

Senate amendment

Denies benefits for 10 years (beginning the date of release from prison) to a person found to have fraudulently obtained SSI benefits while in prison. This provision is effective on the date of enactment.

Conference agreement

The conference agreement follows the House bill (i.e., no provision).

Elimination of OASDI Requirement that Confinement Stem From Crimes Punishable by Imprisonment for More Than 1 Year

Present law

Bars Social Security benefits from prisoners convicted of any crime punishable by imprisonment of more than a year, not just felonies.

House bill

Replaces ''an offense punishable by imprisonment for more than 1 year'' with ''a criminal offense'' and deletes other language. Effective for benefits payable more than 180 days after the date of enactment. It bars Social Security benefits from persons confined, throughout a month, to (1) a penal institution or (2) other institution if the person is found guilty but insane.

Senate amendment

No provision, due to Senate rule.

Conference agreement

The conference agreement follows the Senate amendment (i.e., no provision).

Study of Other Potential Improvements in the Collection of Information Respecting Public Inmates

Present law

No provision.

House bill

The Commissioner shall conduct a study of the desirability, feasibility, and cost of establishing a system for courts to furnish the Commissioner information regarding court orders and requiring that State and local jails, prisons, and other institutions enter into agreements with the Commissioner by means of an electronic or similar data exchange system. The report of this study shall be submitted to the responsible Committees not later than 1 year after enactment.

Not later than October 1, 1998, the Commissioner of Social Security shall provide to the responsible Committees of Congress a list of institutions that are and are not providing information to the Commissioner in accordance with these provisions.

Senate amendment

The Senate amendment is identical to the House bill except uses the term ''contract'' instead of ''agreement.''

There is no provision for the Commissioner to provide a list of institutions who are or are not in compliance with these provisions.

Conference agreement

The conference agreement follows the House bill.

5. EFFECTIVE DATE OF APPLICATION FOR BENEFITS

Present law

The application of an individual for SSI benefits is effective on the later of the date the application is filed or the date the individual first becomes eligible for such benefits.

House bill

Changes the effective date of application to the later of the first day of the month following the date the application is filed or the date the individual first becomes eligible for such benefits. The provision expands SSA's authority to issue an immediate cash advance to individuals faced with financial emergencies. Effective for applications filed on or after the date of enactment.

Senate amendment

Identical to House bill.

Conference agreement

The conference agreement follows the House bill with technical modifications.

Subtitle B—Benefits for Disabled Children

6. DEFINITION AND ELIGIBILITY RULES

Definition of Childhood Disability

Present law

There is no definition of childhood disability in the statute. Instead, the statute prescribes that an individual under age 18 shall be considered disabled for purposes of eligibility for SSI if that individual has an impairment or combination of impairments of ''comparable severity'' which would result in a work disability in an adult. This impairment or combination of impairments must be expected to result in death or to last for a continuous period of not less than 12 months.

House bill

This section adds a new statutory definition of childhood disability: an individual under the age of 18 is considered as disabled if the individual has a medically determinable physical or mental impairment, which results in marked and severe functional limitations, and which can be expected to result in death or which has lasted or can be expected to last for at least a continuous period of not less than 12 months.

The Commissioner shall ensure that the combined effects of all physical or mental impairments of an individual are taken into account in determining whether an individual is disabled. In addition, the Commissioner shall ensure that the regulations prescribed by these provisions provide for the evaluation of children who cannot be tested because of their young age.

Senate amendment

Identical to House bill regarding the new definition of disability. The provision does not include language regarding combined impairments or evaluation of children who cannot be tested because of their young age.

Conference agreement

The conference agreement follows the Senate amendment. The conferees intend that only needy children with severe disabilities be eligible for SSI, and the Listing of Impairments and other current disability determination regulations as modified by these provisions properly reflect the severity of disability contemplated by the new statutory definition. In those areas of the Listing that involve domains of functioning, the conferees expect no less than two marked limitations as the standard for qualification. The conferees are also aware that SSA uses the term ''severe'' to often mean ''other than minor'' in an initial screening procedure for disability determination and in other places. The conferees, however, use the term ''severe'' in its common sense meaning.

In addition, the conferees expect that SSA will properly observe the requirements of section 1614 (a)(3)(F) of the Social Security Act and ensure that the combined effects of all the physical or mental impairments of an individual under age 18 are taken into account in making a determination regarding eligibility under the definition of disability. The conferees note that the 1990 Supreme Court decision in *Zebley* established that SSA had been previously remiss in this regard. The conferees also expect SSA to continue to use criteria in its Listing of Impairments and in the application of other determination procedures, such as functional equivalence, to ensure that young children, especially children too young to be tested, are properly considered for eligibility of benefits.

The conferees recognize that there are rare disorders or emerging disorders not included in the Listing of Impairments that may be of sufficient severity to qualify for benefits. Where appropriate, the conferees remind SSA of the importance of the use of functional equivalence disability determination procedures.

Nonetheless, the conferees do not intend to suggest by this definition of childhood disability that every child need be especially evaluated for functional limitations, or that this definition creates a supposition for any such examination. Under current procedures for writing individual listings, level of functioning is an explicit consideration in deciding which impairment, with certain medical or other findings, is of sufficient severity to be included in the Listing. Nonetheless, the conferees do not intend to limit the use of functional information, if reflecting sufficient severity and is otherwise appropriate.

The conferees contemplate that Congress may revisit the definition of childhood disability and the scope of benefits, if deemed appropriate, and have provided elsewhere for studies on these issues.

Requests for Comments to Improve Disability Evaluation

Present law

No provision.

House bill

No provision.

Senate amendment

Requires the Commissioner to request comments in the Federal Register regarding improvements to the disability evaluation and determination procedures for individuals under age 18 to ensure the comprehensive assessment of such individuals.

Conference agreement

The conference agreement follows the House bill (i.e., no provision).

Changes to SSI Childhood Regulations

Present law

Under the disability determination process for children, SSA first determines if a child meets or equals the ''Listing of Impairments'' in Federal regulations. Under the Listings that relate to mental disorders, maladaptive behavior may be scored twice, in domains of social functioning and of personal/behavior functioning.

Under the disability determination process for children, individuals who do not meet or equal the Listing of Impairments are subject to an ''Individualized Functional Assessment'' (IFA). This assessment is intended to determine whether, or to what extent, a child can engage in age-appropriate activities. If the child cannot, the child may be determined disabled.

House bill

The Commissioner of Social Security shall eliminate references in the Listing of Impairments to maladaptive behavior among medical criteria for evaluation of mental and emotional disorders in the domain of personal/behavioral function.

The Commissioner of Social Security shall discontinue use of the Individualized Functional Assessment for children set forth in the Code of Federal Regulations.

Senate amendment

Identical to House bill.

Conference agreement

The conference agreement follows the House bill.

Medical Improvement Review Standard as it Applies to Individuals Under the Age of 18

Present law

No provision.

House bill

This section contains technical modifications to the medical improvement review standard based on the new definition of childhood disability.

Senate amendment

Identical to the House bill.

Conference agreement

The conference agreement follows the House bill.

Effective dates
Present law

No provision.

House bill

Changes in eligibility rules apply to new applications and pending requests for administrative or judicial review on or after the date of enactment, without regard to whether regulations have been issued.

No later than 1 year after the date of enactment, the Commissioner shall redetermine the eligibility of any child receiving benefits on the date of enactment who would lose eligibility under these provisions.

Benefits of current recipients will continue until their redetermination. Should a child be found ineligible, their benefits will end following redetermination.

No later than January 1, 1997, the Commissioner must notify individuals whose eligibility for SSI benefits will terminate.

The Commissioner must report to Congress within 180 days regarding progress made in implementing the SSI children's provisions.

The Commissioner shall submit final regulations to the Committees of jurisdiction of Congress for their review at least 45 days before they become effective.

Senate amendment

Identical to the House bill, except that benefits of current recipients will continue until the later of July 1, 1997, or the date of redetermination. The Senate amendment also includes language which authorizes and appropriates $300 million to remain available for fiscal year 1997–1999 for the Commissioner to conduct continuing disability reviews (CDRs) and redeterminations.

Conference agreement

The conference agreement follows the Senate amendment with modification to authorize additional administrative funding for SSA: $150 million for fiscal year 1997 and $100 million for fiscal year 1998, to conduct SSI CDRs and redeterminations. The funding of CDRs and redeterminations will follow the usual appropriation process, except that the amounts above a base funding level will not be subject to discretionary caps.

7. ELIGIBILITY REDETERMINATIONS AND CONTINUING DISABILITY REVIEWS

Present law

Current law specifies that the Commissioner must reevaluate under adult disability criteria the eligibility of at least one-third of SSI children who turn age 18 in each of the fiscal years 1996, 1997, and 1998 (the CDR must be completed before these children reach age 19) and report to Congress no later than October 1, 1998.

House bill

At least once every 3 years the Commissioner must conduct CDRs of children receiving SSI benefits. For children who are eligible for benefits and whose medical condition is not expected to improve, the requirement to perform such reviews does not apply (unless the Commissioner decides otherwise). At the time of review the parent or guardian must present evidence demonstrating that the recipient is and has been receiving appropriate treatment for her disability.

The eligibility for all children qualifying for SSI benefits must be redetermined using the adult criteria within 1 year after turning 18 years of age. The review will be considered a substitute for any other review required under the changes made in this section. The ''minimum number of reviews'' and the ''sunset'' provisions of section 207 of the Social Security Independence and Program Improvements Act of 1994 are eliminated.

A review must be conducted 12 months after the birth of a child whose low birth weight is a contributing factor to the child's disability. At the time of review, the parent or guardian must present evidence demonstrating that the recipient is and has been receiving appropriate treatment for his disability.

Senate amendment

Identical to House bill.

Conference agreement

The conference agreement follows the House bill.

8. ADDITIONAL ACCOUNTABILITY REQUIREMENTS

Disposal of Resources for Less Than Fair Market Value

Present law

No provision.

House bill

The bill delays eligibility for any child applicant whose parents or guardians, in order to qualify a child for benefits, dispose of assets for less than fair market value within 36 months of the date of application. The provision stipulates that any assets in a trust in which the child (i.e., parent or representative payee) has control shall be considered assets of the child and subject to the 36-month ''look-back'' rule. The delay (in months) is equal to the amount of assets divided by the SSI standard benefit. This provision is effective 90 days after the date of enactment.

Senate amendment

No provision.

Conference agreement

The conference agreement follows the Senate amendment (i.e., no provision).

Treatment of Assets Held in Trust

Present law

No provision. Under current operating policy, a trust is not considered a resource if the SSI recipient does not have the legal authority to access trust assets for his or her own food, clothing, or shelter.

House bill

Stipulates that in determining the resources of an individual under the age of 18, a revocable trust (i.e., the person has legal access to the assets of the trust) must be considered a resource available to the individual. In the case of an irrevocable trust, if there are any circumstances under which payment from the trust could be made to or for the benefit of the individual, then such payments are to be considered as resource available to the individual. The Commissioner of Social Security may waive these provisions if the Commissioner determines, on the basis of criteria prescribed in regulations, that such application would be an undue hardship on the individual.

Any earnings of, or additions to the principal of the trust would be considered income if they are available to the individual.

Senate amendment

No provision.

Conference agreement

The conference agreement follows the Senate amendment (i.e., no provision).

Requirement to Establish Account

Present law

No provision.

House Bill

Requires the representative payee (i.e., the parent) of an individual under the age of 18 to establish an account in a financial institution for the receipt of past-due SSI payments if the lump-sum payment amounts to more than 6 times the maximum monthly SSI payment (including any State supplement). A representative payee shall use the funds in the account for the following expenses: education or job skills training; personal needs assistance; special equipment or housing modifications related to the child's disability; medical treatment; appropriate therapy or rehabilitation; or any other item or service that the Commissioner determines is appropriate.

Once the account is established the representative payee may deposit any past-due benefits owed to the recipient and any other funds representing an SSI underpayment provided the amount is more than the maximum monthly SSI benefit payment.

The funds in these accounts would not be counted as a resource and the interest and other earnings on the account would not be considered income in determining SSI eligibility.

Senate amendment

Identical to House provision, except allows rather than mandates the representative payee to use the funds for allowable expenses.

Conference agreement

The conference agreement follows the House bill.

9. REDUCTION IN CASH BENEFITS PAYABLE TO INSTITUTIONALIZED INDIVIDUALS WHOSE MEDICAL COSTS ARE COVERED BY PRIVATE INSURANCE

Present law

Federal law stipulates that when individuals enter a hospital or other medical institution for which more than half of the bill is paid by the Medicaid program, their monthly SSI benefit is reduced to $30 per month. This personal needs allowance is intended to pay for small personal expenses, with the cost of maintenance and medical care provided by the Medicaid program.

House bill

Children in medical institutions whose medical costs are covered by private insurance would be treated the same as children whose bills are currently paid by Medicaid (that is, their monthly SSI cash benefit would be reduced to $30 per month).

Senate amendment

Identical to House bill.

Conference agreement

The conference agreement follows the House bill.

10. REGULATIONS

Present law

No provision.

House bill

The Commissioner of Social Security and the Secretary of HHS will prescribe necessary regulations within three months after enactment.

Senate amendment

Identical to House bill.

Conference agreement

The conference agreement follows the House bill.

Subtitle C—Additional Enforcement Provisions

11. INSTALLMENT PAYMENT OF LARGE PAST-DUE SSI BENEFITS

Present law

No provision.

House bill

If an individual is eligible for past-due benefits (after any withholding for reimbursement to a State for interim assistance) in an amount which exceeds 12 times the maximum monthly benefit payable to an eligible individual (currently $470) or couple (currently $705) (plus any State supplementary payments), benefits will be paid in 3 installments made at 6-month intervals. The first and second installments may not exceed 12 times the maximum monthly benefit payable. Installment caps may be extended by certain debt (food, clothing, shelter, or medically necessary services, supplies, or equipment, or medicine) or the purchase of a home. Installment payments shall not apply to individuals whose medical impairment is expected to result in death in 12 months or for an individual who is ineligible and is likely to remain ineligible for the next 12 months.

Senate amendment

Identical to House bill.

Conference agreement

The conference agreement follows the House bill.

12. RECOVERY OF SSI OVERPAYMENTS FROM SOCIAL SECURITY BENEFITS

Present law

Generally, when an overpayment of Social Security benefits is made, recovery shall be made by adjusting future payments or by recovering the overpayment from the individual.

House bill

If the Commissioner is unable to recover the overpayment through future payment adjustments or direct recovery, the Commissioner may decrease any OASI or SSDI payment to the individual or their estate. As a result of this action, no individual may become eligible for SSI or eligible for increased SSI benefits.

Senate amendment

No provision (due to Senate rule).

Conference agreement

The conference agreement follows the Senate amendment (i.e., no provision).

13. REGULATIONS

Present Law

No provision.

House bill

The Commissioner of Social Security and the Secretary of HHS will prescribe necessary regulations within 3 months after enactment.

Senate amendment

Identical to House bill.

Conference agreement

The conference agreement follows the House bill.

14. REPEAL OF MAINTENANCE OF EFFORT REQUIREMENTS APPLICABLE TO OPTIONAL STATE PROGRAMS FOR SUPPLEMENTATION OF SSI

Present law

Since the beginning of the SSI program, States have had the option to supplement (with State funds) the Federal SSI payment. Subsequently, Congress passed section 1618 of the Social Security Act which in effect requires States to maintain such optional payments or lose eligibility for Medicaid funds. The purpose of section 1618 of the Social Security Act was to encourage States to pass along to SSI recipients the amount of any Federal SSI benefit increase. Section 1618 allows States to comply with the ''pass along/maintenance of effort'' provision by either maintaining their State supplementary payment levels at or above March 1983, levels or by maintaining their supplementary payment spending so that total annual Federal and State expenditures will be at least equal to what they were in the prior 12-month period, plus any Federal cost-of-living increase, provided the State was in compliance for that period.

House bill

Repeals the maintenance of effort requirements in Section 1618 applicable to optional State programs for supplementation of SSI benefits, effective on the date of enactment.

Senate amendment

No provision, due to Senate rule.

Conference agreement

The conference agreement follows the Senate amendment (i.e., no provision).

Subtitle D—Studies Regarding Supplemental Security Income Program

15. ANNUAL REPORT ON THE SUPPLEMENTAL SECURITY INCOME PROGRAM

Present law

The Social Security Administration collects and publishes limited data on the SSI program.

House bill

The Commissioner of Social Security must prepare and provide to the President and the Congress an annual report on the SSI program, which includes specified information and data. The report is due May 30 of each year.

Senate amendment

Identical to the House bill, except stipulates the inclusion of historical and correct data on prior enrollment by public assistance recipients.

Conference agreement

The conference agreement follows the House bill, modified by the Senate amendment.

16. STUDY OF DISABILITY DETERMINATION PROCESS

Present law

No provision.

House bill

Within 90 days of enactment, the Commissioner must contract with the National Academy of Sciences or another independent entity to conduct a comprehensive study of the disability determination process for SSI and SSDI. The study must examine the validity, reliability and consistency with current scientific standards of the Listings of Impairments cited above. The study must also examine the appropriateness of the definitions of disability (and possible alternatives) used in connection with SSI and SSDI, and the operation of the disability determination process, including the appropriate method of performing comprehensive assessments of individuals under age 18 with physical or mental impairments. The Commissioner must issue interim and final reports of the findings and recommendations of the study within 18 months and 24 months, respectively, from the date of contract for the study.

Senate amendment

No provision, due to Senate rule.

Conference agreement

The conference agreement follows the Senate amendment (i.e., no provision).

17. STUDY BY GENERAL ACCOUNTING OFFICE

Present law

No provision.

House bill

No later than January 1, 1999, the Comptroller General of the United States must study and report on the impact of the amendments and provisions made by this bill, and extra expenses incurred by families of children receiving benefits not covered by other Federal, State, or local programs.

Senate amendment

Identical to House bill.

Conference agreement

The conference agreement follows the House bill.

18. NATIONAL COMMISSION ON THE FUTURE OF DISABILITY

Present law

No provision.

House bill

This section establishes a new Commission on the future of disability.

The Commission must study all matters related to the nature, purpose and adequacy of all Federal programs for the disabled (and especially SSI and SSDI), including: projected growth in the number of individuals with disabilities; possible performance standards for disability programs; the adequacy of Federal rehabilitation research and training; and the adequacy of policy research available to the Federal government and possible improvements. The Commission must submit to the President and the proper Congressional committees recommendations and possible legislative proposals effecting needed program changes.

The Commission is to be composed of 15 members who are appointed by the President and Congressional leadership and who serve for the life of the Commission. Members are to be chosen based on their education, training or experience, with consideration for representing the diversity of individuals with disabilities in the U.S. The Commission membership will also reflect the general interests of the business and taxpaying community.

The Commission will have a director, appointed by the Chair, and appropriate staff, resources, and facilities.

The Commission may conduct public hearings and obtain information from Federal agencies necessary to perform its duties.

The Commission must issue an interim report to Congress and the President not later than 1 year prior to terminating. A final public report must be submitted prior to termination.

The Commission will terminate 2 years after first having met and named a chair and vice chair.

This section authorizes the appropriation of such funds as are necessary to carry out the purposes of the Commission.

Senate amendment

No provision, due to Senate rule.

Conference agreement

The conference agreement follows the Senate amendment (i.e., no provision).

TITLE III: CHILD SUPPORT ENFORCEMENT

1. REFERENCE TO THE SOCIAL SECURITY ACT

Present law

No provision.

House bill

Unless otherwise specified, any reference in this title to an amendment to or repeal of a section or other provision is to the Social Security Act.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

Subtitle A—Eligibility for Services; Distribution of Payments

2. STATE OBLIGATION TO PROVIDE CHILD SUPPORT ENFORCEMENT SERVICES

Present law

States are required to establish paternity for children born out of wedlock if they are

recipients of AFDC or Medicaid, and to obtain child and spousal support payments from noncustodial parents of children receiving AFDC, Medicaid benefits, or foster care maintenance payments. States must provide child support collection or paternity determination services to persons not otherwise eligible if the person applies for services. Federal law requires States to cooperate with other States in establishing paternity (if necessary), locating absent parents, collecting child support payments, and carrying out other child support enforcement functions. In cases in which a family ceases to receive AFDC, States are required to provide appropriate notice to the family and continue to provide child support enforcement services without requiring the family to apply for services or charging an application fee.

House bill

States must provide services, including paternity establishment and establishment, modification, or enforcement of support obligations, for children receiving benefits from the Temporary Assistance for Needy Families block grant (TANF), foster care maintenance payments, Medicaid, and any child of an individual who applies for services. States must enforce support obligations with respect to children in their caseload and the custodial parents of such children. States must also make child support enforcement services available to individuals not residing within the State on the same terms as to individuals residing within the State. States are not required to provide services to families if the State determines, taking into account the best interests of the child, that good cause and other exceptions exist. The provision also makes minor technical amendments to section 454 of the Social Security Act.

When a family ceases to receive benefits from the TANF block grant, States are required to provide appropriate notice to the family and continue to provide child support enforcement services without requiring the family to apply for services or charging an application fee.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

3. DISTRIBUTION OF CHILD SUPPORT COLLECTIONS

Present law

Federal law requires that child support collections be distributed as follows: First, up to the first $50 in current support is paid to the AFDC family (a ''disregard'' that does not affect the family's AFDC benefit or eligibility status). Second, the Federal and State governments are reimbursed for the AFDC benefit paid to the family in that month. Third, if there is money left, the family receives it up to the amount of the current month's child support obligation. Fourth, if there is still money left, the State keeps it to reimburse itself for any arrearages owed to it under the AFDC assignment (with appropriate reimbursement of the Federal share of the collection to the Federal government). If no arrearages are owed the State, the money is used to pay arrearages to the family; such moneys are considered income under the AFDC program and would reduce the family's AFDC benefit.

To receive AFDC benefits, a custodial parent must assign to the State any right to collect child support payments. This assignment covers current support and any arrearages that accumulated before the family began receiving public assistance, and lasts as long as the family receives AFDC.

Some States are required to provide monthly supplemental payments to AFDC recipients who have less disposable income now than they would have had in July 1975 because child support is paid to the child support agency instead of directly to the family. States required to make these supplemental payments are often referred to as ''fill-the-gap'' States. These States pay less assistance than their full need standard, and allow recipients to use child support income to make up all or part of the difference between the payment made by the State and the State's need standard.

House bill

Several changes in the distribution rules under current law are made by this section. The $50 passthrough to families on AFDC is ended. In addition, distribution law is changed so that, beginning October 1, 1997, collections on arrearages that accumulated during the period after the family leaves welfare are paid to the State if the money was collected through the tax intercept and to the family if collected by any other method. Distribution law is also changed so that beginning on October 1, 2000, arrearages that accumulated during the period before the family went on welfare are paid to the State if the money was collected through the tax intercept and to the family if collected by any other method. (Note: These new distribution rules require the assignment rules for pre-welfare arrearages to be changed so that families can be paid before States if the money was collected by a method other than the tax intercept; this change in assignment rules was made in Title I and will appear in Section 408(a)(3)(B) of the revised Social Security Act.)

By October 1, 1998, the Secretary must present a report to the Congress concerning whether post-assistance arrearages have helped mothers avoid welfare and about the effectiveness of the new distribution rules.

All assignments of support in effect when this proposal is enacted must remain in effect.

Several terms, including ''assistance from the State'', ''Federal share'', and ''State share'' are defined.

If States retain less money from collections than they retained in fiscal year 1995, States are allowed to retain the amount retained in fiscal year 1995.

If a State follows a ''fill-the-gap'' policy as outlined above, that State can continue to distribute funds to the family up to the amount needed to fill the gap. The provision also clarifies the relationship between gap payments and both the $50 passthrough and the State hold harmless provision.

Senate amendment

Same, except Senate adds provision that stipulates that in the case of a family receiving assistance from an Indian tribe, the State distribute any support collected in accordance with any cooperative agreement between the State and the tribe.

Conference agreement

The conference agreement follows the House bill and the Senate amendment with the modification that the House accepts the Senate provision on Indian tribes.

4. PRIVACY SAFEGUARDS

Present law

Federal law limits the use or disclosure of information concerning recipients of Child Support Enforcement Services to purposes connected with administering specified Federal welfare programs.

House bill

States must implement safeguards against unauthorized use or disclosure of information related to proceedings or actions to establish paternity or to establish or enforce child support. These safeguards must include prohibitions on release of information where there is a protective order or where the State has reason to believe a party is at risk of physical or emotional harm from the other party. This provision is effective October 1, 1997.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

5. RIGHT TO NOTIFICATION OF HEARING

Present law

Most States have procedural due process requirements with respect to wage withholding. Federal law requires States to carry out withholding in full compliance with all procedural due process requirements of the State.

House bill

Parties to child support cases under Title IV–D must receive notice of proceedings in which child support might be established or modified and must receive a copy of orders establishing or modifying child support (or a notice that modification was denied) within 14 days of issuance.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

Subtitle B—Locate and Case Tracking

6. STATE CASE REGISTRY

Present law

Federal law requires that wage withholding be administered by a public agency capable of documenting payments of support and tracking and monitoring such payments.

Federal law requires that child support orders be reviewed and adjusted, as appropriate, at least once every three years.

House bill

States must establish an automated State Case Registry that contains a record on each case in which services are being provided by the State agency, as well as each support order established or modified in the State on or after October 1, 1998.

The Registry may be established by linking local case registries of support orders through an automated information network.

The registry record will contain data elements on both parents, such as names, Social Security numbers and other uniform identification numbers, dates of birth, case identification numbers, and any other data the Secretary may require.

Each case record will contain the amount of support owed under the order and other amounts due or overdue (including interest or late payment penalties and fees), any amounts that have been collected and distributed, the birth date of any child for whom the order requires the provision of support, and the amount of any lien imposed by the State.

The State agency operating the registry will promptly establish, maintain, update and regularly monitor case records in the registry with respect to which services are being provided under the State plan. Establishing and updating support orders will be based on administrative actions and administrative and judicial proceedings and orders relating to paternity and support, as well as on information obtained from comparisons with Federal, State, and local sources of information, information on support collections and distributions, and any other relevant information.

The State automated system will be used to extract data for purposes of sharing and matching with Federal and State data bases and locator services, including the Federal Case Registry of Child Support Orders, the Federal Parent Locator Service, and Temporary Assistance for Needy Families and Medicaid agencies, as well as for conducting intrastate and interstate information comparisons.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

7. COLLECTION AND DISBURSEMENT OF SUPPORT PAYMENTS

Present law

No provision, but States may provide that, at the request of either parent, child support payments be made through the child support enforcement agency or the agency that administers the State's income withholding system regardless of whether there is an arrearage. States must charge the parent who requests child support services a fee equal to the cost incurred by the State for these services, up to a maximum of $25 per year.

House bill

By October 1, 1998, State child support agencies are required to operate a centralized, automated unit for collection and disbursement of payments on child support orders enforced by the child support agency and payments on orders issued after December 31, 1993 which are not enforced by the State agency but for which income is subject to withholding. The specifics of how States will establish and operate their State Disbursement Unit must be outlined in the State plan.

The State Disbursement Unit must be operated directly by the State agency, by two or more State agencies under a regional cooperative agreement, or by a contractor responsible directly to the State agency. The State Disbursement Unit may be established by linking local disbursement units through an automated information network if the Secretary agrees that the system will not cost more, take more time to establish, nor take more time to operate that a single State system. All States, including those that operate a linked system, must give employers one and only one location for submitting withheld income.

The Disbursement Unit must be used to collect and disburse support payments, to generate orders and notices of withholding to employers, to keep an accurate identification of payments, to promptly distribute money to custodial parents or other States, and to furnish parents with a record of the current status of support payments (but States are not responsible for records that predate passage of this legislation). The Unit shall use automated procedures, electronic processes, and computer-driven technology to the maximum extent feasible, efficient, and economical.

The Disbursement Unit must distribute all amounts payable within 2 business days after receiving money and identifying information from the employer or other source of periodic income, if sufficient information identifying the payee is provided. The Unit may retain arrearages in the case of appeals until they are resolved.

States must use their automated system to facilitate collection and disbursement including at least:

(1) transmission of orders and notices to employers within 2 days after receipt of the withholding notice;

(2) monitoring to identify missed payments of support; and

(3) automatic use of enforcement procedures when payments are missed.

It is the sense of Congress that in establishing a centralized unit for the collection of support payments, a State should choose the method of compliance which best meets the needs of parents, employers, and children.

This section of the proposal will go into effect on October 1, 1998. States that process child support payments through local courts can continue court payments until September 30, 1999.

Senate amendment

Same, except Senate uses the term ''wages'' rather than ''income'' throughout this section. Senate amendment does not include the provision that States are not responsible for records that predate passage.

Conference agreement

The conference agreement follows the House bill and the Senate amendment with the modification that the term ''income'' rather than ''wages'' is used throughout this section. In addition, the House ''sense of the Congress'' language was deleted.

8. STATE DIRECTORY OF NEW HIRES

Present law

In general, no provision. Section 1128 of the Social Security Act is an antifraud provision which excludes individuals and entities that have committed fraud from participation in medicare and State health care programs. Section 1128A pertains to civil monetary penalties and describes the appropriate procedures and proceedings for such penalties.

House bill

State plans must include the provision that by October 1, 1997 States will operate a Directory of New Hires.

Establishment. States are required to establish a State Directory of New Hires to which employers and labor organizations in the State must furnish a report for each newly hired employee, unless reporting could endanger the safety of the employee or compromise an ongoing investigation or intelligence mission as determined by the head of an agency. States that already have new hire reporting laws may continue to follow the provisions of their own law until October 1, 1998, at which time States must conform to Federal law.

Employer Information. Employers must furnish to the State Directory of New Hires the name, address, and Social Security number of every new employee and the name, address, and identification number of the employer. Multistate employers that report electronically or magnetically may report to the single State they designate; such employers must notify the Secretary of the name of the designated State. Agencies of the U.S. Government must report directly to the National Directory of New Hires (see below).

Timing of Report. Employers must report new hire information within 20 days of the date of hire. Employers that report new hires electronically or by magnetic tape must file twice per month; reports must be separated by not less than 12 days and not more than 16 days.

Reporting Format and Method. The report required in this section will be made on a W-4 form or the equivalent, and can be transmitted magnetically, electronically, or by first class mail. The decision of which reporting method to use is up to employers.

Civil Money Penalties on Noncomplying Employers. States have the option of setting a civil money penalty which shall be not less than $25 or $500 if, under State law, the failure is the result of a conspiracy between the employer and employee.

Entry of Employer Information. New hire information must be entered in the State data base within 5 business days of receipt from employer.

Information Comparisons. By May 1, 1998, each State Directory of New Hires must conduct automated matches of the Social Security numbers of reported employees against the Social Security numbers of records in the State Case Registry being enforced by the State agency and report the name, address, Social Security number, and the employer name, address, and identification number on matches to the State child support agency.

Transmission of Information. Within 2 business days of the entry of data in the registry, the State must transmit a withholding order directing the employer to withhold wages in accord with the child support order. Within 3 days, the State Directory of New Hires must furnish employee information to the National Directory of New Hires for matching with the records of other State case registries. The State Directory of New Hires must also report quarterly to the National Directory of New Hires information on wages and unemployment compensation taken from the quarterly report to the Secretary of Labor now required by Title III of the Social Security Act.

Other Uses of New Hire Information. The State child support agency must use the new hire information to locate individuals for purposes of establishing paternity as well as establishing, modifying, and enforcing child support obligations. New hire information must also be disclosed to the State agency administering the Temporary Assistance for Needy Families, Medicaid, Unemployment Compensation, Food Stamp, SSI, and territorial cash assistance programs for income eligibility verification, and to State agencies administering unemployment and workers' compensation programs to assist determinations of the allowability of claims. State and local government agencies must participate in quarterly wage reporting to the State employment security agency unless the agency performs intelligence or counterintelligence functions and it is determined that wage reporting could endanger the safety of the employee or compromise an ongoing investigation or intelligence mission. States may disclose new hire information to agencies working under contract with the child support agency.

Disclosure to Certain Agents. States using private contractors are allowed to share information obtained from the Directory of New Hires with private entities working under contract with the State agency. Private contractors must comply with privacy safeguards.

Senate amendment

Same, except under ''Other Uses of New Hire Information'' Senate Amendment has no provision allowing States to share information with agencies working under contract with the State.

Conference agreement

The conference agreement follows the House bill and the Senate amendment with the modification that the House provision allowing private entities working under contract with child support agencies access to child support information is included.

9. AMENDMENTS CONCERNING INCOME WITHHOLDING

Present law

Since November 1, 1990, all new or modified child support orders that were being enforced by the State's child support enforcement agency have been subject to immediate income withholding. If the noncustodial parent's wages are not subject to income withholding (pursuant to the November 1, 1990

provision), such parent's wages would become subject to withholding on the date when support payments are 30 days past due. Since January 1, 1994, the law has required States to use immediate income withholding for nearly all new or modified support orders, regardless of whether a parent has applied for child support enforcement services. There are two circumstances in which income withholding does not apply: 1) one of the parents argues, and the court or administrative agency agrees, that there is good cause not to do so, or 2) a written agreement is reached between both parents which provides for an alternative arrangement. States must implement procedures under which income withholding for child support can occur without the need for any amendment to the support order or for any further action by the court or administrative entity that issued the order. States are also required to implement income withholding in full compliance with all procedural due process requirements of the State, and States must send advance notice to each nonresident parent to whom income withholding applies (with an exception for some States that had income withholding before enactment of this provision that met State due process requirements). States must extend their income withholding systems to include out-of-State support orders.

House bill

States must have laws providing that all child support orders issued or modified before October 1, 1996, which are not otherwise subject to income withholding, will become subject to income withholding immediately if arrearages occur, without the need for judicial or administrative hearing. State law must also allow the child support agency to execute a withholding order through electronic means and without advance notice to the obligor. Employers must remit to the State Disbursement Unit, in a format prescribed by the Secretary, income withheld within five working days after the date such amount would have been paid to the employee. Employers cannot take disciplinary action against employees subject to wage withholding. All child support orders subject to income withholding, including those which are not part of the State IV-D program, must be processed through the State Disbursement Unit. In addition, States must notify noncustodial parents that income withholding has commenced and inform them of procedures for contesting income withholding. Employers must follow the withholding terms and conditions stated in the order; if the terms and conditions are not specified employers should follow those of the State in which the obligor lives. The section includes a definition of income to be used in interstate withholding and several conforming amendments to section 466 of the Social Security Act.

Senate amendment

Same, except employers must remit income withheld to the State disbursement unit within 7 rather than 5 days. There are also minor wording differences in the rules relating to income withholding. There is also a difference in the House and Senate definitions of income.

Conference agreement

The conference agreement follows the House bill and the Senate amendment with the modifications that employers are given 7 days rather than 5 days to remit withheld income and that the House definition of income is followed. With respect to this provision, ''timely-paid'' is demonstrated by postmark, or in the case of electronic payment, the date the electronic transmission is proven to have been initiated by the employer.

10. LOCATOR INFORMATION FROM INTERSTATE NETWORKS

Present law

No provision.

House bill

All State and the Federal Child Support Enforcement agencies must have access to the motor vehicle and law enforcement locator systems of all States.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

11. EXPANSION OF THE FEDERAL PARENT LOCATOR SERVICE

Present law

The law requires that the Federal Parent Locator Service (FPLS) be used to obtain and transmit information about the location of any absent parent when that information is to be used for the purpose of enforcing child support. Federal law also requires departments or agencies of the United States to be reimbursed for costs incurred in providing requested information to the FPLS.

Information Comparisons and Other Disclosures. Upon request, the Secretary must provide to an ''authorized person'' (i.e., an employee or attorney of a child support agency, a court with jurisdiction over the parties involved, the custodial parent, the legal guardian, or the child's attorney) the most recent address and place of employment of any nonresident parent if the information is contained in the records of the Department of Health and Human Services or can be obtained from any other department or agency of the United States or of any State. The FPLS also can be used in connection with the enforcement or determination of child custody, visitation, and parental kidnapping. Federal law requires the Secretary of Labor and the Secretary of Health and Human Services to enter into an agreement to give the FPLS prompt access to wage and unemployment compensation claims information useful in locating a noncustodial parent or his employer.

Fees. ''Authorized persons'' who request information from FPLS must be charged a fee.

Restriction on Disclosure and Use. Federal law stipulates that no information shall be disclosed if the disclosure would contravene the national policy or security interests of the United States or the confidentiality of Census data.

Quarterly Wage Reporting. The Secretary of Labor must provide prompt access by the Secretary of HHS to wage and unemployment compensation claims information and data maintained by the Labor Department or State employment security agencies.

House bill

The purposes of the Federal Parent Locator Service are expanded. For the purposes of establishing parentage, establishing support orders or modifying them, or enforcing support orders, the Federal Parent Locator Service will provide information to locate individuals who owe child support or against whom an obligation is sought or to whom such an obligation is owed. Information in the FPLS includes Social Security number, address, name and address of employer, wages and employee benefits (including information about health care coverage), and information about assets and debts. The provision also clarifies the statute so that parents with orders providing child custody or visitation rights are given access to information from the FPLS unless the State has notified the Secretary that there is reasonable evidence of domestic violence or child abuse or that the information could be harmful to the custodial parent or child.

The Secretary is authorized to set reasonable rates for reimbursing Federal and State agencies for the costs of providing information to the FPLS and to set reimbursement rates that State and Federal agencies that use information from the FPLS must pay to the Secretary.

Federal Case Registry of Child Support Orders. Establishes within the FPLS an automated registry known as the Federal Case Registry of Child Support Orders. The Federal Case Registry contains abstracts of child support orders and other information specified by the Secretary (such as names, Social Security numbers or other uniform identification numbers, and State case identification numbers) to identify individuals who owe or are owed support, or for or against whom support is sought to be established, and the State which has the case. States must begin reporting this information in accord with regulations issued by the Secretary by October 1, 1998.

National Directory of New Hires. This provision establishes within the FPLS a National Directory of New Hires containing information supplied by State Directories of New Hires. When fully implemented, the Federal Directory of New Hires will contain identifying information on virtually every person who is hired in the United States. In addition, the FPLS will contain quarterly data supplied by the State Directory of New Hires on wages and Unemployment Compensation paid. The Secretary of the Treasury must have access to information in the Federal Directory of New Hires for the purpose of administering section 32 of the Internal Revenue Code and the Earned Income Credit. The information for the National Directory of New Hires must be entered within 2 days of receipt, and requires the Secretary to maintain within the National Directory of New Hires a list of multistate employers that choose to send their report to one State and the name of the State so elected. The Secretary must establish a National Directory of New Hires by October 1, 1997.

Information Comparisons and Other Disclosures. The Secretary must verify the accuracy of the name, Social Security number, birth date, and employer identification number of individuals in the Federal Parent Locator Service with the Social Security Administration. The Secretary is required to match data in the National Directory of New Hires against the child support order abstracts in the Federal Case Registry at least every 2 working days and to report information obtained from matches to the State child support agency responsible for the case within 2 days. The information is to be used for purposes of locating individuals to establish paternity, and to establish, modify, or enforce child support orders. The Secretary may also compare information across all components of the FPLS to the extent and with the frequency that the Secretary determines will be effective. The Secretary will share information from the FPLS with several potential users including State agencies administering the Temporary Assistance for Needy Families program, the Commissioner of Social Security (to determine the accuracy of Social Security and Supplemental Security Income), and researchers under some circumstances.

Fees. The Secretary must reimburse the Commissioner of Social Security for costs incurred in performing verification of Social Security information and States for submitting information on New Hires. States or Federal agencies that use information from FPLS must pay fees established by the Secretary.

Restriction on Disclosure and Use. Information from the FPLS cannot be used for purposes other than those provided in this section, subject to section 6103 of the Internal Revenue Code (confidentiality and disclosure of returns and return information).

Information Integrity and Security. The Secretary must establish and use safeguards to ensure the accuracy and completeness of information from the FPLS and restrict access to confidential information in the FPLS to authorized persons and purposes.

Federal Government Reporting. Each department of the U.S. must submit the name, Social Security number, and wages paid the employee on a quarterly basis to the FPLS. Quarterly wage reporting must not be filed for a Federal or State employee performing intelligence or counter-intelligence functions if it is determined that filing such a report could endanger the employee or compromise an ongoing investigation.

Conforming Amendments. This section makes several conforming amendments to Titles III and IV of the Social Security Act, to the Federal Unemployment Tax Act, and to the Internal Revenue Code. Among the more important are that: State employment security agencies are required to report quarterly wage information to the Secretary of HHS or suffer financial penalties and that private agencies working under contract to State child support agencies can have access to certain specified information from IRS records under some circumstances.

Requirement for Cooperation. The Secretaries of HHS and Labor must work together to develop cost-effective and efficient methods of accessing information in the various directories required by this title; they must also consider the need to ensure the proper and authorized use of wage record information.

Senate amendment

Same, except under ''Information Comparisons and Other Disclosures'' the Senate amendment drops the requirement that the Social Security Administration must determine the accuracy of payments under the Social Security and SSI programs.

Conference agreement

The conference agreement follows the House bill and the Senate amendment with the modification that the agreement follows the Senate provision dropping the requirement that the Social Security Administration determine the accuracy of Social Security and SSI payments.

12. COLLECTION AND USE OF SOCIAL SECURITY NUMBERS FOR USE IN CHILD SUPPORT ENFORCEMENT

Present law

Federal law requires that in the administration of any law involving the issuance of a birth certificate, States must require each parent to furnish their Social Security number for the birth records. The State is required to make such numbers available to child support agencies in accordance with Federal or State law. States may not place Social Security numbers directly on birth certificates.

House bill

States must have procedures for recording the Social Security numbers of applicants on the application for professional licenses, commercial driver's licenses, occupational licenses, and marriage licenses. States must also record Social Security numbers in the records of divorce decrees, child support orders, and paternity determination or acknowledgment orders. Individuals who die will have their Social Security number placed in the records relating to the death and recorded on the death certificate. There are several conforming amendments to title II of the Social Security Act.

Senate amendment

Same, except difference in conforming amendment to Social Security Act.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

Subtitle C—Streamlining and Uniformity of Procedures

13. ADOPTION OF UNIFORM STATE LAWS

Present law

States have several options available for pursuing interstate child support cases including direct income withholding, interstate income withholding, and long-arm statutes which require the use of the court system in the State of the custodial parent. In addition, States use the Uniform Reciprocal Enforcement of Support Act (URESA) and the Revised Uniform Reciprocal Enforcement of Support Act (RURESA) to conduct interstate cases. Federal law imposes a Federal criminal penalty for the willful failure to pay past-due child support to a child who resides in a State other than the State of the obligor. In 1992, the National Conference of Commissioners on State Uniform Laws approved a new model State law for handling interstate child support cases. The new Uniform Interstate Family Support Act (UIFSA) is designed to deal with desertion and nonsupport by instituting uniform laws in all 50 States that limit control of a child support case to a single State. This approach ensures that only one child support order from one court or child support agency will be in effect at any given time. It also helps to eliminate jurisdictional disputes between States that are impediments to locating parents and enforcing child support orders across State lines. As of February 1996, 26 States and the District of Columbia had enacted UIFSA.

House bill

By January 1, 1998, all States must have enacted the Uniform Interstate Family Support Act (UIFSA) and any amendments officially adopted by the National Conference of Commissioners of Uniform State Laws before January 1, 1998, and have the procedures required for its implementation in effect. States are allowed flexibility in deciding which specific interstate cases are pursued by using UIFSA and which cases are pursued using other methods of interstate enforcement. States must provide that an employer that receives an income withholding order follow the procedural rules that apply to the order under the laws of the State in which the noncustodial parent works.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment with additional clarifying provisions that conferees agreed to include at the request of the National Conference of Commissioners of Uniform State Laws. The Commissioners asked conferees to make two changes in House and Senate provisions. More specifically, conferees agreed to drop language in the section on income withholding in interstate cases and to insert replacement language approved by the Commissioners. This provides specific instructions to employers for rules to follow in processing interstate cases. Employers following these instructions are also provided with legal immunity.

14. IMPROVEMENTS TO FULL FAITH AND CREDIT FOR CHILD SUPPORT ORDERS

Present law

Federal law requires States to treat past-due support obligations as final judgments that are entitled to full faith and credit in every State. This means that a person who has a support order in one State does not have to obtain a second order in another State to obtain support due should the debtor or parent move from the issuing court's jurisdiction. P.L. 103-383 restricts a State court's ability to modify a support order issued by another State unless the child and the custodial parent have moved to the State where the modification is sought or have agreed to the modification.

House bill

The provision clarifies the definition of a child's home State, makes several revisions to ensure that full faith and credit laws can be applied consistently with UIFSA, and clarifies the rules regarding which child support orders States must honor when there is more than one order.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

15. ADMINISTRATIVE ENFORCEMENT IN INTERSTATE CASES

Present law

No provision.

House bill

States are required to have laws that permit them to send orders to and receive orders from other States. The transmission of the order itself serves as certification to the responding State of the arrears amount and of the fact that the initiating State met all procedural due process requirements. In addition, each responding State must, without requiring the case to be transferred to their State, match the case against its data bases, take appropriate action if a match occurs, and send the collections, if any, to the initiating State. States must keep records of the number of requests they receive, the number of cases that result in a collection, and the amount collected. States must respond to interstate requests within five days.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

16. USE OF FORMS IN INTERSTATE ENFORCEMENT

Present law

No provision.

House bill

The Secretary of HHS, in consultation with State child support directors and not later than October 1, 1996, must issue forms that States must use for income withholding, for imposing liens, and for issuing administrative subpoenas in interstate cases. States must be using the forms by March 1, 1997.

Senate amendment

Same, except minor differences in wording.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

17. STATE LAWS PROVIDING EXPEDITED PROCEDURES

Present law

States must have procedures under which expedited processes are in effect under the State judicial system or under State administrative processes for obtaining and enforcing support orders and for establishing paternity.

Federal regulations provide a number of safeguards in expedited cases, such as requiring that the due process rights of the parties involved be protected.

The Employee Retirement Income Security Act (ERISA) of 1974 supersedes any and all State laws. Under ERISA a noncustodial parent's pension benefits can only be garnished or withheld if the custodial parent has a qualified domestic relations order. Similarly, a pension plan administrator is obligated to adhere to medical support requirements only if the custodial parent has a qualified medical child support order.

House bill

States must adopt a series of procedures to expedite both the establishment of paternity and the establishment, enforcement, and modification of support. These procedures must give the State agency the authority to take the following actions, subject to due process safeguards, without the necessity of obtaining an order from any other judicial or administrative tribunal:

(1) ordering genetic testing in appropriate cases;

(2) issuing subpoenas to obtain information necessary to establish, modify or enforce an order, with appropriate sanctions for failure to respond to the subpoena;

(3) requiring all entities in the State (including for-profit, nonprofit, and governmental employers) to provide information on employment, compensation and benefits of any employee or contractor in response to a request from the State IV–D agency or the IV–D agency of any other State, and to sanction failure to respond to such request;

(4) obtaining access to a variety of public and private records including: vital statistics, State and local tax records, real and personal property, occupational and professional licenses and records concerning ownership and control of corporations, partnerships and other business entities, employment security records, public assistance records, motor vehicle records, corrections records, and, subject to the nonliability of these private entities and the issuance of an administrative subpoena, information in the customer records of public utilities and cable TV companies, and records of financial institutions;

(5) directing the obligor or other payor to change the payee to the appropriate government entity in cases in which support is subject to an assignment or to a requirement to pay through the State Disbursement Unit;

(6) ordering income withholding in certain IV-D cases;

(7) securing assets to satisfy arrearages: by intercepting or seizing periodic or lump sum payments from States or local agencies including Unemployment Compensation, workers' compensation, judgements, settlements, lottery winnings, assets held by financial institutions, and public and private retirement funds; by attaching and seizing assets held in financial institutions; by attaching public and private retirement funds; and by imposing liens to force the sale of property; and

(8) increasing automatically the monthly support due to include amounts to offset arrears.

Expedited procedures must include the following rules and authority applicable with respect to proceedings to establish paternity or to establish, modify, or enforce support orders:

(1) Locator Information and Notice. Parties in paternity and child support actions must file and update information about identity, address, and employer with the tribunal and with the State Case Registry upon entry of the order. The tribunal can deem due process requirements for notice and service of process to be met in any subsequent action upon delivery of written notice to the most recent residential or employer address filed with the tribunal.

(2) Statewide Jurisdiction. The child support agency and any administrative or judicial tribunal have the authority to hear child support and paternity cases, to exert Statewide jurisdiction over the parties, and to grant orders that have Statewide effect; cases can also be transferred between local jurisdictions without additional filing or service of process.

Except to the extent that the provisions related to expedited procedures are consistent with requirements of the ERISA qualified domestic relations orders and the qualified medical child support orders, the expedited procedures do not alter, amend, modify, invalidate, impair or supersede ERISA requirements.

The automated systems being developed by States are to be used, to the maximum extent possible, to implement expedited procedures.

Senate amendment

Same, except for a modification that alters the nonliability of entities that share information with child support officials and eliminates the reference to administrative subpoenas.

Conference agreement

The conference agreement follows the House bill and the Senate amendment except that the agreement included the House provision strengthening the nonliability of entities that share information with child support officials.

Subtitle D—Paternity Establishment

18. STATE LAWS CONCERNING PATERNITY ESTABLISHMENT

Present law

Establishment Process Available from Birth Until Age 18. Federal law requires States to have laws that permit the establishment of paternity until the child reaches age 18. As of August 16, 1984, these procedures would apply to a child for whom paternity has not been established or for whom a paternity action was brought but dismissed because of statute of limitations of less than 18 years was then in effect in the State.

Procedures Concerning Genetic Testing. Federal law requires States to implement laws under which the child and all other parties must undergo genetic testing upon the request of a party in contested cases.

Voluntary Paternity Acknowledgement. Federal law requires States to implement procedures for a simple civil process for voluntary paternity acknowledgment, including hospital-based programs.

Status of Signed Paternity Acknowledgement. Federal law requires States to implement procedures under which the voluntary acknowledgment of paternity creates a rebuttable presumption, or at State option, a conclusive presumption of paternity.

Bar on Acknowledgement Ratification Proceedings. Federal law requires States to implement procedures under which voluntary acknowledgment is admissible as evidence of paternity and the voluntary acknowledgment of paternity must be recognized as a basis for seeking a support order without requiring any further proceedings to establish paternity.

Admissibility of Genetic Testing Results. Federal law requires States to implement procedures which provide that any objection to genetic testing results must be made in writing within a specified number of days before any hearing at which such results may be introduced into evidence. If no objection is made, the test results must be admissible as evidence of paternity without the need for foundation testimony or other proof of authenticity or accuracy.

Presumption of Paternity in Certain Cases. Federal law requires States to implement procedures which create a rebuttable or, at State option, conclusive presumption of paternity based on genetic testing results indicating a threshold probability that the alleged father is the father of the child.

Default Orders. Federal law requires States to implement procedures that require a default order to be entered in a paternity case upon a showing of service of process on the defendant and any additional showing required by State law.

House Bill

Establishment Process Available from Birth Until Age 18. States are required to have laws that permit paternity establishment until at least age 18 (or a higher limit at State option) even in cases that were previously dismissed because a statute of limitations of less than 18 years was then in effect.

Procedures Concerning Genetic Testing. The child and all other parties, unless good cause provisions are met, must undergo genetic testing upon the request of a party if the request is supported by a sworn statement establishing a reasonable possibility of parentage or nonparentage. When the tests are ordered by the State agency, States must pay the costs, subject to recoupment at State option from the father if paternity is established. Upon the request and advance payment by the contestant, States must seek additional testing if the original test result is contested.

Voluntary Paternity Acknowledgement.

(1) Simple Civil Process. States must have procedures that create a simple civil process for voluntary acknowledging paternity under which benefits, rights, and responsibilities of acknowledgement are explained to unwed parents before the acknowledgement is signed.

(2) Hospital Program. States must have procedures that establish a paternity acknowledgement program through hospitals.

(3) Paternity Services. States must have procedures that require the agency responsible for maintaining birth records to offer voluntary paternity establishment services. The Secretary must issue regulations governing voluntary paternity establishment services, including regulations on State agencies that may offer voluntary paternity acknowledgement services and the conditions such agencies must meet.

(4) Affidavit. States must develop their own voluntary acknowledgment form but the form must contain all the basic elements of a form developed by the Secretary. States must give full faith and credit to the forms of other States.

Status of Signed Paternity Acknowledgement.

(1) Inclusion in Birth Records. States must include the name of the father in the record of births to unmarried parents only if the father and mother have signed a voluntary acknowledgement of paternity or a court or administrative agency has issued an adjudication of paternity.

(2) Legal Finding. States must have procedures under which a signed acknowledgement of paternity is considered a legal finding of paternity unless rescinded within 60 days or the date of a judicial or administrative proceeding to establish a support order.

(3) Contest. States must have procedures under which a paternity acknowledgment can be challenged in court only on the basis of fraud, duress, or material mistake of fact, with the burden of proof on the challenger.

Bar on Acknowledgement Ratification Proceedings. No judicial or administrative proceedings are required or permitted to ratify a paternity acknowledgement which is not challenged by the parents.

Admissibility of Genetic Testing Results. States must have procedures for admitting into evidence accredited genetic tests, unless

any objection is made in writing within a specified number of days, and if no objection is made, clarifying that test results are admissible without the need for foundation or other testimony.

Presumption of Paternity in Certain Cases. States must have laws that create a rebuttable or, at State option, conclusive presumption of paternity when results from genetic testing indicate a threshold probability that the alleged father is the father of the child.

Default Orders. A default order must be entered in a paternity case upon a showing of service of process on the defendant and any additional showing required by the State law.

No Right to Jury Trial. State laws must state that parties in a contested paternity action are not entitled to a jury trial.

In addition to all the above provisions that strengthen similar provisions of current law, the Committee report contains a number of new provisions that have no direct parallel in current law. These include:

Temporary Support Based on Probable Paternity. Upon motion of a party, State law must require issuance of a temporary support order pending an administrative or judicial determination of parentage if paternity is indicated by genetic testing or other clear and convincing evidence.

Proof of Certain Support and Paternity Establishment Costs. Bills for pregnancy, childbirth, and genetic testing must be admissible in judicial proceedings without foundation testimony and must constitute prima facie evidence of the cost incurred for such services.

Standing of Putative Fathers. Putative fathers must have a reasonable opportunity to initiate a paternity action.

Filing of Acknowledgement and Adjudications in State Registry of Birth Records. Both voluntary acknowledgements and adjudications of paternity must be filed with the State registry of birth records for data matches with the central Case Registry of Child Support Orders.

National Paternity Acknowledgement Affidavit. The Secretary is required to develop, in consultation with the States, the minimum requirements of an affidavit which includes the Social Security number of each parent to be used by States for voluntary acknowledgement of paternity.

Senate amendment

Same, except under ''Voluntary Paternity Acknowledgement,'' the Senate amendment includes good cause exceptions.

Conference agreement

The conference agreement follows the House bill and the Senate amendment with modification that the good cause exceptions are dropped.

19. OUTREACH FOR VOLUNTARY PATERNITY ESTABLISHMENT

Present law

States are required to regularly and frequently publicize, through public service announcements, the availability of child support enforcement services.

House bill

States must publicize the availability and encourage the use of procedures for voluntary establishment of paternity and child support.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

20. COOPERATION BY APPLICANTS FOR AND RECIPIENTS OF TEMPORARY FAMILY ASSISTANCE

Present law

AFDC applicants and recipients are required to cooperate with the State in establishing the paternity of a child and in obtaining child support payments unless the applicant or recipient is found to have good cause for refusing to cooperate. Under the ''good cause'' regulations, the child support agency may determine that it is against the best interests of the child to seek to establish paternity in cases involving incest, rape, or pending procedures for adoption. Moreover, the agency may determine that it is against the best interest of the child to require the mother to cooperate if it is anticipated that such cooperation will result in the physical or emotional harm of the child, parent, or caretaker relative.

House bill

Individuals or their children who apply for or receive public assistance under the Temporary Assistance for Needy Families (TANF) program or the Medicaid program must cooperate, as determined by the State child support agency, with State efforts to establish paternity and establish, modify, or enforce a support order. State procedures must require both that applicants and recipients provide specific identifying information about the other parent and that applicants appear at interviews, hearings, and legal proceedings, unless the applicant or recipient is found to have good cause for refusing to cooperate. States must have ''good cause'' exceptions and they must take into account the best interests of the child. The definition of good cause, and the determination of good cause in specific cases, can be accomplished by the State agency administering TANF, child support enforcement, or Medicaid. States also must require the custodial parent and child to submit to genetic testing. States may not require the noncustodial parent to sign an acknowledgement of paternity or relinquish the right to genetic testing as a condition of cooperation. The State child support agency must notify the agencies administering the TANF Block Grant and Medicaid programs if noncooperation is determined.

Senate amendment

Same, except imposes a penalty for noncooperation. If it is determined that an individual is not cooperating, and the individual does not qualify for any good cause or other exception, then the State must deduct not less than 25 percent of the Title IV–A assistance that otherwise would be provided to the family of the individual; and the State may deny the family any Title IV–A assistance. The Senate amendment also has references to Title XV not found in the House bill.

Conference agreement

The conference agreement follows the House bill and the Senate amendment except that the Senate penalty of 25 percent is included. This provision is included in Title I (Block Grants for Temporary Assistance for Needy Families) of the bill.

Subtitle E—Program Administration and Funding

21. PERFORMANCE-BASED INCENTIVES AND PENALTIES

Present law

Incentive Adjustments to Federal Matching Rate. The Federal government reimburses approved administrative expenditures of States at a rate of 66 percent. In addition, the Federal government pays States an incentive amount ranging from six percent to 10 percent of both AFDC and non-AFDC collections.

Conforming Amendments. No provision.

Calculation of IV-D Paternity Establishment Percentage. States are required to meet Federal standards for the establishment of paternity. The major standard relates to the percentage obtained by dividing the number of children in the State who are born out of wedlock, are receiving AFDC or child support enforcement services, and for whom paternity has been established by the number of children who are born out of wedlock and are receiving AFDC or child support enforcement services. To meet Federal requirements, this percentage in a State must be at least 75 percent or meet the following standards of improvement from the preceding year: (1) if the State paternity establishment ratio is between 50 and 75 percent, the State ratio must increase by 3 or more percentage points from the ratio of the preceding year; (2) if the State ratio is between 45 and 50, the ratio must increase at least 4 percentage points; (3) if the State ratio is between 40 and 45 percent, it must increase at least 5 percentage points; and (4) if the State ratio is below 40 percent, it must increase at least 6 percentage points. If an audit finds that the State's child support enforcement program has not substantially complied with the requirements of its State plan, the State is subject to a penalty. In accord with this penalty, the Secretary must reduce a State's AFDC benefit payment by not less than one percent nor more than 2 percent for the first failure to comply; by not less than 2 percent nor more than three percent for the second consecutive failure to comply; and by not less than three percent nor more than five percent for third or subsequent consecutive failure to comply.

House bill

Incentive Adjustments to Federal Matching Rate. The Secretary, in consultation with State child support directors, must develop a proposal for a new incentive system that provides additional payments to States (i.e., above the base matching rate of 66 percent) based on performance and report details of the new system to the Committees on Ways and Means and Finance by March 1, 1997. The Secretary's new system must be revenue neutral. The current incentive system remains effective for fiscal years beginning before 2000.

Conforming Amendments. Conforming amendments are made in Sections 458 of the Social Security Act.

Calculation of IV-D Paternity Establishment Percentage. States have the option of calculating the paternity establishment rate by either counting only unwed births in the State IV-D caseload or by counting all unwed births in the State. The IV-D paternity establishment percentage for a fiscal year is equal to: (1) the total number of children in the State who were born out-of-wedlock, and who receive services under Part A or, at State option, Part D, and for whom paternity is acknowledged or established during the fiscal year, divided by (2) the total number of children born out-of-wedlock who receive services under Part A or E or, at State option, Part D. The Statewide paternity establishment percentage is similar except that all out-of-wedlock births in the fiscal year in the State are in the denominator and all paternities established are in the numerator. The requirements for meeting the standard are the same as current law except the 75 percent rule is increased to 90 percent. States with a paternity establishment percentage of between 75 percent and 90 percent must improve their performance by at least two percentage points per year. The noncompliance provisions of the child support program are modified so that the Secretary must take overall program performance into account.

Senate amendment

Same, except minor wording difference in amendment of Section 452(g)(2).

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

22. FEDERAL AND STATE REVIEW AND AUDITS

Present law

States are required to maintain a full record of child support collections and disbursements and to maintain an adequate reporting system.

The Secretary must collect and maintain, on a fiscal year basis, up-to-date State-by-State statistics on each of the services provided under the child support enforcement program. The Secretary is also required to evaluate the implementation of State child support enforcement programs and conduct audits of these programs as necessary, but not less often than once every 3 years (or annually if a State has been found to be out of compliance with program rules).

House bill

States are required to annually review and report to the Secretary, using data from their automatic data processing system, both information adequate to determine the State's compliance with Federal requirements for expedited procedures and timely case processing as well as the information necessary to calculate their levels of accomplishment and rates of improvement on the performance indicators in the proposal.

The Secretary is required to determine the amount (if any) of incentives or penalties. The Secretary must also review State reports on compliance with Federal requirements and provide States with recommendations for corrective action. Audits must be conducted at least once every 3 years, or more often in the case of States that fail to meet Federal requirements. The purpose of the audits is to assess the completeness, reliability, and security of data reported for use in calculating the performance indicators and to assess the adequacy of financial management of the State program.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

23. REQUIRED REPORTING PROCEDURES

Present law

The Secretary is required to assist States in establishing adequate reporting procedures and must maintain records of child support enforcement operations and of amounts collected and disbursed, including costs incurred in collecting support payments.

House bill

The Secretary is required to establish procedures and uniform definitions for State collection and reporting of information necessary to measure State compliance with expedited processes.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

24. AUTOMATED DATA PROCESSING REQUIREMENTS

Present law

Federal law (P.L. 104–35) requires that by October 1, 1997, States have an operational automated data processing and information retrieval system designed to control, account for, and monitor all factors in the support enforcement and paternity determination process, the collection and distribution of support payments, and the costs of all services rendered.

The automated data processing system must be capable of providing management information on all IV–D cases from initial referral or application through collection and enforcement. The automated data processing system must also be capable of providing security against unauthorized access to, or use of, the data in such system. To establish these automated data systems, the Federal government provided States with a 90 percent matching rate for the costs of development. This enhanced matching money expired on October 1, 1995.

House bill

States are required to have a single Statewide automated data processing and information retrieval system which has the capacity to perform the necessary functions and with the required frequency, as described in this section. The State data system must be used to perform functions the Secretary specifies, including controlling and accounting for the use of Federal, State, and local funds and maintaining the data necessary to meet Federal reporting requirements in carrying out the program. The system must maintain the requisite data for Federal reporting, calculate the State's performance for purposes of the incentive and penalty provisions, and have in place systems controls to ensure the completeness, reliability, and accuracy of the data.

To promote security of information, the State agency must have safeguards to protect the integrity, accuracy, and completeness of, and access to and use of, data in the automated systems including restricting access to passwords, monitoring of access to and use of the system, conducting automated systems training, and imposing penalties for unauthorized use or disclosure of confidential data. The Secretary must prescribe final regulations for implementation of this section no later than 2 years after the date of the enactment of this Act.

The statutory provisions for State implementation of Federal automatic data processing requirements are revised to provide that, first, all requirements enacted on or before the date of enactment of the Family Support Act of 1988 are to be met by October 1, 1997. The requirements enacted on or before the date of enactment of this proposal must be met by October 1, 1999. The October 1, 1999 deadline will be extended by one day for each day by which the Secretary fails to meet the 2-year deadline for regulations. The Federal government will continue the 90 percent matching rate for 1996 and 1997 in the case of provisions outlined in advanced planning documents submitted before September 30, 1995; the enhanced match is also provided retroactively for funds expended since expiration of the enhanced rate on October 1, 1995. For fiscal years 1996 through 2001, the matching rate for the provisions of this section will be 80 percent.

The Secretary must create procedures to cap payments to States to meet the new requirements at $400,000,000 over 6 years (fiscal years 1996–2001) to be distributed among States by a formula set in regulations which takes into account the relative size of State caseloads and the level of automation needed to meet applicable automatic data processing requirements.

Senate amendment

Same, except that requirements enacted after the Family Support Act must be met by October 1, 2000 (rather than October 1, 1999). Also, a difference in wording about payments in fiscal year 1998.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

25. TECHNICAL ASSISTANCE (AND FUNDING OF PARENT LOCATOR SERVICE)

Present law

Annual appropriations are made to cover the expenses of the Administration for Children and Families, which includes the Federal Office of Child Support Enforcement (OCSE). Among OCSE's administrative expenses are the costs of providing technical assistance to the States.

House bill

The Secretary can use 1 percent of the Federal share of child support collections on behalf of families in the Temporary Assistance for Needy Families program the preceding year to provide technical assistance to the States. Technical assistance can include training of State and Federal staff, research and demonstration programs, special projects of regional or national significance, and similar activities. The Secretary will receive 2 percent of the Federal share of collections on behalf of TANF recipients the preceding year for operation of the Federal Parent Locator Service to the extent that costs of the Parent Locator Service are not recovered by user fees.

Senate amendment

Same, except the effective date is October 1, 1997.

Conference agreement

The conference agreement follows the House bill and the Senate amendment except that the House effective date is followed.

26. REPORTS AND DATA COLLECTION BY THE SECRETARY

Present law

The Secretary is required to submit to Congress, not later than 3 months after the end of the fiscal year, a complete report on all child support enforcement activities.

House bill

In addition to current reporting requirements, the Secretary is required to report the following data to Congress in her annual report each fiscal year:

(1) the total amount of child support payments collected;

(2) the cost to the State and Federal governments of furnishing child support services;

(3) the number of cases involving families that became ineligible for aid under part A with respect to whom a child support payment was received;

(4) the total amount of current support collected and distributed;

(5) the total amount of past due support collected and distributed; and

(6) the total amount of support due and unpaid for all fiscal years.

The Secretary also must report the compliance, by State, with IV–D standards for responding to requests for child support assistance from other States and standards for distributing child support collections.

Senate amendment

Same, except minor difference in wording in amendment to Section 452(a)(10).

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

27. CHILD SUPPORT DELINQUENCY PENALTY

Present law

No provision.

House bill

States must impose an annual penalty of 10 percent on overdue support owed by noncustodial parents. The penalty is paid after the family has been repaid all arrearages and after the State has been repaid for welfare payments, if any, made to families.

Senate amendment

No provision.

Conference agreement

The conference agreement follows the Senate amendment by dropping this penalty provision.

Subtitle F—Establishment and Modification of Support Orders

28. SIMPLIFIED PROCESS FOR REVIEW AND ADJUSTMENT OF CHILD SUPPORT ORDERS

Present law

A child support order legally obligates noncustodial parents to provide financial support for their child and stipulates the amount of the obligation and how it is to be paid. In 1984, P.L. 98–378 required States to establish guidelines for establishing child support orders. In 1988, P.L. 100–485 made the guidelines binding on judges and other officials who had authority to establish support orders. P.L. 100–485 also required States to review and adjust individual child support orders once every three years under some circumstances. States are required to notify both resident and nonresident parents of their right to a review.

House bill

States must review and, as appropriate, adjust child support orders at the request of the parents. In the case of orders being enforced against parents whose children are receiving benefits under Title IV–A of the Social Security Act, States may also review the order at their own option. No proof of change of circumstances is needed to initiate the review. States may adjust child support orders by either applying the State guidelines and updating the award amount or by applying a cost of living increase to the order. In the latter case, both parties must be given 30 days after notice of adjustment to contest the results. States may use automated methods to identify orders eligible for review, conduct the review, identify orders eligible for adjustment, and apply the appropriate adjustment to the orders based on the threshold established by the State. States are required to give parties one notice of their right to request review and adjustment, which may be included in the order establishing the support amount.

Senate amendment

Major differences in the review and adjustment provisions; the House makes reviews optional while the Senate retains mandatory 3-year reviews of IV–A cases as under current law; also other differences in wording.

Conference agreement

The conference agreement follows the House bill and the Senate amendment. The compromise provision preserves the mandatory review every 3 years if parents request a review but allows States some flexibility in reviewing child support cases in their welfare caseload.

29. FURNISHING CONSUMER REPORTS FOR CERTAIN PURPOSES RELATING TO CHILD SUPPORT

Present law

The Fair Credit Act requires consumer reporting agencies to include in any consumer report information on child support delinquencies provided by or verified by a child support enforcement agency, which antedates the report by 7 years.

House bill

This section amends the Fair Credit Reporting Act. In response to a request by the head of a State or local child support agency (or a State or local government official authorized by the head of such an agency), consumer credit agencies must release information if the person making the request makes all of the following certifications: that the consumer report is needed to establish an individual's capacity to make child support payments or determine the level of payments; that paternity has been established or acknowledged; that the consumer has been given at least 10 days notice by certified or registered mail that the report is being requested; and that the consumer report will be kept confidential, will be used solely for child support purposes, and will not be used in connection with any other civil, administrative, or criminal proceeding or for any other purpose. Consumer reporting agencies must also give reports to a child support agency for use in setting an initial or modified award.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

30. NONLIABILITY FOR FINANCIAL INSTITUTIONS PROVIDING FINANCIAL RECORDS

Present law

No provision.

House bill

Financial institutions are not liable to any person for information provided to child support agencies. Child support agencies can disclose information obtained from depository institutions only for child support purposes. There is no liability for disclosures that result from good faith but erroneous interpretation of this statute. However, individuals who knowingly disclose information from financial records can have civil actions brought against them in Federal district court; the maximum penalty is $1,000 for each disclosure or actual damages plus, in the case of willful disclosure resulting from gross negligence, punitive damages, plus the costs of the action. Definitions of ''financial institution'' and ''financial record'' are included in this section.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

Subtitle G—Enforcement of Support Orders

31. INTERNAL REVENUE SERVICE COLLECTION OF ARREARAGES

Present law

If the amount of overdue child support is at least $750, the Internal Revenue Service (IRS) can enforce the child support obligation through its regular collection process, which may include seizure of property, freezing accounts, or use of other procedures if child support agencies request assistance according to prescribed rules (e.g., certifying that the delinquency is at least $750, etc.)

House bill

The Internal Revenue Code is amended so that no additional fees can be assessed for adjustment to previously certified amounts for the same obligor.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

32. AUTHORITY TO COLLECT SUPPORT FROM FEDERAL EMPLOYEES

Present law

Federal law allows the wages of Federal employees to be garnished to enforce legal obligations for child support or alimony. Federal law provides that moneys payable by the United States to any individual are subject to being garnished in order to meet an individual's legal obligation to provide child support or make alimony payments. An executive order issued on February 27, 1995 establishes the Federal government as a model employer in promoting and facilitating the establishment and enforcement of child support. Under the terms of the Executive Order, all Federal agencies, including the Uniformed Services, are required to cooperate fully in efforts to establish paternity and child support and to enforce the collection of child and medical support. All Federal agencies are to review their wage withholding procedures to ensure that they are in full compliance. Beginning no later than July 1, 1995, the Director of the Office of Personnel Management must publish annually in the Federal Register the list of agents (and their addresses) designated to receive service of withholding notices for Federal employees. Federal law states that neither the United States nor any disbursing officer or government entity shall be liable with respect to any payment made from moneys due or payable from the United States pursuant to the legal process. Federal law provides that money that may be garnished includes compensation for personal services, whether such compensation is denominated as wages, salary, commission, bonus, pay, or otherwise, and includes but is not limited to, severance pay, sick pay, incentive payments, and periodic payments. Includes definitions of ''United States'', ''child support'', ''alimony'', ''private person'', and ''legal process''.

House bill

Consolidation and Streamlining of Authorities:

(1) Federal employees are subject to wage withholding and other actions taken against them by State child support enforcement agencies.

(2) Federal agencies are responsible for the same wage withholding and other child support actions taken by the State as if they were a private employer.

(3) The head of each Federal agency must designate an agent and place the agent's name, title, address, and telephone number in the Federal Register annually. The agent must, upon receipt of process, send written notice to the individual involved as soon as possible, but no later than 15 days, and to comply with any notice of wage withholding or respond to other process within 30 days. The agent also must respond to any order, process, or interrogatory about child support or alimony within 30 days after effective service of such requests.

(4) Current law governing allocation of moneys owed by a Federal employee is amended to give priority to child support, to require allocation of available funds, up to the amount owed, among child support claimants, and to allocate remaining funds to other claimants on a first-come, first-served basis.

(5) A government entity served with notice of process for enforcement of child support is not required to change its normal pay and disbursement cycle to comply with the legal process.

(6) Similar to current law, the U.S., the government of the District of Columbia, and disbursing officers are not liable for child support payments made in accord with this section; nor is any Federal employee subject to disciplinary action or civil or criminal liability for disclosing information while carrying out the provisions of this section.

(7) The President has the authority to promulgate regulations to implement this section as it applies to Federal employees of the Administrative branch of government; the President Pro Tempore of the Senate and Speaker of the House can issue regulations governing their employees; and the Chief Justice can issue regulations applicable to the Judicial branch.

(8) This section broadens the definition of income to include, in addition to wages, salary, commissions, bonus pay, allowances, severance pay, sick pay, and incentive pay, funds such as insurance benefits, retirement

and pension pay (including disability pay if the veteran has waived a portion of retirement pay to receive disability pay), survivor's benefits, compensation for death and black lung disease, veteran's benefits, and workers' compensation; but to exclude from income funds paid to defray expenses incurred in carrying out job duties; amounts owed to the U.S. or used to pay Federal employment taxes, fines, or forfeitures ordered by court martial; and amounts withheld for tax purposes, for health insurance or life insurance premiums, for retirement contributions, or for life insurance premiums.

(9) This section includes definitions of ''United States'', ''child support'', ''alimony'', ''private person'', and ''legal process''.

Conforming Amendments. The House provision makes several conforming amendments to Title IV-D of the Social Security Act and Title 5 of the United States Code.

Military Retired and Retainer Pay. The definition of ''court'' in the Armed Forces title of the U.S. Code (title 10) is amended to include an administrative or judicial tribunal of a State which is competent to enter child support orders, and clarifies the definition of ''court order.'' The Secretary of Defense is required to send withheld amounts for child support to the appropriate State Disbursement Unit. The provision also clarifies that military personnel who have never been married to the parent of their child are under jurisdiction of the State child support program and the terms of section 459 of the Social Security Act.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

33. ENFORCEMENT OF CHILD SUPPORT OBLIGATIONS OF MEMBERS OF THE ARMED FORCES

Present law

Availability of Locator Information. The Executive Order issued February 27, 1995 requires a study which would include recommendations on how to improve service of process for civilian employees and members of the Uniformed Services stationed outside the United States.

Facilitating Granting of Leave for Attendance at Hearings. No provision.

Payment of Military Retired Pay in Compliance with Child Support Orders. Federal law requires allotments from the pay and allowances of any member of the uniformed service when the member fails to pay child (or child and spousal) support payments.

House bill

Availability of Locator Information. The Secretary of Defense must establish a central personnel locator service that contains residential or, in specified instances, duty addresses of every member of the Armed Services (including members of the Coast Guard, if requested). The locator service must be updated within 30 days of the time an individual establishes a new address. Information from the locator service must be made available upon request to the Federal Parent Locator Service.

Facilitating Granting of Leave for Attendance at Hearings. The Secretary of each military department must issue regulations to facilitate granting of leave for members of the Armed Services to attend hearings to establish paternity or to establish child support orders. The terms ''court'' and ''child support'' are defined.

Payment of Military Retired Pay in Compliance with Child Support Orders. Child support orders received by the Secretary do not have to have been recently issued. The Secretary of each branch of the Armed Forces (including retirees, the Coast Guard, the National Guard, and the Reserves) is required to make child support payments from military retirement pay directly to any State to which a custodial parent has assigned support rights as a condition of receiving public assistance. Payments to satisfy current support or child support arrears must be made from disposable retirement pay. Payroll deductions must begin within 30 days or the first pay period after 30 days of receiving a wage withholding order.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

34. VOIDING OF FRAUDULENT TRANSFERS

Present law

No provision.

House bill

States must have in effect the Uniform Fraudulent Conveyance Act of 1981, the Uniform Fraudulent Transfer Act of 1984, or an equivalent law providing for voiding transfers of income or property that were made to avoid payment of child support. States also must have in effect procedures under which the State must seek to void a fraudulent transfer or obtain a settlement in the best interest of the child support creditor.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

35. WORK REQUIREMENT FOR PERSONS OWING PAST-DUE CHILD SUPPORT

Present law

Public Law 100-485 required the Secretary to grant waivers to up to five States allowing them to provide JOBS services on a voluntary or mandatory basis to noncustodial parents who are unemployed and unable to meet their child support obligations. (In their report the conferees noted that the demonstrations would not grant any new powers to the States to require participation by noncustodial parents. The demonstrations were to be evaluated.)

House bill

States must have procedures under which the State has the authority to issue an order or request that a court or administrative process issue an order that requires individuals owing past-due child support for a child receiving assistance under the Temporary Family Assistance program either to pay the support due, to have and be in compliance with a plan to pay child support, or to participate in work activities as deemed appropriate by the court or the child support agency. ''Past-due support'' is defined and a conforming amendment is made to sec. 466 of the Social Security Act.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

36. DEFINITION OF SUPPORT ORDER

Present law

No provision.

House bill

A support order is defined as a judgement, decree, or order (whether temporary, final, or subject to modification) issued by a court or an administrative agency for the support (monetary support, health care, arrearages, or reimbursement) of a child (including a child who has reached the age of majority under State law) or of a child and the parent with whom the child lives, and which may include costs and fees, interest and penalties, income withholding, attorney's fees, and other relief.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

37. REPORTING ARREARAGES TO CREDIT BUREAUS

Present law

Federal law requires States to implement procedures which require them to periodically report to consumer reporting agencies the name of debtor parents owing at least 2 months of overdue child support and the amount of child support overdue. However, if the amount overdue is less than $1,000, information regarding it shall be made available only at the option of the State. Moreover, information may only be made available after the noncustodial parent has been notified of the proposed action and has been given reasonable opportunity to contest the accuracy of the claim against him. States are permitted to charge consumer reporting agencies that request child support arrearage information a fee that does not exceed actual costs.

House bill

States are required to periodically report to consumer credit reporting agencies the name of any noncustodial parent who is delinquent in the payment of support and the amount of overdue support owed by the parent. Before such a report can be sent, the obligor must have been afforded all due process rights, including notice and reasonable opportunity to contest the claim of child support delinquency.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

38. LIENS

Present law

Federal law requires States to implement procedures under which liens are imposed against real and personal property for amounts of overdue support owed by a noncustodial parent who resides or owns property in the State.

House bill

States must have procedures under which liens arise by operation of law against property for the amount of overdue support. States must grant full faith and credit to liens of other States if the originating State agency or party has complied with procedural rules relating to the recording or serving of liens, except such rules cannot require judicial notice or hearing prior to enforcement of the lien.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

39. STATE LAW AUTHORIZING SUSPENSION OF LICENSES

Present law

No provision.

House bill

States must have the authority to withhold, suspend, or restrict the use of drivers' licenses, professional and occupational licenses, and recreational licenses of individuals owing past-due support or failing, after

receiving appropriate notice, to comply with subpoenas or warrants relating to paternity or child support proceedings.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

40. DENIAL OF PASSPORTS FOR NONPAYMENT OF CHILD SUPPORT

Present law

No provision.

House bill

If an individual owes arrearages in excess of $5,000 of child support, the Secretary of HHS must request that the State Department deny, revoke, restrict, or limit the individual's passport. State child support agencies must have procedures for certifying to the Secretary arrearages in excess of $5,000 and for notifying individuals who are in arrears and providing them with an opportunity to contest. These provisions become effective on October 1, 1997.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

41. INTERNATIONAL CHILD SUPPORT ENFORCEMENT

Present law

No provision.

House bill

(1) The Secretary of State, with concurrence of the Secretary of HHS, is authorized to declare reciprocity with foreign countries having requisite procedures for establishing and enforcing support orders. The Secretary may revoke reciprocity if she determines that the enforcement procedures do not continue to meet the requisite criteria.

(2) The requirements for reciprocity include procedures in the foreign country for U.S. residents—available at no cost—to establish parentage, to establish and enforce support orders for children and custodial parents, and to distribute payments.

(3) An agency of the foreign country must be designated a central authority responsible for facilitating support enforcement and ensuring compliance with standards by both U.S. residents and residents of the foreign country.

(4) The Secretary in consultation with the States, may establish additional standards that she judges necessary to promote effective international support enforcement.

(5) The Secretary of HHS is required to facilitate enforcement services in international cases involving residents of the United States and of foreign reciprocating countries, including developing uniform forms and procedures, providing information from the FPLS on the State of residence of the obligor, and providing such other oversight, assistance, or coordination as she finds necessary and appropriate.

(6) Where there is no Federal reciprocity agreement, States are permitted to enter into reciprocal agreements with foreign countries.

(7) The State plan must provide that request for services in international cases be treated the same as interstate cases, except that no application will be required and no costs will be assessed against the foreign country or the obligee (costs may be assessed at State option against the obligor).

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

42. FINANCIAL INSTITUTION DATA MATCHES

Present law

No provision.

House bill

States are required to implement procedures under which the State child support agency must enter into agreements with financial institutions doing business within the State to develop and operate a data match system, using automated data exchanges to the maximum extent feasible, in which such financial institutions are required to provide for each calendar quarter the name, address, Social Security number, and other identifying information for each noncustodial parent identified by the State who has an account at the institution and owes past-due child support. In response to a notice of lien or levy, the financial institution must encumber or surrender assets held by the institution on behalf of the noncustodial parent who is subject to the child support lien. The State agency may pay a fee to the financial institution. The financial institution is not liable for activities taken to implement the provisions of this section. Definitions of the terms ''financial institution'' and ''account'' are included.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

43. ENFORCEMENT OF ORDERS AGAINST PATERNAL OR MATERNAL GRANDPARENTS IN CASES OF MINOR PARENTS

Present law

No provision. However, Wisconsin and Hawaii have State laws that make grandparents financially responsible for their minor children's dependents.

House bill

With respect to a child of minor parents receiving support from the Temporary Assistance for Needy Families Block Grant, States have the option to enforce a child support order against the parents of the minor noncustodial parent.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

44. NONDISCHARGEABILITY IN BANKRUPTCY OF CERTAIN DEBTS FOR THE SUPPORT OF A CHILD

Present law

Although child support payments may not be discharged in a filing of bankruptcy (i.e., the debtor parent cannot escape her child support obligation by filing a bankruptcy petition), a bankruptcy filing may cause long delays in securing child support payments. Pursuant to P.L. 103-394, a filing of bankruptcy will not stay a paternity, child support, or alimony proceeding. In addition, child support and alimony payments will be priority claims and custodial parents will be able to appear in bankruptcy court to protect their interests without paying a fee or meeting any local rules for attorney appearances.

House bill

Title 11 of the U.S. Code and Title IV-D of the Social Security Act are amended to ensure that a debt owed to the State ''that is in the nature of support and that is enforceable under this part'' cannot be discharged in bankruptcy proceedings. This amendment applies only to cases initiated under Title 11 after enactment of this Act.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

45. CHILD SUPPORT ENFORCEMENT FOR INDIAN TRIBES

Present law

There are about 340 federally recognized Indian tribes in the 48 contiguous States. Among these tribes there are approximately 130 tribal courts and 17 Courts of Indian Offenses. Most tribal codes authorize their courts to hear parentage and child support matters that involve at least one member of the tribe or person living on the reservation. This jurisdiction may be exclusive or concurrent with State court jurisdiction, depending on specified circumstances.

House bill

No provision.

Senate amendment

Any State that has Indian country may enter into a cooperation agreement with an Indian tribe if the tribe demonstrates that it has an established tribal court system with several specific characteristics. The Secretary may make direct payments to Indian tribes that have approved child support enforcement plans. Conforming amendments are included.

Conference agreement

The conference agreement follows the Senate amendment.

Subtitle H—Medical Support

46. CORRECTION TO ERISA DEFINITION OF MEDICAL CHILD SUPPORT ORDER

Present law

Public Law 103-66 requires States to adopt laws that require health insurers and employers to enforce orders for medical and child support and that forbid health insurers from denying coverage to children who are not living with the covered individual or who were born outside of marriage. Under Public Law 103-66, group health plans are required to honor ''qualified medical child support orders.''

House bill

This provision expands the definition of medical child support order in ERISA to clarify that any judgement, decree, or order that is issued by a court of competent jurisdiction or by an administrative process has the force and effect of law.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

47. ENFORCEMENT OF ORDERS FOR HEALTH CARE COVERAGE

Present law

Federal law requires the Secretary to require IV-D agencies to petition for the inclusion of medical support as part of child support whenever health care coverage is available to the noncustodial parent at reasonable cost.

House bill

All orders enforced under this part must include a provision for health care coverage. If the noncustodial parent changes jobs and the new employer provides health coverage, the State must send notice of coverage, which shall operate to enroll the child in the health plan, to the new employer.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

SUBTITLE I—ENHANCING RESPONSIBILITY AND OPPORTUNITY FOR NON-RESIDENTIAL PARENTS

48. GRANTS TO STATES FOR ACCESS AND VISITATION PROGRAMS

Present law

In 1988, Congress authorized the Secretary to fund for fiscal year 1990 and fiscal year 1991 demonstration projects by States to help divorcing or never-married parents cooperate with each other, especially in arranging for visits between the child and the nonresident parent.

House bill

This proposal authorizes grants to States for access and visitation programs including mediation, counseling, education, development of parenting plans, and visitation enforcement. Visitation enforcement can include monitoring, supervision, neutral drop-off and pick-up, and development of guidelines for visitation and alternative custody agreements. An annual entitlement of $10 million is appropriated for these grants.

The amount of the grant to a State is equal to either 90 percent of the State expenditures during the year for access and visitation programs or the allotment for the State for the fiscal year. The allotment to the State bears the same ratio to the amount appropriated for the fiscal year as the number of children in the State living with one biological parent divided by the national number of children living with one biological parent. The Administration for Children and Families must adjust allotments to ensure that no State is allotted less than $50,000 for fiscal years 1997 or 1998 or less than $100,000 for any year after 1998. Projects are required to supplement rather than supplant State funds. States may use the money to create their own programs or to fund grant programs with courts, local public agencies, or nonprofit organizations. The programs do not need to be Statewide. States must monitor, evaluate, and report on their programs in accord with regulations issued by the Secretary.

Senate amendment

Same, except delays the effective date for 1 year.

Conference agreement

The conference agreement follows the House bill and the Senate amendment except that the House effective date is followed.

SUBTITLE J—EFFECTIVE DATES AND CONFORMING AMENDMENTS

49. EFFECTIVE DATES AND CONFORMING AMENDMENTS

Present law

No provision.

House bill

Except as noted in the text of the House proposal for specific provisions, the general effective date for provisions in the proposal is October 1, 1996. However, given that many of the changes required by this proposal must be approved by State Legislatures, the proposal contains a grace period tied to the meeting schedule of State Legislatures. In any given State, the proposal becomes effective either on October 1, 1996 or on the first day of the first calendar quarter after the close of the first regular session of the State Legislature that begins after the date of enactment of the proposal. In the case of States that require a constitutional amendment to comply with the requirements of the proposal, the grace period is extended either for one year after the effective date of the necessary State constitutional amendment or five years after the date of enactment of the proposal. This section contains several conforming amendments to title IV-D of the Social Security Act. This section also replaces the term ''absent parent'' with ''noncustodial parent'' each place it occurs in title IV-D.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

TITLE IV: RESTRICTING WELFARE AND PUBLIC BENEFITS FOR ALIENS

1. STATEMENTS OF NATIONAL POLICY CONCERNING WELFARE AND IMMIGRATION

Present law

No provision.

House bill

The Congress makes several statements concerning national policy with respect to welfare and immigration. These include the affirmation that it continues to be the immigration policy of the United States that noncitizens within the Nation's borders not depend on public resources, that noncitizens nonetheless have been applying for and receiving public benefits at increasing rates, and that it is a compelling government interest to enact new eligibility and sponsorship rules to assure that noncitizens become self-reliant and to remove any incentive for illegal immigration.

Senate amendment

Similar to House bill.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

Subtitle A—Eligibility for Federal Benefits

2. ALIENS WHO ARE NOT QUALIFIED ALIENS INELIGIBLE FOR FEDERAL PUBLIC BENEFITS

Present law

Current law limits alien eligibility for most major Federal assistance programs, including restrictions on, among other programs, Supplemental Security Income, Aid to Families with Dependent Children, housing assistance, and Food Stamps programs. Current law is silent on alienage under, among other programs, school lunch and nutrition, the Special Supplemental Food Program for Women, Infants, and Children (WIC), Head Start, migrant health centers, and the earned income credit. Under the programs with restrictions, benefits are generally allowed for permanent resident aliens (also referred to as immigrants and green card holders), refugees, asylees, and parolees, but benefits (other than emergency Medicaid) are denied to nonimmigrants (or aliens lawfully admitted temporarily as, for example, tourists, students, or temporary workers) and illegal aliens. Benefits are permitted under AFDC, SSI, unemployment compensation, and nonemergency Medicaid to other aliens permanently residing in the United States under color of law (PRUCOL).

House bill

Noncitizens who are ''not qualified aliens'' (generally, illegal immigrants and nonimmigrants such as students) are ineligible for all Federal public benefits, with limited exceptions for emergency medical services, emergency disaster relief, immunizations and testing and treatment of symptoms of communicable diseases, community programs necessary for the protection of life or safety, certain housing benefits (only for current recipients), licenses and benefits directly related to work for which a nonimmigrant has been authorized to enter the U.S, and certain Social Security retirement benefits protected by treaty or statute.

Federal public benefits include: any grant, contract, loan, professional license or commercial license, and any retirement, welfare, health, disability, food assistance, unemployment or similar benefit provided by an agency or appropriated funds of the United States.

Senate amendment

Similar to House, except that the exception for communicable diseases is limited to treatment of the disease itself and must be triggered by a finding by HHS that testing and treatment of a particular disease is necessary to prevent its spread.

Conference agreement

The conference agreement follows the House bill.

The allowance for treatment of communicable diseases is very narrow. The conferees intend that it only apply where absolutely necessary to prevent the spread of such diseases. This is only a stop-gap measure until the deportation of a person or persons unlawfully here. It is not intended to provide authority for continued treatment of such diseases for a long term.

The allowance for emergency medical services under Medicaid is very narrow. The conferees intend that it only apply to medical care that is strictly of an emergency nature, such as medical treatment administered in an emergency room, critical care unit, or intensive care unit. The conferees do not intend that emergency medical services include pre-natal or delivery care assistance that is not strictly of an emergency nature as specified herein.

The intent of the conferees is that title I, part A of the Elementary and Secondary Education Act would not be affected by section 401 because the benefit is not provided to an individual, household, or family eligibility unit.

3. LIMITED ELIGIBILITY OF QUALIFIED ALIENS FOR CERTAIN FEDERAL PROGRAMS

Present law

With the exception of certain buy-in rights under Medicare, immigrants (or aliens) lawfully admitted for permanent residence are eligible for major Federal benefits, but the ability of some immigrants to meet the needs tests for SSI, AFDC, and food stamps may be affected by the sponsor-to-alien deeming provisions discussed below. Refugees, asylees, and parolees also generally are eligible. Benefits are permitted under AFDC, SSI, unemployment compensation, and nonemergency Medicaid to other aliens permanently residing in the United States under color of law (PRUCOL).

House bill

Legal noncitizens who are ''qualified aliens'' (i.e., permanent resident aliens, refugees, asylees, aliens paroled into the United States for a period of at least 1 year, and aliens whose deportation has been withheld) are ineligible for SSI, Medicaid, and food stamp benefits until they attain citizenship, with exceptions noted below. States are given the option of similarly restricting Federal cash welfare and Title XX benefits for qualified aliens, with the exception of those who are receiving benefits on the date of enactment as described below.

Refugees, asylees, and aliens whose deportation has been withheld are excepted for 5 years after being granted their respective statuses. Also excepted are legal permanent residents who have worked (in combination with their spouse and parents) for at least 10 years, and noncitizens who are veterans or on active duty or their spouse or unmarried child.

To allow individuals time to adjust to the revised policy, otherwise restricted aliens who are receiving SSI, food stamps, cash welfare, Medicaid or Title XX benefits on the date of enactment would remain eligible for at most 1 year after enactment. However, if

a review determines the noncitizen would be ineligible if enrolling under the revised standards for SSI, Medicaid, and food stamps (for example, because the noncitizen failed to qualify under the refugee or work exemptions) such benefits would cease immediately. States have the option of ending cash welfare and social services benefits for current recipients after January 1, 1997.

Senate amendment

Similar to House bill, except that Medicaid is included among the programs subject to State option rather than a blanket bar.

Conference agreement

The conference agreement follows the Senate amendment.

4. FIVE-YEAR LIMITED ELIGIBILITY OF QUALIFIED ALIENS FOR FEDERAL MEANS-TESTED PUBLIC BENEFIT

Present law

See above.

House bill

The proposal restricts most Federal means-tested benefits (including SSI, food stamps, cash welfare, Medicaid, and title XX social services benefits) for permanent resident aliens who arrive after the date of enactment for their first 5 years in the United States. Programs that are not restricted to legal noncitizens arriving in the future include emergency medical services, non-cash emergency disaster relief, school lunch and child nutrition benefits, immunizations and testing and treatment for symptoms of communicable diseases, foster care and adoption payments under parts B and E of Title IV of the Social Security Act, community programs for the protection of life or safety, certain elementary and secondary education programs, Head Start, the Job Training Partnership Act, and higher education grants and loans.

Exceptions are made for refugees, asylees, aliens whose deportation is being withheld, and noncitizens who are veterans, on active duty, or the spouse or unmarried child of such an individual.

Senate amendment

Excepted programs are similar to the House with the following differences:

(1) benefits under Head Start Act and the Job Training Partnership Act are not excepted;

(2) the exception for foster care and adoption assistance is limited to Part E of Title IV of the Social Security Act;

(3) the exception for testing and treatment of communicable diseases is more limited and must be triggered by a finding by HHS that detection and treatment of a particular disease is necessary to prevent its spread; and

(4) includes an exception for education assistance under titles III, VII, and VIII of the Public Health Service Act.

Excepted classes are similar to House bill.

Conference agreement

The conference agreement follows the House bill and Senate amendment as follows. (1) The definition of Federal Means Tested Public Benefit (defined as ''a public benefit (including cash, medical, housing, and food assistance and social services) of the Federal Government in which the eligibility of an individual, household, or family eligibility unit for benefits, or the amount of such benefits, or both are determined on the basis of income, resources, or financial need of the individual, household, or unit'') was deleted due to the Byrd rule. It is the intent of conferees that this definition be presumed to be in place for purposes of this title. (2) Regarding excepted programs, the conference agreement follows the House bill on testing and treatment of communicable diseases and by adding Head Start and the Job Training Partnership Act as excepted programs; the conference agreement adds refugee and entrant assistance as an excepted program; and the conference agreement follows the Senate amendment by adding education assistance under titles III, VII, and VIII of the Public Health Services Act as an excepted program.

5. NOTIFICATION AND INFORMATION REPORTING

Present law

Notification. Under regulation, individual advance written notice must be given of an intent to suspend, reduce, or terminate SSI benefits.

Information Reporting. AFDC and SSI restrict the use or disclosure of information concerning applicants and recipients to purposes connected to the administration of needs-based Federal programs.

House bill

Each Federal agency that administers an affected program shall post information and provide general notification to the public and to program recipients of changes regarding eligibility.

Agencies that administer SSI, housing assistance programs under the United States Housing Act of 1937, or block grants for temporary assistance for needy families (the successor program to AFDC) are required to furnish information about aliens they know to be unlawfully in the United States to the Immigration and Naturalization Service (INS) at least four times annually and upon INS request.

Senate amendment

Similar to House bill.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

Subtitle B—Eligibility for State and Local Public Benefits Programs

6. ALIENS WHO ARE NOT QUALIFIED ALIENS OR NONIMMIGRANTS INELIGIBLE FOR STATE AND LOCAL PUBLIC BENEFITS

Present law

Under *Plyler* vs. *Doe* (457 U.S. 202 (1982)), States may not deny illegal alien children access to a public elementary education without authorization from Congress. However, the narrow 5-4 Supreme Court decision may imply that illegal aliens may be denied at least some State benefits and that Congress may influence the eligibility of illegal aliens for State benefits. Many, but not all, State general assistance laws currently deny illegal aliens means-tested general assistance.

House bill

Illegal aliens are ineligible for all State and local public benefits, with limited exceptions for emergency medical services, emergency disaster relief, immunizations and testing and treatment for symptoms of communicable diseases, and programs necessary for the protection of life or safety. States may, however, pass laws after the date of enactment that specify that illegal aliens may be eligible for certain State or local benefits that otherwise would be denied under this section.

Senate amendment

Similar to House bill, except that the exception for communicable diseases is more limited and must be triggered by a finding by HHS that testing and treatment of a particular disease is necessary to prevent its spread.

Conference agreement

The conference agreement follows the House bill.

No current State law, State constitutional provision, State executive order or decision of any State or Federal court shall provide a sufficient basis for a State to be relieved of the requirement to deny benefits to illegal aliens. Laws, ordinances, or executive orders passed by county, city or other local officials will not allow those entities to provide benefits to illegal aliens. Only the affirmative enactment of a law by a State legislature and signed by the Governor after the date of enactment of this Act, that references this provision, will meet the requirements of this section.

The phrase ''affirmatively provides for such eligibility'' means that the State law enacted must specify that illegal aliens are eligible for State or local benefits. Persons residing under color of law shall be considered to be aliens unlawfully present in the United States and are prohibited from receiving State or local benefits, as defined, regardless of the enactment of any State law.

The conference agreement provides that no State or local government entity shall prohibit, or in any way restrict, any entity or official from sending to or receiving from the INS information regarding the immigration status of an alien or the presence, whereabouts, or activities of illegal aliens. It does not require, in and of itself, any government agency or law enforcement official to communicate with the INS.

The conferees intend to give State and local officials the authority to communicate with the INS regarding the presence, whereabouts, or activities of illegal aliens. This provision is designed to prevent any State or local law, ordinance, executive order, policy, constitutional provision, or decision of any Federal or State court that prohibits or in any way restricts any communication between State and local officials and the INS. The conferees believe that immigration law enforcement is as high a priority as other aspects of Federal law enforcement, and that illegal aliens do not have the right to remain in the United States undetected and unapprehended.

7. STATE AUTHORITY TO LIMIT ELIGIBILITY OF QUALIFIED ALIENS FOR STATE PUBLIC BENEFITS

Present law

Under *Graham* v. *Richardson* (403 U.S. 365 (1971)), States may not deny legal permanent residents State-funded assistance that is provided to equally needy citizens without authorization from Congress.

Currently, there is no Federal law barring legal temporary residents (i.e., nonimmigrants) from State and local needs-based programs. In general, States are restricted in denying assistance to nonimmigrants where the denial is inconsistent with the terms under which the nonimmigrants were admitted. Where a denial of benefits is not inconsistent with Federal immigration law, however, States have broader authority to deny benefits and States often do deny certain benefits to nonimmigrants. Also, aliens in most nonimmigrant categories generally may have difficulty qualifying for many State and local benefits because of requirements that they be State ''residents.''

House bill

States are authorized to determine the eligibility of ''qualified aliens,'' nonimmigrants, and aliens paroled into the United States for less than 1 year for any State or local means-tested public benefit program. Noncitizens receiving State and local benefits on the date of enactment would remain eligible for benefits until January 1, 1997.

Exceptions to State authority to deny benefits are made for refugees, asylees and aliens whose deportation has been withheld (for 5 years), permanent resident aliens who

have worked in the United States (in combination with their spouse or parents) for at least 10 years, and noncitizens who are veterans or on active duty or their spouse or unmarried child.

Senate amendment

Similar to House bill, except that under Byrd rule the definition of ''State public benefits'' (sec. 2412(c)) is deleted.

Conference agreement

The conference agreement follows the House bill and the Senate amendment. The conference agreement does not include a definition of State public benefits in this section because the definition was dropped due to the Byrd rule. However, it is the intent of House and Senate conferees that the following definition be used by States in carrying out the authority granted by this section: ''STATE PUBLIC BENEFITS DEFINED.—The term 'State public benefits' means any means-tested public benefits of a State or political subdivision of a State under which the State or political subdivision specifies the standards for eligibility, and does not include any Federal public benefit.''

Subtitle C—Attribution of Income and Affidavits of Support

8. FEDERAL ATTRIBUTION OF SPONSOR'S INCOME AND RESOURCES TO ALIEN

Present law

Federal Benefits. In determining whether an alien meets the means test for AFDC, SSI (except in cases of blindness or disability occurring after entry), and food stamps, the resources and income of an individual who filed an affidavit of support (''sponsor'') for the alien (and the income and resources of the individual's spouse) are taken into account during a designated period after entry. Sponsor-to-alien deeming provisions were added to these three programs in part because several courts have found that affidavits of support, under current practice, do not obligate sponsors to reimburse government agencies for benefits provided to sponsored aliens. See below.

Amounts of Income and Resources Deemed. While the offset formulas vary among the programs, the amount of income and resources deemed under AFDC, SSI, and Food Stamps is reduced by certain offsets to provide for some of the sponsor's own needs.

Length of Deeming Period. For AFDC and Food Stamps, sponsor-to-alien deeming applies to a sponsored alien seeking assistance within 3 years of entry. Through September 1996, sponsor-to-alien deeming applies to a sponsored alien seeking SSI within 5 years of entry, after which the deeming period reverts to 3 years.

Review Upon Reapplication. Regulations implementing the food stamp program expressly require providing information on a sponsor's resources as part of recertification.

Application. No provision.

House bill

Federal Benefits. During the applicable deeming period (see ''Length of Deeming Period'' below), the income and resources of a sponsor and the sponsor's spouse are to be taken into account under all Federally-funded means-tested programs (with the exception of the programs below) in determining the sponsored individual's neediness. Excepted programs are emergency medical services, emergency disaster relief, school lunch and child nutrition assistance, immunizations and testing and treatment for symptoms of communicable diseases, certain programs that protect life, safety, or public health, certain foster care and adoption assistance, Head Start, Job Training Partnership Act programs, certain elementary and secondary education programs, and higher education grants and loans.

Amounts of Income and Resources Deemed. The full income and resources of the sponsor and the sponsor's spouse are deemed to be that of the sponsored alien.

Length of Deeming Period. Deeming extends until citizenship, unless the noncitizen has worked for at least 10 years in the United States (either individually or in combination with the noncitizen's spouse and parents).

Review Upon Reapplicaiton. Whenever a sponsored noncitizen is required to reapply for benefits under any Federal means-tested public benefits program, the agency must review the income and resources deemed to the sponsored noncitizen.

Application. For programs that already deem income and resources on the date of enactment, the changes in this section apply immediately; other programs must implement changes required within 180 days after the date of enactment.

Senate amendment

Federal Benefits. Under the Byrd rule, the definition of ''Federal means-tested program'' (sec. 2403(c)(1)) is deleted.

Otherwise similar to House bill, with differences in exceptions to Federal means-tested programs noted above for the 5-year bar.

Amounts of Income and Resources Deemed. Similar to House bill.

Length of Deeming Period. Similar to House bill.

Review Upon Reapplication. Similar to House bill.

Application. Similar to House bill.

Conference agreement

The conference agreement follows the House bill and the Senate amendment, with the modification of certain additional excepted programs as noted in item 4 above.

The allowance for treatment of communicable diseases is very narrow. The conferees intend that it only apply where absolutely necessary to prevent the spread of such diseases. This is only a stop-gap measure until the deportation of a person or persons unlawfully here. It is not intended to provide authority for continued treatment of such diseases for a long term.

The allowance for emergency medical services under Medicaid is very narrow. The conferees intend that it only apply to medical care that is strictly of an emergency nature, such as medical treatment administered in an emergency room, critical care unit, or intensive care unit. The conferees do not intend that emergency medical services include pre-natal or delivery care assistance that is not strictly of an emergency nature as specified herein.

9. AUTHORITY FOR STATES TO PROVIDE FOR ATTRIBUTION OF SPONSOR'S INCOME AND RESOURCES TO THE ALIEN WITH RESPECT TO STATE PROGRAMS

Present law

The highest courts of at least two States have held that the Supreme Court decision barring State discrimination against legal aliens in providing State benefits without Federal authorization (*Graham* v. *Richardson*, 403 U.S. 365 (1971)) prohibits State sponsor-to-alien deeming requirements for State benefits.

House bill

State and local governments may, for the deeming period that applies to Federal benefits, deem a sponsor's income and resources (and those of the sponsor's spouse) to a sponsored individual in determining eligibility for and the amount of needs-based benefits. State and local governments may not require deeming for the following State public benefits: emergency medical services, emergency disaster relief, school lunch and child nutrition assistance, immunizations and testing and treatment for symptoms of communicable diseases, foster care and adoption payments, and certain programs to protect life and safety.

Senate amendment

Similar to House bill, except that the exception for communicable diseases is limited to testing and treatment of the disease itself and must be triggered by a finding by the chief State health official that it is necessary to prevent spread of the disease.

Conference agreement

The conference agreement follows the House bill.

10. REQUIREMENTS FOR SPONSOR'S AFFIDAVIT OF SUPPORT

Present law

In General. Administrative authorities may request an affidavit of support on behalf of an alien seeking permanent residency pursuant to regulation. Requirements for affidavits of support are not specified by statute.

Under the Immigration and Nationality Act, an alien who is likely to become a public charge may be excluded from entry unless this restriction is waived, as is the case for refugees. By regulation and administrative practice, the State Department and the Immigration and Naturalization Service permit a prospective permanent resident alien (also immigrant or green card holder) who otherwise would be excluded as a public charge (i.e., because of insufficient means or prospective income) to overcome exclusion through an affidavit of support or similar document executed by an individual in the United States commonly called a ''sponsor.'' It has been reported that roughly one-half of the aliens who obtain legal permanent resident status have had affidavits of support filed on their behalf.

Various State court decisions and decisions by immigration courts have held that the affidavits of support, as currently constituted, do not impose a binding obligation on the sponsor to reimburse State agencies providing aid to the sponsored alien.

Forms. No statutory provision. The Department of Justice issues a form (Form I–134) that complies with current sponsorship guidelines.

Notification of Change of Address. There is no express requirement under current administrative practice that sponsors inform welfare agencies of a change in address. However, a sponsored alien who applies for benefits for which deeming is required must provide various information regarding the alien's sponsor.

Reimbursement of Government Expenses. Various State court decisions and decisions by immigration courts have held that these affidavits, as currently constituted, do not impose a binding obligation on the sponsor to reimburse State agencies providing aid to the sponsored alien.

Definitions. There are no firm administrative restrictions on eligibility to execute an affidavit of support. There is no definition of ''Means-tested Public Benefits Program''.

Effective Date. No provision.

Benefits Not Subject to Reimbursement. No provision.

House bill

In General. The proposal provides that when affidavits of support are required, they must comply with the following:

Affidavits of support must be executed as contracts that are legally enforceable against sponsors by Federal, State, and local agencies with respect to any means-tested benefits (with exceptions noted below) paid to sponsored aliens before they become citizens.

Affidavits of support must be enforceable against the sponsor by the sponsored alien.

Reimbursement shall be requested for all Federal, State or local need-based programs with the exceptions noted below.

To qualify to execute an affidavit of support, an individual must meet the revised definition of sponsor below.

Governmental entities that provide benefits may seek reimbursement up to 10 years after a sponsored alien last receives benefits.

Sponsorship extends until the alien becomes a citizen.

Forms. The Attorney General, in consultation with the Secretary of State and the Secretary of HHS, shall formulate an affidavit of support within 90 days after enactment, consistent with this section.

Notification of Change of Address. Until they no longer are potentially liable for reimbursement of benefits paid to sponsored individuals, sponsors must notify the Attorney General and the State, district, territory or possession in which the sponsored individual resides of any change of their address within 30 days of moving. Failure to notify may result in a civil penalty of up to $2,000 or, if the failure occurs after knowledge that the sponsored individual has received a reimbursable benefit, of up to $5,000.

Reimbursement of Government Expenses. If a sponsored alien receives any benefit under any means-tested public assistance program, the appropriate Federal, State, or local official shall request reimbursement by the sponsor in the amount of such assistance. Thereafter the official may seek reimbursement in court if the sponsor fails to respond within 45 days of the request that the sponsor is willing to begin repayments. The official also may seek reimbursement through the courts within 60 days after a sponsor fails to comply with the terms of repayment. The Attorney General in consultation with the Secretary of HHS, shall prescribe regulations on requesting reimbursement. No action may be brought later than 10 years after the alien last received benefits.

Definitions. A ''sponsor'' is a citizen or an alien lawfully admitted to the United States for permanent residence who petitioned for immigration preference for the sponsored alien, is at least 18 years of age, and resides in any State.

A ''Means-Tested Public Benefits Program'' is a program of public benefits of the Federal, State or local government in which eligibility for or the amount of, benefits or both are determined on the basis of income, resources, or financial need.

Effective Date. The changes regarding affidavits of support shall apply to affidavits of support executed no earlier than 60 days or later than 90 days after the Attorney General promulgates the form.

Benefits Not Subject to Reimbursement. Governmental entities cannot seek reimbursement with respect to:

emergency medical services;

emergency disaster relief;

school lunch and child nutrition assistance;

payments for foster care and adoption assistance;

immunizations and testing for and treatment of communicable diseases;

certain programs that protect life, safety, or public health;

postsecondary education benefits;

means-tested elementary and secondary education programs;

Head Start; and

Job Training Partnership Act programs.

Senate amendment

In General. Under the Byrd rule, the definition of ''means-tested public benefits program'' (sec. 2423(a)) is deleted. Otherwise similar to House bill.

Forms. Similar to House bill.

Notification of Change of Address. Similar to House bill.

Reimbursement of Government Expenses. Similar to House bill.

Definitions. Similar to House bill. Definition for ''Means-tested public benefits program'' deleted under the Byrd rule.

Effective Date. Similar to House bill.

Benefits Not Subject to Reimbursement. Similar to House bill except:

does not add Head Start and Job Training Partnership Act programs to the list of excepted programs;

the exception for foster care and adoption assistance is limited to part E of Title IV of the Social Security Act;

the exception for testing and treatment of a communicable disease is more limited and must be triggered by a finding by HHS that it is necessary to prevent the disease's spread; and

adds exception for education assistance under titles III, VII, and VIII of the Public Health Service Act.

Conference agreement

The conference agreement generally follows the House bill and Senate amendment. The definition of Means-Tested Public Benefits Program (defined as ''a public benefit (including cash, medical, housing, and food assistance and social services) of the Federal Government or of a State or political subdivision of a State in which the eligibility of an individual, household, or family eligibility unit for benefits under the program, or the amount of such benefits, or both are determined on the basis of income, resources, or financial need of the individual, household, or unit'') for purposes of this section was deleted due to the Byrd rule. It is the intent of conferees that this definition be presumed to be in place for purposes of this title. With regard to excepted programs, the conference agreement follows the House bill on testing and treatment of communicable diseases and by adding Head Start and Job Training Partnership Act as excepted programs; the conference agreement follows the Senate amendment by adding education assistance under titles III, VII, and VIII of the Public Health Services Act as an excepted program.

Subtitle D—General Provisions

11. DEFINITIONS

Present law

In General. Federal assistance programs that have alien eligibility restrictions generally reference specific classes defined in the Immigration and Nationality Act.

Qualified Alien. Some programs allow benefits for otherwise eligible aliens who are ''permanently residing under color of law (PRUCOL).'' This term is not defined under the Immigration and Nationality Act, and there has been some inconsistency in determining which classes of aliens fit within the PRUCOL standard.

House bill

In General. Unless otherwise provided, the terms used in this title have the same meaning as defined in Section 101(a) of the Immigration and Nationality Act.

Qualified Alien. An alien who is a lawful permanent resident, refugee, asylee, or an alien who has been paroled into the United States for at least 1 year.

Senate amendment

In General. Similar to House bill.

Qualified Alien. Similar to House bill.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

12. VERIFICATION OF ELIGIBILITY FOR FEDERAL PUBLIC BENEFITS

Present law

State agencies that administer most major Federal programs with alienage restrictions generally use the SAVE (Systematic Alien Verification for Entitlements) system to verify the immigration status of aliens applying for benefits.

House bill

The Attorney General must adopt regulations to verify the lawful presence of applicants for Federal benefits no later than 18 months after enactment. States must have a verification system that complies with these regulations within 24 months of their adoption, and must authorize necessary appropriations.

Senate amendment

Similar to House bill.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

13. STATUTORY CONSTRUCTION

Present law

No provision.

House bill

This title addresses only program eligibility based on alienage and does not address whether any individual meets other eligibility criteria. This title does not address alien eligibility for basic education or for any program of foreign assistance.

Senate amendment

Similar to House bill.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

14. COMMUNICATION BETWEEN STATE AND LOCAL GOVERNMENT AGENCIES AND THE IMMIGRATION AND NATURALIZATION SERVICE

Present law

The confidentiality provisions of various State statutes may prohibit disclosure of immigration status obtained under them. Some Federal laws, including the Family Education Rights and Protection Act, may deny funds to certain State and local agencies that disclose a protected individual's immigration status. Various localities have enacted laws preventing local officials from disclosing the immigration status of individuals to INS.

House bill

No State or local government entity may be prohibited, or in any way restricted, from sending to or receiving from the Immigration and Naturalization Service information regarding the immigration status, lawful or unlawful, of an alien in the United States.

Senate amendment

Similar to House bill.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

15. QUALIFYING QUARTERS

Present law

No provision.

House bill

In determining whether an alien may qualify for benefits under the exception for individuals who have worked at least 40 quarters while in the United States (see sections 402 and 421 above), work performed by parents and spouses may be credited to aliens under certain circumstances. Each quarter of work performed by the parent while an alien was under the age of 18 is credited to the alien, provided the parent did not receive any Federal public benefits during the quarter. Similarly, each quarter of work performed by a spouse of an alien during their marriage is credited to the alien, if the spouse did not receive any Federal public benefits during the quarter.

Senate amendment

Similar to House bill.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

Subtitle E—Conforming Amendments

16. CONFORMING AMENDMENTS RELATING TO ASSISTED HOUSING

Present law

No provision.

House bill

This section consists of a series of technical and conforming amendments.

Senate amendment

Similar to House bill.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

Subtitle F—Earned Income Credit Denied to Unauthorized Employees

17. EARNED INCOME CREDIT DENIED TO INDIVIDUALS NOT AUTHORIZED TO BE EMPLOYED IN THE UNITED STATES

[NOTE.—For further description of this and additional earned income credit provisions, see Title IX: Miscellaneous below.]

Present law

Certain eligible low-income workers are entitled to claim a refundable credit of up to $3,556 in 1996 on their income tax return. The amount of the credit an eligible individual may claim depends upon whether the individual has one, more than one, or no qualifying children and is determined by multiplying the credit rate by the taxpayer's earned income up to an earned income amount. The maximum amount of the credit is the product of the credit rate and the earned income amount. For taxpayers with earned income (or adjusted gross income (AGI), if greater) in excess of the beginning of the phaseout range, the maximum credit amount is reduced by the phaseout rate multiplied by the amount of earned income (or AGI, if greater) in excess of the beginning of the phaseout range. For taxpayers with earned income (or AGI, if greater) in excess of the end of the phaseout range, no credit is allowed.

In order to claim the credit, an individual must either have a qualifying child or meet other requirements. A qualifying child must meet a relationship test, an age test, an identification test, and a residence test. In order to claim the credit without a qualifying child, an individual must not be a dependent and must be over age 24 and under age 65.

To satisfy the identification test, individuals must include on their tax return the name and age of each qualifying child. For returns filed with respect to tax year 1996, individuals must provide a taxpayer identification number (TIN) for all qualifying children born on or before November 30, 1996. For returns filed with respect to tax year 1997 and all subsequent years, individuals must provide TINs for all qualifying children, regardless of their age. An individual's TIN is generally that individual's social security number.

The Internal Revenue Service may summarily assess additional tax due as a result of a mathematical or clerical error without sending the taxpayer a notice of deficiency and giving the taxpayer an opportunity to petition the Tax Court. Where the IRS uses the summary assessment procedure for mathematical or clerical errors, the taxpayer must be given an explanation of the asserted error and a period of 60 days to request that the IRS abate its assessment. The IRS may not proceed to collect the amount of the assessment until the taxpayer has agreed to it or has allowed the 60-day period for objecting to expire. If the taxpayer files a request for abatement of the assessment specified in the notice, the IRS must abate the assessment. Any reassessment of the abated amount is subject to the ordinary deficiency procedures. The request for abatement of the assessment is the only procedure a taxpayer may use prior to paying the assessed amount in order to contest an assessment arising out of a mathematical or clerical error. Once the assessment is satisfied, however, the taxpayer may file a claim for refund if he or she believes the assessment was made in error.

House bill

Individuals are not eligible for the credit if they do not include their taxpayer identification number (and, if married, their spouse's taxpayer identification number) on their tax return. Solely for these purposes and for purposes of the present-law identification test for a qualifying child, a taxpayer identification number is defined as a social security number issued to an individual by the Social Security Administration other than a number issued under section 205(c)(2)(B)(i)(II) (or that portion of sec. 205(c)(2)(B)(i)(III) relating to it) of the Social Security Act (regarding the issuance of a number to an individual applying for or receiving Federally funded benefits).

If an individual fails to provide a correct taxpayer identification number, such omission will be treated as a mathematical or clerical error. If an individual who claims the credit with respect to net earnings from self-employment fails to pay the proper amount of self-employment tax on such net earnings, the failure will be treated as a mathematical or clerical error for purposes of the amount of credit allowed.

Senate amendment

Similar to House bill.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

TITLE V: CHILD PROTECTION BLOCK GRANT PROGRAMS AND FOSTER CARE, ADOPTION ASSISTANCE, AND INDEPENDENT LIVING PROGRAMS

Subtitle A—Child Protection Block Grant Program and Foster Care, Adoption Assistance, and Independent Living Programs

Present law

Under current law, there are at least 36 programs designed to help children who are victims of abuse or neglect. These programs address the child protection issue by supporting abuse reporting and investigation; abuse prevention; child and family assessment, preservation, and support; foster care; adoption; and training of social workers, foster parents, judges, and others. These programs can be divided into two general categories. The first are entitlement programs under jurisdiction of the Committee on Ways and Means and the Finance Committee, nearly all of which provide unlimited funding for foster and adoption maintenance payments, administrative costs, and training. The two exceptions are the Family Preservation and Support Program which provides capped entitlement funds to help States provide services that keep families together and prevent abuse, and the Independent Living program which provides capped entitlement funds to help children in foster care make the transition to living on their own. The second group of programs are appropriated programs. These programs are smaller and, except the Child Welfare Services Program, are generally under the jurisdiction of the Economic and Educational Opportunities Committee and the Labor and Human Resources Committee.

House bill

The House provision retains all the open-ended entitlement programs to ensure that States have adequate resources to help abused children that must be removed from their homes. The provision also combines the two capped entitlement programs and many of the smaller programs into two block grants that will simplify administration, promote flexibility, and increase efficiency. Working in conjunction with the Committee on Economic and Educational Opportunity, the Ways and Means Committee has created a block grant that is identical to a block grant created by the Opportunities Committee. Across the two Committees, a total of 11 programs are combined into the new block grant structure. Programs under jurisdiction of the Opportunities Committee are mentioned briefly below to clarify the structure of the overall Federal program for helping abused children and their families.

Senate amendment

The Senate amendment does not include the block grant; the amendment makes no changes in current law.

Conference agreement

The conference agreement follows the Senate amendment.

Chapter 1—Block Grants to States for the Protection of Children

1. PURPOSE

Present law

Child Welfare Services, now provided for in Title IV–B of the Social Security Act, are designed to help States provide child welfare services, family preservation, and community-based family support services.

House bill

The proposed Child Protection Block Grant would replace current law under Title IV–B. The purpose of the Child Protection Block Grant is to:

(1) identify and assist families at risk of abusing or neglecting their children;

(2) operate a system for receiving reports of abuse or neglect of children;

(3) improve the intake, assessment, screening, and investigation of reports of abuse and neglect;

(4) enhance the general child protective system by improving risk and safety assessment tools and protocols;

(5) improve legal preparation and representation, including procedures for appealing and responding to appeals of substantiated reports of abuse and neglect;

(6) provide support, treatment, and family preservation services to families which are, or are at risk of, abusing or neglecting their children;

(7) support children who must be removed from or who cannot live with their families;

(8) make timely decisions about permanent living arrangements for children who must be removed from or who cannot live with their families;

(9) provide for continuing evaluation and improvement of child protection laws, regulations, and services;

(10) develop and facilitate training protocols for individuals mandated to report child abuse or neglect; and

(11) develop and enhance the capacity of community-based programs to integrate shared leadership strategies between parents and professionals to prevent and treat child abuse and neglect at the neighborhood level.

Senate amendment

The amendment does not change current law.

Conference agreement

The conference agreement follows the Senate amendment.

2. ELIGIBLE STATES

Present law

To be eligible for funding under Title IV–B and IV–E, States must have State plans, developed jointly with the Secretary under Title IV–B, and approved by the Secretary under Title IV–E. In addition, to receive funds under the Child Abuse Prevention and Treatment Act (CAPTA), States must comply with certain requirements including submission of a State plan.

States must have a child welfare services plan developed jointly by the Secretary and the relevant State agency which provides for single agency administration and which describes services to be provided and geographic areas where services will be available. The State plan also must meet many other requirements, such as setting forth a 5-year statement of goals for family preservation and family support and assuring the review of progress toward those goals. For foster care and adoption assistance, States must submit for approval a Title IV–E plan providing for a foster care and adoption assistance program and satisfying numerous requirements. The Child Abuse Prevention and Treatment Act (CAPTA) requires States to have in effect a law for reporting known and suspected child abuse and neglect as well as providing for prompt investigation of child abuse and neglect reports, among many other requirements.

To receive funding under Title IV–B and IV–E of the Social Security Act, States must comply with certain procedures for removal of children from their families when necessary, must develop case plans for each child that are reviewed at least every 6 months and contain specified information, and must establish specific goals for the maximum number of eligible children who will remain in foster care for more than 24 months.

Under Title IV–B, for fiscal years beginning on or after April 1, 1996, State plans must provide assurances that:

(1) the State has completed an inventory of all children who, before the inventory, had been in foster care under the responsibility of the State for six months or more, which determined: (i) the appropriateness of, and necessity for, the foster care placement; (ii) whether the child could or should be returned to the parents of the child or should be freed for adoption or other permanent placement; and (iii) the services necessary to facilitate the return of the child or the placement of the child for adoption or legal guardianship;

(2) the State is operating to the satisfaction of the Secretary: (i) a statewide information system on children who are or have been in foster care in the last year; (ii) a case review system for each child receiving foster care under the supervision of the State; (iii) a service program designed to help children return to families from which they have been removed; or be placed for adoption; (iv) a preplacement preventive service program designed to help children at risk remain with their families; and

(3) the State has reviewed State policies and procedures in effect for children abandoned at birth; and is implementing (or, will implement by October 31, 1996) such policies or procedures to enable permanent decisions with respect to the placement of such children to be made expeditiously. (For fiscal years beginning before April 1, 1996, these standards were incentive funding requirements that States had to meet to receive their full Title IV–B allotment, and were known as section 427 protections.)

Title IV–E State plans must provide that reasonable efforts will be made prior to the placement of a child in foster care to prevent or eliminate the need for removal of the child from her home and to make it possible for the child to return to her home.

Title IV–E State plans must provide that, where appropriate, all steps will be taken, including cooperative efforts with State AFDC and child support enforcement agencies, to secure an assignment of any rights to support of a child receiving foster care maintenance payments under Title IV–E.

House bill

An ''Eligible State'' is one that has submitted to the Secretary, not later than October 1, 1996, and every 3 years thereafter, a plan which has been signed by the Chief Executive Officer of the State. The plan must outline the State's Child Protection Program and provide several certifications regarding the nature of its child protection program.

A State plan must thoroughly describe the State Child Protection Program by describing State activities and procedures to be used for:

(1) receiving and assessing reports of child abuse or neglect;

(2) investigating such reports;

(3) with respect to families in which abuse or neglect has been confirmed, providing services or referral for services for families and children where the State makes a determination that the child may safely remain with the family;

(4) protecting children by removing them from dangerous settings and ensuring their placement in a safe environment;

(5) providing training for individuals mandated to report suspected cases of child abuse or neglect;

(6) protecting children in foster care;

(7) promoting timely adoptions;

(8) protecting the rights of families, using adult relatives as the preferred placement for children separated from their parents if such relatives meet all relevant standards; and

(9) providing services aimed at preventing child abuse and neglect.

The State plan must also certify that the State:

(1) has in effect laws that require reporting of child abuse and neglect;

(2) has in effect procedures for the immediate screening, safety assessment, and prompt investigation of child abuse or neglect reports;

(3) has in effect procedures for the removal and placement of abused or neglected children;

(4) has in effect laws requiring immunity from prosecution under State and local laws for individuals making good faith reports of suspected or known cases of child abuse or neglect;

(5) has in effect no later than 2 years after enactment, laws and procedures affording individuals an opportunity to appeal an official finding of abuse or neglect;

(6) has in effect procedures for developing and reviewing written plans for the permanent placement of each child removed from the family that: specify the goal for achieving a permanent placement for the child in a timely fashion; ensure that the plan is reviewed every 6 months; and ensure that information about the child is gathered regularly and placed in the case record.

(7) has in effect a program to provide independent living services to 16-19 year old youths (and, at State option, youths up to age 22) who are in the foster care system but have no family to support them. (Under the proposal, States also will continue to receive capped entitlement grants for Independent Living services as under current law.)

(8) has in effect procedures or programs (or both) to respond to reports of medical neglect of disabled infants;

(9) has quantitative goals of the State child protection program;

(10) will comply with respect to fiscal years beginning on or after April 1, 1996, with the same child protection standards as under current law. Standards related to abandoned children must be met by October 1, 1997;

(11) will make reasonable efforts to prevent the placement of children in foster care and to make it possible for the child to return home. Each State must also certify that it provides services for children and families where maltreatment has been confirmed but the child remained with the family;

(12) will take all appropriate steps, including cooperative efforts, to secure an assignment to the State of any rights to support on behalf of each child receiving foster care maintenance payments; and

(13) has in effect requirements for disclosure of records only to specified individuals and entities, and provisions that allow for public disclosure of findings or information about cases of child abuse or neglect that have resulted in a child fatality or near fatality (except that such disclosure shall not include identifying information about the individual initiating a report of suspected child abuse or neglect).

The Secretary of HHS must determine whether the State plan includes the required materials and certifications (except material related to the certification of State procedures to respond to reporting of medical neglect of disabled infants). The Secretary cannot add new elements beyond those listed above.

Senate amendment

The amendment does not change current law, except to require that the State plan for foster care and adoption assistance provide for the protection of the rights of families, using adult relatives as the preferred placement for children separated from their parents where such relatives meet the relevant State child protection standards (see item 8).

Conference agreement

The conference agreement follows the Senate amendment with a modification to delete the proposed amendment dealing with adult relative preferences.

3. GRANTS TO STATES FOR CHILD PROTECTION

Present law

Title IV–B of the Social Security Act contains both discretionary and capped entitlement funding for helping States provide assistance to troubled families and their children. Of capped entitlement funding for family preservation and support, 1 percent is reserved for Indians. For child welfare services under Title IV–B, $325 million is authorized annually. For family preservation and support services, $225 million is authorized in fiscal year 1996; $240 million in fiscal year 1997; and $255 million in fiscal year 1998. State allotments for child welfare services are based on the State's child population and per capita income. State allotments for family preservation and support are based on the number of children in the State receiving Food Stamps. Funds must be used for: ''protecting and promoting the welfare of children * * * preventing unnecessary separation of children from their families * * * restoring children to their families if they have been removed * * * family preservation services * * * community-based family support services to promote the well-being of children and families and to increase parents' confidence and competence.''

For-profit foster care providers are not eligible for Federal funding under Title IV-E.

Section 1123 of the Social Security Act requires the Secretary to establish by regulation a new Federal review system for child

welfare which would allow penalties for misuse of funds. Regulations are expected to be published during the summer of 1996. (This provision would not be affected by the House proposal.)

House bill

The block grant contains both entitlement and appropriated funds. From the entitlement funds, each eligible State must receive from the Secretary an amount equal to the State share of the Child Protection Block Grant amount for the fiscal year (see below). A set-aside is provided for Indians equal to 1 percent of the entitlement money flowing into the block grant.

Each eligible State is also given funds equal to the State share of the authorization component of the block grant that is appropriated each year. Indians are given 0.36 percent of the appropriated money flowing into the block grant. Funds for the authorization component of the block grant under this section are not to exceed $325 million each year. No funds from the block grant can be used to pay for foster care or adoption maintenance payments.

The term ''child protection amount'' means: $240 million for fiscal year 1997; $255 million for fiscal year 1998; $262 million for fiscal year 1999; $270 million for fiscal year 2000; $278 million for fiscal year 2001; $286 million for fiscal year 2002.

The term ''State share'' means the qualified child protection expenses of a State divided by the sum of the qualified child protection expenses of all of the States. The term ''qualified State expenditure'' means Federal grants to the State under the Child Welfare Services Grant and the Family Preservation and Support Services Grant in fiscal year 1994 or the average of 1992-94, whichever is greater. In determining amounts for fiscal years 1992 through 1994, the Secretary shall use information listed as actual amounts in the Justification for Estimates for Appropriation Committees of the Administration for Children and Families for fiscal years 1994 through 1996.

A State to which funds are paid under this section may use the money in any manner the State deems appropriate to accomplish the purposes of this part, but the funds must be expended not later than the end of the immediately succeeding fiscal year.

For-profit, foster care facilities are eligible to receive funds from the block grant.

Under the terms and conditions of the block grant, States are subject to several penalties:

(1) *For misuse of funds.* If an audit determines that any amounts provided to a State have been spent in violation of this part, the Secretary must reduce the grant otherwise payable for the next fiscal year by the amount of the misspent funds, plus 5 percent of the grant;

(2) *For failure to maintain effort.* If States fail to maintain State spending equal to State expenditures under Part B of Title IV in fiscal year 1994, the Secretary must reduce the grant payable under this section by an amount equal to the previous year's shortfall in maintenance of effort. A penalty of 5 percent of the State grant must also be imposed. States must maintain 100 percent of prior effort in fiscal years 1997 and 1998; and 75 percent in fiscal years 1999 through 2002;

(3) *For failure to submit report.* If the Secretary determines that the State has not submitted mandatory adoption and foster care data reports within 6 months of the end of the fiscal year, the Secretary must reduce by 3 percent the amount of the State's block grant. If the report is submitted before the end of the immediately succeeding fiscal year, the Secretary shall rescind the penalty.

Except in the case of failure to maintain effort, the Secretary may not impose a penalty if the determination is made that the State has reasonable cause for failing to comply with the requirement. Further, a State must be informed before any penalty is imposed and be given an opportunity to enter into a corrective compliance plan. The provision includes a series of deadlines for submission of such corrective compliance plans and review by the Federal government. No quarterly payment can be reduced by more than 25 percent; penalty amounts above 25 percent must be carried forward to subsequent quarters.

Each territory is entitled to receive from the Secretary for any fiscal year an amount equal to the total obligations due to the territory under the Social Security Act for fiscal year 1995.

Except as expressly provided in this Act, the Secretary may not regulate the conduct of States under this part or enforce any provision of this Act.

Senate amendment

The amendment does not change current law, except that it would amend the definition of ''child care institution'' to include for-profit providers (see item 6).

Conference agreement

The conference agreement follows the Senate amendment.

4. DATA COLLECTION AND REPORTING

Present law

In 1986, Congress established the National Advisory Committee on Adoption and Foster Care Information to assist HHS in designing a new comprehensive nationwide data collection system with full system implementation expected to be completed by October 1991. However, final regulations were not issued until December 1993 with the first transmission of data due May 1995. All States are now participating in the Adoption and Foster Care Analysis and Reporting System (AFCARS). HHS is currently analyzing the first datasets transmitted from the States. The final rules require semi-annual reporting on all children in foster care. The data collection is child and case specific and is intended to yield a semi-annual snapshot of child welfare trends. It is also intended to yield information that will enable policymakers to ''track'' children in care and find out the reasons why children enter foster care, how long children stay in foster care, and what happens to children while in foster care as well as after they leave foster care.

In 1993, Congress authorized enhanced funding of 75 percent for both the AFCARS system and for several additional functions not originally envisioned as part of AFCARS capability. These new functions included electronic data exchange within the State, automated data collection on all children in foster care, collection and management of information necessary to facilitate delivery of child welfare services and to determine eligibility for such services, case management, case plan development and monitoring, and information security. Enhanced funding of 75 percent for this second data system, which HHS calls the Statewide Automated Child Welfare Information System (SACWIS), expires on October 1, 1996.

House bill

The House provision leaves unaltered the current State data reporting system on child protection. The enhanced funding rate of 75 percent for the Statewide Automated Child Welfare Information System (SACWIS) is extended for 1 additional year, through fiscal year 1997.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

5. FUNDING FOR STUDIES OF CHILD WELFARE

Present law

Sec. 426 authorizes discretionary funding for child welfare research and demonstration projects. No funds were appropriated in 1996.

House bill

The Secretary is entitled to receive, for each of fiscal years 1996 through 2002, $6 million to conduct a national study based on random samples of children who are at risk of child abuse or neglect, and $10 million for other research.

Senate amendment

The amendment does not change current law.

Conference agreement

The conference agreement follows the House bill. The conferees recommend that the Secretary, in conducting the random sample study, require that the study have a longitudinal component and yield data that is reliable at the State level for as many States as she determines is feasible. The conferees also recommend that the Secretary carefully consider selecting the sample from cases of confirmed abuse or neglect and follow each case for several years while obtaining information on, among other things, the type of abuse or neglect involved, the frequency of contact with State or local agencies, whether the child involved has been separated from the family, and, if so, under what circumstances, the number, type, and characteristics of out-of-home placements of the child, and the average duration of each placement.

6. DEFINITIONS

Present law

The term ''child care institution'' means a licensed nonprofit private or public facility which accommodates no more than 25 children. The term does not apply to detention facilities, forestry camps, training schools, or centers for delinquent children.

House bill

Same as present law, except the word ''nonprofit'' is deleted.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

7. CONFORMING AMENDMENTS

Present law

House bill

This section makes a series of technical and conforming amendments to the Social Security Act and the Omnibus Budget Reconciliation Act of 1986.

Senate amendment

The amendment redesignates section 1123 (42 U.S.C. 1320a–1a) the second place it appears as section 1123A.

Conference agreement

The conference agreement follows the Senate amendment.

Chapter 2—Foster Care, Adoption Assistance, and Independent Living Programs

8. CHANGES IN TITLE IV–E OF THE SOCIAL SECURITY ACT

Present law

Title IV–E Foster Care and Title IV–E Adoption Assistance are intended to help States finance foster care and adoption assistance maintenance payments, administration, child placement services, and training related to foster care and adoption assistance.

The purpose of the Title IV–E Independent Living Program is to help older foster children make the transition to independent living.

House bill

The most notable feature of House action on Title IV–E is that all the entitlement programs remain intact. In addition, the House retains the provision of current law that guarantees Medicaid coverage for children who receive maintenance payments from either the foster care or adoption programs. On the other hand, the House provision does change current law in three ways.

First, the current law guarantee of eligibility for foster care and adoption maintenance payments for children eligible for the Aid to Families with Dependent Children (AFDC) program was disrupted because the AFDC statute was completely rewritten to give States the authority to establish their own welfare programs. To ensure that the eligibility of poor children for maintenance payments continues, the House provision guarantees eligibility for all children from families that would have been eligible for the AFDC program as it existed in each State on the day before enactment of this legislation.

Second, the House provision allows States to use private for-profit foster care facilities. The House believes that States should be allowed to use private child care organizations because they are fully capable of providing quality services. States are responsible for ensuring that children are in safe and reliable care whether it is provided by public or private entities. The House can see no reason to automatically refuse participation by an entire sector of the child caring community.

Third, the House provided enhanced funding for the Statewide Automated Child Welfare Information System (SACWIS) because automation is a vital part of providing quality child protection services. The House has investigated progress by the States in creating SACWIS and has found that several States are now ready to begin actual implementation and that as many as half the States can be expected to have operational systems by next year if funding remains available. Thus, the House is extending the enhanced funding rate of 75 percent to encourage States to invest money in these important systems.

Senate amendment

The amendment amends Title IV–E to include for-profit providers in the definition of ''child care institutions'' (see item 6). The provision also amends Title IV–E to require that the State plan for foster care and adoption assistance provide for the protection of the rights of families, using adult relatives as the preferred placement for children separated from their parents where such relatives meet the relevant State child protection standards.

Conference agreement

The conference agreement follows the Senate amendment with a modification to delete the proposed amendment dealing with adult relative preference.

Chapter 3—Miscellaneous

9. SECRETARIAL SUBMISSION OF LEGISLATIVE PROPOSAL FOR TECHNICAL AND CONFORMING AMENDMENTS

Present law

No provision.

House bill

Not later than 90 days after the date of enactment, the Secretary of Health and Human Services must submit to Congress a legislative proposal providing for technical and conforming amendments required by the changes made in this subtitle of the proposal.

Senate amendment

No provision.

Conference agreement

The conference agreement follows the Senate amendment.

10. SENSE OF THE CONGRESS REGARDING TIMELY ADOPTION OF CHILDREN

Present law

No provision.

House bill

This section expresses the sense of Congress that too many adoptable children are spending too much time in foster care, that States must take steps to increase the number of children who are adopted in a timely manner, and that States could achieve savings if they offered incentives for the adoption of special needs children, among other provisions.

Senate amendment

No provision.

Conference agreement

The conference agreement follows the Senate amendment.

11. EFFECTIVE DATE; TRANSITION RULES

Present law

No provision.

House bill

The changes made in this subtitle will be effective on or after October 1, 1996. Provisions that authorize and appropriate funds in fiscal year 1996 for research and court improvements, and certain technical and conforming amendments are effective upon enactment. The proposal establishes transition rules for pending claims, actions and proceedings, and closing out accounts for programs that are terminated or substantially modified.

Senate amendment

No provision.

Conference agreement

The conference agreement follows the Senate amendment.

Subtitle B—Child and Family Services Block Grant

Present law

No provision.

House bill

The block grant and associated activities under Subtitle B are under the jurisdiction of the Economic and Educational Opportunities Committee in the House and the Labor and Human Resources Committee in the Senate. The Child and Family Services Block Grant created by Subtitle B consolidates the following programs into a single block grant: The Child Abuse Prevention and Treatment Act, the Abandoned Infants Assistance Act, adoption opportunities under the Child Abuse Prevention and Treatment and Adoption Reform Act, the family support centers under the McKinney Homeless Assistance Act, and the Temporary Child Care and Crisis Nurseries Act. The Child and Family Services Block Grant has the same State plan and certification requirements as the Child Protection Block Grant created by Subtitle A. The two Block Grants also have the same data collection and reporting requirements for child abuse incidence data and for the implementation of foster care and adoption tracking systems. The Child and Family Services Block Grant is authorized at $230 million for fiscal year 1996 and ''such sums as may be necessary'' are authorized for fiscal year 1997 through fiscal year 2002. Title II of the Child and Family Services Block Grant provides that funds be available for research, demonstrations, training and technical assistance to better protect children from maltreatment. Funds under this block grant also will establish a National Clearinghouse for Information Relating to Child Abuse, provide demonstration grants for the development of innovative programs, provide technical assistance to States to assist with child abuse investigation and the termination of parental rights proceedings, and provide training for professionals in related fields. For these Title II activities, 12 percent of the $230 million provided for this Block Grant is authorized of which 40 percent must be available for demonstration projects. The Missing Children's Assistance Act and the Victims of Child Abuse Act of 1990 are both reauthorized.

Senate amendment

No provision.

Conference agreement

The conference agreement follows the Senate amendment.

TITLE VI: CHILD CARE

1. SHORT TITLE AND REFERENCES

Present law

No provision.

House bill

Short Title: Child Care and Development Block Grant Amendments of 1996. Unless otherwise specified, references should be considered as made to the Child Care and Development Block Grant Act of 1990.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

2. GOALS

Present law

No provision.

House bill

This section establishes the following goals for the Child Care and Development Block Grant:

(1) to allow each State maximum flexibility in developing child care programs and policies that best suit the needs of children and parents within the State;

(2) to promote parental choice in making decisions on the child care that best suits their family's needs;

(3) to encourage States to provide consumer information to help parents make informed child care choices;

(4) to assist States in providing child care to parents trying to become independent of public assistance; and

(5) to assist States in implementing the health, safety, licensing and registration standards established in State regulations.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

3. AUTHORIZATION OF APPROPRIATIONS AND ENTITLEMENT AUTHORITY

Present law

The authorization of appropriations for the Child Care and Development Block Grant expires at the end of fiscal year 1995. Appropriations in fiscal year 1996 are $935 million. (Sec. 658B of the CCDBG Act)

[Note: In addition to appropriated funds, entitlement funds are available for the Child Care Block Grant under the AFDC Child Care, Transitional Child Care, and At-Risk Child Care programs authorized by Title IV–A of the Social Security Act.]

House bill

Authorization of Appropriations. There are authorized to be appropriated $1,000,000,000

for each of fiscal years 1996 through 2002. (Additional mandatory funding will be provided for child care under the Social Security Act so that a total of $22 billion will be provided for child care over the 7-year period fiscal years 1996–2002.)

Child Care Entitlement. The proposal establishes a single child care block grant and State administrative system by adding mandatory funds to the existing Child Care and Development Block Grant (CCDBG). Specifically, one discretionary and two mandatory streams of funding will be consolidated in a reconstituted CCDBG.

a. State General Entitlement. From the stream of entitlement funding, each State will receive the amount of funds it received for child care under all of the entitlement programs currently under Title IV–A of the Social Security Act (AFDC Child Care, Transitional Child Care, and At-Risk Child Care) in fiscal year 1994, in fiscal year 1995, or the average amount in fiscal years 1992 through 1994, whichever is greater. This source of funds will provide States with approximately $1.2 billion for child care each year between 1997 and 2002.

b. Remainder. The mandatory funds remaining after the allocation to Indians (see below) and the State General Entitlement (see above) will be distributed among the States based on the formula currently used in the Title IV-A At-Risk Child Care Grant. Specifically, funds will be distributed based on the proportion of the number of children under age 13 residing in the State to the number of all of the Nation's children under age 13. States must provide matching funds at the fiscal year 1995 State Medicaid rate to receive these funds and must maintain spending at their fiscal year 1994 or 1995 level, whichever is greater, under the Title IV–A child care programs. The money available to States through this source of funds for fiscal years 1997 through 2002, respectively, will be: $0.76 billion, $0.86 billion, $0.96 billion, $1.16 billion, $1.36 billion, and $1.51 billion.

If a State does not use its full portion of funds, the remaining portion will be redistributed to other States according to section 402(i) of the At-Risk Child Care Grant (as such section was in effect before October 1, 1995). Thus, each State applying for these remaining funds will receive the percentage of funds that equals the percentage of children under age 13 residing in that State of all children under age 13 residing in all the States that apply for funds. The Secretary must determine whether States will use their entire portion of funds no later than the end of the first quarter of the subsequent fiscal year.

c. Appropriation. Total child care funds under this proposal will equal $22 billion for child care over the 7-year period fiscal years 1996–2002, including both the $15 billion in mandatory funds discussed above and $7 billion in discretionary funds. Under current law for the three existing AFDC-related child care programs, $1.1 billion in mandatory funds will be spent in fiscal year 1996. In addition, a total of $13.85 billion in mandatory funds would be authorized for child care in fiscal years 1997–2002, starting at $2.0 billion in fiscal year 1997 and rising to $2.7 billion in fiscal year 2002. Finally, as stated earlier, $1 billion will be authorized annually in discretionary funds for the Child Care and Development Block Grant.

d. Indian Tribes. One percent of all funds under the section are provided to Indian tribes.

Use of Funds. Funds shall only be used to provide child care assistance. Amounts received by a State, based on the amounts received in previous years, shall be available for use by the State without fiscal year limitation. All funds from both mandatory and discretionary sources must be transferred to the lead agency under the Child Care and Development Block Grant and integrated into the State child care programs.

Not less than 70 percent of the total amount of mandatory funds received by the State in a fiscal year must be used to provide child care assistance to families that are receiving assistance under a State program, families that are attempting to transition off public assistance, and families at risk of becoming dependent on public assistance.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and Senate amendment, with a modification. The Secretary shall reserve not less than 1 percent and not more than 2 percent of the total amount appropriated (both mandatory and discretionary) in each fiscal year for payments to Indian tribes and tribal organizations.

4. LEAD AGENCY

Present Law

The Chief Executive Officer of a State is required to designate an appropriate State agency to act as the lead agency in administering financial assistance under the Act. (Sec. 658D of the CCDBG Act)

House bill

The proposal requires States to identify a lead agency to administer all the child care funds received under the Act, including funds received through other ''governmental or nongovernmental'' agencies (instead of other ''State'' agencies). States must ensure that ''sufficient time and statewide distribution of the notice'' be given of the public hearing on the development of the State plan. This section strikes language in current law specifying issues that may be considered during consultation with local governments on development of the State plan.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

5. APPLICATION AND PLAN

Present law

States are required to prepare and submit to the Secretary an application that includes a State plan. The initial plan must cover a 3-year period, and subsequent plans must cover 2-year periods. Required contents of the plan include designation of a lead agency; outline of policies and procedures regarding parental choice of providers, summary of policies that guarantee unlimited parental access, parental complaints, and consumer education; and overview of policies that ensure compliance with State and local regulatory requirements, establishment of and compliance with health and safety requirements, and review of State licensing and regulatory requirements.

In addition, the State plan must provide that all funds will be used for child care services, and that 25 percent of funds will be reserved for activities to improve the quality of child care and to increase the availability of early childhood development and before- and after-school child care. (Sec. 658E of the CCDBG Act)

State plans must also assure that payment rates will be adequate to provide eligible children with equal access to child care as compared with children whose families are not eligible for subsidies, and must assure that the State will establish and periodically revise a sliding fee scale that provides for cost sharing by families that receive child care subsidies.

House bill

The proposal requires the State plan to cover a 2-year period. States must provide a detailed description of procedures to be used to assure parental choice of providers. Instead of ''providing assurances,'' States must ''certify'' that procedures are in effect within the State to ensure unlimited parental access to the families providing care to children and to ensure parental choice of child care provider; the proposal also requires that the State plan provide a detailed description of such procedures. Instead of ''providing assurances,'' a State must ''certify'' that it maintains a record of parental complaints and requires the State to provide a detailed description of how such a record is maintained and made available. The proposal changes the consumer education part of the State plan to require assurances that the State will collect and disseminate consumer education information. States must certify that they have in effect child care licensing requirements and provide a detailed description of the requirements and how they are enforced. This provision does not require that licensing requirements be applied to specific types of child care providers.

States must ''certify'' that procedures are in effect to ensure that child care providers receiving funds under this Act comply with applicable State or local health and safety requirements. The Secretary is required to develop minimum standards for Indian tribes and tribal organizations receiving assistance.

The proposal eliminates review of State licensing and regulatory requirements, notification to the Department of Health and Human Services (HHS) when standards are reduced, and supplementation. The proposal also eliminates the requirement that unlicensed providers be registered. The House decided to retain a current law requirement that all States establish health and safety standards. The House provision does not specify the particular standards that must be established, but all States must have requirements on prevention and control of infectious diseases (including immunizations), building and physical premises safety, and minimum health and safety training.

A summary of the facts relied upon by the State to determine that payment rates are sufficient to ensure equal access to child care must be included in the State plan. Funds must be used for child care services, for activities to improve the quality and availability of such services, and for any other activity that the State deems appropriate to realize the goals specified above. The proposal deletes the current law requirement that States reserve 25 percent of funds for activities to improve the quality of child care and to increase availability of early childhood development and before- and after-school care. States may spend no more than 5 percent on administrative costs.

States must spend a substantial portion of the amounts available to provide child care to low-income working families who are not working their way off welfare or are at risk of becoming welfare dependent. However, States first must comply with requirement that at least 70 percent of mandatory funds must be used for welfare or at-risk families. States must demonstrate how they will meet the child care needs of welfare and at-risk families.

Senate amendment

Same, except the Senate maintains current law (which requires States to ''provide assurances'' that child care providers receiving funds under this Act comply with applicable State or local health and safety requirements).

Conference agreement

The conference agreement follows the House bill with a modification. The provision requires States to ''certify'' that health and safety requirements are in effect within a State applicable to child care providers.

Nothing in the legislation either prohibits or requires States to differentiate between federally subsidized child care and nonsubsidized child care regarding the application of specific standards and regulations. The cap of 5 percent on administrative costs is included in both the House and Senate passed bills. To help States implement this provision, the Department of Health and Human Services should issue regulations, in a timely manner and prior to the deadline for submission of State plans, that define and determine true administrative costs, as distinct from expenditures for services. Eligibility determination and redetermination, preparation and participation in judicial hearings, child care placement, the recruitment, licensing, inspection, reviews and supervision of child care placements, rate setting, resource and referral services, training, and the establishment and maintenance of computerized child care information are an integral part of service delivery and should not be considered administrative costs.

6. ACTIVITIES TO IMPROVE THE QUALITY OF CHILD CARE

Present law

As stated above, 25 percent of State allotments must be reserved for activities to improve child care quality and to increase the availability of early childhood development and before- and after-school child care. Section 658G specifies how these funds are to be used. Of reserved funds, States are required to use no less than 20 percent for improving the quality of care, including resource and referral programs, making grants or loans to assist providers in meeting State and local standards, monitoring of compliance with licensing and regulatory requirements, training of child care personnel, and improving compensation for child care personnel. (Sec. 658G of the CCDBG Act).

House bill

A State that receives child care funds must use at least 4 percent of all funds received (both mandatory and discretionary) for activities designed to provide comprehensive consumer education to parents and the public, for activities that increase parental choice, and for activities designed to improve the quality and availability of child care.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

7. REPEAL OF EARLY CHILDHOOD DEVELOPMENT AND BEFORE- AND AFTER-SCHOOL CARE REQUIREMENT

Present law

States are required to use no less than 75 percent of funds reserved for quality improvement for activities to expand and conduct early childhood development programs and before- and after-school child care. (Sec. 658H of the CCDBG Act)

House bill

The set-aside for early childhood development programs and before- and after-school care is repealed.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

8. ADMINISTRATION AND ENFORCEMENT

Present law

The Secretary of Health and Human Services (HHS) is required to coordinate HHS and other Federal child care agencies, to collect and publish a list of State child care standards every 3 years, and to provide technical assistance to States. The Secretary must also review, monitor, and enforce compliance with the Act and the State plan by withholding payments and imposing additional sanctions in certain cases. (Sec. 658I of the CCDBG Act)

House bill

This section strikes the current law requirement that the Secretary withhold further payments to a State in case of a finding of noncompliance until the noncompliance is corrected. Instead, the Secretary is authorized, in such cases, to require that the State reimburse the Secretary for any improperly spent funds, or the Secretary may deduct from the administrative portion of the State's subsequent allotment an amount equal to or less than the misspent funds, or a combination of such options.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

9. PAYMENTS

Present law

Payments received by a State for a fiscal year may be expended in that fiscal year or in the succeeding 3 fiscal years. (Sec. 658J of the CCDBG Act)

House bill

The bill replaces the word ''expended'' with ''obligated''. However, the bill contains a drafting error. A provision that would have struck ''3 fiscal years'' and inserted ''fiscal year'' was inadvertently dropped.

Senate amendment

The Senate amendment contains the same drafting error.

Conference agreement

The conference agreement corrects a previous drafting error by striking ''3 fiscal years'' and inserting ''fiscal year''.

10. ANNUAL REPORT AND AUDITS

Present law

States must prepare and submit to the Secretary every year a report specifying how funds are used; presenting data on the manner in which the child care needs of families in the State are being fulfilled, including information on the number of children served, child care programs in the State, compensation provided to child care staff, and activities to encourage public-private partnerships in child care; describing the extent to which affordability and availability of child care has increased; summarizing findings from a review of State licensing and regulatory requirements, if applicable; explaining any action taken by the State to reduce standards, if applicable; and describing standards and health and safety requirements applied to child care providers in the State, including a description of efforts to improve the quality of child care. (Sec. 658K of the CCDBG Act)

House bill

The title of the section is changed from ''Annual Report and Audits'' to ''Reports and Audits.'' States must collect on a monthly basis, and report to HHS on a quarterly basis, the following information on each family receiving assistance:

(1) family income;

(2) county of residence;

(3) the gender, race, age of children receiving benefits;

(4) whether the family includes only one parent;

(5) the sources of family income, including:

(a) the amount obtained from employment, including self-employment;

(b) cash assistance or other assistance under Part A;

(c) housing assistance;

(d) food stamps; and

(e) other public assistance;

(6) the number of months the family has received benefits;

(7) the type of care in which the child was enrolled (family day care, center, own home);

(8) whether the provider was a relative;

(9) the cost of care; and

(10) the average hours per week of care.

Twice each year, the State must submit the following aggregate data to HHS:

(1) the number of providers separately identified in accord with each type of provider that received funding under this subchapter;

(2) the monthly cost of child care services and the portion of such cost paid with assistance from this Act by type of care;

(3) the number of payments by the State in vouchers, contracts, cash, and disregards from public benefit programs by type of care;

(4) the manner in which consumer education information was provided and the number of parents who received it; and

(5) total number (unduplicated) of children and families served.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

11. REPORT BY THE SECRETARY

Present law

The Secretary is required to prepare and submit an annual report, summarizing and analyzing information provided by States, to the House Education and Labor Committee and the Senate Labor and Human Resources Committee. This report must contain an assessment and, where appropriate, recommendations to Congress regarding efforts that should be taken to improve access of the public to quality and affordable child care. (Sec. 658L of the CCDBG Act)

House bill

The Secretary must prepare and submit biennial reports, rather than annual reports, with the first report due no later than July 31, 1997; the reference to the House Education and Labor Committee is replaced with the House Economic and Educational Opportunities Committee.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

12. ALLOTMENTS

Present law

The Secretary must reserve one-half of 1 percent of appropriations for payment to Guam, American Samoa, the Virgin Islands, the Northern Marianas, and the Trust Territory of the Pacific Islands. The Secretary also must reserve no more than 3 percent for payment to Indian tribes and tribal organizations with approved applications. Remaining funds are allocated to the States based on the States' proportion of children under age 5 and the number of children receiving free or reduced-price school lunches, as well as the States' per capita income. Any portion of a State's reallotment that the Secretary determines is not needed by the State to carry out its plan for the allotment period

must be reallotted by the Secretary to the other States in the same proportion as the original allotments. (Sec. 658O of the CCDBG Act)

House bill

Set-asides for the Territories, Indian tribes, and tribal organizations are maintained, except that the Trust Territory of the Pacific Islands is deleted from the set-aside for Territories. Indian tribes are provided with a 1 percent set-aside of all funds, both entitlement and appropriated, authorized by this section each year. Under some circumstances, and with approval from the Secretary, Indian tribes are authorized to use a portion of their funds for renovation and construction of child care facilities. Within the overall block grant for social programs provided to the territories, each territory is authorized to spend whatever portion they choose of their capped amount on child care (for additional details see item 79 of Title I). Allotments to States were described in item 3 above.

Senate amendment

Same as the House bill except the Indian tribes are provided with a 3-percent set-aside for child care.

Conference agreement

The conference agreement follows the House bill with a modification. The Secretary shall reserve not less that 1 percent and not more than 2 percent of the total amount appropriated (both mandatory and discretionary) in each fiscal year for payments to Indian tribes and tribal organizations.

13. DEFINITIONS

Present law

The following terms are defined: caregiver, child care certificate, elementary school, eligible child, eligible child care provider, family child care provider, Indian tribe, lead agency, parent, secondary school, Secretary, sliding fee scale, State, and tribal organization. (Sec. 658P of the CCDBG Act)

House bill

Child care deposits are added as an allowable use of a child care certificate. The definition of ''eligible child'' is revised to one whose family income does not exceed 85 percent of the State median, instead of 75 percent. The definition of ''relative child care provider'' is revised by adding great grandchild and sibling (if the provider lives in a separate residence) to the list of eligible relative providers and the requirement that relatives providing care be registered is struck. Relative providers are required to comply with any applicable requirements governing child care provided by a relative, rather than State requirements. The definition for elementary and secondary school is eliminated. The Trust Territory of the Pacific Islands is dropped from the definition of ''State.'' Native Hawaiian Organization is added to the definition of ''tribal organization.''

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

14. REPEALS

Present law

No provision.

House bill

The proposal repeals the following programs: (1) Child Development Associate (CDA) Scholarship Assistance; (2) State Dependent Care Development Grants; (3) Programs of National Significance under Title X of the Elementary and Secondary Education Assistance Act of 1965 (child care related to Cultural Partnerships for At-Risk Children and Youth, and Urban and Rural Education Assistance); and (4) Native-Hawaiian Family-Based Education Centers.

[Note.—Title I of the proposal also repeals child care assistance provided under current law by Title IV–A of the Social Security Act. This assistance is provided under three programs known as AFDC Child Care, Transitional Child Care, and At-Risk Child Care. Thus, the total number of child care programs merged into the Child Care and Development Block Grant is seven.]

Senate amendment

The Senate amendment does not repeal the following programs: (1) Child Development Associate (CDA) Scholarship Assistance; (2) State Dependent Care Development Grants; (3) Programs of National Significance under Title X of the Elementary and Secondary education Assistance Act of 1965; and (4) Native Hawaiian Family-Based Education Centers.

Conference agreement

The conference agreement follows the Senate amendment.

15. EFFECTIVE DATE

Present law

No provision.

House bill

This title and the amendments made by this title take effect on October 1, 1996; the authorization of appropriations and entitlement authority under section 8103(a) take effect on the date of enactment.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

TITLE VII: CHILD NUTRITION PROGRAMS

Subtitle A—National School Lunch Act

1. STATE DISBURSEMENT TO SCHOOLS

Present law

State Agency Authority. The provision of law requiring that agreements between State education agencies and schools be permanent may not be ''construed'' as limiting the ability of State agencies to suspend or terminate agreements in accordance with the Secretary's regulations. [Sec. 8 of the NSLA]

Technical Amendments. ''Child'' for purposes of the NSLA is defined to include individuals, regardless of age, who are (a) determined to have 1 or more disabilities and (b) attending an institution for the purpose of participating in a program for individuals with mental or physical disabilities. [Sec. 8 of the NSLA]

House bill

State Agency Authority. Clarifies State education agencies' authority to terminate or suspend agreements with schools participating in school meal programs. [Sec. 3401]

Technical Amendments. Makes a technical amendment placing this definition of child in the section of the NSLA containing other general definitions. [Sec. 3401]

[Note.—Sec. 3401 also makes conforming amendments to cross-references in sec. 8 of the NSLA.]

Senate amendment

State Agency Authority. Same provision. [Sec. 1201]

Technical Amendments. Same provision with technical differences. [Sec. 1201]

Conference agreement

The conference agreement adopts the provisions that are common to both bills regarding State Agency Authority and adopts the Senate provision on Technical Amendments. [Sec. 701]

2. NUTRITIONAL AND OTHER PROGRAM REQUIREMENTS

Present law

Lowfat Cheese Purchases. Each calendar year, the Secretary is required to purchase specific amounts of lowfat cheese on a bid basis. [Sec. 9(a)(2) of the NSLA]

Food Waste Procedures. The Secretary is required to establish administrative procedures designed to diminish food waste in schools. [Sec. 9(a)(3) of the NSLA]

Announcing Guidelines. Each school year, State education agencies and schools are required to announce income eligibility guidelines to be used for free and reduced price lunches. [Sec. 9(b)(2) of the NSLA]

Commodities. Schools in the school lunch program are required to use, as far as practicable, commodities designated by the Secretary as being in ''abundance.''

The Secretary is authorized to prescribe terms and conditions under which donated commodities will be used in schools and other participating institutions. [Sec. 9(c) of the NSLA]

Nutrition Information/Requirements. By the first day of the 1996–1997 school year, the Secretary, State education agencies, schools, and school food service authorities are required, to the maximum extent practicable, to inform students and parents of the nutrition content of school meals and their consistency with the most recent Dietary Guidelines for Americans. [Sec. 9(f)(1) of the NSLA]

Unless a waiver is granted by a State education agency, schools must serve meals that are consistent with the Dietary Guidelines for Americans (using the weekly average nutrient content of the meals) by the beginning of the 1996–1997 school year. [Sec. 9(f)(2) of the NSLA]

Use of Resources. State education agencies may use resources provided under the nutrition education and training program for training aimed at improving the quality and acceptance of school meals. [Sec. 9(h) of the NSLA]

House bill

Lowfat Cheese Purchases. Deletes the lowfat cheese purchase requirement. [Sec. 3402(a)]

Food Waste Procedures. Deletes the requirement for the Secretary to establish procedures to diminish food waste. [Sec. 3402(a)]

Announcing Guidelines. Deletes the requirements to annually announce income eligibility guidelines. [Sec. 3402(b)]

Commodities. Deletes the requirement to use foods designated as abundant.

Deletes the authority for the Secretary to prescribe terms and conditions for the use of commodities. [Sec. 3402(c)]

Technical/Conforming Changes. Makes a technical/conforming amendment consistent with the elimination of the requirement to announce guidelines. Makes a technical/conforming amendment to delete a provision dealing with discrimination against and identification of children receiving free or reduced price lunches found elsewhere in the law. [Sec. 3402(b) & (d)]

Nutrition Information/Requirements. Deletes the requirement to inform students and parents about the nutrition content of meals and their consistency with the Dietary Guidelines. [Sec. 3402(e)]

Replaces the existing requirement to serve meals consistent with the Dietary Guidelines. Unless a waiver is granted by a State education agency, schools must serve meals that are consistent with the Dietary Guidelines by the beginning of the 1996–1997 school year. The meals must provide, on average over each week, at least one-third of the National Academy of Sciences' daily recommended dietary allowances (in the case of

lunches) or one-quarter of the allowances (in the case of breakfasts). [Sec. 3402(e)]

Use of Resources. Deletes the authority to use nutrition education and training funding for improving school meals (this authority is provided elsewhere in law). [Sec. 3402(f)]

Senate amendment

Lowfat Cheese Purchases. Same provision. [Sec. 1202(a) & (c)]

Food Waste Procedures. Same provision. [Sec. 1202(a)]

Announcing Guidelines. No provision.

Commodities. Same provisions. [Sec. 1202(b)]

Technical/Conforming Changes. No provisions.

Nutrition Information/Requirements. Same provision. [Sec. 1202(d)]

Use of Resources. Same provision. [Sec. 1201(e)]

Conference agreement

The conference agreement adopts the provisions that are common to both bills. With respect to Announcing Guidelines, the conference agreement adopts the Senate provision. [Sec.702]

3. FREE AND REDUCED PRICE POLICY STATEMENT

Present law

No provision.

House bill

Provides that schools may not be required to submit free and reduced price ''policy statements'' to State education agencies unless there is a substantive change in the free and reduced price policy of the school. Routine changes (e.g., adjusting income eligibility standards) are not sufficient cause for requiring a school to submit a policy statement. [Sec. 3403]

Senate amendment

Same provisions with a technical difference clarifying that school food authorities, rather than schools, are the entities that may not be required to submit a policy statement. [Sec. 1203]

Conference agreement

The conference agreement adopts the Senate provisions. [Sec.703]

4. SPECIAL ASSISTANCE

Present law

''Provision 2.'' Schools electing to serve all children free meals for 3 successive years may be paid special assistance payments for free and reduced price meals based on the number of meals served free or at a reduced price in the first year (''provision 2''). Schools electing this option as of November 1994 may receive a 2-year extension from the State if it determines that the income level of the school's population has remained stable. Schools receiving a 2-year extension may receive subsequent 5-year extensions (except that the Secretary may require that applications be taken at the beginning of any 5-year period). [Sec. 11(a)(1) of the NSLA]

Terms and Conditions. The terms and conditions governing the operation of the school lunch program (set forth in other sections of the NSLA, except for matching requirements) apply to special assistance under the school lunch program, to the extent they are not inconsistent with the express requirements of the section governing special assistance. [Sec. 11(d) of the NSLA]

Monthly Reports. State education agencies must report each month the average number of children receiving free and reduced price lunches during the immediately preceding month. [Sec. 11(e)(2) of the NSLA]

House bill

''Provision 2.'' Allows all ''provision 2'' schools to qualify for extensions. [Sec. 3404(a)]

Terms and Conditions. Deletes ''terms and conditions'' requirements. [Sec. 3404(b)]

Monthly Reports. Removes the requirement for monthly reports and replaces it with a provision to report this information at the Secretary's request. [Sec. 3404(b)]

Senate amendment

''Provision 2.'' Same provision. [Sec. 1204(a)]

Terms and Conditions. Same provision. [Sec. 1204(b)]

Monthly Reports. Same provision. [Sec. 1204(b)]

Conference agreement

The conference agreement adopts the provisions that are common to both bills. [Sec.704]

5. MISCELLANEOUS PROVISIONS AND DEFINITIONS

Present law

Accounts and Records. States, State education agencies, and schools must make accounts and records available for inspection and audit by the Secretary ''at all times.'' [Sec. 12(a) of the NSLA]

Restrictions on Requirements. Neither the Secretary nor States may impose any requirement with respect to teaching personnel, curriculum, and instruction in any school when carrying out the provisions of the NSLA. [Sec. 12(c) of the NSLA]

Definitions. ''State'' is defined to include the Trust Territory of the Pacific Islands. [Sec. 12(d)(1) of the NSLA]

''Participation rate'' is defined as the number of lunches served in the second prior fiscal year. [Sec. 12(d)(3) of the NSLA]

''Assistance need rate'' is defined as a rate relative to States' annual per capita income. [Sec. 12(d)(4) of the NSLA]

The Secretary is permitted to adjust reimbursement rates for Alaska, Hawaii, and outlying areas (including the Trust Territory of the Pacific Islands). [Sec. 12(f) of the NSLA]

Expedited Rulemaking. The Secretary is required to issue proposed regulations on food-based menu systems prior to the publication of final regulations for compliance with the Dietary Guidelines for Americans and must hold public meetings on the proposed regulations. Final regulations must reflect public comments. [Sec. 12(k) of the NSLA]

Waivers. The Secretary may waive any Federal requirements if the requesting State or service provider demonstrates, to the Secretary's satisfaction, that the waiver will not increase the overall Federal cost of the program and, if it does increase costs, they will be paid from non-Federal funds.

Waiver applications must describe ''management goals'' to be achieved, a timetable for implementation, and the process to be used for monitoring progress in implementing the waiver (including cost implications).

The Secretary must state in writing the expected outcome of any approved waivers.

The results of the Secretary's decision on any waiver must be disseminated through ''normal means of communication.''

Waivers may not exceed 3 years (unless extended by the Secretary).

Waivers may not be granted with respect to ''offer versus serve'' rules.

Service providers must annually submit reports describing the use of their waivers and evaluating how the waiver contributed to improved services. States must annually submit a summary of providers' reports to the Secretary. The Secretary must annually submit reports to Congress summarizing the use of waivers and describing whether waivers resulted in improved services, the impact of waivers on the provision of nutritional meals, and how waivers reduced paperwork. [Sec. 12(l) of the NSLA]

Food and Nutrition Programs. The Secretary is required to award grants to private nonprofit organizations or education institutions for ''food and nutrition projects'' that are fully integrated with elementary school curricula. Subject to appropriations, the Secretary must make grants to each of 3 organizations or institutions in amounts between $100,000 and $200,000 for each of fiscal years 1995 through 1998. [Sec. 12(m) of the NSLA]

Simplified Administration of School Meal and Other Nutrition Programs. No provisions in current law; therefore, no citizenship or immigration status tests apply to programs under the NSLA or CNA, or to commodity assistance programs.

House bill

Accounts and Records. Revises the requirement to make accounts and records available at all times to a requirement that they be available at ''any reasonable time.'' [Sec. 3405(a)]

Restrictions on Requirements. Removes the prohibition on States imposing personnel, curriculum, and instruction requirements. [Sec. 3405(b)]

Definitions. Replaces ''Trust Territory of the Pacific Islands'' with ''Commonwealth of the Northern Mariana Islands.''

Deletes the out-of-date definition of participation rate.

Deletes the out-of-date definition of assistance need rate.

Replaces the reference to the Trust Territory of the Pacific Islands with a reference to the ''Commonwealth of the Northern Mariana Islands.'' [Sec. 3405(c) & (d)]

Expedited Rulemaking. Deletes the noted out-of-date requirements for regulations. [Sec. 3405(e)]

Waivers. Adds a bar against the Secretary granting any waiver that increases Federal costs.

Deletes the noted waiver requirements in present law.

Deletes the noted outcome requirement in present law.

Deletes the noted dissemination requirement in present law.

Deletes the noted time limit requirement in present law.

Deletes the noted offer versus serve prohibition in present law.

Deletes requirements for waiver reports by service providers and States, but not the Secretary's. [Sec. 3405(f)]

Food and Nutrition Programs. Deletes authority for food and nutrition project grants. [Sec. 3405(g)]

Simplified Administration of School Meal and Other Nutrition Programs. No provisions in the child nutrition provisions of the bill. However, other provisions of the bill would bar the eligibility of illegal aliens for programs under the NSLA and the CNA.

Senate amendment

Accounts and Records. Same provision. [Sec. 1205(a)]

Restrictions on Requirements. Same provision. [Sec. 1205(b)]

Definitions. Same provisions. [Sec. 1205(c) & (d)]

Expedited Rulemaking. Same provision. [Sec. 1205(e)]

Waivers. Same provisions. [Sec. 1205(f)]

Food and Nutrition Programs. No provision.

Simplified Administration of School Meal and Other Nutrition Programs. Notwithstanding any other provision of law, no assistance or benefits provided under the NSLA or CNA or commodity assistance programs may be contingent on citizenship or immigration status. [Sec. 1205(g)]

Conference agreement

The conference agreement adopts the provisions that are common to both bills. [Sec.

705] The conference agreement also adopts the Senate provision on Food and Nutrition Projects, and adopts the House provision on Simplified Administration of School Meal and Other Nutrition Programs with an amendment stating that individuals who are ineligible for free public education benefits under State or local law are also ineligible for school meal benefits under the National School Lunch Act and the Child Nutrition Act of 1966. The amendment also states that ''nothing in this Act shall prohibit or require a State to provide to an individual who is not a citizen qualified alien, as defined elsewhere in the law, benefits ***'' under programs other than school lunch and breakfast program under the National School Lunch Act and the Child Nutrition Act of 1966, the Commodity Supplemental Food Program, TEFAP and the food distribution program on Indian reservations.[Sec. 742]

6. SUMMER FOOD SERVICE PROGRAM FOR CHILDREN

Present law

Establishment of Program. The Secretary is authorized to carry out a summer food service program to assist States to initiate, maintain, and expand nonprofit food service programs for children. [Sec. 13(a) of the NSLA]

Service Institutions: Payments. Payments to summer food service institutions may not exceed specific amounts set by law and indexed for inflation. For the summer of 1996, these rates are: $2.1675 for each lunch/supper, $1.2075 for each breakfast, and 57 cents for each supplement (snack). Rates are adjusted each January to reflect changes (for the 12 months ending the preceding November) in the food away from home component of the CPI–U. Each adjustment is rounded to the nearest quarter cent. [Sec. 13(b)(1) of the NSLA]

Administration of Service Institutions. Payments to summer camps and service institutions that primarily serve migrant children may be made for up to 4 meals/supplements each day. [Sec. 13(b)(2) of the NSLA]

Reimbursements: National Youth Sports Program. Higher education institutions operating under the National Youth Sports Program (NYSP) may receive reimbursements for meals/supplements served in months other than May through September, but for not more than 30 days for each child.

NYSP children and institutions are eligible to participate ''without application.''

NYSP institutions receive reimbursements for breakfasts and supplements equal to the ''severe need'' rate for school breakfasts.

Advance Program Payments. In general, 3 advance payments to summer food service program service institutions are required during any summer program. The second advance payment may not be released to any service institution that has not certified it has held training sessions for its own personnel and site personnel. [Sec. 13(e)(1) of the NSLA]

Food Requirements. The Secretary is required to provide ''additional technical assistance'' to those service institutions and private nonprofit organizations that are having difficulty in maintaining compliance with nutritional requirements.

Service institutions' contracts with food service management companies must require that bacteria levels conform to the standards applied by the local health authority. [Sec. 13(f) of the NSLA]

Permitting ''Offer versus Serve''. The ''offer versus serve'' option is not permitted in the summer food service program.

Food Service Management Companies. In accordance with the Secretary's regulations, service institutions must make positive efforts to use small and minority-owned businesses as sources of supplies and services.

States are required to establish a standard form of contract for use by service institutions and food service management companies. [Sec. 13(l) of the NSLA]

Records. States and service institutions must make accounts and records available for inspection and audit by the Secretary ''at all times.'' [Sec. 13(m) of the NSLA]

Removing Mandatory Notice to Institutions. States' plans must include its plans and schedule for informing service institutions of the availability of the summer food service program. [Sec. 13(n) of the NSLA]

Plan. State plans must include: (1) the State's method of assessing need, (2) the State's best estimate of the number/character of service institutions/sites to be approved, and children and meals to be served, as well as its estimating methods, and (3) a schedule for providing technical assistance and training to service institutions. [Sec. 13(n) of the NSLA]

Monitoring and Training. With the Secretary's assistance, States must establish and implement an ongoing training and technical assistance program for private nonprofit organizations. [Sec. 13(q) of the NSLA]

Expired Program. During fiscal years 1990 and 1991, the Secretary and States must carry out a program to disseminate information to private nonprofit organizations about the amendments made by the Child Nutrition and WIC Reauthorization Act of 1989. [Sec. 13(p) of the NSLA]

House bill

Establishment of Program. Removes the reference to the Secretary's authority to carry out a program to assist States to ''expand'' summer food services. [Sec. 3406(a)]

[Note.—Sec. 3406(a) also makes technical amendments deleting a reference to the Trust Territory of the Pacific Islands and an unnecessary cross-reference in present law.]

Service Institutions: Payments. Establishes new maximum rates for summer food service institutions. They are: $1.82 for each lunch/supper, $1.13 for each breakfast, and 46 cents for each supplement (snack). These new rates, adjusted for inflation, first apply to the summer of 1997. They are adjusted on January 1, 1997, and each January 1 thereafter, to reflect changes (for the 12 months ending the preceding November) in the food away from home component of the CPI–U. Each adjustment is based on unrounded rates for the prior 12-month period, then rounded down to the nearest lower cent increment. [Sec. 3406(b) & (n)]

[Note.—Separate administrative cost reimbursement rates are not changed.]

Administration of Service Institutions. Limits payments to summer camps and institutions serving migrant children to 3 meals, or 2 meals and a supplement, each day. [Sec. 3406(c)]

Reimbursements: National Youth Sports Program. Deletes authority for reimbursements to NYSP institutions for months other than May through September.

Requires that NYSP children be eligible on showing residence in an area of poor economic conditions or on the basis of an income eligibility statement.

Requires that NYSP institutions receive reimbursements for breakfasts and supplements equal to the regular free school breakfast reimbursement rates.

Advance Program Payments. Limits to nonschool providers the prohibition on releasing the second advance payment without having certified training has been held. [Sec. 3406(e)]

Food Requirements. Deletes the requirement for additional technical assistance in present law.

Replaces the requirement that contracts require bacteria levels to conform to standards applied by the local health authority with a requirement that contracts be in conformance with standards set by local health authorities. [Sec. 3406(f)]

Permitting ''Offer versus Serve.'' Adds authority for school food authorities participating as a summer food service institution to permit children attending a site on school premises operated directly by the school food authority to refuse 1 item of a meal without affecting reimbursement for the meal. [Sec. 3406(g)]

Food Service Management Companies. Deletes requirement for positive efforts to use small and minority-owned businesses in present law.

Deletes requirement for a standard form of contract in present law. [Sec. 3406(h)]

Records. Revises the requirement to make accounts and records available at all times to a requirement that they be available at ''any reasonable time.'' [Sec. 3406(i)]

Removing Mandatory Notice to Institutions. Deletes the requirement for a plan/schedule for informing service institutions of the availability of the summer food service program. [Sec. 3406(j)]

Plan. Deletes State plan requirements for a method of assessing need, estimates of service institutions/sites to be approved and children and meals to be served, and a schedule for providing technical assistance/training. [Sec. 3406(k)]

Monitoring and Training. Deletes requirement for ongoing training and technical assistance for private nonprofit organizations. [Sec. 3406(l)]

Expired Program. Deletes out-of-date requirement to disseminate information. [Sec. 3406(m)]

Senate amendment

Establishment of Program. No provision.

Service Institutions: Payments. No provisions.

Administration of Service Institutions. No provision.

Reimbursements: National Youth Sports Program. No provision.

Advance Program Payments. No provision.

Food Requirements. No provision.

Permitting ''Offer versus Serve.'' No provision

Food Service Management Companies. No provision.

Records. No provision.

Removing Mandatory Notice to Institutions. No provision.

Plan. No provision.

Monitoring and Training. No provision.

Expired Program. No provision.

Conference agreement

Establishment of Program. The conference agreement adopts the House provision.

Service Institutions: Payments. The conference agreement adopts the House provisions with an amendment that sets the reimbursement rate for lunches at $1.97.

Administration of Service Institutions. The conference agreement adopts the House provisions.

Reimbursements: National Youth Sports Program. The conference agreement adopts the House provisions with amendments that: delete the provision of present law allowing institutions to participate without application; require that all reimbursements to NYSP institutions be at the regular summer food service program rates; and delete special meal standard and compatibility requirements for NYSP institutions.

Advance Program Payments. The conference agreement adopts the House provisions.

Food Requirements. The conference agreement adopts the House provisions.

Permitting ''Offer versus Serve.'' The conference agreement adopts the House provisions with an amendment allowing school

food authorities to permit the refusal of 1 or more items under rules that the school uses for school meal programs.

Food Service Management Companies. The conference agreement adopts the Senate provisions.

Records. The conference agreement adopts the House provision.

Removing Mandatory Notice to Institutions. The conference agreement adopts the House provision.

Plan. The conference agreement adopts the House provisions.

Monitoring and Training. The conference agreement adopts the House provision.

Expired Program. The conference agreement adopts the House provision. [Sec. 706]

7. COMMODITY DISTRIBUTION

Present law

Cereal and Shortening in Commodity Donations. Cereal and shortening and oil products must be included among products donated to the school lunch program. [Sec. 14(b) of the NSLA]

Impact Study and Purchasing Procedures. By May 1979, the Secretary must report on the effect of changes in commodity procurement established under 1977 amendments to the NSLA.

The Secretary must establish procedures to ensure that purchase contracts are not entered into unless the previous history and current patterns of the contracting party (with respect to compliance with meat inspection and other food wholesomeness standards) are taken into account. [Sec. 14(d) of the NSLA]

Cash Compensation for Pilot Project Schools. The Secretary must provide cash compensation to certain schools participating in a ''cash/CLOC'' pilot project to make up for losses sustained. Compensation is provided to schools applying before the end of 1990. [Sec. 14(g) of the NSLA]

State Advisory Council. State education agencies receiving food assistance must establish an advisory council composed of school representatives. The council advises the agency on schools' needs relating to the manner of selecting and distributing commodities. [Sec. 14(e) of the NSLA]

House bill

Cereal and Shortening in Commodity Donations. Deletes the requirement to include cereal and shortening and oil products in school lunch program donations. [Sec. 3407(a)]

Impact Study and Purchasing Procedures. Deletes out-of-date commodity procurement report requirement.

Deletes requirement for purchase procedures that take into account contractors' compliance with meat inspection/food wholesomeness standards. [Sec. 3407(b)]

Cash Compensation for Pilot Project Schools. Deletes an out-of-date requirement for compensation to certain schools in a pilot project. [Sec. 3407(c)]

State Advisory Council. Deletes the requirement for State commodity assistance advisory councils. [Sec. 3407(d)]

Senate amendment

Cereal and Shortening in Commodity Donations. Same provision. [Sec. 1206(a)]

Impact Study and Purchasing Procedures. No provisions.

Cash Compensation for Pilot Project Schools. Same provision. [Sec. 1206(c)]

State Advisory Council. Provides that any State agency receiving food assistance must establish an advisory council (i.e., deletes the specific reference to State education agencies in present law). [Sec. 1206(b)]

Conference agreement

Cereal and Shortening in Commodity Donations. The conference agreement adopts the provision that is common to both bills.

Impact Study and Purchasing Procedures. The conference agreement adopts the Senate provision.

Cash Compensation for Pilot Project Schools. The conference agreement adopts the provision that is common to both bills.

State Advisory Council. The conference agreement adopts the House provisions, with an amendment to replace the requirement for a formal advisory council with a requirement that State agencies to meet with local school food service personnel when making decisions regarding commodities used in meal programs. [Sec. 707]

8. CHILD CARE FOOD PROGRAM

Present law

Establishment of Program. The Secretary is authorized to carry out a program to assist States to initiate, maintain, and expand nonprofit food service for children in child care institutions. [Sec. 17(a) of the NSLA]

Payments to Sponsor Employees. No provision.

Technical Assistance. If necessary, States must provide technical assistance to institutions submitting incomplete applications to participate. [Sec. 17(d) of the NSLA]

Reimbursement of Child Care Institutions. Day care centers may be provided reimbursement for up to 2 meals and 2 supplements (or 3 meals and 1 supplement) each day for children in a child care setting for 8 or more hours a day. [Sec. 17(f)(2) of the NSLA]

Improved Targeting of Day Care Home Reimbursements: Restructured Day Care Home Reimbursements. Reimbursements for family or group day care homes are specific amounts set by law and indexed for inflation. All homes receive the same reimbursements, and reimbursements are not differentiated by family income of the child receiving a subsidized meal/supplement. For July 1996 through June 1997, these rates are: $1.575 for each lunch/supper, 86.25 cents for each breakfast, and 47 cents for each supplement.

Rates are adjusted each July to reflect changes in the food away from home component of the CPI-U for the most recent 12-month period for which data are available. Each adjustment is rounded to the nearest quarter cent. [Sec. 17(f)(3)(A) of the NSLA]

Improved Targeting of Day Care Home Reimbursements: Grants to States. No provision.

Improved Targeting of Day Care Home Reimbursements: Provision of Data. No provision.

Reimbursement. The Secretary is required to reduce administrative payments to day care home sponsors as of August 1981 so as to achieve a 10 percent reduction in the total level of payments. [Sec. 17(f)(3)(B) of the NSLA]

Funds for administrative expenses may be used by day care home sponsors to conduct outreach and recruitment to unlicensed day care homes so that they may become licensed. [Sec. 17(f)(3)(C) of the NSLA]

States must provide monthly advance payments to approved day care institutions in an amount that reflects the full level of valid claims customarily received (or the State's best estimate in the case of newly participating institutions). [Sec. 17(f)(4)]

Nutritional Requirements. Meals served under the child and adult care food program must be ''served free to needy children.''

The Secretary is required to provide ''additional technical assistance'' to institutions and day care home sponsors that are having difficulty maintaining compliance with nutrition requirements. [Sec. 17(g)(1) of the NSLA]

Elimination of State Paperwork/Outreach Burden. States must take affirmative action to expand availability of the child and adult care food program benefits, including annual notification of all nonparticipating day care home providers. The Secretary must conduct demonstration projects to test approaches to removing or reducing barriers to participation by homes that operate in low-income areas or primarily serve low-income children. The Secretary and States must provide training and technical assistance to assist day care home sponsors in reaching low-income children. The Secretary must instruct States to provide information and training about child health and development through day care home sponsors. [Sec. 17(k) of the NSLA]

Records. States and institutions must make accounts and records available for inspection and audit by the Secretary and others ''at all times.'' [Sec. 17(m) of the NSLA]

Modification of Adult Care Food Program. Nonresidential adult day care centers (including group living arrangements) serving chronically impaired disabled adults or persons 60 years of age or older are eligible institutions under the child and adult care food program. Reimbursements are provided for meals served to chronically disabled adults and those 60 or older in these centers. [Sec. 17(o) of the NSLA]

Unneeded Provision. The Secretary is required to provide State child and adult care food service agencies with basic information about the WIC program. State agencies must provide child care institutions with specific materials about the WIC program, annually update the materials, and ensure that at least once a year the institutions provide specific written information to parents about the WIC program. [Sec. 17(q) of the NSLA]

Effective Date. No provision.

Study. No provision.

House bill

Establishment of Program. Removes the reference to the Secretary's authority to carry out a program to assist States to ''expand'' child care food services. [Sec. 3408(a)]

Payments to Sponsor Employees. Prohibits payments to day care home sponsors that base payments to employees on the number of homes recruited. [Sec. 3408 (b)]

Technical Assistance. Deletes the requirement to provide technical assistance in cases of incomplete applications. [Sec. 3408(c)]

Reimbursement of Child Care Institutions. Removes authority for reimbursement for more than 2 meals and 1 supplement for children in care for 8 or more hours. [Sec. 3408(d)]

Improved Targeting of Day Care Home Reimbursements: Restructured Day Care Home Reimbursements. Establishes new reimbursement rates for day care homes as follows:

''Tier I'' homes receive the meal/supplement rates in effect on July 1, 1996 (see present law), adjusted annually for inflation.

''Tier I'' homes are (1) those located in areas, defined by the Secretary based on Census data, in which at least 50 percent of children are in households with income below 185 percent of the Federal poverty guidelines, (2) those located in an area served by a school enrolling elementary students in which at least 50 percent of the children are certified eligible to receive free or reduced price school meals, or (3) those operated by a provider whose household income is verified by a sponsor (under the Secretary's regulations) to be below 185 percent of the poverty guidelines.

''Tier II'' homes are homes that do not meet tier I standards, but they may, at their option, receive the substantially higher tier I reimbursement rates under certain conditions (see below).

In general, tier II home rates are 90 cents for each lunch/supper, 25 cents for each

breakfast, and 10 cents for each supplement, adjusted annually for inflation. Tier II homes can elect to receive higher tier I rates for meals/supplements served to children who are members of households with income below 185 percent of the Federal poverty guidelines, if the sponsor collects the necessary income information and makes the appropriate eligibility determinations in accordance with the Secretary's rules. Tier II homes also can elect to receive tier I rates for meals/supplements served to children (or children whose parents are) participating in or subsidized under a federally or State-supported child care or other benefit program with an income eligibility limit that does not exceed 185 percent of the poverty guidelines, and may restrict their claim for tier I reimbursements to these children if they choose not to collect income statements from all parents/caretakers.

The Secretary is required to prescribe simplified meal counting and reporting procedures for use by tier II homes (and their sponsors) that elect to claim tier I reimbursements for children meeting the income or program participation requirements. These procedures can include (1) setting an annual percentage of meals/supplements to be reimbursed at tier I rates based on the family income of children enrolled in a specific month or other period, (2) placing a home in a reimbursement category based on the percentage of children with household income below 185 percent of the poverty guidelines, or (3) other procedures determined by the Secretary.

The Secretary is authorized to establish minimum requirements for verifying income and program participation for tier II homes electing to claim tier I reimbursement rates.

Inflation indexing of rates for day care homes also is revised. The rates set for tier I homes (see present law) and the new tier II rates are adjusted July 1, 1997, and each July thereafter, based on the unrounded rates for the previous 12-month period, then rounded down to nearest lower cent increment. Inflation adjustments are based on changes in the food at home component of the CPI–U for the most recent 12-month period for which data are available. [Sec. 3408(e)(1)]

Improved Targeting of Day Care Home Reimbursements: Grants to States. Provides grants to States to assist family or group day care homes and their sponsors in implementing the new reimbursement rate system. For fiscal year 1997, the Secretary is required to reserve for this purpose $5 million of the amounts made available for the child care food program and allocate it to States based on the number of homes participating in fiscal year 1995 (with a minimum of $30,000 for each State). [Sec. 3408(e)(2)]

Improved Targeting of Day Care Home Reimbursements: Provision of Data. Requires that the Secretary provide Census data necessary for determining homes' tier I/II status and that States provide school enrollment data necessary to determine tier I/II status. In determining homes' tier I/II status, the most current available data (Census, enrollment, income) must be used. In general, a determination that a home is located in a tier I area is effective for 3 years. [Sec. 3408(e)(3)]

Reimbursement. Deletes the out-of-date requirement to reduce administrative payments to sponsors.

Deletes the authority to use administrative expense funding for outreach and recruitment.

Makes the provision of advance payments a State option. [Sec. 3408(f)]

Nutritional Requirements. Deletes a redundant provision requiring that free meals be served to needy children (this requirement is found elsewhere in law).

Deletes the requirement to provide additional technical assistance. [Sec. 3408(g)]

Elimination of State Paperwork/Outreach Burden. Removes the noted requirements in present law and replaces them with a requirement that States provide sufficient training, technical assistance, and monitoring to facilitate effective operation of the child care food program. Requires the Secretary to assist States in developing plans to do so. [Sec. 3408(h)]

Records. Revises the requirement to make accounts and records available at all times to a requirement that they be available at ''any reasonable time.'' [Sec. 3408(i)]

Modification of Adult Care Food Program. Deletes authority for reimbursements for meals to those in adult day care centers who are not chronically impaired disabled persons. Deletes authority for any reimbursements to adult day care centers that do not serve chronically impaired disabled persons. [Sec. 3408(j)]

[Note.—Section 3408(a) & (l) make conforming amendments.]

Unneeded Provision. Deletes requirements to provide WIC information through the child care food program. [Sec. 3408(k)]

Effective Date. Establishes effective dates for changes affecting the child care food program. In general, they are effective on enactment, but amendments restructuring day care home reimbursement rates are effective July 1, 1997.

Requires the Secretary to issue interim regulations related to restructuring day care home reimbursement rates, provision of data to implement the restructured rates, and changes to sponsors' use of administrative funds by January 1, 1997. Final regulations on these changes must be issued by July 1, 1997. [Sec. 3408(m)]

Study. Requires the Secretaries of Agriculture and Health and Human Services to undertake a study of the effects of amendments restructuring day care home reimbursements, due 2 years after enactment. Requires State agencies to provide certain data to support the study. [Sec. 3408(n)]

Senate amendment

Establishment of Program. Same provisions. [Sec. 1207(a)]

Payments to Sponsor Employees. Same provision. [Sec. 1207(b)]

Technical Assistance. Same provision. [Sec. 1207(c)]

Reimbursement of Child Care Institutions. Same provision. [Sec. 1207(d)]

Improved Targeting of Day Care Home Reimbursements: Restructured Day Care Home Reimbursements. Same provisions, except that the new rates for tier II homes are $1 for lunches/suppers, 30 cents for breakfasts, and 15 cents for supplements. [Sec. 1207(e)(1)]

The conferees understand that the Secretary has historically provided different family and group day care home payments in Alaska and Hawaii. The conferees expect that the tier I and tier II reimbursements provided for in this measure also will be varied for Alaska and Hawaii.

Improved Targeting of Day Care Home Reimbursements: Provision of Data. Same provisions. [Sec. 1207(e)(3)]

Reimbursement. Same provisions, except replaces the existing permission to use funds for outreach/recruitment with permission to use funds to assist unlicensed homes in becoming licensed. [Sec. 1207(f)]

Nutritional Requirements. Same provisions. [Sec. 1207(g)]

Elimination of State Paperwork/Outreach Burden. Same provisions. [Sec. 1207(h)]

Records. Same provision. [Sec. 1207(i)]

Modification of Adult Care Food Program. No provision.

Unneeded Provision. Replaces the existing requirement for providing WIC information with a requirement that State agencies ensure that, at least once a year, child care institutions provide written information to parents that includes basic WIC information. [Sec. 1207(j)]

Effective Date. Same provisions. [Sec. 1207(k)]

Study. Same provisions. [Sec. 1207(l)]

Conference agreement

The conference agreement adopts the provisions that are common to both bills. With respect to the provisions in disagreement:

Improved Targeting of Day Care Home Reimbursements: Restructured Day Care Home Reimbursements. The conference agreement adopts the House provisions with an amendment setting the reimbursement rate at 95 cents for lunches/suppers, 27 cents for breakfasts, and 13 cents for supplements.

Reimbursement. The conference agreement adopts the Senate provisions.

Modification of Adult Care Food Program. The conference agreement adopts the Senate provision.

Unneeded Provision. The conference agreement adopts the House provision. [Sec. 708]

9. PILOT PROJECTS

Present law

''Universal free lunch'' pilots, similar to ''provision 2'' authority found elsewhere in law, are required. [Sec. 18(d) of the NSLA]

A demonstration project for grants to provide meals and supplements to adolescents in programs outside school hours is required; assistance is in accordance with that provided under the child and adult care food program. For each of fiscal years 1996 and 1997, the Secretary must expend $475,000 ($525,000 in 1998), unless there is an insufficient number of suitable applicants. [Sec. 18(e) of the NSLA]

Pilot projects are authorized to evaluate the effects of contracting with private organizations to act as a State agency in cases where the Secretary is administering a child nutrition program in place of a State. [Sec. 18(a) of the NSLA]

A pilot project is authorized to assist schools in offering students additional choices of fruits, vegetables, legumes, cereals, and grain-based products (including organically produced commodities). [Sec. 18(g) of the NSLA]

A pilot project is authorized to assist schools in offering students additional choices of dairy products, lean meat, and poultry products (including organically produced commodities). [Sec. 18(h) of the NSLA]

Pilots are authorized to reduce paperwork, application, and meal counting requirements, and make program changes that will increase school meal program participation—while receiving Federal payments equal to the prior year adjusted for inflation/enrollment. [Sec. 18(i) of the NSLA]

House bill

Deletes separate authority for the ''universal free lunch'' projects, which are similar to ''provision 2'' authority found elsewhere in the law. [Sec. 3409(a)]

Makes the pilot demonstration project for grants to provide meals and supplements to adolescents in programs outside school hours optional and authorizes ''such sums as are necessary'' for fiscal years 1997 and 1998. [Sec. 3409(b)]

Deletes authority for the pilot projects to: evaluate effects of contracting with private organizations; assist schools in offering students additional choices of fruits, vegetables, legumes, cereals and grain-based products, dairy products, lean meat and poultry products (including organically produced commodities); reduce paperwork, application and meal counting requirements and make program changes to increase school meal program participation. [Sec. 3409(c)]

Senate amendment

The Senate amendment contains the same provisions that delete authority for the ''universal free lunch'' projects and make the pilot demonstration project for grants to provide meals and supplements to adolescents in programs outside school hours optional (authorizing ''such sums as are necessary'' for fiscal 1997 and 1998). [Sec. 1208(a), (b)] The Senate amendment does not contain the House provisions that delete authority for the pilot projects to: evaluate effects of contracting with private organizations; assist schools in offering students additional choices of fruits, vegetables, legumes, cereals and grain-based products, dairy products, lean meat and poultry products (including organically produced commodities); reduce paperwork, application and meal counting requirements and make program changes to increase school meal program participation.

Conference agreement

The conference agreement adopts the provisions. [Sec. 709]

10. REDUCTION OF PAPERWORK

Present law

In carrying out the NSLA and the CNA, the Secretary is required to reduce paperwork required of State and local agencies and others (e.g., parents) to the maximum extent practicable. In carrying out this requirement, the Secretary is required to consult with State/local administrators and convene a meeting of these administrators (not later than September 1990), and obtain suggestions from members of the public on reducing paperwork. By November 1990, the Secretary is required to report to Congress concerning the extent to which reduction in paperwork has occurred. [Sec. 19 of the NSLA]

House bill

Deletes out-of-date paperwork reduction requirements. [Sec. 3410]

Senate amendment

Same provision. [Sec. 1209]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 710]

11. INFORMATION ON INCOME ELIGIBILITY

Present law

The Secretary is required to provide State agencies with information needed to determine income eligibility for free or reduced price meal. It must be provided by May 1990. Not later than July 1990, the Secretary must review model application forms under the NSLA and the CNA and simplify the format/instructions for these forms. [Sec. 23 of the NSLA]

House bill

Deletes out-of-date income verification and application form requirements. [Sec. 3411]

Senate amendment

Same provision. [Sec. 1210]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 711]

12. NUTRITION GUIDANCE FOR CHILD NUTRITION PROGRAMS

Present law

By November 1991, the Secretary and the Secretary of Health and Human Services are required to develop a ''nutrition guidance'' publication. They must distribute it within 6 months. The Secretary must revise menu planning guides to include recommendations for implementing the nutrition guidance in the publication. In carrying out any school meal program, summer program, or child care food program, school food authorities must apply the published nutrition guidance, and the Secretary must ensure that meals and supplements are consistent with the nutrition guidance. The Secretary and the Secretary of Health and Human Services may jointly update the guidance publication. [Sec. 24 of the NSLA]

House bill

Deletes the noted provisions of present law dealing with development and implementation of a nutrition guidance. [Sec. 3412]

Senate amendment

Same provision. [Sec. 1211]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 712]

13. INFORMATION CLEARINGHOUSE

Present law

The Secretary is required to enter into a contract with a nongovernmental organization to establish and maintain a clearinghouse for information for nongovernmental groups on food assistance and self-help initiatives. The clearinghouse is required to be funded at $200,000 in fiscal year 1996, $150,000 in 1997, and $100,000 in 1998. [Sec. 26 of the NSLA]

House bill

Deletes the requirement for funding of a nutrition information clearinghouse. [Sec. 3413]

Senate amendment

No provision.

Conference agreement

The conference agreement adopts the Senate provision.

SUBTITLE B—CHILD NUTRITION ACT OF 1966

14. SPECIAL MILK PROGRAM

Present law

''United States'' is defined to include the Trust Territory of the Pacific Islands. [Sec. 3(a)(3) of the CNA]

House bill

Replaces Trust Territory of the Pacific Islands with ''Commonwealth of the Northern Mariana Islands.'' [Sec. 3421]

Senate amendment

Same provision. [Sec. 1251]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec 721]

15. FREE AND REDUCED PRICE POLICY STATEMENT

Present law

No provision.

House bill

Provides that schools may not be required to submit a free and reduced price ''policy statement'' to State education agencies unless there is a substantive change in the free and reduced price policy of the school. Routine changes (e.g., adjusting income eligibility standards) are not sufficient cause for requiring a school to submit a policy statement. [Sec. 3422]

Senate amendment

Similar provisions with a technical amendment clarifying that school food authorities, rather than schools, are the entities that may be required to submit a policy statement. [Sec. 1252]

Conference agreement

The conference agreement adopts the Senate provision. [Sec. 722]

16. SCHOOL BREAKFAST PROGRAM AUTHORIZATION

Present law

Training and Technical Assistance. Through State education agencies, the Secretary must provide technical assistance and training to school breakfast program schools to assist them in complying with nutrition requirements and providing appropriate meals to children with medically certified special dietary needs. The Secretary also must provide additional technical assistance to schools that are having difficulty maintaining compliance with nutrition requirements. [Sec. 4(e)(1) of the CNA]

Startup and Expansion. The Secretary and State education agencies are directed to carry out information, promotion, and outreach programs to further the policy of expanding the school breakfast program to all schools where it is needed, including the use of ''language appropriate'' materials. The Secretary is to report to Congress no later than October 1, 1993, concerning efforts to increase school participation. [Sec. 4(f) of the CNA]

The Secretary is required to use $5 million a year (through fiscal year 1997), $6 million in 1998, and $7 million in each subsequent year to fund a program of competitively bid grants to State education agencies for the purpose of initiating or expanding the school breakfast and summer food service programs. [Sec. 4(g) of the CNA]

House bill

Training and Technical Assistance. Deletes technical assistance and training requirements. [Sec. 3423(a)]

Startup and Expansion. Effective October 1, 1996, deletes the requirement for information, promotion, and outreach grants to expand the school breakfast program. [Sec. 3423(b)]

Senate amendment

Training and Technical Assistance. Deletes the requirement to provide additional technical assistance. [Sec. 1253(a)]

Startup and Expansion. Same provision. [Sec. 1253(b)]

Conference agreement

The conference agreement adopts the startup and expansion provisions that are common to both bills and adopts the Senate provision regarding Training and Technical Assistance. [Sec. 723]

17. STATE ADMINISTRATIVE EXPENSES

Present law

Commodity Distribution Administration. States are permitted to use a portion of the funds available for State administrative expenses to assist in administering the commodity distribution program. [Sec. 7(e) of the CNA]

Studies. The Secretary may not provide State administrative expense funding to a State unless the State agrees to participate in any study or survey of NSLA or CNA programs conducted by the Secretary. [Sec. 7(h) of the CNA]

Approval of Changes. States must annually submit a plan for the use of State administrative expense funds. [Sec. 7(f) of the CNA]

House bill

Commodity Distribution Administration. Deletes specific authority to use State administrative expense money for commodity distribution administration (this authority is found elsewhere in law). [Sec. 3424(a)]

Studies. Deletes the provision barring State administrative expense funding when a State fails to agree to participate in a study or survey. [Sec. 3424(a)]

Approval of Changes. Removes the requirement for annual plans for State administrative expense funds and replaces it with a requirement to submit any substantive plan

changes for the Secretary's approval. [Sec. 3424(b)]

Senate amendment

Commodity Distribution Administration. Same provision. [Sec. 1254(a)]

Studies. Same provision. [Sec. 1254(a)]

Approval of Changes. Same provisions. [Sec. 1254(b)]

Conference agreement

The conference agreement adopts the provisions that are common to both bills. [Sec. 724]

The conference agreement repeals Section 7(e) of the Child Nutrition Act so as to simplify the language in, and eliminate redundant provisions of, the Act. The managers note that no provisions of the Child Nutrition Act prohibit States from using State administrative expense (SAE) funds to administer the Commodity Distribution Program, which is authorized through the National School Lunch Act, and stress that the repeal of Section 7(e) should not be construed as barring or discouraging States from using SAE funds for this purpose.

18. REGULATIONS

Present law

The Secretary is required to develop, and provide to State agencies for distribution to schools, model language that bans the sale of competitive foods of minimal nutritional value, along with a copy of the regulations concerning competitive foods. [Sec. 10(b) of the CNA]

House bill

Deletes the out-of-date requirement for model language on competitive foods. [Sec. 3425]

Senate amendment

Same provision. [Sec. 1255]

Conference agreement

The conference agreement adopts provisions common to both bills. [Sec. 725]

19. PROHIBITIONS

Present law

Neither the Secretary nor the States may impose any requirement with respect to teaching personnel, curriculum, or instruction in any school when carrying out the provisions of the special milk and school breakfast programs. [Sec. 11(a) of the CNA]

House bill

Removes the prohibition on States imposing personnel, curriculum, and instruction requirements. [Sec. 3426]

Senate amendment

Same provision. [Sec. 1256]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 726]

20. MISCELLANEOUS PROVISIONS AND DEFINITIONS

Present law

''State'' is defined to include the Trust Territory of the Pacific Islands. [Sec. 15(1) of the CNA]

''School'' is defined to include nonprofit child care centers in Puerto Rico. [Sec. 15(3) of the CNA]

House bill

Replaces the reference to the Trust Territory of the Pacific Islands with a reference to the Commonwealth of the Northern Mariana Islands. [Sec. 3427]

Makes a conforming amendment deleting the inclusion of nonprofit child care centers as schools in Puerto Rico. [Sec. 3427]

Senate amendment

Same provisions. [Sec. 1257]

Conference agreement

The conference agreement adopts the provisions that are common to both bills. [Sec. 727]

21. ACCOUNTS AND RECORDS

Present law

States, State education agencies, schools, and nonprofit institutions must make accounts and records available for inspection by the Secretary ''at all times.'' [Sec. 16(a) of the CNA]

House bill

Revises the requirement to make accounts and records available at all times to a requirement that they be available at ''any reasonable time.'' [Sec. 3428]

Senate amendment

Same provision. [Sec. 1258]

Conference agreement

The conference agreement adopts the provisions that are common to both bills. [Sec. 728]

22. SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN

Present law

Definitions. ''Homeless individual'' is defined to include an individual whose primary nighttime residence is a temporary accommodation in the residence of another. [Sec. 17(b)(15) of the CNA]

Secretary's Promotion of WIC. The Secretary must ''promote'' the WIC program by producing and distributing materials, including public service announcements in English and other appropriate languages. [Sec. 17(c)(5) of the CNA]

Eligible Participants. The Secretary must report biennially to Congress and the National Advisory Council on Maternal, Infant, and Fetal Nutrition on the income and nutritional risk characteristics of WIC participants, participation by migrants, and other appropriate matters. [Sec. 17(d)(4) of the CNA]

Nutrition and Drug Abuse Education. State agencies must ensure that drug abuse education is provided to all pregnant, postpartum, and breastfeeding WIC participants, and to parents/caretakers of WIC children.

Nutrition education and breastfeeding promotion and support must be evaluated annually by State agencies.

State agencies must ensure that written information about food stamps, AFDC, and the child support enforcement program is provided to WIC applicants and participants.

Each local WIC agency may use a master file to document and monitor the provision of nutrition education to individuals that are required to be included in group nutrition education classes.

State agencies must ensure that local agencies maintain and make available a list of local resources for substance abuse counseling and treatment. [Sec. 17(e) of the CNA]

State Plan. State agencies must annually submit a State plan for WIC operations and administration.

State agency WIC plans must include a plan to coordinate operations with special counseling services such as the expanded food and nutrition education program, immunization programs, local breastfeeding promotion programs, prenatal care, well-child care, family planning, drug abuse education, substance abuse counseling and treatment, child abuse counseling, AFDC, food stamps, maternal and child health care, and Medicaid (including Medicaid programs that use ''coordinated care providers'').

State agency WIC plans must include a plan to provide benefits to unserved and underserved areas in the State if sufficient funds are available.

State agency WIC plans must include a plan to provide benefits to those most in need and to provide eligible individuals not participating with program information, with an emphasis on reaching and enrolling eligible women in the early months of pregnancy and including provisions to reach and enroll eligible migrants.

State agency WIC plans must include a specific plan for provision of WIC benefits to incarcerated persons if they opt to provide benefits to these persons.

State agency WIC plans must include a plan to improve access to participants and applicants who are employed or reside in rural areas by addressing their needs through procedures/practices that minimize the time they must spend away from work and the distances they must travel.

State agency WIC plans must include an estimate of the increased participation that will result from cost-saving initiatives (including an explanation of how the estimate was developed) if the State chooses to request ''funds conversion authority'' (using food money for administration).

State agency WIC plans must include other information ''as the Secretary may require.''

State agencies must establish procedures under which members of the general public are provided an opportunity to comment on the development of the State plan.

State agencies must, on receiving a completed local agency application, notify the applicant in writing within 30 days of the approval or disapproval of the application (accompanied by a statement of reasons for any disapproval). Within 15 days of receiving an incomplete application, the State agency must notify the applicant of added information need to complete the application.

State agencies must, in cooperation with local WIC agencies, publicly announce and distribute information at least annually on the availability of WIC benefits to offices and organizations that deal with significant numbers of potentially eligible individuals. The information must be distributed in a manner designed to provide it to those most in need of benefits, including pregnant women in the early months of pregnancy. Local agencies with cooperative arrangements with hospitals must advise potentially eligible persons of the availability of benefits and provide them with the opportunity to be certified as eligible in the hospital.

State agency plans for fiscal year 1994 must advise the Secretary of procedures for reducing the purchase of low-iron infant formula.

State and local WIC agencies must make accounts and records available for inspection and audit by the Secretary ''at all times.''

Notices issued to WIC participants who are suspended or terminated during their certification period because of a shortage of funds must include the categories of participants whose benefits are being suspended or terminated (in addition to other information required by the Secretary).

The Secretary must establish standards for proper, efficient, and effective administration, including standards that will ensure sufficient State agency staff.

Products specifically designed for pregnant, postpartum, and breastfeeding women, or infants, are to be made available at the Secretary's discretion if they are commercially available or are approved by the Secretary based on clinical tests.

State agencies must (a) provide nutrition education, breastfeeding promotion, and drug abuse education in languages other than English and (b) use appropriate foreign language materials in areas where a substantial number of low-income households speak a language other than English.

State agencies may adopt methods of delivering benefits to accommodate the special

needs and problems of incarcerated individuals.

Local agencies must provide information about other potential sources of food assistance to WIC applicants who apply but cannot be served. [Sec. 17(f) of the CNA]

Information. On completion of the 1990 Census, the Secretary must make available an estimate (by State and county) of the number of women, infants, and children who are members of families with incomes below 185 percent of the Federal poverty guidelines. [Sec. 17(g)(6) of the CNA]

Procurement of Infant Formula. The Secretary must require State agencies to report breastfeeding data for the biennial report by the Secretary on participant characteristics.

No State may receive a WIC allocation unless it meets certain conditions related to cost containment prior to September 1989.

States having cost-containment contracts in effect in 1989 need not meet new cost containment provisions until the term of the contract runs out.

The Secretary is required to establish pilot projects to determine the feasibility of using ''universal product codes'' to aid vendors in providing the correct infant formula to WIC participants.

The Secretary must follow certain specific rules in soliciting cost containment bids for infant formula on behalf of States.

The Secretary must promote the joint purchase of infant formula by States, encourage the purchase of supplemental foods other than infant formula under cost containment procedures, inform States of the benefits of cost containment, and provide technical assistance related to cost containment.

The Secretary must use $10 million a year (from carryover funds) for infrastructure development, special projects of regional or national significance, and special breastfeeding support and promotion projects. [Sec. 17(h) of the CNA]

National Advisory Council. The Secretary designates the Chairman and Vice-Chairman of the National Advisory Council on Maternal, Infant, and Fetal Nutrition. [Sec. 17(k) of the CNA]

Completed Study; Community College Demonstration; Grants for Information and Data Systems. The Secretary must, by May 1989, conduct a study on appropriate methods of drug abuse education instruction. The Secretary must prepare and distribute drug abuse education materials. Specific appropriations for the study and materials are authorized for fiscal year 1989, and, for later years, ''such sums as may be necessary'' are authorized for distributing drug abuse education materials and making referrals under drug abuse education programs. [Sec. 17(n) of the CNA]

The Secretary is authorized to conduct a pilot project for WIC clinics in community colleges offering nursing education programs. [Sec. 17(o) of the CNA]

The Secretary is authorized to make grants to State agencies to improve WIC information and data systems. Appropriations for this are authorized through fiscal year 1994. [Sec. 17(p) of the CNA]

House bill

Definitions. Makes clear that, after 365 days in a temporary accommodation, individuals will not be considered homeless. [Sec. 3429(a)]

[Note.—Sec. 3429(a) also makes a technical/conforming amendment to the definition of ''drug abuse education.''

Secretary's Promotion of WIC. Deletes the requirement that the Secretary promote the WIC program. [Sec. 3429(b)]

Eligible Participants. Deletes the requirement for the Secretary's biennial report on participants. [Sec. 3429(c)]

Nutrition and Drug Abuse Education. Makes provision of drug abuse education optional.

Deletes the requirement to annually evaluate nutrition education and breastfeeding promotion/support.

Removes the requirement for providing information about food stamps, AFDC, and child support enforcement. Replaces it with authority for State agencies to provide local agencies with materials describing other programs for which WIC participants may be eligible.

Deletes the specific authority for using a nutrition education master file.

Requires that local agencies maintain and make available lists of local substance abuse counseling and treatment resources. [Sec. 3429(d)]

State Plan. Revises the State plan submission requirement to stipulate that State agencies only be required to submit substantive changes in their plan for the Secretary's approval.

Removes the noted specific State plan requirements for coordination. Replaces them with a requirement that State plans include a plan to coordinate WIC operations with other services or programs that may benefit WIC participants and applicants.

Adds a requirement that State WIC plans include a plan to improve access for those who are employed, or who reside in rural areas.

Removes the noted specific State plan requirements for reaching those most in need and not participating. Retains a requirement that State plans include a plan for reaching and enrolling women in the early months of pregnancy and migrants.

Deletes the noted specific State plan requirements as to how incarcerated persons will be provided benefits.

Deletes the noted specific State plan requirements as to improving program access for the employed and rural residents. [Note.—An earlier provision adds a general State plan requirement for improved access for these persons.]

Deletes the noted State plan requirement for an estimate of increased participation when funds conversion authority is chosen by the State.

Revises authority for the Secretary to require other information as the Secretary may require to a stipulation that plans must include other information as the Secretary may ''reasonably'' require.

Makes a conforming amendment deleting a provision that permits State agencies to submit only those parts of plans that differ from previous years.

Deletes the public comment procedures requirement.

Deletes these processing requirements for local WIC agency applications.

Deletes the noted requirements for announcing and distributing information and certification in hospitals.

Deletes an out-of-date requirement that States advise the Secretary on procedures to reduce purchases of low-iron infant formula.

Revises the requirement to make accounts and records available at all times to a requirement that they be available at ''any reasonable time.''

Deletes noted requirements as to the content of suspension/termination notices.

Deletes the requirement for staffing standards

Deletes the noted provision stipulating that products designed for women and infants may be made available in the WIC program if commercially available or approved based on tests.

Makes optional the provision of services and use of materials in languages other than English.

Deletes specific authority for delivery methods to accommodate incarcerated individuals.

Makes optional the requirement to provide information about other potential sources of food assistance. [Sec. 3429(e)]

Information. Deletes out-of-date requirement for a report on those income-eligible for the WIC program based on the 1990 Census. [Sec. 3429(f)]

Procurement of Infant Formula. Deletes the requirement for States to report data on breastfeeding for a biennial report that is eliminated elsewhere in the bill.

Deletes an out-of-date requirement to meet cost containment conditions.

Deletes an out-of-date provision relating to cost containment contracts.

Deletes the requirement for universal product code pilots.

Deletes conditions on the Secretary when soliciting infant formula bids on behalf of States.

Deletes noted requirements of the Secretary related to promoting cost containment.

Removes breastfeeding promotion and support projects as a use for the Secretary's special fund of $10 million a year.

None of the amendments affecting procurement practices are to apply to contracts for infant formula in effect on enactment. [Sec. 3429(g)]

National Advisory Council. Provides that the Advisory Council elect its Chairman and Vice-Chairman. [Sec. 3429(h)]

Completed Study; Community College Demonstration; Grants for Information and Data Systems. Deletes requirements for a 1989 drug abuse education study and preparation of materials. Deletes funding for distributing materials and referrals. [Sec. 3429(I)]

Deletes authority for a pilot for WIC clinics in community colleges. [Sec. 3429(I)]

Deletes out-of-date authority for information and data system improvement grants. [Sec. 3429(I)]

Disqualification of WIC Vendors. Adds provisions for disqualifying WIC vendors that have been disqualified from participation in the Food Stamp Program. Disqualification is for the same period as the food stamp disqualification and is not subject to separate administrative and judicial review. [Sec. 3429(j)]

Senate amendment

Definitions. Same provisions. [Sec. 1259(a)]

Secretary's Promotion of WIC. Same provision. [Sec. 1259(b)]

Eligible Participants. Same provision. [Sec. 1259(c)]

Nutrition and Drug Abuse Education. No provision.

State Plan. Same provisions, except the Senate amendment (1) requires plans for improving access to those who are employed, or who reside, in rural areas; (2) includes no provisions to delete the public comment procedures requirement, delete requirements for announcing and distributing information and certification in hospitals, or to make optional the provision requiring services and use of materials in languages other than English. [Sec. 1259(d)]

Information. Same provision. [Sec. 1259(e)]

Procurement of Infant Formula. Same provisions, except that the Senate amendment has no provision to remove breastfeeding promotion and support projects as a use for the Secretary's special fund. [Sec. 1259(f)]

National Advisory Council. Same provision. [Sec. 1259(g)]

Completed Study; Community College Demonstration; Grants for Information and Data Systems. Same provisions. [Sec. 1259(h)]

Disqualification of WIC Vendors. Same provisions. [Sec. 1259(i)]

Conference agreement

The conference agreement adopts the provisions that are common to both bills. With respect to provisions in disagreement:

Nutrition Education and Drug Abuse Education. The conference agreement adopts the House provision with an amendment retaining the requirement for drug abuse education.

State Plan. The conference agreement: adopts the House provision regarding plans to improve access to the employed and those in rural areas; adopts the Senate provision on requirements for public comment procedures and for announcing and distributing information and certification in hospitals, and; adopts the House provision making optional the provision requiring services and use of materials in languages other than English.

Procurement of Infant Formula. The conference agreement adopts the Senate provision retaining breastfeeding promotion and support projects as a use for the Secretary's special fund. [Sec. 729]

23. CASH GRANTS FOR NUTRITION EDUCATION

Present law

The Secretary is authorized to make cash grants to State education agencies for demonstration projects in nutrition education. [Sec. 18 of the CNA]

House bill

Deletes authority for cash grants for nutrition education demonstration projects. [Sec. 3430]

Senate amendment

Same provision. [Sec. 1260]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 730]

24. NUTRITION EDUCATION AND TRAINING

Present law

Findings. Congress finds that:

the proper nutrition of children is a matter of highest priority;

the lack of understanding of good nutrition principles and their relation to health can contribute to children's rejection of nutritious foods and plate waste;

many school food service personnel and teachers do not have adequate training;

the lack of parental knowledge of nutrition can be detrimental on children's nutritional development; and

there is a need to create opportunities for children to learn about good nutrition. [Sec. 19(a) of the CNA]

It is the purpose of the provisions for a nutrition education and training program to (a) encourage dissemination of information to children and (b) establish a system of grants to State education agencies for nutrition education and training programs. [Sec. 19(b) of the CNA]

Use of Funds. State agencies may use nutrition education and training funds for:

funding a nutrition component in consumer homemaking and health education programs;

instructing teachers and school staff on how to promote better nutritional health and motivate children from a variety of linguistic and cultural backgrounds to practice sound eating habits;

develop means of providing nutrition education in ''language appropriate'' materials through after-school programs;

training related to healthy and nutritious meals;

creating instructional programming on the ''Food Guide Pyramid'' (including language appropriate materials) for teachers, food service staff, and parents;

funding aspects of the Secretary's ''Strategic Plan for Nutrition Education;''

encouraging public service advertisements to promote healthy eating habits for children, including language appropriate materials and advertisements;

coordinating and promoting nutrition education and training activities in local school districts;

contracting with public and private nonprofit education institutions to conduct nutrition education and training;

increasing public awareness of the importance of breakfasts; and

coordinating and promoting nutrition education and training activities (including those under the summer and child care food programs). [Sec. 19(f) of the CNA]

States may receive planning and assessment grants for nutrition education and training. [Sec. 19(f) of the CNA]

Nothing in the provisions for a nutrition education and training program prohibits agencies from making available or distributing materials, resources, activities, or programs to adults. [Sec. 19(f) of the CNA]

Accounts, Records, and Reports. State education agencies must make accounts and records available for inspection and audit by the Secretary ''at all times.'' [Sec. 19(g) of the CNA]

State Coordinators for Nutrition; State Plan. A State nutrition coordinator's assessment of the nutrition education and training needs of the State must include identification of all students in need of nutrition education and identification of State and local resources for materials, facilities, staff, and methods for nutrition education. [Sec. 19(h) of the CNA]

State nutrition coordinators' comprehensive plans for nutrition education (prepared after receiving a planning and assessment grant) must meet certain specific standards. [Sec. 19(h) of the CNA]

Authorization of Appropriations. Funding for the nutrition education and training program is permanently appropriated at $10 million a year. State grants are based on a rate of 50 cents for each child enrolled, except that no State may receive less than $62,500. [Sec. 19(I) of the CNA]

Assessment. By October 1, 1990, each State must assess its nutrition education and training program. [Sec. 19(j) of the CNA]

House bill

Findings. Deletes the noted findings in present law and replaces them with a finding that ''effective dissemination of scientifically valid information to children participating or eligible to participate in the school lunch and related child nutrition programs should be encouraged.'' [Sec. 3431(a)]

Removes provisions referring to dissemination of information from the statement of purpose (they are included in the findings as noted above). [Sec. 3431(a)]

Use of Funds. Deletes the noted provisions for use of nutrition education and training funds. Adds a provision allowing funds to be used for ''other appropriate activities, as determined by the State.'' [Sec. 3431(b)]

Deletes authority for nutrition education and training planning and assessment grants. [Sec. 3431(b)]

Deletes the noted provision relating to materials and activities for adults. [Sec. 3431(b)]

Accounts, Records, and Reports. Revises the requirement to make accounts and records available at all times to a requirement that they be available at ''any reasonable time.'' [Sec. 3431(c)]

State Coordinators for Nutrition; State Plan. Deletes the noted specific requirements for nutrition education and training State assessments. [Sec. 3431(d)]

Deletes all specific requirements on comprehensive nutrition education plans prepared after a planning and assessment grant (these grants are eliminated elsewhere in the bill). [Sec. 3431(d)]

Authorization of Appropriations. Beginning with fiscal year 1997, appropriations are authorized at $10 million a year (through 2002). State grants are based on a rate of 50 cents for each child enrolled, except that no State will receive less than $75,000. If funds are insufficient to provide grants based on the 50 cent/$75,000 rule, the amount of each State's grant is ratably reduced. [Sec. 3431(e) & (g)]

Assessment. Deletes the out-of-date requirement for State assessments of their nutrition education and training programs. [Sec. 3431(f)]

Senate amendment

Findings. Same provisions. [Sec. 1261(a)]

Use of Funds. Same provisions. [Sec. 1261(b)]

Accounts, Records, and Reports. Same provision. [Sec. 1261(c)]

State Coordinators for Nutrition; State Plan. Same provisions. [Sec. 1261(d)]

Authorization of Appropriations. Same provisions. [Sec. 1261(e) & (g)]

Assessment. Same provision. [Sec. 1261(f)]

Conference agreement

The conference agreement adopts the provisions that are common to both bills. [Sec. 731]

Subtitle C—Miscellaneous Provisions

25. COORDINATION OF SCHOOL LUNCH, SCHOOL BREAKFAST, AND SUMMER FOOD SERVICE PROGRAMS

Present law

No provisions.

House bill

Requires the Secretary to develop proposed changes to regulations under the school lunch, school breakfast, and summer food service programs for the purpose of simplifying and coordinating them into a comprehensive meal program. Requires that the Secretary consult with local, State, and regional administrators in developing the proposed changes. Not later than November 1, 1997, the Secretary must submit to Congress a report on the proposed changes. [Sec. 3441]

Senate amendment

No provision.

Conference agreement

The conference agreement adopts the House provisions. [Sec. 741]

26. ROUNDING RULES

Present law

When indexed, reimbursement rates for the school lunch, school breakfast, special milk, and commodity assistance programs are rounded to the nearest quarter cent. [Sec. 3 and 4 of the CNA; Sec. 6 and 11 of the NSLA]

House bill

No provision. [Note: Provisions amending the law governing the summer food service program and the child and adult care food program require that, when indexed, their reimbursement rates be rounded down to the nearest lower cent increment.]

Senate amendment

Requires that, when indexed, reimbursement rates for the school breakfast, school lunch, special milk, and commodity assistance programs be rounded down to the nearest lower cent increment. [Sec. 1262]

[Note.—As with the House bill, amendments affecting the summer food service program and the child and adult care food program include comparable rounding rules.]

Conference agreement

The conference agreement adopts the Senate provisions with an amendment making

the new rounding rules applicable only to full price meals in the school breakfast and school lunch programs and full price meals in child care centers. [Sec. 704]

TITLE VIII—FOOD STAMPS AND COMMODITIES DISTRIBUTION

Subtitle A—Food Stamp Program

1. DEFINITION OF CERTIFICATION PERIOD

Present law

For households subject to periodic (monthly) reporting, eligibility certification periods must be 6–12 months, but the Secretary may waive this rule. For households receiving federally aided public assistance or general assistance, certification periods must coincide with the certification periods for the other public assistance programs. For other households, certification periods generally must not be less than 3 months—but they can be (1) up to 12 months for those consisting entirely of unemployable, elderly, or primarily self-employed persons or (2) as short as circumstances require for those with a substantial likelihood of frequent changes in income or other circumstances and for any household on initial determination. The Secretary may waive the maximum 12-month period to improve program administration. [Sec. 3(c)]

House bill

Replaces existing provisions as to certification periods with a requirement that certification periods not exceed 12 months—but can be up to 24 months if all adult household members are elderly or disabled. Requires that State agencies have at least 1 contact with each certified household every 12 months. [Sec. 1011]

Senate amendment

Same provision. [Sec. 1111]

Conference agreement

The conference agreement adopts the provisions that are common to both bills. [Sec. 801]

2. DEFINITION OF COUPON

Present law

''Coupon'' is defined to mean any coupon, stamp, or type of certificate issued under provisions of the Food Stamp Act. [Sec. 3(d)]

House bill

Expands the definition of coupon to include: authorization cards, cash or checks issued in lieu of a coupon, or access devices (including an electronic benefit transfer card or personal identification number). [Sec. 1012]

Senate amendment

Same provision. [Sec. 1112]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 802]

3. TREATMENT OF CHILDREN LIVING AT HOME

Present law

Parents and their children 21 years of age or younger who live together must apply for food stamps as a single household (thereby reducing aggregate household benefits)—except for children who are themselves parents living with their children and children who are married and living with their spouses. [Sec. 3(i)]

House bill

Removes the exception, from the requirement that related persons apply together as a single household, for children who are themselves parents living with their children and children who are married and living with their spouses. [Sec. 1013]

Senate amendment

Same provision. [Sec. 1113]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 803]

4. OPTIONAL ADDITIONAL CRITERIA FOR SEPARATE HOUSEHOLD DETERMINATIONS

Present law

Certain persons who live together may apply for food stamps as separate households (thereby increasing aggregate household benefits) if they purchase food and prepare meals separately and (1) are unrelated or (2) are related but are not spouses or children living with their parents [see item 3 for the proposed change in the household definition]. In addition, elderly persons who live with others and cannot purchase food and prepare meals separately because of a substantial disability may apply as separate ''households'' as long as their co-residents' income is below prescribed limits. [Sec. 3(i)]

House bill

Permits States to establish criteria that prescribe when persons who live together (and might otherwise be allowed to apply as separate households) must apply for food stamps as a single household—without regard to common purchase of food and preparation of meals. [Sec. 1014]

Senate amendment

No provision.

Conference agreement

The conference agreement adopts the Senate provision.

5. ADJUSTMENT OF THE THRIFTY FOOD PLAN

Present law

Maximum food stamp benefits are defined as 103 percent of the cost of the Agriculture Department's ''Thrifty Food Plan,'' adjusted for food-price inflation each October to reflect the plan's cost in the immediately preceding June—and rounded down to the nearest dollar. [Sec. 3(o)]

House bill

Sets maximum monthly food stamp benefits at 100 percent of the cost of the Thrifty Food Plan, effective October 1, 1996, adjusted annually as under present law. Requires that the October 1996 adjustment not reduce maximum benefit levels. [Sec. 1015]

Senate amendment

Same provision. [Sec. 1114]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 804]

6. DEFINITION OF HOMELESS INDIVIDUAL

Present law

For food stamp eligibility and benefit determination purposes, a ''homeless individual'' is a person lacking a fixed/regular nighttime residence or one whose primary nighttime residence is a shelter, a residence intended for those to be institutionalized, a temporary accommodation in the residence of another, or a public or private place not designed to be a regular sleeping accommodation for humans. [Sec. 3(s)]

House bill

Provides that persons whose primary nighttime residence is a temporary accommodation in the home of another may only be considered homeless if the accommodation is for no more than 90 days. [Sec. 1016]

Senate amendment

Same provision. [Sec. 1115]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 805]

7. STATE OPTION FOR ELIGIBILITY STANDARDS

Present law

The Secretary is directed to establish uniform national standards of eligibility for food stamps, with certain variations allowed for Alaska, Hawaii, Guam, and the Virgin Islands, and in other cases (e.g., imposition of monthly reporting requirements). States may not impose any other standards of eligibility as a condition of participation in the program. [Sec. 5(b)]

House bill

Explicitly permits nonuniform standards of eligibility for food stamps. [Sec. 1017]

Senate amendment

Same provision. [Sec. 1116]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 806]

8. EARNINGS OF STUDENTS

Present law

The earnings of an elementary/secondary student are disregarded as income until the student's 22nd birthday. [Sec. 5(d)(7)]

House bill

Provides an earnings disregard for elementary/secondary students until the student's 20th birthday. [Sec. 1018]

Senate amendment

Same provision, except that during fiscal year 2002 earnings will be disregarded until the student's 18th birthday. [Sec. 1117]

Conference agreement

The conference agreement adopts the House provision with an amendment providing for the counting of earnings of elementary/secondary students once they reach age 18. [Sec. 807]

9. ENERGY ASSISTANCE

Present law

Payments or allowances for energy assistance provided by State or local law are, under rules set by the Secretary, disregarded as income. [Sec. 5(d)(11) and 5(k)]

Payments or allowances for energy assistance provided by State or local law are, under rules set by the Secretary, disregarded as income. [Sec. 5(d)(11) and 5(k)]

Federal Low-Income Home Energy Assistance Program (LIHEAP) benefits are disregarded as income. [Sec. 5(d)(11) and 5(k) of the Food Stamp Act and sec. 2605(f) of the Low-Income Home Energy Assistance Act]

Certain utility allowances/reimbursements under Department of Housing and Urban Development (HUD) programs are disregarded as income. [Sec. 5(d)(11) and 5(k)]

Shelter expense deductions may be claimed for utility costs covered by LIHEAP benefits, but not in the case of other disregarded energy assistance—unless the household has out-of-pocket expenses. [Sec. 5(e) of the Food Stamp Act and sec. 2605(f) of the Low-Income Home Energy Assistance Act]

House bill

Requires that State/local energy assistance be counted as income. [Sec. 1019]

Requires an income disregard for one-time payments/allowances under a Federal or State law for the costs of weatherization or emergency repair/replacement of unsafe/inoperative furnaces or other heating/cooling devices. [Sec. 1019]

Requires that LIHEAP benefits be counted as income. [Sec. 1019]

Requires that HUD utility allowances/reimbursements be counted as income. [Sec. 1019]

Allows claiming shelter expense deductions for utility costs covered directly or indirectly by the LIHEAP or other counted energy assistance. [Sec. 1019]

[Note: Sec. 2131 amends sec. 2605(f) of the Low-Income Home Energy Assistance Act to delete that Act's requirement that LIHEAP recipients must be allowed to claim the amount of their LIHEAP benefits as a shelter expense.]

Senate amendment

State/local assistance. Same provision (technical differences). [Sec. 1118]

Weatherization assistance. Same provision (technical differences). [Sec. 1118]

LIHEAP. Present law (technical differences). [Sec. 1118]

HUD assistance. Present law (technical differences). [Sec. 1118]

Shelter expense deductions. Present law (technical differences). [Sec. 1118]

Conference agreement

The conference agreement adopts the Senate provisions with a technical amendment. [Sec. 808]

10. DEDUCTIONS FROM INCOME

Present law

Standard Deductions. All households are allowed standard deductions from their otherwise countable income. Standard deductions are indexed annually (each October) for inflation based on the Consumer Price Index for urban wage earners (CPI-U) for items other than food and rounded down to the nearest dollar. For fiscal year 1995, standard deductions were: $134 a month for the 48 contiguous States and the District of Columbia, $229 for Alaska, $189 for Hawaii, $269 for Guam, and $118 for the Virgin Islands. For fiscal year 1996, they were ''scheduled'' to rise to: $138, $236, $195, $277, and $122, respectively. This was barred by the fiscal year 1996 appropriations measure, and fiscal year 1996 standard deduction levels are at the fiscal year 1995 amounts. [Sec. 5(e)]

Earned Income Deduction. Households may claim a deduction for 20 percent of any earnings. This deduction is not allowed with respect to any income that a household willfully or fraudulently fails to report in a timely manner, as proven in a fraud hearing proceeding (i.e., it is not allowed when determining the amount of a benefit overissuance). [Sec. 5(e)]

Homeless Shelter Allowance. For homeless households not receiving free shelter throughout the month, States may develop a homeless shelter expense estimate (a standard allowance) to be used in calculating an excess shelter expense deduction. States must use this amount unless the household verifies higher expenses. The Secretary may prohibit the use of the allowance for households with extremely low shelter costs. The maximum allowance amount is inflation indexed annually and currently stands at $143 a month (fiscal year 1996). [Sec. 11(e)(3)]

Excess Shelter Expense Deduction. Households may claim excess shelter expense deductions from their otherwise countable income—in the amount of any shelter expenses (including utility costs) above 50 percent of their countable income after all other deductions have been applied. For households with elderly or disabled members, these deductions are unlimited. For other households, they are limited to: $247 a month in the 48 contiguous States and the District of Columbia, $429 in Alaska, $353 in Hawaii, $300 in Guam, and $182 in the Virgin Islands. Effective January 1, 1997, these limits on excess shelter expense deductions for households without elderly or disabled members are lifted. [Sec. 5(e)]

States may develop and use ''standard utility allowances'' (as approved by the Secretary) in calculating households' shelter expenses. However, households may (1) claim actual expenses instead of the allowance and (2) switch between an actual expense claim and the standard allowance at the end of any certification period and 1 additional time during any 12-month period. [Sec. 5(e)]

House bill

Standard Deductions. Indefinitely freezes standard deduction amounts at their present levels (e.g., $134 for the 48 contiguous States and the District of Columbia). [Sec. 1020]

Earned Income Deduction. Disallows an earned income deduction for any income not reported in a timely manner and for the public assistance portion of income earned under a work supplementation/support program. [Sec. 1020]

Homeless Shelter Allowance. Indefinitely freezes the maximum homeless shelter allowance at its present level ($143). States may use it in calculating an excess shelter expense deduction (without regard to actual costs) and may prohibit its use for households with extremely low shelter costs. [Sec. 1020]

Excess Shelter Expense Deduction. Indefinitely retains current limits on excess shelter expense deductions for households without elderly or disabled members (e.g., $247 for the 48 contiguous States and the District of Columbia). [Sec. 1020]

Permits States to make use of standard utility allowances mandatory for all households if (1) the State has developed separate standards that do and do not include the cost of heating and cooling and (2) the Secretary finds that the standards will not result in increased Federal costs. [Sec. 1020]

Senate amendment

Standard Deductions. Extends the present standard deduction levels (e.g., $134 for the 48 contiguous States) through November 1996. For December 1996 through September 2001, sets standard deduction at $120, $206, $170, $242, and $106. For October 2001 through August 2002, sets standard deductions at $113, $193, $159, $227, and $100. For September 2002, sets standard deductions at $120, $206, $170, $242, and $106. Beginning with fiscal year 2003, standard deductions are indexed for inflation as under present law. [Sec. 1119]

Earned Income Deduction. Same provision. [Sec. 1119]

Homeless Shelter Allowance. Same provision. [Sec. 1119]

Excess Shelter Expense Deduction. Effective January 1, 1997, increases the current limits on excess shelter expense deductions to $342 in the 48 contiguous States and the District of Columbia, $594 in Alaska, $489 in Hawaii, $415 in Guam, and $252 in the Virgin Islands. No further increases are provided. [Sec. 1119]

Includes the same provision as in the House bill in regard to mandatory standard utility allowances. [Sec. 1119]

Conference agreement

The conference agreement adopts the provisions that are common to both bills. With regard to the provisions in disagreement:

the conference agreement adopts the House provision as to standard deductions; and

the conference agreement adopts the Senate provision as to limits on the excess shelter expense deduction with an amendment (1) requiring that they continue at their present-law levels (e.g. $247 for the 48 contiguous States and the District of Columbia) through December 31, 1996, (2) for January 1, 1997, through fiscal year 1998, increasing the limits to $250 for the 48 States and the District of Columbia, $434 for Alaska, $357 for Hawaii, $304 for Guam, and $184 for the Virgin Islands, (3) for fiscal years 1999 and 2000, increasing the limits to $275, $478, $393, $334, and $203, and (4) for fiscal years 2001, 2002, and each subsequent fiscal year, increasing the limits to $300, $521, $429, $364, and $221.

[Sec. 809]

11. VEHICLE ALLOWANCE

Present law

In determining a household's liquid assets for food stamp eligibility purposes, a vehicle's fair market value in excess of $4,600 is counted. This threshold is scheduled to rise to an estimated $5,150 on October 1, 1996, and be adjusted each October thereafter to reflect changes in the new car component of the CPI-U for the 12-month period ending the immediately preceding June (rounded to the nearest $50). Excluded from this rule are vehicles used to produce income, necessary for transportation of a disabled household member, or depended on to carry fuel or water. [Sec. 5(g)]

House bill

Retains the threshold above which the fair market value of a vehicle is counted as a liquid asset at the current level—$4,600. [Sec. 1021]

Senate amendment

Effective October 1, 1996, sets the threshold above which the fair market value of a vehicle is counted as a liquid asset to $4,650. No further increases are provided. [Sec. 1120]

Conference agreement

The conference agreement adopts the Senate provision. [Sec. 810]

12. VENDOR PAYMENTS FOR TRANSITIONAL HOUSING COUNTED AS INCOME

Present law

AFDC, or general assistance housing aid, provided to a third party on behalf of a food stamp household is considered paid directly to the household (and thus counted as household income) unless, among other exceptions, it is housing assistance paid on behalf of households residing in ''transitional housing for the homeless.'' [Sec. 5(k)]

House bill

Removes the exception for vendor payments for transitional housing for the homeless. [Sec. 1022]

Senate amendment

Same provision. [Sec. 1121]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 811]

13. SIMPLIFIED CALCULATION OF INCOME FOR THE SELF-EMPLOYED

Present law

The cost of producing self-employment income is disregarded (subtracted out) in calculating household income. [Sec. 5(d)]

House bill

No provision.

Senate amendment

Provides that the Secretary establish a procedure (designed not to increase Federal costs) by which States may use a reasonable estimate of the cost of producing self-employment income in lieu of calculating actual costs, not later than 1 year after enactment. The procedure must allow States to estimate costs for all types of self-employment income and may differ for different types of self-employment income. [Sec. 1122]

Conference agreement

The conference agreement adopts the Senate provision with an amendment providing that the Secretary establish a procedure by which States may submit a method for determining reasonable estimates of the cost of producing self-employment income designed not to increase Federal costs. [Sec. 812]

14. DOUBLED PENALTIES FOR VIOLATING FOOD STAMP PROGRAM REQUIREMENTS

Present law

The disqualification period for the first intentional violation of program requirements

is 6 months. The penalty for a second intentional violation (and the first violation involving trading of a controlled substance) is 1 year. [Sec. 6(b)(1)]

House bill

Increases the disqualification penalty for a first intentional violation to 1 year. Increases the penalty for a second intentional violation (and the first involving a controlled substance) to 2 years. [Sec. 1023]

Senate amendment

Same provision. [Sec. 1123]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 813]

15. DISQUALIFICATION OF CONVICTED INDIVIDUALS

Present law

Permanent disqualification is required for the third intentional violation of program requirements, the second violation involving trading of a controlled substance, and the first violation involving trading of firearms, ammunition, or explosives. [Sec. 6(b)(1)]

House bill

Adds a requirement for permanent disqualification of persons convicted of trafficking in food stamp benefits where the benefits have a value of $500 or more. [Sec. 1024]

Senate amendment

Same provision. [Sec. 1124]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 814]

16. DISQUALIFICATION

Present law

Conditions of Participation. Non-exempt individuals between 16 and 60 are ineligible if they: (1) refuse to register for employment, (2) refuse without good cause (including lack of adequate child care) to participate in an employment or training program when required to do so by the State, or (3) refuse, without good cause, a job offer meeting minimum standards. In addition, if the individual is head of household and fails to comply with one of the above-noted conditions or voluntarily quits a job without good cause, the entire household is ineligible. [Sec. 6(d)(1)]

Duration of Ineligibility/Household Ineligibility. Disqualification periods for failure to meet work/training conditions of participation are (1) 2 months or until compliance (whichever is first) for most failures and (2) 90 days in the case of a voluntary quit. [Sec. 6(d)(1)]

House bill

Conditions of Participation. Adds conditions making individuals ineligible if they (1) refuse without good cause to provide sufficient information to allow the State agency to determine their employment status or job availability or (2) voluntarily and without good cause reduce work effort and (after the reduction) are working less than 30 hours a week. Makes ineligibility for failure to comply with workfare requirements explicit and covered by new (see below) duration of ineligibility rules. Adds a condition making all individuals (in addition to heads of household) ineligible if they voluntarily quit a job without good cause. Lack of adequate child care, as an explicit good cause exemption for refusal to participate in an employment or training program, is removed. [Sec. 1025]

Duration of Ineligibility/Household Ineligibility. Establishes new mandatory minimum disqualification periods for individuals failing to comply with any work/training condition of participation. For the first violation, individuals are ineligible until they fulfill work/training conditions, for 1 month, or for a period (determined by the State) not to exceed 3 months—whichever is later. For the second violation, individuals are ineligible until they fulfill work/training conditions, for 3 months, or for a period (determined by the State) not to exceed 6 months—whichever is later. For a third or subsequent violation, individuals are ineligible until they fulfill work/training conditions, for 6 months, until a date set by the State agency, or (at State option) permanently. [Sec. 1025]

Establishes a new household ineligibility rule: if any individual who is head of household is disqualified under a work/training condition of participation, the entire household is, at State option, ineligible for a period not to exceed the lesser of the duration of the individual's ineligibility or 180 days. [Sec. 1025]

Administration. In establishing cases of good cause, voluntary quit, and reduction of work effort, the Secretary determines the meaning of the terms. States determine the meaning of other terms related to work/training conditions of participation and the procedures for making compliance decisions, but cannot make determinations that are less restrictive than a comparable one under the State's family assistance block grant (TANF) program. [Sec. 1025]

Senate amendment

Conditions of Participation. Same provision. [Sec. 1125]

Duration of Ineligibility/Household Ineligibility. Same provision. [Sec. 1125]

Administration. Same provision. [Sec. 1125]

Conference agreement

The conference agreement adopts the provisions that are common to both bills. [Sec. 815]

17. CARETAKER EXEMPTION

Present law

Parents or other household members with responsibility for the care of a dependent child under age 6 are exempt from food stamp work/training conditions of participation. [Sec. 6(d)(2)]

House bill

Permits States to lower the age at which a child ''exempts'' a parent or caretaker from age 6 to not under the age of 1. [Sec. 1026]

Senate amendment

No provision.

Conference agreement

The conference agreement adopts the House provision with an amendment to permit a State to lower the age at which a child exempts a parent or caretaker from age 6 to not under age 1, if the State requested a waiver to lower the age of a dependent child that exempts the parent or caretaker and had the waiver denied by the Secretary as of August 1, 1996. The State may lower the age of the child for not more than 3 years. [Sec. 816]

18. EMPLOYMENT AND TRAINING

Present law

Programs. States must operate employment and training programs for nonexempt food stamp recipients and place a minimum proportion of those covered in a program component. Program components can range from job search or education activities to work experience/training and workfare assignments.

Work experience/training program components must limit assignments to projects serving a useful public purpose, use the prior training/experience of assignees, not provide work that has the effect of replacing others, and provide the same benefits and working conditions provided others.

States and political subdivisions also may operate workfare programs under which nonexempt recipients may be required to perform work in return for the minimum wage equivalent of their household's monthly food stamp allotment. Workfare assignments may not replace or prevent the employment of others and must provide the same benefits and working conditions provided others.

The total hours of work required of a household under an employment/training program (including workfare) cannot exceed the minimum wage equivalent of the household's monthly allotment. Monthly participation in an employment/training program required of any household member cannot exceed 120 hours (when added to other work). And workfare hours (when added to other work) cannot exceed 30 hours a week for a household member.

Under employment and training programs for food stamp recipients, States must provide or pay for transportation and other costs directly related to participation (up to $25 a month for each participant) and necessary dependent care expenses (in general, up to local market rates). Under workfare program, States must reimburse participants for transportation and other costs directly related to participation (up to $25 a month for each participant). [Sec. 6(d)(4) and sec. 20]

Funding. To support employment and training programs for food stamp recipients, States receive a formula share of required spending of $75 million a year. Each State's share is based on its share of nonexempt recipients and its share of those placed in employment/training program components. [Sec. 16(h)]

In addition, States receive a 50 percent match for any additional administrative or participant support costs. [Sec. 16(h)]

House bill

Programs. Revises the existing requirements for State-operated employment and training programs for food stamp recipients:

makes clear that work experience is a purpose of employment and training programs;

requires that each component of an employment/training program be delivered through a ''statewide workforce development system,'' unless the component is not available locally through the system;

expands the existing State option to apply work/training requirements to applicants to include all work/training requirements, not only job search;

removes specific Federal rules governing job search components (i.e., those tied to rules in the AFDC program);

removes provisions for employment/training components related to work experience requiring that they be in public service work and use recipients' prior training/experience;

removes specific Federal rules as to States' authority to exempt categories and individuals from employment/training requirements, giving States full latitude to determine exemptions;

removes a requirement to serve volunteers;

removes the requirement for ''conciliation procedures'' for resolving disputes involving participation in employment/training programs;

limits employment and training funding provided by the food stamp program for services to family assistance block grant (TANF) recipients to the amount used by the State for AFDC recipients in fiscal year 1995; and

removes provisions for Federal performance standards on States. [Sec. 1027]

Funding. Provides for required Federal spending of increasing amounts for employment and training programs: $79 million in fiscal year 1997, $81 million in 1998, $84 million in 1999, $86 million in 2000, $88 million in 2001, and $90 million in 2002. State allocations are based on a ''reasonable formula''

(determined by the Secretary) that gives consideration to each State's population of persons subject to the new work requirement (see item 25). [Sec. 1027]

Provides that the 50 percent match for additional administrative costs can include costs for case management/casework to facilitate the transition from economic dependency to self-sufficiency through work. [Sec. 1027]

Deletes a requirement for a report from the Secretary on modifying Federal employment and training program payments to States to reflect their effectiveness in carrying out employment and training programs. [Sec. 1027]

Senate amendment

Programs. Same provisions. [Sec. 1126]

Funding. Same provisions, except that required Federal spending is $85 million a year for fiscal years 1997–2002. [Sec. 1126]

Conference agreement

The conference agreement adopts the provisions that are common to both bills and adopts House provision with regard to Funding. [Sec. 817]

19. FOOD STAMP ELIGIBILITY

Present law

The income and resources of aliens ineligible under Food Stamp Act provisions are counted as available to the remainder of the household, less a pro rata share for the ineligible alien. [Sec. 6(f)]

House bill

Permits States the option to count all of the income and resources of an alien ineligible under Food Stamp Act provisions as available to the remainder of the household. [Sec. 1066]

Senate amendment

Same provision, with technical differences. [Sec. 1127]

Conference agreement

The conference agreement adopts the Senate provision. [Sec. 818]

20. COMPARABLE TREATMENT FOR DISQUALIFICATION

Present law

Households penalized for an intentional failure to comply with a Federal, State, or local welfare program may not, for the duration of the penalty, receive an increased food stamp allotment because the welfare payment has been reduced. [Sec. 8(d)]

Persons are exempt from food stamp work/training conditions of participation if they are currently subject to and complying with AFDC or unemployment insurance work registration requirements. Failure to comply with an AFDC/unemployment insurance work registration requirement that ''is comparable to'' a food stamp work requirement results in disqualification as if the food stamp requirement had been violated. [Sec. 6(d)(2)]

House bill

If an individual is disqualified for failure to perform an action required under a Federal, State, or local law relating to means-tested public assistance, the State agency is permitted to impose the same disqualification for food stamps.

If a disqualification is imposed under the family assistance block grant (TANF) rules, States are permitted to use the TANF rules and procedures to impose the same disqualification for food stamps.

Permits individuals disqualified from food stamps because of failure to perform a required action under another public assistance program to apply for food stamps as new applicants after the disqualification period has expired, except that a prior disqualification under food stamp program work/training rules must be considered in determining eligibility.

Requires States to include in their State plans the guidelines they use in carrying out food stamp disqualification for failure to perform another program's required action(s). [Sec. 1028]

Removes the requirement that an AFDC/unemployment insurance work requirement be ''comparable'' to a food stamp requirement to bring on disqualification from food stamps. [Sec. 1028]

Senate amendment

Same provisions. [Sec. 1128]

Conference agreement

The conference agreement adopts the provisions that are common to both bills. [Sec. 819]

21. DISQUALIFICATION FOR RECEIPT OF MULTIPLE FOOD STAMP BENEFITS

Present law

No comparable provision.

House bill

Adds a provision making individuals ineligible for 10 years if they are found by a State agency (or Federal or State court) to have made a fraudulent statement with respect to identity or residence in order to receive multiple food stamp benefits simultaneously. [Sec. 1029]

Senate amendment

Same provision. [Sec. 1129]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 820]

The conferees note that State agency hearing processes have sufficient recipient protections to warrant a decision to impose a 10-year disqualification in these cases.

22. DISQUALIFICATION OF FLEEING FELONS

Present law

No provision.

House bill

Adds a provision making individuals ineligible while they are fleeing to avoid prosecution, custody, or confinement for a felony or attempted felony or violating a condition of probation or parole. [Sec. 1030]

Senate amendment

Same provision. [Sec. 1130]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 821]

23. COOPERATION WITH CHILD SUPPORT AGENCIES

Present law

Custodial Parents. No provisions.

Noncustodial Parents. No provisions.

House bill

Custodial Parents. Permits States to disqualify custodial parents of children under the age of 18 who have an absent parent, unless the parent cooperates with the State child support agency in establishing the child's paternity and obtaining support for the child and the parent. Cooperation is not required if the State finds there is good cause (in accordance with Federal standards taking into account the child's best interest). Fees or other costs for services may not be charged. [Sec. 1031]

Noncustodial Parents. Permits States to disqualify putative or identified noncustodial parents of children under 18 if they refuse to cooperate with the State child support agency in establishing the child's paternity and providing support for the child. The Secretary and the Secretary of Health and Human Services must develop guidelines as to what constitutes a refusal to cooperate, and States must develop procedures (using these guidelines) for determining whether there has been a refusal to cooperate. Fees or other costs for services may not be charged. States must provide privacy safeguards. [Sec. 1031]

Senate amendment

Custodial Parents. Same provisions. [Sec. 1131]

Noncustodial Parents. Same provisions. [Sec. 1131]

Conference agreement

The conference agreement adopts the provisions that are common to both bills. [Sec. 822]

24. DISQUALIFICATION RELATING TO CHILD SUPPORT ARREARS

Present law

No provisions.

House bill

Allows States to disqualify individuals during any period in which the individual is delinquent in any court-ordered child support payment, unless the court is allowing a delay or the individual is complying with a payment plan approved by the court or a State child support agency. [Sec. 1032]

Senate amendment

Same provision. [Sec. 1132]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 823]

25. WORK REQUIREMENT

Present law

No comparable provisions.

House bill

Requirement. After the date of enactment, no nonexempt individual may be eligible for food stamps for more than 3 months during which the individual does not (1) work at least 20 hours a week (averaged monthly), (2) participate in and comply with a ''work program'' for at least 20 hours a week (as determined by the State agency), or (3) participate in a workfare program. A work program is defined as a program under the Job Training Partnership Act, a Trade Adjustment Assistance Act program, or a program of employment and training operated or supervised by a State or political subdivision that meets standards approved by the Governor (including a Food Stamp Act employment and training program), other than job search or job search training. [Sec. 1033]

General Exemptions. The new work requirement does not apply to (1) those under 18 or over 50, (2) those who are medically certified as physically or mentally unfit for employment, (3) parents or other household members with the responsibility for a dependent child, (3) those otherwise exempt from work registration requirements (e.g., those caring for incapacitated persons), and (4) pregnant women. [Sec. 1033]

Other Provisions. On a State agency's request, the Secretary may waive application of the new work requirement to any group of individuals if the Secretary determines that the area where they reside (1) has an unemployment rate over 10 percent or (2) does not have a sufficient number of jobs to provide them employment. The Secretary must report the basis for any waiver to Congress. [Sec. 1033]

Senate amendment

Requirement. No nonexempt individual may be eligible for food stamps if, during the preceding 12-month period, the individual received food stamp benefits for 4 months or more while not (1) working at least 20 hours a week (averaged monthly), (2) participating

in and complying with a ''work program'' for at least 20 hours a week (as determined by the State agency), or (3) participating in and complying with a workfare program. A work program is defined as in the House bill, with a technical difference. [Sec. 1133]

General Exemptions. Same provisions. [Sec. 1133]

Other Provisions. Provisions for unemployment-rate and job-availability waivers are the same as in the House bill, except that the Secretary must respond to a State agency request within 15 days. [Sec. 1133]

The disqualification imposed under the new work requirement ceases to apply if, during a 30-day period, an individual works 80 hours or more, participates in and complies with a work program (defined above) for at least 80 hours, or participates in and complies with a workfare program. After regaining eligibility, the individual again is subject to the new work requirement, except that a new 12-month period begins. [Sec. 1133]

State agencies may exempt an individual from the new work requirement: (1) by reason of ''hardship'' or (2) for up to 2 months (in any 12-month period), if the individual participates in and complies with a job search or job search training program under the Food Stamp Act's employment and training program provisions that requires an average of at least 20 hours a week of participation. The fiscal year average monthly number of individuals participating because of a hardship exemption may not exceed 20 percent of the fiscal year average number of individuals receiving food stamps who are not exempt from the new work requirement because of the general exemptions or waivers (noted above). [Sec. 1133]

Provides for a transition to the new work requirement. Prior to 1 year after enactment, administrators would not ''look back'' a full 12 months; they would look back only to the date of enactment. [Sec. 1133]

Conference agreement

The conference agreement adopts the provisions that are common to both bills: General Exemptions and provisions for waivers in cases of high unemployment and lack of sufficient jobs. With respect to the provisions in disagreement, the conference agreement adopts the Senate provisions with an amendment:

No nonexempt individual may be eligible for food stamps if, during the preceding 36-month period, the individual received food stamp benefits for 3 months or more while not (1) working at least 20 hours a week (averaged monthly), (2) participating in and complying with a work program for at least 20 hours a week (as determined by the State agency), or (3) participating in and complying with a workfare program. A work program is defined as in the House bill. Receipt of benefits while exempt (including participation under the additional 3-month eligibility provision described below) or covered by a waiver would not count toward an individual's basic 3-month eligibility period.

Individuals denied eligibility under the new work rule would regain eligibility if, during a 30-day period, the individual (1) works 80 or more hours, (2) participates in and complies with the requirements of a work program for 80 or more hours (as determined by the State agency), or (3) participates in and complies with the requirements of a workfare program. After having met this 30-day work/training requirement, the individual could remain eligible for a consecutive period of 3 months without working at least 20 hours a week or participating in an employment/training or workfare program. For example, if an individual works 20 hours a week for at least 30 days and then loses a job, the individual could retain food stamp eligibility for 3 consecutive months without working or being in a training/workfare program.

But individuals could not take advantage of this provision for an additional 3 months of eligibility, while not working or in an employment/training or workfare program, for more than a single 3-month period in a 36-month period. Individuals regaining eligibility also would remain eligible as long as they continued to meet requirements to work at least 20 hours a week or participate in a training/workfare program.

Transition provisions are included that provide that the 36-month period established by the new work requirement will not include any period before the earlier of the date the State notifies recipients (through means such as individual notices at certification, recertification, otherwise, mass mailings, media announcements, or otherwise) about the new work requirement or 3 months after enactment.

[Sec. 824]

26. ENCOURAGEMENT OF ELECTRONIC BENEFIT TRANSFER SYSTEMS

Present law

Rules for EBT Systems. State agencies, with the Secretary's approval, may implement on-line electronic benefit transfer (EBT) systems for delivering food stamp benefits. No State may implement or expand an EBT system without prior approval from the Secretary. States are responsible for 50 percent of EBT system costs. The Secretary's regulations for approval must include (1) standards that require that, in any 1 year, the operational cost of an EBT system does not exceed costs of prior issuance systems and (2) system security standards. [Sec. 7(i)]

Regulation E. The Federal Reserve Board has ruled that, as of March 1997 (and with some minor modifications), its ''Regulation E'' will apply to EBT systems. Regulation E provides certain protections for consumers using cards to access their accounts. It limits the liability of cardholders for unauthorized withdrawals (to $50 if timely notification is made) and requires periodic account statements and certain error resolution procedures. [Federal Register of March 7, 1994]

Anti-tying Restrictions. No provision.

House bill

Rules for EBT Systems. Provides that States must implement EBT systems (on-line or off-line) before October 1, 2002, unless the Secretary waives the requirement because a State agency faces unusual barriers to implementation. States are encouraged to implement an EBT system as soon as practicable. [Sec. 1034]

Subject to Federal standards, permits State agencies to procure and implement an EBT system under the terms, conditions, and design the agency considers appropriate. Adds a new requirement for Federal procurement standards and deletes the requirement for the Secretary's prior approval. [Sec. 1034]

Adds a requirement for EBT standards following generally accepted operating rules based on commercial technology, the need to permit interstate operation and law enforcement, and the need to permit monitoring and investigations by law enforcement officials. [Sec. 1034]

Adds requirements that the Secretary's standards include (1) measures to maximize security and (2) effective not later than 2 years after enactment, measures to permit EBT systems to differentiate among food items. [Sec. 1034]

Deletes the requirement that EBT systems be cost neutral in any one year. [Sec. 1034]

Adds a requirement that regulations regarding the replacement of benefits and liability for replacement under an EBT system be similar to those in effect for a paper food stamp issuance system. [Sec. 1034]

Permits State agencies to collect a charge for replacing EBT cards by reducing allotments. [Sec. 1034]

Permits State agencies to require that EBT cards contain a photograph of one or more household members and requires that, if a State requires a photograph, it must establish procedures to ensure that other appropriate members of the household and authorized representatives may use the card. [Sec. 1034]

Declares it the sense of Congress that States operate EBT systems that are compatible with other States' systems. [Sec. 1034]

Regulation E. Provides that Regulation E will not apply to any EBT system, established under, or administered by, State or local governments, distributing needs-tested benefits. [Sec. 1091]

Anti-tying Restrictions. Provides that a company may not sell or provide EBT services, or fix or vary the consideration for such services, on the condition or requirement that the customer obtain, or not obtain, some additional point-of-sale service from the company or any affiliate. Requires the Secretary to consult with the Governors of the Federal Reserve before issuing regulations to carry out this provision. [Sec. 1034]

Senate amendment

Rules for EBT Systems. Same provisions. [Sec. 1134]

Regulation E. Same provision. [Sec. 2809]

Also provides that Regulation E will not apply to food stamp benefits delivered through an EBT system. [Sec. 1134]

Anti-tying Restrictions. No provision.

Conference agreement

The conference agreement adopts the provisions that are common to both bills, with a technical amendment, and adopts the Senate provision providing that Regulation E will not apply to food stamp benefits. The conferees intend that regulations issued by the Secretary regarding the replacement of benefits and liability for replacement of benefits under an EBT system will not require greater replacement of benefits or impose greater liability than those regulations in effect for a paper-based food stamp issuance system. [Sec. 825 and sec. 891]

The conference agreement also adopts the House provision applying anti-tying restrictions of the Bank Holding Company Act Amendments of 1970 to EBT services offered by nonbanks. The conferees intend that, in applying the anti-tying restrictions to nonbanks, the Secretary implement the anti-tying provision consistent with the anti-tying restrictions that apply to banks. [Sec. 825]

27. VALUE OF MINIMUM ALLOTMENT

Present law

The minimum monthly allotment for 1- and 2-person households is set at $10. It is indexed for inflation and rounded to the nearest $5. [Sec. 8(a)]

House bill

Deletes the requirement for inflation indexing of the minimum allotment. [Sec. 1035]

Senate amendment

Same provision. [Sec. 1135]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 826]

28. BENEFITS ON RECERTIFICATION

Present law

Recipient households not fulfilling eligibility recertification requirements in the

last month of their certification period are allowed a 1-month ''grace period'' in which to fulfill the requirements before their benefits are pro-rated (reduced) to reflect the delay. [Sec. 8(c)]

House bill

For those who do not complete all eligibility recertification requirements in the last month of their certification period, but are then determined to be eligible after their certification period has expired, requires that they receive reduced benefits in the first month of their new certification period (i.e., their benefits would be pro-rated to the date they met the requirements and were judged eligible). [Sec. 1036]

Senate amendment

Same provision. [Sec. 1136]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 827]

29. OPTIONAL COMBINED ALLOTMENT FOR EXPEDITED HOUSEHOLDS

Present law

For households applying after the 15th of the month, States may provide an allotment that is the aggregate of the initial (prorated) allotment and the first regular allotment. However, combined allotments must be provided to households applying after the 15th who are entitled to expedited service. [Sec. 8(c)]

House bill

Makes provision of combined allotments a State option both for regular and expedited service applicants. [Sec. 1037]

Senate amendment

Same provision. [Sec. 1137]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 828]

30. FAILURE TO COMPLY WITH OTHER MEANS-TESTED PUBLIC ASSISTANCE PROGRAMS

Present law

Households penalized for intentional failure to comply with a Federal, State, or local welfare program may not, for the duration of the penalty, receive an increased food stamp allotment because their welfare income has been reduced. [Sec. 8(d)]

House bill

Bars increased food stamp allotments when the benefits of a household are reduced under a Federal, State, or local means-tested public assistance program for failure to perform a required action. Permits States also to reduce a household's food stamp allotment by up to 25 percent. If the allotment is reduced for failure to perform an action under a family assistance block grant (TANF) program, the State may use the rules and procedures of that program to reduce the food stamp allotment. [Sec. 1038]

Senate amendment

Same provision. [Sec. 1138]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 829]

31. ALLOTMENTS FOR HOUSEHOLDS RESIDING IN CENTERS

Present law

Residential substance abuse centers may be designated as recipients' authorized representatives, and benefits generally are provided to the center.

House bill

Permits State agencies to divide a month's food stamp benefits between the center and an individual who leaves the center and permits States to require center residents to designate centers as authorized representatives. [Sec. 1039]

Senate amendment

Same provisions. [Sec. 1139]

Conference agreement

The conference agreement adopts the provisions that are common to both bills. [Sec. 830]

32. CONDITION PRECEDENT FOR APPROVAL OF RETAIL FOOD STORES AND WHOLESALE FOOD CONCERNS

Present law

No provisions.

House bill

Provides that no food concerns (of a type determined by the Secretary based on factors including size, location, and types of items sold) be approved for participation unless visited by an Agriculture Department employee (or, whenever possible, a State or local government official designated by the Secretary). [Sec. 1040]

Senate amendment

Same provision. [Sec. 1140]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 831]

33. AUTHORITY TO ESTABLISH AUTHORIZATION PERIODS

Present law

No provisions.

House bill

Requires the Secretary to establish specific time periods during which retail food stores' and wholesale food concerns' authorization to accept and redeem food stamp benefits will be valid. [Sec. 1041]

Senate amendment

Same provision. [Sec. 1141]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 832]

34. INFORMATION FOR VERIFYING ELIGIBILITY FOR AUTHORIZATION

Present law

No provisions.

House bill

Permits the Secretary to require that retailers and wholesalers seeking approval to accept and redeem food stamp benefits submit relevant income and sales tax filing documents. Permits regulations requiring retailers and wholesalers to provide written authorization for the Secretary to verify all relevant tax filings and to obtain corroborating documentation from other sources in order to verify the accuracy of information provided by the retailer/wholesaler. [Sec. 1042]

Senate amendment

Same provision. [Sec. 1142]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 833]

35. WAITING PERIOD FOR STORES THAT FAIL TO MEET AUTHORIZATION CRITERIA

Present law

No provisions.

House bill

Provides that retailers and wholesalers that have failed to be approved for participation may not submit a new application to participate for at least 6 months. The Secretary may establish a longer period (including permanent disqualification) that reflects the severity of the basis of the denial. [Sec. 1043]

Senate amendment

Same provision. [Sec. 1143]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 834]

36. OPERATION OF FOOD STAMP OFFICES

Present law

State Plans. States must:

allow households contacting a food stamp office in person during office hours to make an oral/written request for aid and receive and file an application on the same day;

use a simplified, uniform, federally designed application, unless a waiver is approved;

include certain, specific information in applications;

waive in-person interviews under certain circumstances and use telephone interviews or home visits instead;

provide for telephone contact and mail application by households with transportation or similar difficulties;

require an adult representative of the household to certify as to household members' citizenship/alien status;

assist households in obtaining verification and completing applications;

not require additional verification of currently verified information (unless there is reason to believe that the information is inaccurate, incomplete, or inconsistent);

not deny an application solely because a nonhousehold member fails to cooperate;

process applications if the household meets cooperation requirements; provide households with a statement of reporting responsibilities at certification and recertification;

provide a toll-free or local telephone number at which households can reach State agency personnel;

display and make available nutrition information; and

use mail issuance in rural areas where low-income households face substantial difficulties in obtaining transportation. [Sec. 11(e)(2), (14), & (25)]

Application and Denial Procedures. A single interview for determining AFDC and food stamp benefits is required. Food stamp applications generally are required to be contained in public assistance applications, and applications and information about how to apply for food stamps must be provided local assistance applicants. Applicants (including those who have recently lost or been denied public assistance) must be certified eligible for food stamps based on their public assistance casefile (to the extent it is reasonably verified). No household may be terminated from or denied food stamps solely on the basis of termination/denial of other public assistance without a separate food stamp determination. [Sec. 11(i)]

House bill

State Plans. Replaces noted existing State plan requirements with requirements that the State:

establish procedures governing the operation of food stamp offices that it determines best serve households in the State, including those with special needs (such as households with elderly or disabled members, those in rural areas, the homeless, households residing on reservations, and households speaking a language other than English);

provide timely, accurate, and fair service to applicants and participants;

permit applicants to apply and participate on the same day they first contact a food stamp office during office hours;

consider an application filed on the date the applicant submits an application with the applicant's name, address, and signature; require that an adult representative certify as to the truth of the information on the application and citizenship/alien status; and have a method for certifying homeless households. [Sec. 1044]

Permits States to establish operating procedures that vary for local food stamp offices. [Sec. 1044]

Stipulates that the signature of a single adult will be sufficient to comply with any provision of Federal law requiring applicant signatures. [Sec. 1044]

Makes clear that nothing in the Food Stamp Act prohibits electronic storage of application and other information. [Sec. 1044]

Application and Denial Procedures. Deletes noted existing requirements for single interviews, applications, and food stamp determinations based on public assistance information. Permits disqualification for food stamps based on another public assistance program's disqualification for failure to comply with its rules or regulations. [Sec. 1044]

Senate amendment

State Plans. Same provisions. [Sec. 1144]

Application and Denial Procedures. Same provisions. [Sec. 1144]

Conference agreement

The conference agreement adopts the provisions that are common to both bills. [Sec. 835]

37. STATE EMPLOYEE AND TRAINING STANDARDS

Present law

States must employ agency personnel responsible for food stamp certifications in accordance with current Federal ''merit system'' standards. States must provide continuing, comprehensive training for all certification personnel. States may undertake intensive training of personnel to ensure they are qualified for certifying farm households. States may provide or contract for the provision of training and assistance to persons working with volunteer or nonprofit organizations that provide outreach and eligibility screening. [Sec. 11(e)(6)]

House bill

Deletes training provisions. [Sec. 1045]

Senate amendment

Same provision. [Sec. 1145]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 836]

38. EXCHANGE OF LAW ENFORCEMENT INFORMATION

Present law

No provisions.

House bill

Requires State food stamp agencies to make available to law enforcement officers the address, social security number, and a photograph (when available) of a food stamp recipient if the officer furnishes the recipient's name and notifies the agency that the individual is fleeing to avoid prosecution, custody, or confinement for a felony, is violating a condition of parole or probation, or has information necessary for the officer to conduct an official duty related to a felony/parole violation. [Sec. 1046]

Senate amendment

Same provision. [Sec. 1146]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 837]

39. EXPEDITED COUPON SERVICE

Present law

States must provide expedited benefits to applicant households that (1) have gross income under $150 a month (or are ''destitute'' migrant or seasonal farmworker households) and have liquid resources of no more than $100, (2) are homeless, or (3) have combined gross income and liquid resources less than the household's monthly shelter expenses. Expedited service means providing an allotment no later than 5 days after application. [Sec. 11(e)(9)]

House bill

Deletes noted requirements to provide expedited service to the homeless and those with shelter expenses in excess of their income/resources. Lengthens the period in which expedited benefits must be provided to 7 days. [Sec. 1047]

Senate amendment

No provision.

Conference agreement

The conference agreement adopts the House provisions with an amendment to retain the requirement for expedited service to those with income and liquid resources less than their monthly shelter expenses. [Sec. 838]

40. WITHDRAWING FAIR HEARING REQUESTS

Present law

No provisions.

House bill

At State option, permits households to withdraw fair hearing requests orally or in writing. If it is an oral request, the State must provide written notice confirming the request and providing the household with another chance to request a fair hearing. [Sec. 1048]

Senate amendment

Same provision. [Sec. 1147]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 839]

41. INCOME, ELIGIBILITY, AND IMMIGRATION STATUS VERIFICATION SYSTEMS

Present law

States must use the ''income and eligibility verification systems'' established under section 1137 of the Social Security Act to assist in verifying household circumstances; this includes a system for verifying financial circumstances (IEVS) and a system for verifying alien status (SAVE). [Sec. 11(e)(19)]

House bill

Makes use of IEVS and SAVE optional with the States. [Sec. 1049]

Senate amendment

Same provision. [Sec. 1148]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 840]

42. DISQUALIFICATION OF RETAILERS WHO INTENTIONALLY SUBMIT FALSIFIED APPLICATIONS

Present law

No provisions.

House bill

Retailers/wholesalers who knowingly submit an application to accept and redeem food stamp benefits that contains false information about a substantive matter must be disqualified for a reasonable period of time to be determined by the Secretary (including permanent disqualification). [Sec. 1050]

Senate amendment

Same provision. [Sec. 1149]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 842]

43. DISQUALIFICATION OF RETAILERS WHO ARE DISQUALIFIED UNDER THE WIC PROGRAM

Present law

No provisions.

House bill

Requires the Secretary to issue regulations providing criteria for disqualifying from food stamp program participation retailers/wholesalers disqualified from the WIC program. Disqualification must be for the same length of time, may begin at a later date, and is not subject to separate food stamp administrative/judicial review provisions. [Sec. 1051]

Senate amendment

Same provisions. [Sec. 1150]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 843]

44. COLLECTION OF OVERISSUANCES

Present law

In the case of overissuances due to an intentional program violation, households must agree to repayment by either a reduction in future benefits or cash repayment; States also are required to collect overissuances to these households through other means such as tax refund or unemployment compensation collections if other repayment is not forthcoming (unless they demonstrate that the other means are not cost effective). In cases of overissuance because of inadvertent household error, States must collect the overissuance through a reduction in future benefits, except that households must be given 10 days notice to elect another means and collections are limited to 10 percent of the monthly allotment or $10 a month (whichever would result in faster collection). Otherwise uncollected overissued benefits, except those arising from State agency error, may be recovered from Federal pay or pensions. [Sec. 13(b) & (d) and sec. 11(e)(8)]

States may retain 25 percent of ''nonfraud'' collections not arising from State agency error and 50 percent of ''fraud'' collections (increased from 10 percent and 25 percent on October 1, 1995). [Sec. 16(a)]

House bill

Replaces existing overissuance collection rules with provisions requiring States to collect any overissuance by reducing future benefits, withholding unemployment compensation, recovering from Federal pay or income tax refunds, or any other means—unless the State demonstrates that all of the means are not cost effective. Limits benefit reductions (absent intentional program violation) to the greater of 10 percent of the monthly allotment or $10 a month. Provides that States must collect overissued benefits in accordance with State-established requirements for notice, electing a means of payment, and setting a schedule for payment. [Sec. 1052]

Permits States to retain 25 percent of all collections other than those arising from State agency error. [Sec. 1052]

Senate amendment

Same provision, except permits States to retain 20 percent of nonfraud collections other than those arising from State agency error and 35 percent of fraud collections. [Sec. 1151]

Conference agreement

The conference agreement adopts the Senate provisions. [Sec. 844]

45. AUTHORITY TO SUSPEND STORES VIOLATING PROGRAM REQUIREMENTS PENDING ADMINISTRATIVE AND JUDICIAL REVIEW

Present law

No provisions.

House bill

Requires that any permanent disqualification of a retailer/wholesaler be effective from the date of receipt of the notice of disqualification. If the disqualification is reversed through administrative or judicial review, the Secretary is not liable for lost sales. [Sec. 1053]

Senate amendment

Same provision. [Sec. 1152]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 845]

46. EXPANDED CRIMINAL FORFEITURE FOR CRIMINAL VIOLATIONS

Present law

''Administrative forfeiture'' rules allow the Secretary to subject property involved in a program violation to forfeiture to the United States. [Sec. 15(g)]

House bill

Establishes ''criminal forfeiture'' rules. Requires courts, in imposing sentence on those convicted of trafficking in food stamps, to order that the person forfeit property to the United States. Property subject to forfeiture would include all property (real and personal) used in a transaction (or attempted transaction) to commit (or facilitate the commission of) a trafficking violation (other than a misdemeanor); proceeds traceable to the violation also would be subject to forfeiture. An owner's property interest would not be subject to forfeiture if the owner establishes that the violation was committed without the owner's knowledge or consent.

Requires that the proceeds from any sale of forfeited property, and any money forfeited, be used to reimburse Federal and State agencies for costs and, by the Secretary, to carry out store monitoring activities. [Sec. 1054]

Senate amendment

Same provisions. [Sec. 1153]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 846]

47. LIMITATION OF FEDERAL MATCH

Present law

If a State opts to conduct informational (''outreach'') activities for the food stamp program, the Federal government shares half the cost. [Sec. 11(e)(1) and sec. 16(a)]

House bill

Terminates the Federal share for any ''recruitment activities.'' [Sec. 1055]

Senate amendment

Same provision. [Sec. 1154]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 847]

48. STANDARDS FOR ADMINISTRATION

Present law

The Secretary is required to (1) establish standards for efficient and effective administration of the program, including standards for review of food stamp office hours to ensure that employed individuals are adequately served and (2) instruct States to submit reports on administrative actions taken to meet the standards. [Sec. 16(b)]

House bill

Deletes the noted requirements relating to Federal standards for efficient and effective administration. [Sec. 1056]

Senate amendment

Same provision. [Sec. 1155]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 848]

49. WORK SUPPLEMENTATION OR SUPPORT PROGRAM

Present law

No provisions.

House bill

Establishes a new option for States to operate work supplementation or support programs under which the value of public assistance benefits are provided to employers who hire recipients and, in turn, use the benefits to supplement the wages paid the recipient. Work supplementation/support programs would have to adhere to standards set by the Secretary, be available for new employees only, and not displace employment of those who are not supplemented/supported. The food stamp benefit value of the supplement could not be considered income for other purposes. Opting States would be required to provide a description of how recipients in their program will, within a specific period of time, be moved to unsubsidized employment. [Sec. 1057]

Senate amendment

Same provision. [Sec. 1156]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 849]

50. WAIVER AUTHORITY

Present law

The Secretary may waive Food Stamp Act requirements to the degree necessary to conduct pilot/demonstration projects, but, in general, no project may be implemented that would lower or further restrict food stamp income/resource eligibility standards or benefit levels. [Sec. 17(b)(1)]

House bill

Permits the Secretary to conduct pilot and demonstration projects and waive Food Stamp Act requirements as long as the project is consistent with the food stamp program goal of providing food to increase the level of nutrition among low-income individuals. The Secretary is permitted to conduct projects that will improve the administration of the program, increase self-sufficiency of food stamp participants, test innovative welfare reform strategies, or allow greater conformity among public assistance programs than is otherwise allowed under the Food Stamp Act. The Secretary is not permitted to conduct projects that involve issuing benefits in cash (beyond those approved at enactment), substantially transfer program benefits to other public assistance programs, or are not limited to specific time periods. [Sec. 1058]

Senate amendment

No provision.

Conference agreement

The conference agreement adopts the House provision with an amendment. The Secretary is permitted to conduct pilot and demonstration projects and waive Food Stamp Act requirements to the extent necessary, with certain limitations and conditions. Projects must be consistent with the food stamp program goal of providing food assistance to raise levels of nutrition among low-income individuals and must include an evaluation.

Permissible projects are those that will improve the administration of the program, increase self-sufficiency of food stamp participants, test innovative welfare reform strategies, or allow greater conformity with the rules of other programs than is otherwise allowed under the Food Stamp Act. However, if the Secretary finds that a project would require the reduction of benefits by more than 20 percent, for more than 5 percent of households subject to the project (not including those whose benefits are reduced because of a failure to comply with work or other conduct requirements), the project (1) cannot include more than 15 percent of the State's food stamp population and (2) is limited to 5 years (unless an extension is approved).

The Secretary may not conduct a project that (1) involves the payment of food stamp allotments in cash (unless the project was approved prior to enactment), (2) has the effect of substantially transferring food stamp funds to services or benefits provided through another public assistance program, (3) has the effect of using food stamp funds for any purpose other than the purchase of food, program administration, or an employment or training program, (4) has the effect of granting or increasing shelter expense deductions to households with either no out-of-pocket shelter expenses or shelter expenses that represent a low percentage of their income, (5) has the effect of absolving the State from acting with reasonable promptness on substantial reported changes in income or household size (other than those related to deductions), (6) is not limited to a specific time period, or (7) waives a simplified food stamp program provision in carrying out a simplified program.

The Secretary also may not conduct a project that is inconsistent with certain Food Stamp Act requirements: (1) the bar against providing benefits to those in institutions (with certain exceptions), (2) the requirement to provide assistance to all those eligible, so long as they have not failed to comply with any food stamp or other program's work, behavioral, or other conduct requirements, (3) the gross income eligibility limit (130 percent of the Federal poverty guidelines) for households without elderly or disabled members, (4) the rule that no parent or caretaker of a dependent child under age 6 will be subject to work/training requirements [see item 17], (5) the rule that total hours of work required in an employment/training or workfare program be limited to the household's allotment divided by the minimum wage, (6) the limit on the amount of employment and training funding under the Food Stamp Act that can be used for TANF recipients, (7) the requirement that the value of food stamp benefits not be considered income or resources for any other purpose, (8) application and application processing requirements (including the rule that benefits must be provided within 30 days, but not including expedited service requirements), (9) Federal-State cost-sharing rules (including those for computerization, employment and training programs, and workfare), (10) ''quality control'' requirements, and (11) the waiver limits set in law. [Sec. 850]

51. RESPONSE TO WAIVERS

Present law

No provisions.

House bill

Requires that, not later than 60 days after receiving a demonstration project waiver request, the Secretary must (1) approve the request, (2) deny it and explain any modifications needed for approval, (3) deny it and explain the grounds for denial, or (4) ask for clarification of the request. If a response is not forthcoming in 60 days, the waiver is considered approved. If a waiver is denied, the Secretary must provide a copy of the request and the grounds for denial to Congress. [Sec. 1059]

Senate amendment

Same provision. [Sec. 1157]

Conference agreement

The conference agreement adopts the provisions that are common to both bills. [Sec. 851]

52. EMPLOYMENT INITIATIVES PROGRAM

Present law

No provisions.

House bill

Provides a new option for a limited number of States (those with not less than half of their food stamp households receiving AFDC benefits in 1993) to issue food stamps in cash to households participating in both the State's family assistance block grant (TANF) program and food stamps, if a member of the household has been working for at least 3 months and earns at least $350 a month in unsubsidized employment. Households receiving cash payments may continue to receive them after leaving a TANF program because of increased earnings, and a household eligible to receive its allotment in cash may opt for food stamps instead. States opting for these cash payments must increase food stamp benefits (and pay for the increase) to compensate for State/local sales taxes on food purchases and must provide a written evaluation. [Sec. 1060]

Senate amendment

Same provisions. [Sec. 1158]

Conference agreement

The conference agreement adopts the provisions that are common to both bills. [Sec. 852]

53. REAUTHORIZATION

Present law

Food Stamp Act appropriations are authorized through fiscal year 1997. [Sec. 18(a)]

House bill

Extends the Food Stamp Act authorization of appropriations through fiscal year 2002. [Sec. 1061]

Senate amendment

Same provision. [Sec. 1159]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 853]

54. SIMPLIFIED FOOD STAMP PROGRAM

Present law

No provision.

House bill

Permits States to determine food stamp benefits for households receiving family assistance block grant (TANF) aid using TANF rules and procedures, food stamp rules/procedures, or a combination of both. States may operate a simplified program statewide or in regions of the State and may standardize deductions. However, States must comply with the following food stamp rules:

requirements governing issuance procedures;

the requirement that benefits be calculated by subtracting 30 percent of household income (as determined by State-established, not Federal, rules under the simplified program option) from the maximum food stamp benefit;

the bar against counting food stamp benefits as income or resources in other programs;

requirements that State agencies assume responsibility for eligibility certification and issuance of benefits and keep records for inspection and audit;

the bar against discrimination by reason of race, sex, religious creed, national origin, or politics;

requirements related to submission and approval of plans of operation and administration of the food stamp program on Indian reservations;

limits on the use and disclosure of information about food stamp households;

requirements for notice to and fair hearings for aggrieved households (or comparable requirements established by the State);

requirements for submission of reports and other information required by the Secretary;

the requirement to report illegal aliens to the INS;

provisions for the use of certain Federal and State data sources in verifying eligibility;

requirements to ensure that households are not receiving duplicate benefits; and

requirements for the provision of social security numbers as a condition of eligibility and for their use by State agencies.

Households may not receive benefits under a simplified program unless the Secretary determines that any household with income above 130 percent of the Federal poverty guidelines is ineligible for the program.

The Secretary must determine whether a simplified program is increasing Federal costs above costs incurred in operations for the fiscal year prior to implementation, adjusted for changes in participation, the income of participants not attributable to public assistance, and the cost of the thrifty food plan. The determination is made for each fiscal year, not later than 90 days after the end of the year.

If the Secretary determines that there has been a cost increase, the State must be notified within 30 days. If a State does not then submit or carry out a ''corrective action'' plan approved by the Secretary to prevent increased Federal costs, approval of the State's simplified program is terminated, and the State is ineligible for further operation of a simplified program.

States opting for a simplified program must include in their State plans the rules and procedures to be followed, how they will address the needs of households with high shelter costs, and a description of the method by which they will carry out their quality control obligations. [Sec. 1062]

Senate amendment

Same provisions, except that the Senate amendment (1) stipulates that only households in which ''all members'' receive TANF benefits may receive benefits under a simplified program and (2) requires that States opting for a simplified program follow food stamp rules regarding providing benefits within 30 days of application. Also provides that (1) the Secretary will determine whether a simplified program is increasing Federal costs, (2) States will not be required to collect information on households not in the simplified program in cost increase determinations, and (3) the Secretary may approve ''alternative accounting periods'' in making cost determinations. [Sec. 1160]

Conference agreement

The conference agreement adopts the House provision with an amendment providing that: (1) only households in which all members receive TANF benefits may receive benefits under a simplified program, (2) the Secretary will determine whether a simplified program is increasing Federal costs, (3) States will not be required to collect information on households not in the simplified program in cost increase determinations, and (4) the Secretary may approve alternative accounting periods in making cost determinations. In addition, the conference agreement adopts an amendment that provides that a simplified program may include households in which 1 or more members are not TANF recipients, if approved by the Secretary. The conferees encourage the Secretary to work with States to test methods for applying a single set of rules and procedures to households in which some, but not all, members receive cash welfare benefits under State rules. [Sec. 854]

55. STATE FOOD ASSISTANCE BLOCK GRANT

Present law

No provision.

House bill

Establishes an optional food assistance block grant. States that meet one of three conditions may elect to receive the block grant in lieu of participating in the regular food stamp program. The conditions are: (1) a statewide EBT system, (2) a payment error rate of 6 percent or less, or (3) if there is a payment error rate of higher than 6 percent, payment to the Federal government of the benefit cost of the difference. States electing a block grant would receive the greater of: (1) the amount received for benefits in fiscal year 1994 (or the 1992–1994 average) plus (2) the amount received for administration in fiscal year 1994 (or the 1992–1994 average). States electing a block grant and then terminating their option may not again elect a block grant.

Block grant funding may only be used for food assistance to needy persons and administrative costs for providing the assistance—so long as not more than 6 percent of total funds expended (other than State funds not otherwise required to be spent) are used for administrative costs and limits on carryover funds are followed. While States have control over most features of their block grant program, certain rules specified in law must be followed: provisions for notice and hearing for those aggrieved; bars against receipt of benefits in more than 1 jurisdiction, benefits for fleeing felons, and benefit for aliens otherwise barred under Federal law; privacy and nondiscrimination safeguards; and quality control requirements of the Food Stamp Act. In addition, States opting for a block grant would continue to be covered under the Food Stamp Act's employment and training program provisions (and receive separate funding for this) and would be required to bar benefits to those not meeting food stamp work requirements (including the new requirement). [Sec. 1063]

Senate amendment

No provision.

Conference agreement

The conference agreement adopts the Senate provision.

56. A STUDY OF THE USE OF FOOD STAMPS TO PURCHASE VITAMINS AND MINERALS

Present law

No provision.

House bill

Requires the Secretary, in consultation with the National Academy of Sciences and the Centers for Disease Control and Prevention, to conduct a study of the use of food stamps to purchase vitamins and minerals and report to the House Committee on Agriculture not later than December 15, 1996. [Sec. 1064]

Senate amendment

No provision.

Conference agreement

The conference agreement adopts the House provision with an amendment requiring a report to both the Senate Committee on Agriculture, Nutrition, and Forestry and the House Committee on Agriculture not later than December 15, 1998. [Sec. 855]

57. INVESTIGATIONS

Present law

No provision.

House bill

Requires that regulations provide criteria for the finding of violations (and suspension/disqualification) of retailers and wholesalers on the basis of evidence which may include facts established through on-site investigations, inconsistent redemption data, or evidence obtained through EBT transaction reports. [Sec. 1065]

Senate amendment

No provision.

Conference agreement

The conference agreement adopts the House provision. [Sec. 841]

58. REPORT BY THE SECRETARY

Present law

No provision.

House bill

Permits the Secretary to report to the House Committee on Agriculture (not later than January 1, 2000) on the effect of the food stamp reforms in this act and the ability of State and local governments to deal with people in poverty. [Sec. 1067]

Senate amendment

No provision.

Conference agreement

The conference agreement adopts the Senate provision.

59. DEFICIT REDUCTION

Present law

No provision.

House bill

Declares it the sense of the House Committee on Agriculture that outlay reductions resulting from the food stamp title not be taken into account under section 552 of the Balanced Budget and Emergency Deficit Control Act. [Sec. 1068]

Senate amendment

No provision.

Conference agreement

The conference agreement adopts the House provision with a technical amendment. [Sec. 856]

Subtitle B—Commodity Distribution Programs

1. SHORT TITLE

Present law

The Emergency Food Assistance Act (EFAA), The Hunger Prevention Act of 1988, The Charitable Assistance and Food Bank Act of 1987, the Food, Agriculture, Conservation, and Trade (FACT) Act of 1990.

House bill

Amends the EFAA and Section 110 of the Hunger Prevention Act of 1988 to combine the Emergency Food Assistance Program (TEFAP) and the soup kitchen/food bank program and create a new TEFAP; repeals the expired food bank demonstration project under the Charitable Assistance and Food Bank Act of 1987; and repeals a requirement for a previously completed report on entitlement commodity processing under the FACT Act of 1990. [Sec. 1071, 1072, 1073, & 1074]

Senate amendment

Same provisions. [Sec. 1171, 1172, 1173, & 1174]

Conference agreement

The conference agreement adopts the provisions that are common to both bills. [Sec. 871-874]

2. ELIGIBLE RECIPIENT AGENCIES

Present law

Defines ''eligible recipient agencies'' and ''emergency feeding organizations''. [Sec. 201A]

Defines ''Additional commodities'', ''average monthly number of unemployed persons'', ''poverty line'', ''Total value of additional commodities'', Value of additional commodities.'' [Sec. 214 of EFAA]

House bill

Incorporates into one section current law and regulatory definitions of terms used in TEFAP and section 110 of the Hunger Prevention Act. Definitions include ''eligible recipient agencies'', as well as ''emergency feeding organization,'' ''additional commodities'', ''average monthly number of unemployed persons'', ''food bank'', ''food pantry'', ''poverty line'', ''soup kitchen'', ''total value of additional commodities'', and ''value of additional commodities allocated to each State.'' [Sec. 1071]

Senate amendment

Same provisions. [Sec. 1171]

Conference agreement

The conference agreement adopts the provisions that are common to both bills. [Sec. 871]

3. AVAILABILITY OF CCC COMMODITIES

Present law

Outlines conditions under which the Secretary is to donate CCC commodities or other agricultural commodities, the varieties of commodities to be made available; requires semi-annual report on types of commodities made available; prohibits declines in dairy product donations, and requires that emergency feeding organizations have the same access to excess CCC commodities as other domestic food programs.

House bill

Maintains current law provisions. [Sec. 1071]

Senate Amendment

Same provisions. [Sec. 1171]

Conference agreement

The conference agreement adopts the provisions that are common to both bills. [Sec. 871]

4. AVAILABILITY OF CCC FLOUR, CORNMEAL, AND CHEESE

Present law

Provides for additional distribution in FY1988 of flour, cheese, and cornmeal when excess amounts are available from CCC holdings.

House bill

Strikes obsolete provision and moves definitions to a new section of the Act (see item 2 above). Replaces Sec.202A with new provisions governing State plans (See item 5 below). [Sec. 1071]

Senate amendment

Same provisions. [Sec. 1171]

Conference agreement

The conference agreement adopts the provisions that are common to both bills. [Sec. 871]

5. STATE PLAN

Present law

Requires Secretary to expedite distribution of commodities to agencies designated by the Governor, or directly distribute commodities to eligible recipient agencies engaged in national commodity processing; allows States to give priority for donations to existing food bank networks serving low-income households. Requires States to expeditiously distribute commodities to eligible recipient agencies, and to encourage distribution to rural areas. Also requires Secretary to distribute commodities only to agencies that serve needy persons and set their own need criteria, with the approval of the Secretary. [Sec.203B (a) and (c) of EFAA]

House bill

Requires States seeking commodities under the new EFA program to submit a plan of operation and administration every 4 years for approval by the Secretary and allows amendment of the plan at any time.

Requires that at a minimum the State receiving commodities include in its plan: designation of responsible State agency; plan of operation and administration to expeditiously distribute commodities; standards of eligibility for recipient agencies; individual and household eligibility standards that require that they be needy and residing in the geographic area served by the recipient agency. [Sec. 1071]

Senate amendment

Same provisions. [Sec. 1171]

Conference agreement

The conference agreement adopts the provisions that are common to both bills. [Sec. 871]

6. ADVISORY BOARD

Present law

No provision.

House bill

Requires Secretary to encourage States to establish advisory boards consisting of representatives of all interested entities, public and private, in the distribution of commodities. [Sec. 1071]

Senate amendment

Same provision. [Sec. 1171]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 871]

7. AUTHORIZATION OF APPROPRIATIONS FOR ADMINISTRATIVE FUNDS

Present law

Authorizes $50 million annually for fiscal year 1991–2002 for Secretary to make available to States for State and local costs associated with the distribution of commodities. Requires that funds be distributed on an advance basis in the same proportion as commodities are distributed. Allows for reallocation of unused funds among other States. Specifically allows States to use funds to help with distribution of commodities provided to soup kitchens and food banks under section 110 of the Hunger Prevention Act.

House bill

Revises language regarding availability of funds to States for State and local costs to require that such funds be used ''to pay for the direct and indirect administrative costs of the State related to processing, transporting, and distributing [commodities] to eligible recipient agencies.'' Drops separate reference to soup kitchen and food banks because this program is incorporated into the new TEFAP. [Sec. 1071]

Senate amendment

Same provisions. [Sec. 1171]

Conference agreement

The conference agreement adopts the provisions that are common to both bills. [Sec. 871]

8. REQUIRED PURCHASES OF COMMODITIES

Present law

Authorizes $175 million for fiscal year 1991, $190 million for FY 1992, and $200 million for each of fiscal years 1993 through 2002 for the Secretary to purchase, process and distribute additional commodities to the extent that appropriations are provided. Establishes a formula for distribution of commodities to States whereby 60 percent of commodities are allocated based on a State's share of persons in households with incomes below the poverty level and 40 percent upon a State's share of unemployed persons, and defines related terms.

House bill

Strikes provisions authorizing funds for commodity purchases. Instead, amends the Food Stamp Act to add a new section 28 requiring the Secretary to spend $300 million annually for each of fiscal years 1997 through 2002 from funds appropriated under the Food Stamp Act to buy commodities for the new TEFAP; requires the Secretary to take into account agricultural market conditions, and State, agency, and recipient preferences when buying commodities with these funds. Specifies that these commodities be distributed under the current-law allocation formula. [Sec. 1071]

Senate amendment

Similar to House bill, except that $100 million is required to be used from food stamp funds annually to buy commodities for the new TEFAP. [Sec.]

Conference agreement

The conference agreement adopts the Senate provision with a technical amendment. [Sec. 871]

Subtitle C—Electronic Benefit Transfer System

See Item 26 of Subtitle A—Food Stamp Program for a description of the conference agreement on this subtitle.

TITLE IX: MISCELLANEOUS

1. APPROPRIATION BY STATE LEGISLATURES

Present law

According to the National Conference of State Legislatures, there are six States in which under court rulings of interpretations of State constitutions, certain Federal funds are controlled by the Executive branch rather than the State legislature. (An example would be action on funds when the legislature is out of session.) These States are Arizona, Colorado, Connecticut, Delaware, New Mexico, and Oklahoma.

House bill

The proposal stipulates that funds from certain Federal block grants to the States are to be expended in accordance with the laws and procedures applicable to the expenditure of the State's own resources (i.e., appropriated through the State legislature in all States). This provision applies to the following block grants: temporary assistance to needy families block grant, the optional State food assistance block grant, and the child care block grant. Thus, in the States in which the Governor previously had exclusive control over Federal block grant funds, the State legislatures now would share control through the appropriations process. However, States would continue to spend Federal funds in accord with Federal law.

Senate amendment

Identical provision.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

2. SANCTIONING FOR TESTING POSITIVE FOR CONTROLLED SUBSTANCES

Present law

Eligibility and benefit status for most Federal welfare programs are not affected by a recipient's use of illegal drugs.

House bill

States are not prohibited by the Federal Government from testing welfare recipients for use of controlled substances nor for sanctioning welfare recipients who test positive for the use of controlled substances.

Senate amendment

Identical provision.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

3. ELIMINATION OF HOUSING ASSISTANCE WITH RESPECT TO FUGITIVE FELONS AND PROBATION AND PAROLE VIOLATORS

Present law

No provision.

House bill

No provision.

Senate amendment

Ends eligibility for public housing and Section 8 housing assistance of a person who is fleeing to avoid prosecution after conviction for a crime, or attempt to commit a crime, that is a felony where committed (or, in the case of New Jersey, is a high misdemeanor), or who is violating a condition of probation or parole. The amendment states that the person's flight shall be cause for immediate termination of their housing aid.

Requires specified public housing agencies to furnish any Federal, State, or local law enforcement officer, upon the request of the officer, with the current address, social security number, and photograph (if applicable) of any SSI recipient, if the officer furnishes the public housing agency with the person's name and notifies the agency that the recipient is a fugitive felon (or in the case of New Jersey a person fleeing because of a high misdemeanor) or a probation or parole violator or that the person has information that is necessary for the officer to conduct his official duties, and the location or apprehension of the recipient is within the officer's official duties.

Conference agreement

The conference agreement follows the Senate amendment.

4. SENSE OF THE SENATE REGARDING ENTERPRISE ZONES

Present law

No specific provision. However, as stated, the provisions outlined in the Sense of the Senate language already can be done under present law.

House bill

No provision.

Senate amendment

Outlines some findings related to urban centers and empowerment zones and includes sense of the Senate language that urges the 104th Congress to pass an enterprise zone bill that provides Federal tax incentives to increase the formation and expansion of small businesses and to promote commercial revitalization; allows localities to request waivers to accomplish the objectives of the enterprise zones; encourages resident management of public housing and home ownership of public housing; and authorizes pilot projects in designated enterprise zones to expand the educational opportunities for elementary and secondary school children.

Conference agreement

The conference agreement follows the House bill.

5. SENSE OF THE SENATE REGARDING THE INABILITY OF THE NON-CUSTODIAL PARENT TO PAY CHILD SUPPORT

Present law

No provision.

House bill

No provision.

Senate amendment

It is the Sense of the Senate that States should pursue child support payments under all circumstances even if the noncustodial parent is unemployed or his or her whereabouts are unknown; and that States are encouraged to pursue pilot programs in which the parents of a minor non-custodial parent who refuses or is unable to pay child support contribute to the child support owed.

Conference agreement

The conference agreement follows the Senate amendment.

6. ESTABLISHING NATIONAL GOALS TO PREVENT TEENAGE PREGNANCIES

Present law

No provision.

House bill

No provision.

Senate amendment

Requires the Secretary to establish and implement by January 1, 1997, a strategy to: (1) prevent a 2 percent increase in out-of-wedlock teenage pregnancies, and (2) assure that at least 25 percent of U.S. communities have teenage pregnancy programs in place. HHS is required to report to Congress by June 30, 1998, on progress made toward meeting these 2 goals.

Conference agreement

The conference agreement generally follows the Senate amendment, except a specified level of reduction is not established.

7. SENSE OF THE SENATE REGARDING ENFORCEMENT OF STATUTORY RAPE LAWS

Present law

No provision.

House bill

No provision.

Senate amendment

Includes language that states that it is the sense of the Senate that States and local jurisdictions should aggressively enforce statutory rape laws.

Not later than January 1, 1997, the Attorney General shall establish and implement a program that studies the linkage between statutory rape and teenage pregnancy and educates States and local criminal law enforcement officials on the prevention and prosecution of statutory rape. The Attorney General shall ensure the DOJ Violence Against Women initiative addresses the issue of statutory rape.

Conference agreement

The conference agreement follows the Senate amendment.

8. PROVISIONS TO ENCOURAGE ELECTRONIC BENEFIT TRANSFER SYSTEMS

Present law

In 1978, Congress passed the Electronic Fund Transfer Act to provide a basic framework establishing the rights, liabilities, and responsibilities of participants in electronic fund transfer systems and required the Federal Reserve Board to develop implementing regulations, which generally are referred to as Regulation E.

House bill

See food stamp title, which exempts from Regulation E any food stamp electronic benefit transfers.

Senate amendment

Exempts from Regulation E requirements any electronic benefit transfer program (distributing needs-tested benefits) established under State or local law or administered by a State or local government.

Conference agreement

The conference agreement follows the Senate amendment.

9. REDUCTION OF BLOCK GRANTS TO STATES FOR SOCIAL SERVICES; USE OF VOUCHERS

Present law

The Social Services Block Grant (Title XX) provides funds to States in order to provide a wide variety of social services, including child care, family planning, protective services for children and adults, services for children and adults on foster care, and employment services. States have wide discretion over how they use Social Services Block

Grant funds. States set their own eligibility requirements and are allowed to transfer up to 10 percent of their allotment to certain Federal health block grants, and for low-income home energy assistance (LIHEAP). Funding for the Social Services Block Grant is capped at $2.8 billion a year. Funds are allocated among States according to the State's share of its total population. No State matching funds are required to receive Social Services Block Grant money.

House bill

For fiscal years 1997 through 2002, the Social Services Block Grant is reduced by 10 percent.

Senate amendment

For fiscal years 1997 through 2002, the Social Services Block Grant is reduced by 20 percent.

Requires that States receiving Title XX funds to dedicate 1 percent to programs and services for minors to avoid out-of-wedlock pregnancies.

Conference agreement

The conference agreement follows the House bill and the Senate amendment regarding the reduction in funding for the Social Services block grant, with the modification that the reduction is 15 percent. The conference agreement follows the House bill so that there is no special dedication of funds for programs and services for minors. The agreement specifically states that Title XX funds may be used to provide assistance to families who have lost assistance because of time limits on benefits.

10. EARNED INCOME CREDIT PROVISIONS

A. Deny earned income credit to individuals not authorized to be employed in the United States

(Note.—For additional discussion of this provision, refer to Title IV: Restricting Welfare and Public Benefits for Aliens, above.)

Present law

In general. Certain eligible low-income workers are entitled to claim a refundable credit on their income tax return. The amount of the credit an eligible individual may claim depends upon whether the individual has one, more than one, or no qualifying children and is determined by multiplying the credit rate by the individual's[1] earned income up to an earned income amount. The maximum amount of the credit is the product of the credit rate and the earned income amount. For individuals with earned income (or adjusted gross income (AGI), if greater) in excess of the beginning of the phaseout range, the maximum credit amount is reduced by the phaseout rate multiplied by the amount of earned income (or AGI, if greater) in excess of the beginning of the phaseout range. For individuals with earned income (or AGI, if greater) in excess of the end of the phaseout range, no credit is allowed.

The parameters for the credit depend upon the number of qualifying children the individual claims. For 1996, the parameters are given in the following table:

	Two or more children	One qualifying child	No qualifying children
Credit rate (percent)	40.00	34.00	7.65
Earned income amount	$8,890	$6,330	$4,220
Maximum credit	$3,556	$2,152	$323
Phaseout begins	$11,610	$11,610	$5,280
Phaseout rate (percent)	21.06	15.98	7.65
Phaseout ends	$28,495	$25,078	$9,500

[1] In the case of a married individual who files a joint return with his or her spouse, the income for purposes of these tests is the combined income of the couple.

For years after 1996, the credit rates and the phaseout rates will be the same as in the preceding table. The earned income amount and the beginning of the phaseout range are indexed for inflation; because the end of the phaseout range depends on those amounts as well as the phaseout rate and the credit rate, the end of the phaseout range will also increase if there is inflation.

In order to claim the credit, an individual must either have a qualifying child or meet other requirements. A qualifying child must meet a relationship test, an age test, an identification test, and a residence test. In order to claim the credit without a qualifying child, an individual must not be a dependent and must be over age 24 and under age 65.

To satisfy the identification test, individuals must include on their tax return the name and age of each qualifying child. For returns filed with respect to tax year 1996, individuals must provide a taxpayer identification number (TIN) for all qualifying children born on or before November 30, 1996. For returns filed with respect to tax year 1997 and all subsequent years, individuals must provide TINs for all qualifying children, regardless of their age. An individual's TIN is generally that individual's social security number.

An individual with qualifying children may elect to receive a portion of the credit on an advance basis by furnishing an advance payment certificate to his or her employer. For such an individual, the employer makes an advance payment of the credit at the time wages are paid. The amount of advance payment allowable in a taxable year is limited to 60 percent of the maximum credit available to an individual with one qualifying child.

Mathematical or clerical errors. The Internal Revenue Service may summarily assess additional tax due as a result of a mathematical or clerical error without sending the taxpayer a notice of deficiency and giving the taxpayer an opportunity to petition the Tax Court. Where the IRS uses the summary assessment procedure for mathematical or clerical errors, the taxpayer must be given an explanation of the asserted error and a period of 60 days to request that the IRS abate its assessment. The IRS may not proceed to collect the amount of the assessment until the taxpayer has agreed to it or has allowed the 60-day period for objecting to expire. If the taxpayer files a request for abatement of the assessment specified in the notice, the IRS must abate the assessment. Any reassessment of the abated amount is subject to the ordinary deficiency procedures. The request for abatement of the assessment is the only procedure a taxpayer may use prior to paying the assessed amount in order to contest an assessment arising out of a mathematical or clerical error. Once the assessment is satisfied, however, the taxpayer may file a claim for refund if he or she believes the assessment was made in error.

House bill

Individuals are not eligible for the credit if they do not include their taxpayer identification number (and, if married, their spouse's taxpayer identification number) on their tax return. Solely for these purposes and for purposes of the present-law identification test for a qualifying child, a taxpayer identification number is defined as a social security number issued to an individual by the Social Security Administration other than a number issued under section 205(c)(2)(B)(i)(II) (or that portion of sec. 205(c)(2)(B)(i)(III) relating to it) of the Social Security Act (regarding the issuance of a number to an individual applying for or receiving Federally funded benefits).

If an individual fails to provide a correct taxpayer identification number, such omission will be treated as a mathematical or clerical error. If an individual who claims the credit with respect to net earnings from self-employment fails to pay the proper amount of self-employment tax on such net earnings, the failure will be treated as a mathematical or clerical error for purposes of the amount of credit allowed.

Effective date. The provision is effective for taxable years beginning after December 31, 1995.

Senate amendment

The provision in the Senate amendment is identical to that in the House bill.

Conference agreement

The conference agreement follows the House bill and the Senate amendment with a modification to the effective date. The conference agreement is effective with respect to returns the due date for which (without regard to extensions) is more than 30 days after the date of enactment of this Act.

B. Change disqualified income test for earned income credit

Present law

For taxable years beginning after December 31, 1995, an individual is not eligible for the earned income credit if the aggregate amount of ''disqualified income'' of the taxpayer for the taxable year exceeds $2,350. This threshold is not indexed. Disqualified income is the sum of:

(1) interest (taxable and tax-exempt),

(2) dividends, and

(3) net rent and royalty income (if greater than zero).

House bill

No provision.

Senate amendment

For purposes of the disqualified income test for the earned income credit, the following items are added to the definition of disqualified income: capital gain net income and net passive income (if greater than zero) that is not self-employment income.

The threshold above which an individual is not eligible for the credit is reduced from $2,350 to $2,200, and the threshold is indexed for inflation after 1996.

Effective date. The provision generally is effective for taxable years beginning after December 31, 1995. For individuals who, as of June 26, 1996, had made an election to receive the current-year credit on an advance basis, the provision is effective for taxable years beginning after December 31, 1996.

Conference agreement

The conference agreement follows the Senate amendment.

C. Modify definition of adjusted gross income used for phasing out the earned income credit

Present law

For taxpayers with earned income (or AGI, if greater) in excess of the beginning of the phaseout range, the maximum earned income credit amount is reduced by the phaseout rate multiplied by the amount of earned income (or AGI, if greater) in excess of the beginning of the phaseout range. For taxpayers with earned income (or AGI, if greater) in excess of the end of the phaseout range, no credit is allowed.

House bill

No provision.

Senate amendment

The provision modifies the definition of AGI used for phasing out the earned income credit by including certain nontaxable income and by disregarding certain losses. The nontaxable items included are:

(1) tax-exempt interest, and

(2) nontaxable distributions from pensions, annuities, and individual retirement arrangements (but only if not rolled over into similar vehicles during the applicable rollover period).

The losses disregarded are:

(1) net capital losses (if greater than zero),

(2) net losses from trusts and estates,

(3) net losses from nonbusiness rents and royalties, and

(4) net losses from businesses, computed separately with respect to sole proprietorships (other than in farming), sole proprietorships in farming, and other businesses.

For purposes of item (4), above, amounts attributable to a business that consists of the performance of services by the taxpayer as an employee are not taken into account.

Effective date. The provision generally is effective for taxable years beginning after December 31, 1995. For individuals who, as of June 26, 1996, had made an election to receive the current-year credit on an advance basis, the provision is effective for taxable years beginning after December 31, 1996.

Conference agreement

The conference agreement modifies the definition of AGI used for phasing out the earned income credit by disregarding certain losses. The losses disregarded are:

(1) net capital losses (if greater than zero),

(2) net losses from trusts and estates,

(3) net losses from nonbusiness rents and royalties, and

(4) 50 percent of the net losses from businesses, computed separately with respect to sole proprietorships (other than in farming), sole proprietorships in farming, and other businesses.

For purposes of item (4), above, amounts attributable to a business that consists of the performance of services by the taxpayer as an employee are not taken into account.

Effective date. Same as the Senate amendment provision.

D. Suspend inflation adjustments for earned income credit for individuals with no qualifying children

Present law

To claim the earned income credit, an individual must either have a qualifying child or meet other requirements. In order to claim a credit without a qualifying child, an individual must not be a dependent and must be over age 24 and under age 65.

The earned income amount and the beginning of the phaseout range are indexed for inflation; because the end of the phaseout range depends on these amounts as well as the phaseout rate and the credit rate, the end of the phaseout range will also increase if there is inflation.

House bill

No provision.

Senate amendment

In the case of individuals with no qualifying children there will be no adjustment for inflation after 1996 to the earned income amount or the beginning of the phaseout range.

Effective date. The provision is effective for taxable years beginning after December 31, 1996.

Conference agreement

The conference agreement follows the House bill (no provision).

11. REDUCTIONS IN FEDERAL GOVERNMENT POSITIONS

A. Reductions

Present law

No provision

House bill

A covered activity is defined as one that the Department must carry out under a provision of this Act or a provision of Federal law that is amended or repealed by the Act. It also requires the Secretaries of Agriculture, Education, Labor, HHS, and Housing and Urban Development to report to Congress by December 31, 1996 on the number of full-time equivalent (FTE) positions required to carry out ''covered'' activities before and after enactment of the amendment and to reduce the number of employees by the difference in numbers. The Comptroller General of the United States shall prepare and submit to Congress by July 1, 1997, a report analyzing the determinations made by each Secretary.

Senate amendment

Similar to House bill, except:

requires the Secretaries to report the number of FTEs not later than December 31, 1996 (rather than January 1, 1997);

requires the Secretaries to prepare and submit a report of changes not later than December 31, 1997 (rather than December 31, 1996); and

adjusts discretionary spending limits downward for fiscal years 1997 and 1998 to account for savings achieved by this provision. (This provision was deleted due to the Byrd Rule.)

Conference agreement

This provision was deleted due to the Byrd rule. For additional discussion of related provisions, see Title I: Block Grants for Temporary Assistance for Needy Families, above.

B. Reductions in Federal Bureaucracy

Present law

No provision

House bill

The Department of Health and Human Services (HHS) reports that 118 employees in the Office of Family Assistance (OFA) work on AFDC and 209 (full-time equivalent positions) in regional offices of the Administration on Children and Families. The OFA employees include 30 who spend some time interpreting AFDC/JOBS policy and participating with States in State plan development.

Senate amendment

Similar to House bill. (This provision was deleted due to the Byrd Rule.)

Conference agreement

This provision was deleted due to the Byrd rule. For additional discussion of related provisions, see Title I: Block Grants for Temporary Assistance for Needy Families, above.

C. Reducing Personnel in Washington, D.C. Area

Present law

No provision.

House bill

The Secretary is encouraged to reduce personnel in the Washington, D.C. office (agency headquarters) before reducing field personnel.

Senate amendment

Similar to House bill. (This provision was deleted due to the Byrd Rule.)

Conference agreement

This provision was deleted due to the Byrd rule. For additional discussion of related provisions, see Title I: Block Grants for Temporary Assistance for Needy Families, above.

12. REFORM OF PUBLIC HOUSING

A. Fraud under Means-Tested Welfare and Public Assistance Programs

Present law

No provision.

House bill

If a person's means-tested benefits from a Federal, State, or local welfare program are reduced because of an act of fraud, their benefits from public or assisted housing may not be increased in response to the income loss caused by the penalty.

Senate amendment

Similar to House bill.

Conference agreement

The conference agreement follows the House bill.

B. Failure to Comply with other Welfare and Public Assistance Programs

Present law

If a family's adjusted cash income declines—no matter what the reason—its housing benefit is increased (that is, its rental payment is decreased, by 30 cents per dollar). This applies to cash income from any source, including means-tested benefit programs. However, the housing programs take no account of noncash income. Thus, if food stamp benefits decline, housing benefits are unaffected.

House bill

No provision.

Senate amendment

Provides that there be no reduction in public or assisted housing rents in response to a tenant's reduced income resulting from noncompliance with welfare or public assistance program requirements; permits reduction where State or local law limits the period during which benefits may be provided.

Conference agreement

The conference agreement follows the House bill (no provision).

13. ABSTINENCE EDUCATION

Present law

The Maternal and Child Health (MCH) block grants (title V of the SSA, 42 USC 701) provides grants to States and insular areas to fund a broad range of preventive health and primary care activities to improve the health status of mothers and children, with a special emphasis on those with low income or with limited availability of health services. Sec. 502 includes a set-aside program for projects of national or regional significance. (The FY1995 appropriation for MCH was $684 million.) See also: Title XX of the Public Health Service Act establishes the Adolescent Family Life (AFL) program to encourage adolescents to delay sexual activity and to provide services to alleviate the problems surrounding adolescent parenthood. One-third of all funding for AFL program services go to projects that provide ''prevention services.'' The purpose of the prevention component is to find effective means within the context of the family of reaching adolescents, both male and female, before they become sexually active to maximize the guidance and support of parents and other family members in promoting abstinence from adolescent premarital sexual relations. (The FY1995 appropriation for AFL was $6.7 million.)

House bill

Increases the authorization level to $761 million for FY 96 and each subsequent fiscal year. Adds abstinence education to the services to be provided. Defines abstinence education as an educational or motivational program which:

(A) teaches the gains to be realized by abstaining from sexual activity;

(B) teaches abstinence from sexual activity outside of marriage as the expected standard for all school age children;

(C) teaches that abstinence is the only certain way to avoid out-of-wedlock pregnancy, sexually transmitted diseases, and other health problems;

(D) teaches that a monogamous relationship in context of marriage is expected standard of human sexual activity;

(E) teaches that sexual activity outside of marriage is likely to have harmful effects;

(F) teaches that bearing children out-of-wedlock is likely to have harmful consequences;

(G) teaches young people how to avoid sexual advances and how alcohol and drug use increases vulnerability to sexual advances; and

(H) teaches the importance of attaining self-sufficiency before engaging in sexual activity.

Senate amendment

Amends the Maternal and Child Health (MCH) block grants (title V of the SSA) to set aside $75 million to provide abstinence education—defined as an educational or motivational program that has abstaining from sexual activity as its exclusive purpose—and to provide at the option of the State mentoring, counseling and adult supervision to promote abstinence with a focus on those groups most likely to bear children out-of-wedlock. Also increases the authorization level of MCH to $761 million. (This provision was deleted due to the Byrd Rule.)

Conference agreement

The conference agreement follows the House bill with modification that $50 million for each of fiscal years 1998-2002 is directly appropriated for this purpose.

14. CHURCH OF CHRIST, SCIENTIST

Present law

Sections 1902(a) and 1908(e)(1) of the Social Security Act (relating to Medicaid) reference the Church of Christ, Scientist.

House bill

No provision.

Senate amendment

No provision.

Conference agreement

Changes Medicaid references in Social Security Act from Church of Christ, Scientist, to the Commission for Accreditation of Christian Science Nursing Organizations/Facilities, Inc.

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BILL ARCHER,
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DAVE CAMP,
GARY A. FRANKS,
''DUKE'' CUNNINGHAM,
MIKE CASTLE,
BOB GOODLATTE,
Managers on the Part of the House.

From the Committee on the Budget:
PETE V. DOMENICI,
D. NICKLES,
PHIL GRAMM,
JIM EXON,

From the Committee on Agriculture, Nutrition, and Forestry:
RICHARD G. LUGAR,
JESSE HELMS,
THAD COCHRAN,
RICK SANTORUM,

From the Committee on Finance:
WILLIAM V. ROTH, Jr.,
JOHN H. CHAFEE,
CHUCK GRASSLEY,
ORRIN HATCH,
AL SIMPSON,

From the Committee on Labor and Human Resources:
NANCY LANDON KASSEBAUM,
Managers on the Part of the Senate.

CONFERENCE REPORT ON H.R. 3517

Mrs. VUCANOVICH submitted the following conference report and statement on the bill (H.R. 3517) making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 1997, and for other purposes:

CONFERENCE REPORT (H. REPT. 104–721)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 3517) ''making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 1997, 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 Senate recede from its amendments numbered 15, 19, 35, 37, and 38.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 4, 7, 8, 9, 12, 13, 16, 24, 26, 29, and 36, and agree to the same.

Amendment numbered 2:

That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$565,688,000*; and the Senate agree to the same.

Amendment numbered 3:

That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$50,538,000*; and the Senate agree to the same.

Amendment numbered 5:

That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$707,094,000*; and the Senate agree to the same.

Amendment numbered 6:

That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$49,927,000*; and the Senate agree to the same.

Amendment numbered 10:

That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$754,064,000*; and the Senate agree to the same.

Amendment numbered 11:

That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$50,687,000*; and the Senate agree to the same.

Amendment numbered 14:

That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$763,922,000*; and the Senate agree to the same.

Amendment numbered 17:

That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended to read as follows:

DEPARTMENT OF DEFENSE MILITARY

UNACCOMPANIED HOUSING IMPROVEMENT FUND

(INCLUDING TRANSFER OF FUNDS)

For the Department of Defense Military Unaccompanied Housing Improvement Fund, $5,000,000, to remain available until expended: Provided, That subject to thirty days prior notification to the Committees on Appropriations, such additional amounts as may be determined by the Secretary of Defense may be transferred to the Fund from amounts appropriated for the acquisition or construction of military unaccompanied housing in ''Military Construction'' accounts, to be merged with and to be made available for the same purposes and for the same period of time as amounts appropriated directly to the Fund: Provided further, That appropriations made available for the Fund in this Act shall be available to cover the costs, as defined in section 502(5) of the Congressional Budget Act of 1974, of direct loans and loan guarantees issued by the Department of Defense pursuant to the provisions of subchapter IV of chapter 169 of title 10, United States Code, pertaining to alternative means of acquiring and improving military unaccompanied housing and ancillary supporting facilities.

And the Senate agree to the same.

Amendment numbered 18:

That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$78,086,000*; and the Senate agree to the same.

Amendment numbered 20:

That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$189,855,000*; and the Senate agree to the same.

Amendment numbered 21:

That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$55,543,000*; and the Senate agree to the same.

Amendment numbered 22:

That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$37,579,000*; and the Senate agree to the same.

Amendment numbered 23:

That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$52,805,000*; and the Senate agree to the same.

Amendment numbered 25:

That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$158,503,000*; and the Senate agree to the same.

Amendment numbered 27:

That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$1,370,969,000*; and the Senate agree to the same.

Amendment numbered 28:

That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$499,886,000*; and the Senate agree to the same.

Amendment numbered 30:

That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$1,514,127,000*; and the Senate agree to the same.

Amendment numbered 31:

That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$317,507,000*; and the Senate agree to the same.

Amendment numbered 32:

That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$816,509,000*; and the Senate agree to the same.

Amendment numbered 33:

That the House recede from its disagreement to the amendment of the Senate numbered 33, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$1,134,016,000*; and the Senate agree to the same.

Amendment numbered 34:

That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$25,000,000* ; and the Senate agree to the same.

Amendment numbered 39:

That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment, as follows:

In lieu of the section number proposed by said amendment, insert: *123* ; and the Senate agree to the same.

Amendment numbered 40:

That the House recede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert the following:

Sec. 124. It is the sense of the Congress that the Secretary of the Army should name buildings numbered 5308 and 5309 at Redstone Arsenal, Alabama, as the Howell Heflin Complex.

And on page 19, line 12 of the House engrossed bill, H.R. 3517, strike ''Sec. 123.'' and insert ''Sec. 125.'' ; and the Senate agree to the same.

BARBARA F. VUCANOVICH,
SONNY CALLAHAN,
JOHN T. MYERS,
JOHN EDWARD PORTER,
DAVID L. HOBSON,
ROGER F. WICKER,
BOB LIVINGSTON,
W.G. (BILL) HEFNER,
THOMAS M. FOGLIETTA,
ESTEBAN EDWARD TORRES,
NORMAN D. DICKS,
DAVID R. OBEY,
Managers on the Part of the House.

CONRAD BURNS,
TED STEVENS,
JUDD GREGG,
BEN NIGHTHORSE CAMPBELL,
MARK O. HATFIELD,
HARRY REID,
DANIEL K. INOUYE,
HERB KOHL
ROBERT BYRD,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE ON 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 amendments of the Senate to the bill (H.R. 3517) making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 1997, 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 report.

ITEMS OF GENERAL INTEREST

Matters Addressed by Only One Committee.—The language and allocations set forth in House Report 104–591 and Senate Report 104–287 should be complied 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 changed by the report of the Senate or the conference, and Senate report language which is not changed by the conference is approved by the committee of conference. The statement of the managers, while repeating some report language for emphasis, does not intend to negate the language referred to above unless expressly provided herein. In cases in which the House or the Senate have directed the submission of a report from the Department of Defense, such report is to be submitted to both House and Senate Committees on Appropriations.

Base Realignment and Closure.—The conferees agree to provide specific approval and appropriated funds for all Base Realignment and Closure construction projects as listed in House Report 104–591.

National Foreign Intelligence Requirements.—The conferees expect any military construction requirements related to the National Foreign Intelligence Program to be subject to the same level of scrutiny and justification as any other Defense requirement coming before the Military Construction Appropriations Subcommittees. Insufficient review within the Department and disregard for congressional authorization and appropriation procedures has created a number of misunderstandings, which the conferees expect will be avoided in the future.

Rescissions.—The conferees recommend a total of $22,428,000 in rescissions of prior-year appropriations for the military services and defense agencies as proposed by the Senate, rather than a total of $12,000,000 as proposed by the House. The rescissions recommended in the bill include the following items which have contract savings or which were previously approved and now are no longer needed:

Army 1994–1998:	
Kwajalein Atoll—Roi Namur Island: Sewage treatment facility	$2,028,000
Navy 1993–1997:	
Virginia—Norfolk NSC: Cold storage warehouse	3,000,000
Virginia—Intelligence Training Center, Norfolk: Applied instruction building addition	6,000,000
Navy 1994–1998:	
Pennsylvania—Philadelphia NS: Asbestos removal facility	2,300,000
Air Force 1995–1999:	
Germany—Spangdahlem AB: Upgrade sewage and storm water system	2,100,000
Defense-wide 1996–2000:	
Program Re-estimate	7,000,000
Total	$22,428,000

Hurricane Bertha.—The conferees are aware that military family housing units sustained significant damage from Hurricane Bertha on July 12, 1996. The conferees will consider any reprogramming that may be submitted for repair of these family housing units.

Historic Preservation.—In addition to the directive contained in Senate Report 104–287, the conferees direct the Department to consult with the Advisory Council on Historic Preservation and other relevant organizations with preservation expertise in developing this report.

MILITARY CONSTRUCTION, ARMY

Amendment No. 1

Insert the center heading ''(Including Rescissions)'' as proposed by the Senate.

Amendment No. 2

Appropriates $565,688,000 for Military Construction, Army instead of $603,584,000 as proposed by the House and $448,973,000 as proposed by the Senate. Funding for specific projects agreed to by the conferees is displayed in the table at the end of this report.

California—Fort Irwin: Land Acquisition.—The conferees recognize that the Army must acquire additional territory adjacent to the National Training Center at Fort Irwin, California, in order to maintain the excellence to training operations at this unique installation. Recent information has shown that environmental mitigation could be performed to permit expansion to the south of the National Training Center, long considered to be the most militarily advantageous option. Therefore, the conferees direct the Army to analyze expansion to the south, to update its cost analysis and economic study of acquiring property to the south, and to report its findings to the Committees on Appropriations no later than March 15, 1997.

Amendment No. 3

Earmarks $50,538,000 for study, planning, design, architect and engineer services, and host nation support instead of $54,384,000 as proposed by the House and $20,723,000 as proposed by the Senate.

Amendment No. 4

Inserts a provision proposed by the Senate which would rescind $2,028,000 in funds appropriated for ''Military Construction Army'' under Public Law 103–110.

MILITARY CONSTRUCTION, NAVY

Amendment No. 5

Appropriates $707,094,000 for Military Construction, Navy instead of $724,476,000 as proposed by the House and $642,484,000 as proposed by the Senate. Funding for specific projects agreed to by the conferees is displayed in the table at the end of this report.

California—Twentynine Palms Air-Ground Combat Center: MWR-Funded Facilities.—The conferees encourage the Marine Corps to program and budget for adequately-sized recreational facilities for the Twentynine Palms Air-Ground Combat Center in order to address current deficiencies, within amounts available for non-appropriate Morale, Welfare, and Recreation facilities.

Amendment No. 6

Earmarks $49,927,000 for study, planning, design, architect and engineer services instead of $50,959,000 as proposed by the House and $44,809,000 as proposed by the Senate.

Amendment No. 7

Deletes a provision proposed by the House and stricken by the Senate which would rescind $6,900,000 in funds appropriated for ''Military Construction, Navy'' under Public Law 102–136.

Amendment No. 8

Inserts a provision proposed by the Senate which would rescind $9,000,000 in funds appropriated for ''Military Construction, Navy'' under Public Law 102–380, rather than $2,800,000 as proposed by the House.

MILITARY CONSTRUCTION, AIR FORCE

Amendment No. 9

Inserts the center heading ''(Including Rescissions)'' as proposed by the Senate.

Amendment No. 10

Appropriates $754,064,000 for Military Construction, Air Force instead of $678,914,000 as proposed by the House and $704,689,000 as proposed by the Senate. Funding for specific projects agreed to by the conferees is displayed in the table at the end of this report.

Amendment No. 11

Earmarks $50,687,000 for study, planning, design, architect and engineer services instead of $47,387,000 as proposed by the House and $29,797,000 as proposed by the Senate.

Amendment No. 12

Inserts a provision proposed by the Senate which would rescind $2,100,000 in funds appropriated for ''Military Construction, Air Force'' under Public Law 103–307.

MILITARY CONSTRUCTION, DEFENSE-WIDE

Amendment No. 13

Inserts the words ''And Rescissions'' in the center heading as proposed by the Senate.

Amendment No. 14

Appropriates $763,922,000 for Military Construction, Defense-Wide instead of $772,345,000 as proposed by the House and $771,758,000 as proposed by the Senate. Funding for specific projects agreed to by the conferees is displayed in the table at the end of this report.

Energy Conservation Improvement Program.—The conferees agree to provide the budget request of $47,765,000 for the Energy Conservation Improvement Program, provided that the Department of Defense submits project-specific justification via forms 1390/1391 not less than 21 days prior to the execution of any project. In addition, the conferees direct that future budget requests for this program will be supported by forms 1390/1391 as part of the justification of budget estimates. These forms shall include the location, the nature or category of the project, the cost, and the expected payback using the most current technological and economic information available.

Amendment No. 15

Earmarks $12,239,000 for study, planning, design, architect and engineer services as proposed by the House instead of $17,139,000 as proposed by the Senate.

Amendment No. 16

Inserts a provision proposed by the Senate which would rescind $7,000,000 in funds appropriated for ''Military Construction, Defense-Wide'' under Public Law 104–32.

DEPARTMENT OF DEFENSE MILITARY UNACCOMPANIED HOUSING IMPROVEMENT FUND

Amendment No. 17

Restores language proposed by the House and stricken by the Senate, amended to provide an appropriation of $5,000,000 instead of $10,000,000 as proposed by the House, and amended to strike the words ''in this Act'' in reference to the transfer of funds into this Fund.

MILITARY CONSTRUCTION, ARMY NATIONAL GUARD

Amendment No. 18

Appropriates $78,086,000 for Military Construction, Army National Guard instead of $41,316,000 as proposed by the House and $142,948,000 as proposed by the Senate. Funding for specific projects agreed to by the conferees is displayed in the table at the end of this report.

Amendment No. 19

Restores the words ''September 30, 2001.'' as proposed by the House and stricken by the Senate, and deletes language proposed by the Senate which provides $10,800,000 be made available under minor construction for the construction of phase III, at the Western Kentucky Training Site.

Alabama—Mobile: Army Aviation Support Facility.—The conferees note that permanent law provides ''appropriations shall be applied only to the objects for which the appropriations were made . . .'' (31 U.S.C. 1301(a)). The fiscal year 1995 Military Construction Appropriations Act (Public Law 103–307) included $7,200,000 for an Army Aviation Support Facility at Mobile, Alabama, and these funds are available only for that purpose. The conferees encourage the Army National Guard to explore any cost savings option(s) available in providing this facility, including the acquisition of an existing facility, if one is available which can be acquired and converted for less cost to the federal government than the construction of a new facility.

MILITARY CONSTRUCTION, AIR NATIONAL GUARD

Amendment No. 20

Appropriates $189,855,000 for Military Construction, Air National Guard instead of $118,394,000 as proposed by the House and $224,444,000 as proposed by the Senate. Funding for specific projects agreed to by the conferees is displayed in the table at the end of this report.

MILITARY CONSTRUCTION, ARMY RESERVE

Amendment No. 21

Appropriates $55,543,000 for Military Construction, Army Reserve instead of $50,159,000 as proposed by the House and $75,474,000 as proposed by the Senate. Funding for specific projects agreed to by the conferees is displayed in the table at the end of this report.

MILITARY CONSTRUCTION, NAVAL RESERVE

Amendment No. 22

Appropriates $37,579,000 for Military Construction, Naval Reserve instead of $33,169,000 as proposed by the House and $49,883,000 as proposed by the Senate. Funding for specific projects agreed to by the conferees is displayed in the table at the end of this report.

MILITARY CONSTRUCTION, AIR FORCE RESERVE

Amendment No. 23

Appropriates $52,805,000 for Military Construction, Air Force Reserve instead of $51,655,000 as proposed by the House and $67,805,000 as proposed by the Senate. Funding for specific projects agreed to by the conferees is displayed in the table at the end of this report.

NORTH ATLANTIC TREATY ORGANIZATION SECURITY INVESTMENT PROGRAM

Amendment No. 24

Appropriates $172,000,000 for the North Atlantic Treaty Organization Security Investment Program as proposed by the Senate, instead of $177,000,000 as proposed by the House.

FAMILY HOUSING, ARMY

Amendment No. 25

Appropriates $158,503,000 for Construction, Family Housing, Army instead of $176,603,000 as proposed by the House and $189,319,000 as proposed by the Senate. Funding for specific projects agreed to by the conferees is displayed in the table at the end of this report.

CONSTRUCTION IMPROVEMENTS

The following projects are to be accomplished within the amount provided for construction improvements:

Alabama—Fort Rucker (228 units)	$16,000,000
Alaska—Fort Richardson (48 units)	7,800,000
Alaska—Fort Wainwright (52 units)	8,600,000
Kentucky—Fort Campbell (102 units)	9,600,000
Louisiana—Fort Polk (250 units)	7,200,000
Pennsylvania—Tobyhanna (42 units)	2,300,000
Germany—Stuttgart (120 units)	7,300,000
Germany—Baumholder (64 units)	4,600,000
Germany—Mannheim (136 units)	8,200,000

Amendment No. 26

Appropriates $1,212,466,000 for Operations and Maintenance, Family Housing, Army as proposed by the Senate instead of $1,257,466,000 as proposed by the House.

Amendment No. 27

The conference agreement appropriates a total of $1,370,969,000 for Family Housing, Army Instead of $1,434,069,000 as proposed by the House and $1,401,785,000 as proposed by the Senate. This sum is derived from the conference agreement on amendments numbered 25 and 26.

FAMILY HOUSING, NAVY AND MARINE CORPS

Amendment No. 28

Appropriates $499,886,000 for Construction, Family Housing, Navy and Marine Corps instead of $532,456,00 as proposed by the House and $418,326,000 as proposed by the Senate. Funding for specific projects agreed to by the conferees is displayed in the table at the end of this report.

CONSTRUCTION IMPROVEMENTS

The following projects are to be accomplished within the amount provide for construction improvements:

Mississippi—NAS Meridian (160 units)	$6,600,000
South Carolina—MCAS Beaufort (1,257 units)	5,900,000
Texas—JRB Fort Worth (55 units)	2,400,000
Washington—NAS Whidbey Island (100 units)	7,000,000

Amendment No. 29

Appropriates $1,014,241,000 for Operation and Maintenance, Family Housing, Navy and Marine Corps as proposed by the Senate instead of $1,058,241,000 as proposed by the House.

Amendment No. 30

The conference agreement appropriates a total of $1,514,127,000 for Family Housing, Navy and Marine Corps instead of $1,590,697,000 as proposed by the House and $1,432,567,000 as proposed by the Senate. This sum is derived from the conference agreement on amendments numbered 28 and 29.

FAMILY HOUSING, AIR FORCE

Amendment No. 31

Appropriates $317,507,000 for Construction, Family Housing, Air Force instead of

$304,068,000 as proposed by the House and $291,464,000 as proposed by the Senate. Funding for specific projects agreed to by the conferees is displayed in the table at the end of this report.

CONSTRUCTION IMPROVEMENTS

The following projects are to be accomplished within the amount provided for construction improvements:

Florida—Eglin AFB (112 units)	$8,600,000
Ohio—Wright-Patterson AFB (52 units)	6,000,000
Texas—Laughlin AFB (133 units)	13,000,000
Utah—Hill AFB (92 units)	7,500,000

Amendment No. 32

Appropriates $816,509,000 for Operation and Maintenance, Family Housing, Air Force instead of $840,474,000 as proposed by the House and $829,474,000 as proposed by the Senate.

Amendment No. 33

The conference agreement appropriates a total of $1,134,016,000 for Family Housing, Air Force instead of $1,144,542,000 as proposed by the House and $1,120,938,000 as proposed by the Senate. This sum is derived from the conference agreement on amendments numbered 31 and 32.

DEPARTMENT OF DEFENSE FAMILY HOUSING IMPROVEMENT FUND

Amendment No. 34

Appropriates $25,000,000 for Department of Defense Family Housing Improvement Fund instead of $35,000,000 as proposed by the House and $20,000,000 as proposed by the Senate.

Amendment No. 35

Deletes the words ''September 30, 2001'' as proposed by the Senate, and restores the word ''expended'' as proposed by the House, permitting funds appropriated under this account to remain available until expended.

Amendment No. 36

Deletes the words ''in this Act'' as proposed by the Senate in reference to funds available for transfer into this Fund.

GENERAL PROVISIONS

Amendment No. 37

Restores a provision proposed by the House and stricken by the Senate which would prohibit the expenditure of funds except in compliance with the Buy American Act.

Amendment No. 38

Restores a provision proposed by the House and stricken by the Senate which states the Sense of the Congress notifying recipients of equipment or products authorized to be purchased with financial assistance provided in this Act to purchase American-made equipment and products.

Amendment No. 39

Inserts a provision proposed by the Senate which requires the National Guard Bureau to annually prepare a future years defense plan and to present it to the Committees of Congress concurrent with the President's budget submission and makes a technical correction to the section number.

Amendment No. 40

Deletes a provision proposed by the Senate prohibiting Base Realignment and Closure funds from being used to pay for fines or penalties resulting from violations of any law pertaining to the environment. Inserts a provision, which was not included in either the House or Senate bills, stating the sense of the Congress regarding the naming of facilities at Redstone Arsenal, Alabama. And, makes a technical correction to a section number.

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	CONFERENCE AGREEMENT
ALABAMA		
ARMY		
FORT RUCKER		
AIR TRAFFIC CONTROL TOWERS	---	3,250
AIR FORCE		
MAXWELL AFB		
OTS ACADEMIC FACILITY	7,875	7,875
DEFENSE-WIDE		
MAXWELL AIR FORCE BASE		
AMBULATORY HEALTH CARE CENTER (PHASE II)	25,000	25,000
ARMY NATIONAL GUARD		
BIRMINGHAM		
JOINT MEDICAL TRAINING FACILITY	---	4,600
TOTAL, ALABAMA	32,875	40,725
ALASKA		
AIR FORCE		
EIELSON AFB		
CONVENTIONAL MUNITIONS SHOP	---	3,900
ELMENDORF AFB		
HANGAR/SQUADRON OPERATIONS/AIRCRAFT MAINTENANCE	19,435	19,435
UPGRADE STORM DRAINAGE SYSTEM	2,095	2,095
KING SALMON		
AIRFIELD PAVEMENTS REPAIR	---	5,700
DEFENSE-WIDE		
DFSC ELMENDORF AFB		
HYDRANT FUEL SYSTEM	18,000	18,000
FUEL FARM (PHASE I)	---	3,000
ARMY NATIONAL GUARD		
FAIRBANKS		
READINESS CENTER EXPANSION	---	4,955
TOTAL, ALASKA	39,530	57,085
ARIZONA		
NAVY		
CAMP NAVAJO NAVY DETACHMENT		
MAGAZINE MODIFICATIONS (PHASE I)	3,920	3,920
AIR FORCE		
DAVIS-MONTHAN AFB		
CONSOLIDATED MATERIAL PROCESSING FACILITY	5,590	5,590
EC-130 AIRCRAFT MAINTENANCE FACILITY	4,330	4,330
LUKE AFB		
DORMITORY	---	6,700
TOTAL, ARIZONA	13,840	20,540
ARKANSAS		
AIR FORCE		
LITTLE ROCK AFB		
ADD/ALTER FIELD TRAINING FACILITY	1,525	1,525
C-130 SQUADRON OPERATIONS/AIRCRAFT MAINTENANCE	14,045	14,045
UPGRADE SANITARY SEWER SYSTEM	2,535	2,535
DEFENSE-WIDE		
PINE BLUFF ARSENAL		
AMMUNITION DEMILITARIZATION FACILITY (PHASE III)	46,000	46,000
TOTAL, ARKANSAS	64,105	64,105
CALIFORNIA		
ARMY		
CAMP ROBERTS		
ELECTRICAL DISTRIBUTION SYSTEM	5,500	5,500
CONCORD NAVAL WEAPONS STATION		
AMMUNITION PIER (DBOF)	27,000	27,000
NAVY		
CAMP PENDLETON MARINE CORPS AIR STATION		
AIRCRAFT PARKING APRON AND TAXIWAY	2,600	2,600
RUNWAY IMPROVEMENTS	1,390	1,390
TRANSPORTATION INFRASTRUCTURE	2,250	2,250
CAMP PENDLETON MARINE CORPS BASE		
AUTOMATED FIELD FIRING RANGE	4,020	4,020
BACHELOR ENLISTED QUARTERS	10,100	10,100
BACHELOR ENLISTED QUARTERS	11,800	11,800
BACHELOR ENLISTED QUARTERS REPLACEMENT	12,500	12,500

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	CONFERENCE AGREEMENT
PHYSICAL FITNESS CENTER	4,150	4,150
TACTICAL VEHICLE MAINTENANCE FACILITY	9,060	9,060
NORTH ISLAND NAVAL AIR STATION		
DREDGING	59,502	59,502
SHIP MAINTENANCE FACILITY	27,000	27,000
PORT HUENEME NCBC		
BACHELOR ENLISTED QUARTERS	---	7,700
SAN CLEMENTE ISLAND NAVAL FACILITY		
BACHELOR ENLISTED QUARTERS AND MESSHALL	17,000	17,000
SAN DIEGO MARINE CORPS DEPOT		
COMBAT TRAINING TANK	---	8,150
SAN DIEGO NAVAL STATION		
OILY WASTE COLLECTION FACILITY	7,050	7,050
SAN DIEGO NAV CMD CTRL AND OCEAN SUR CEN RDTE DIV		
PIER (SAN CLEMENTE)	1,960	1,960
TWENTYNINE PALMS MARCORP AIR-GRND COMB CTR		
CHILD DEVELOPMENT CENTER	4,020	4,020
AIR FORCE		
BEALE AFB		
CARS DEPLOYABLE GROUND STATION SUPPORT FACILITY	7,690	7,690
LANDFILL CLOSURE	6,735	6,735
EDWARDS AFB		
ADD/ALTER ANECHOIC CHAMBER	4,890	4,890
CONVERT BOILERS	3,120	3,120
F-22 ALTER AIRCRAFT MAINTENANCE FACILITY	4,390	4,390
RENOVATE AIRCRAFT MAINTENANCE FACILITY	7,680	7,680
MCCLELLAN AFB		
FLOOD CONTROL MEASURES	8,795	---
TRAVIS AFB		
DORMITORY	7,980	7,980
DORMITORY	---	7,000
VANDENBERG AFB		
SATELLITE PROCESSING FACILITY	3,290	3,290
DEFENSE-WIDE		
CAMP PENDLETON MARINE CORPS BASE		
BRANCH MEDICAL CLINIC (EDSON RANGE)	3,300	3,300
DEF DISTRIBUTION (SAN DIEGO) (DDDC)		
REPLACE GENERAL PURPOSE WAREHOUSE (DBOF)	15,700	15,700
DFSC EL CENTRO NAF		
REPLACE HYDRANT FUEL SYSTEM (DBOF)	5,700	5,700
DFSC TRAVIS AFB		
REPLACE HYDRANT FUEL SYSTEM (DBOF)	15,200	15,200
NAVAL AIR STATION LEMOORE		
HOSPITAL REPLACEMENT	38,000	38,000
NAVAL AMPHIBIOUS BASE, CORONADO		
SOF-OPERATIONS AND LOGISTICS SUPPORT FACILITY	7,700	7,700
NORTON AFB (DFAS)		
RENOVATE EXISTING FACILITY FOR ADMINISTRATIVE USE.	13,800	13,800
TOTAL, CALIFORNIA	360,872	374,927
COLORADO		
ARMY		
FORT CARSON		
CHILD DEVELOPMENT CENTER	---	4,550
WHOLE BARRACKS COMPLEX RENEWAL (PHASE II)	13,000	13,000
AIR FORCE		
BUCKLEY ANG BASE		
BASE SUPPLY AND EQUIPMENT WAREHOUSE	3,500	3,500
SPACE-BASED INFRARED SYS OPS FACILITY	14,460	14,460
FALCON AFS		
ALTER DINING FACILITY/SAFETY UPGRADE	2,095	2,095
PETERSON AFB		
DORMITORY	8,350	8,350
MISSION SUPPORT FACILITY	12,370	12,370
US AIR FORCE ACADEMY		
FAMILY SUPPORT CENTER	---	2,100
UPGRADE ACADEMIC FACILITY	10,065	10,065
DEFENSE-WIDE		
PUEBLO DEPOT		
AMMUNITION DEMILITARIZATION FACILITY (PHASE I)	17,497	---
AIR NATIONAL GUARD		
BUCKLEY ANGB		
INFRASTRUCTURE IMPROVEMENTS	---	4,450

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	CONFERENCE AGREEMENT
AIR FORCE RESERVE		
PETERSON AFB		
COMPOSITE MAINTENANCE FACILITY	3,200	3,200
TOTAL, COLORADO	84,537	78,140
CONNECTICUT		
NAVY		
NEW LONDON NAVAL SUBMARINE BASE		
BACHELOR ENLISTED QUARTERS	10,600	10,600
HAZARDOUS MATERIAL WAREHOUSE	3,230	3,230
ARMY NATIONAL GUARD		
GROTON		
AVIATION CLASSIFICATION REPAIR ACTIVITY DEPOT	---	5,647
WINDSOR LOCKS		
FIRE SUPPRESSION	---	3,045
TOTAL, CONNECTICUT	13,830	22,522
DELAWARE		
AIR FORCE		
DOVER AFB		
C-5 AERIAL DELIVERY FACILITY	7,980	7,980
VISITING OFFICER QUARTERS	---	12,000
AIR NATIONAL GUARD		
NEW CASTLE COUNTY AIRPORT (WILMINGTON)		
FIRE STATION, AGE, AND AGU COMPLEX	---	2,800
TOTAL, DELAWARE	7,980	22,780
DISTRICT OF COLUMBIA		
ARMY		
FORT LESLEY J MCNAIR		
NATIONAL DEFENSE UNIVERSITY FACILITY (PHASE II)	6,900	6,900
NAVY		
WASHINGTON COMMANDANT NAVAL DISTRICT		
BACHELOR ENLISTED QUARTERS COMPLEX	19,300	19,300
DEFENSE-WIDE		
BOLLING AFB		
RECONFIGURATION DIAC	6,790	---
NAVAL RESERVE		
NAVAL AIR FACILITY WASHINGTON (ANDREWS AFB)		
ADDITION TO HANGAR 12	640	640
TRAINING BUILDING ADDITION	1,465	1,465
TOTAL, DISTRICT OF COLUMBIA	35,095	28,305
FLORIDA		
NAVY		
KEY WEST NAVAL AIR STATION		
FITNESS CENTER	2,250	2,250
MAYPORT NS		
WHARF STRUCTURE IMPROVEMENT	---	2,800
AIR FORCE		
EGLIN AFB		
UPGRADE ELECTRICAL DISTRIBUTION SYSTEM	4,590	4,590
EGLIN AFB AUXILIARY FIELD 9		
TRANSIENT PERSONNEL QUARTERS	6,825	6,825
PATRICK AFB		
CONTROL TOWER	2,595	2,595
TYNDALL AFB		
AIRCRAFT EQUIPMENT MAINTENANCE SHOP	---	3,600
DEFENSE-WIDE		
KEY WEST NAVAL AIR STATION		
MEDICAL/DENTAL CLINIC REPLACEMENT	13,600	13,600
MACDILL AFB		
ADD TO USSOCOM COMMAND AND CONTROL FACILITY	---	9,600
ORLANDO NTC (DFAS)		
RENOVATE EXISTING FACILITY FOR ADMIN USE (DBOF)	2,600	2,600
ARMY NATIONAL GUARD		
MACDILL AFB		
ARMY AVIATION SUPPORT FACILITY	---	4,248
AIR NATIONAL GUARD		
JACKSONVILLE IAP		
UPGRADE HEATING PLANTS AND CHILLERS	680	680

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	CONFERENCE AGREEMENT
NAVAL RESERVE		
NAV RES READINESS CDM (JACKSONVILLE)		
RESERVE CENTER ADDITION	770	770
AIR FORCE RESERVE		
HOMESTEAD AFB		
FIRE TRAINING FACILITY	1,300	1,300
TOTAL, FLORIDA	35,210	55,458
GEORGIA		
ARMY		
FORT BENNING		
RAIL LOADING FACILITY	9,400	9,400
WHOLE BARRACKS COMPLEX RENEWAL	44,000	44,000
FORT MCPHERSON (FORT GILLEM)		
MILITARY ENTRANCE PROCESSING FACILITY	---	3,500
FT STEWART/HUNTER AAF		
CLOSE COMBAT TACTICAL TRAINING BUILDING	6,000	6,000
NAVY		
KINGS BAY NSB		
CHILD DEVELOPMENT CENTER ADDITION	---	1,550
AIR FORCE		
MOODY AFB		
C-130 PARKING RAMP EXPANSION	---	3,350
ROBINS AFB		
JSTARS ADD/ALTER AIRCRAFT MAINTENANCE SHOPS	1,645	1,645
JSTARS ADD/ALTER APRON/HYDRANT FUEL SYSTEM	6,585	6,585
JSTARS SQUADRON OPERATIONS/AIRCRAFT MAINTENANCE	8,270	8,270
CHILD DEVELOPMENT CENTER	2,145	2,145
UPGRADE TWO DORMITORIES	---	6,400
AIR NATIONAL GUARD		
ROBINS AFB		
B-1 AGE AND MUNITIONS TRAILER MAINTENANCE COMPLEX	2,800	2,800
B-1 AIRCRAFT PARK APRON AND RELOCATE TAXIWAY	8,800	8,800
B-1 COMPOSITE AIRCRAFT MAINTENANCE COMPLEX	12,400	12,400
B-1 SITE IMPROVEMENTS ROADS AND UTILITIES	5,500	5,500
NAVAL RESERVE		
ATLANTA NAS		
BACHELOR ENLISTED QUARTERS	---	3,250
AIR FORCE RESERVE		
DOBBINS AFB		
ADD/ALTER COMMUNICATIONS FACILITY	1,137	1,137
UPGRADE STORM WATER SYSTEM	---	1,150
TOTAL, GEORGIA	108,682	127,882
HAWAII		
ARMY		
SCHOFIELD BARRACKS		
WHOLE BARRACKS COMPLEX RENEWAL (PHASE I)	---	10,600
NAVY		
KANEOHE BAY MCAS		
BACHELOR ENLISTED QUARTERS	---	20,080
PEARL HARBOR NAVAL STATION		
BACHELOR ENLISTED QUARTERS MODERNIZATION	19,600	19,600
PEARL HARBOR NAVAL SUBMARINE BASE		
BACHELOR ENLISTED QUARTERS	30,500	30,500
BACHELOR ENLISTED QUARTERS MODERNIZATION	5,390	5,390
DEFENSE-WIDE		
PEARL HARBOR (FORD ISLAND)		
SOF-ADVANCED SEAL DELIVERY SYSTEM FACILTY	12,800	12,800
ARMY NATIONAL GUARD		
HILO		
ADD/ALTER ARMY AVIATION SUPPORT FACILITY	---	5,900
AIR NATIONAL GUARD		
HICKAM AFB		
ALTER AVIONICS SHOP	1,000	1,000
SQUADRON OPERATIONS FACILITY ALTERATION	---	9,000
TOTAL, HAWAII	69,290	114,870

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	CONFERENCE AGREEMENT
IDAHO		
NAVY		
NAVAL SURFACE WEAPONS CENTER, BAYVIEW		
SHIPS MODEL ENGINEERING AND TEST FACILITY	7,150	7,150
AIR FORCE		
MOUNTAIN HOME AFB		
CORROSION CONTROL FACILITY	---	9,400
FLIGHTLINE FIRE STATION	6,545	6,545
AIR NATIONAL GUARD		
GOWEN FIELD (BOISE)		
C-130 ENGINE AND PROPELLER SHOPS	---	1,500
FUEL SYSTEM MAINTENANCE AND CORROSION CONTROL FAC.	4,500	4,500
TOTAL, IDAHO	18,195	29,095
ILLINOIS		
NAVY		
GREAT LAKES NAVAL HOSPITAL		
BACHELOR ENLISTED QUARTERS (PHASE I)	---	10,000
GREAT LAKES NAVAL TRAINING CENTER		
BACHELOR ENLISTED QUARTERS	22,900	22,900
DEFENSE-WIDE		
ROCK ISLAND ARSENAL (DFAS)		
RENOVATE EXISTING FACILITY FOR ADMIN USE (DBOF)	14,400	14,400
AIR NATIONAL GUARD		
GREATER PEORIA AIRPORT		
FUEL SYSTEM MAINTENANCE AND CORROSION CONTROL FAC.	4,200	4,200
AIR FORCE RESERVE		
SCOTT AFB		
CONSOLIDATED MEDICAL TRAINING FACILITY	2,300	2,300
TOTAL, ILLINOIS	43,800	53,800
INDIANA		
NAVY		
CRANE NSWC		
BACHELOR ENLISTED QUARTERS	---	5,000
ARMY NATIONAL GUARD		
MARION		
ORGANIZATIONAL MAINTENANCE SHOP	---	1,121
CAMP ATTERBURY		
CENTRAL VEHICLE WASH FACILITY	---	4,747
AIR NATIONAL GUARD		
FT WAYNE IAP		
BASE SUPPLY COMPLEX	---	4,150
UPGRADE DRAINAGE SYSTEM	480	480
HULMAN FIELD (TERRE HAUTE)		
EXTEND CROSS WIND RUNWAY	---	7,000
TOTAL, INDIANA	480	22,498
IOWA		
AIR NATIONAL GUARD		
DES MOINES IAP		
AIRCRAFT ARRESTING SYSTEM	---	2,350
KANSAS		
ARMY		
FORT RILEY		
WHOLE BARRACKS COMPLEX RENEWAL	26,000	26,000
AIR FORCE		
MCCONNELL AFB		
CONSOLIDATED EDUCATION CENTER	---	6,700
DORMITORY	8,480	8,480
DORMITORY	---	7,100
FLIGHT SIMULATOR TRAINING FACILITY	---	3,550
DEFENSE-WIDE		
DFSC MCCONNELL AFB		
ADD/ALTER JET FUEL STORAGE FACILITY (DBOF)	2,200	2,200
ARMY RESERVE		
WICHITA		
ADD/ALTER USARC/NEW OMS/AMSA	5,670	5,670
TOTAL, KANSAS	42,350	59,700

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	CONFERENCE AGREEMENT
KENTUCKY		
ARMY		
FORT CAMPBELL		
RAIL SPUR	16,100	16,100
WHOLE BARRACKS COMPLEX RENEWAL (PHASE II)	35,000	35,000
FORT KNOX		
URBAN TRAINING COMPLEX	---	13,000
WHOLE BARRACKS COMPLEX RENEWAL (PHASE I)	---	10,000
DEFENSE-WIDE		
FORT CAMPBELL		
SOF-SUPPLY SUPPORT FACILITY	4,200	4,200
TOTAL, KENTUCKY	55,300	78,300
LOUISIANA		
AIR FORCE		
BARKSDALE AFB		
COMMUNICATIONS SYSTEMS SQUADRON COMPLEX	2,500	2,500
UPGRADE SANITARY SEWER SYSTEM	2,390	2,390
DEFENSE-WIDE		
DFSC BARKSDALE AFB		
JET FUEL OFFLOAD FACILITY (DBOF)	4,300	4,300
NAVAL RESERVE		
NEW ORLEANS NAVAL AIR STATION		
BACHELOR ENLISTED QUARTERS	---	4,800
NEW ORLEANS NAVAL SUPPORT ACTIVITY		
APPLIED INSTRUCTION FACILITY	---	3,650
BACHELOR ENLISTED QUARTERS	---	8,956
CHILD DEVELOPMENT CENTER ADDITION	---	1,330
TOTAL, LOUISIANA	9,190	27,926
MAINE		
DEFENSE-WIDE		
LORING AFB (DFAS)		
RENOVATE EXISTING FACILITY FOR ADMIN USE (DBOF)	6,900	6,900
AIR NATIONAL GUARD		
BANGOR		
UPGRADE BASE FACILITIES (PHASE I)	---	7,000
TOTAL, MAINE	6,900	13,900
MARYLAND		
NAVY		
PATUXENT RIVER NAVAL AIR STATION		
WASTEWATER TREATMENT PLANT UPGRADE	1,270	1,270
PATUXENT RIVER NAWC		
ANTE-CHAMBER AND LABORATORY SPACE	---	10,000
US NAVAL ACADEMY		
CHILLER SYSTEM UPGRADE (PHASE I)	---	5,000
AIR FORCE		
ANDREWS AFB		
ALTER DORMITORY	5,990	5,990
FAMILY SUPPORT CENTER	---	2,150
DEFENSE-WIDE		
ANDREWS AIR FORCE BASE		
LIFE SAFETY/EMERGENCY ROOM UPGRADE	15,500	15,500
DFSC ANDREWS AFB		
REPLACE HYDRANT FUEL SYSTEM (DBOF)	12,100	12,100
FOREST GLEN (WRAIR)		
ARMY INSTITUTE OF RESEARCH (PHASE IV)	92,000	72,000
FORT MEADE		
FRIENDSHIP ANNEX III PURCHASE	25,200	---
AIR NATIONAL GUARD		
ANDREWS AFB		
MUNITIONS TRAILER MAINTENANCE FACILITY	500	500
AIR FORCE RESERVE		
ANDREWS AFB		
CONSOLIDATED MEDICAL TRAINING	2,600	2,600
TOTAL, MARYLAND	155,160	127,110

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	CONFERENCE AGREEMENT
MASSACHUSETTS		
AIR NATIONAL GUARD		
BARNES MAP (WESTFIELD)		
UPGRADE HEATING DISTRIBUTION SYSTEM	500	500
MILFORD ANGS		
VEHICLE MAINTENANCE COMPLEX	---	1,900
TOTAL, MASSACHUSETTS	500	2,400
MICHIGAN		
AIR NATIONAL GUARD		
W. K. KELLOGG AIRPORT (BATTLE CREEK)		
COMPOSITE SUPPORT COMPLEX	---	6,000
SELFRIDGE ANGB (MT CLEMENS)		
UPGRADE HEATING SYSTEMS	3,000	3,000
AIR FORCE RESERVE		
SELFRIDGE ANGB (MT CLEMENS)		
FUEL SYSTEM MAINTENANCE HANGAR	6,000	6,000
TOTAL, MICHIGAN	9,000	15,000
MINNESOTA		
ARMY RESERVE		
BUFFALO		
USARC/OMS	4,260	4,260
MISSISSIPPI		
NAVY		
PASCAGOULA NS		
EXTEND WEST QUAYWALL	---	4,990
STENNIS SPACE CENTER (BAY ST LOUIS)		
OCEAN ACOUSTICS RESEARCH LABORATORY	---	7,960
AIR FORCE		
KEESLER AFB		
STUDENT DORMITORY	14,465	14,465
ARMY NATIONAL GUARD		
CAMP SHELBY		
MULTI PURPOSE RANGE COMPLEX (PHASE II)	---	5,000
AIR NATIONAL GUARD		
GULFPORT-BILOXI REGIONAL AIRPORT		
RELOCATE HEWES ROAD (PHASE II)	---	5,400
THOMPSON FIELD (JACKSON)		
ALTERATION TO OPERATIONS AND TRAINING FACILITY	---	1,350
TOTAL, MISSISSIPPI	14,465	39,165
MISSOURI		
AIR NATIONAL GUARD		
ROSECRANS AIRPORT (ELWOOD)		
VEHICLE MAINT AND AVIATION GROUND EQUIP COMPLEX	---	4,000
MONTANA		
AIR FORCE		
MALMSTROM AFB		
DORMITORY	---	6,300
AIR NATIONAL GUARD		
GREAT FALLS IAP		
COMPOSITE SUPPORT FACILITY	---	5,400
TOTAL, MONTANA	---	11,700
NEBRASKA		
DEFENSE-WIDE		
OFFUTT AFB (DFAS)		
RENOVATE EXISTING FACILITY FOR ADMIN USE (DBOF)	7,000	7,000
AIR NATIONAL GUARD		
LINCOLN MAP		
COMPOSITE SUPPORT FACILITIES COMPLEX	---	7,300
TOTAL, NEBRASKA	7,000	14,300
NEVADA		
NAVY		
FALLON NAVAL AIR STATION		
BACHELOR ENLISTED QUARTERS	---	14,800

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	CONFERENCE AGREEMENT
CHILD DEVELOPMENT CENTER	---	1,030
ENGINE TEST CELL/AIRCRAFT TEST ENCLOSURE	---	5,800
AIR FORCE		
INDIAN SPRINGS		
UAV OPERATIONS AND MAINTENANCE FACILITIES	4,690	4,690
NELLIS AFB		
DORMITORY	---	9,900
DEFENSE-WIDE		
DFSC FALLON NAVAL AIR STATION		
ADDITION TO HOT REFUELING AREA	2,100	2,100
AIR NATIONAL GUARD		
RENO IAP		
C-130 AIRCRAFT PARKING APRON ADDITION	---	1,400
FUEL SYSTEM MAINTENANCE/CORROSION CONTROL HANGAR	4,600	4,600
TOTAL, NEVADA	11,390	44,320
NEW HAMPSHIRE		
ARMY RESERVE		
MANCHESTER		
ARMED FORCES RESERVE CENTER (PHASE II)	---	5,315
NEW JERSEY		
ARMY		
PICATINNY ARSENAL		
UPGRADE ELECTRICAL POWER SYSTEM (PHASE III)	---	5,000
AIR FORCE		
MCGUIRE AFB		
DORMITORY	8,080	8,080
ARMY NATIONAL GUARD		
FORT DIX		
TRAINING/TRAINING TECHOLOGY BATTLE LAB (PHASE I)	---	2,000
AIR NATIONAL GUARD		
ATLANTIC CITY		
ADD/ALTER MEDICAL TRAINING FACILITY	380	380
MCGUIRE AFB		
CONSOLIDATED SQUADRON OPERATIONS FACILITY	---	9,900
TOTAL, NEW JERSEY	8,460	25,360
NEW MEXICO		
ARMY		
WHITE SANDS MISSILE RANGE		
NATIONAL RANGE CONTROL CENTER (PHASE I)	---	10,000
AIR FORCE		
CANNON AFB		
LOGISTICS ADMINISTRATION FACILITY	---	7,100
KIRTLAND AFB		
ADVANCED LASER RESEARCH FACILITY	---	10,000
AIR NATIONAL GUARD		
KIRTLAND AFB		
MUNITIONS MAINTENANCE AND STORAGE COMPLEX	3,000	3,000
TOTAL, NEW MEXICO	3,000	30,100
NEW YORK		
ARMY		
FORT DRUM		
RANGE CONTROL FACILITY	---	3,800
RAPID DEPLOYMENT OPERATIONS FACILITY	---	7,600
DEFENSE-WIDE		
GRIFFISS AFB (DFAS)		
RENOVATE EXISTING FACILITY FOR ADMIN USE (DBOF)	10,200	10,200
AIR NATIONAL GUARD		
FRANCIS S. GABRESKI AIRPORT (SUFFOLK COUNTY)		
AIRCRAFT WASH AND DEICING FACILITY	659	659
HANCOCK AIRPORT (SYRACUSE)		
COMPOSITE OPERATIONS AND TRAINING FACILITY	---	4,500
STEWART AIRPORT (NEWBURGH)		
C-5 FLIGHT SIMULATOR FACILITY	3,000	3,000
LANDFILL CLOSURE	---	2,200
AIR FORCE RESERVE		
NIAGARA FALLS IAP		
DEICING FACILITY	342	342
FIRE TRAINING SYSTEM	1,600	1,600
TOTAL, NEW YORK	15,801	33,901

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	CONFERENCE AGREEMENT
NORTH CAROLINA		
ARMY		
FORT BRAGG		
LAND ACQUISITION (PHASE II)	---	14,000
NAVY		
CAMP LEJEUNE MARINE CORPS BASE		
BACHELOR ENLISTED QUARTERS	5,190	5,190
PHYSICAL FITNESS CENTER	2,530	2,530
TRAINING RANGE FACILITIES	9,800	9,800
WASTEWATER TREATMENT PLANT (PHASE III)	3,230	3,230
CHERRY POINT MARINE CORPS AIR STATION		
TACTICAL MISSION PLANNING FACILITY	1,630	1,630
NEW RIVER MARINE CORPS AIR STATION		
AVIATION ARMAMENT SHOPS	4,140	4,140
CHILD DEVELOPMENT CENTER	---	3,250
CORROSION CONTROL HANGAR	12,900	12,900
AIR FORCE		
POPE AFB		
C-130 ADD/ALTER SQUADRON OPERATIONS AMU FACILITY	3,850	3,850
UPGRADE SANITARY SEWER SYSTEM	2,065	2,065
SEYMOUR JOHNSON AFB		
F-15 AGE FACILITY/POD STORAGE	2,405	2,405
F-15 SQUADRON OPERATIONS/AMU/ACADEMIC FACILITY	3,490	3,490
F-15E ADD/ALTER FLIGHT SIMULATOR FACILITIES	3,460	3,460
F-15E STUDENT OFFICER QUARTERS	1,925	1,925
DEFENSE-WIDE		
FORT BRAGG		
SOF-COMPANY OPERATIONS AND SUPPLY COMPLEX	14,000	14,000
CONSOL TROOP MEDICAL CLINIC (SMOKE BOMB HILL)	11,400	11,400
HOSPITAL REPLACEMENT (PHASE IV)	89,000	89,000
AIR NATIONAL GUARD		
STANLY COUNTY AIRPORT (ALBEMARLE)		
COMPOSITE MAINTENANCE FACILITY	---	5,000
PARALLEL TAXIWAY	---	1,850
ARMY RESERVE		
FORT BRAGG		
ADD/ALTER USARC/OMS	9,966	9,966
TOTAL, NORTH CAROLINA	180,981	205,081
NORTH DAKOTA		
AIR FORCE		
GRAND FORKS AFB		
DINING FACILITY	5,985	5,985
KC-135 SQUADRON OPERATIONS/AIRCRAFT MAINTENANCE	6,485	6,485
MINOT AFB		
UNDERGROUND FUEL STORAGE TANKS, MISSILE FACILITY	3,940	3,940
TOTAL, NORTH DAKOTA	16,410	16,410
OHIO		
AIR FORCE		
WRIGHT-PATTERSON AFB		
ADD/ALTER ENGINEERING RESEARCH LAB	7,400	7,400
DEFENSE-WIDE		
COLUMBUS CENTER (DFAS)		
DFAS OPERATIONS FACILITY (PHASE II)	20,822	20,822
DEFENSE CONSTRUCTION SUPPLY CENTER (COLUMBUS)		
CONSTRUCT ENTRANCE ROADWAY (DBOF)	600	600
GENTILE AIR FORCE STATION (DFAS)		
RENOVATE EXISTING FACILITY FOR ADMIN USE (DBOF)	11,400	11,400
AIR NATIONAL GUARD		
MANSFIELD LAHM AIRPORT (MANSFIELD)		
COMPOSITE OPERATIONS AND TRAINING FACILITY	---	4,550
RICKENBACKER ANGB		
COMPOSITE SQUADRON OPERATIONS AND HEADQUARTERS FAC	---	6,100
AIR FORCE RESERVE		
YOUNGSTOWN MAP		
FIRE TRAINING SYSTEM	1,500	1,500
CONSOLIDATED MAINTENANCE FACILITY	3,600	3,600
WING HEADQUARTERS FACILITY	5,300	5,300
TOTAL, OHIO	50,622	61,272

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	CONFERENCE AGREEMENT
OKLAHOMA		
AIR FORCE		
TINKER AFB		
CONSOLIDATED VEHICLE MAINTENANCE/METALS FACILITY..	9,880	9,880
DEPOT AIRCRAFT CORROSION CONTROL FAC (PHASE II)...	---	5,400
DEFENSE-WIDE		
DFSC ALTUS AFB		
UPGRADE C-5 HYDRANT SYSTEM (PHASE I) (DBOF).....	3,200	3,200
FORT SILL (DFAS)		
DFAS REGIONAL FINANCE CENTER.....	---	12,864
ARMY NATIONAL GUARD		
CAMP GRUBER		
MODIFIED RECORD FIRE RANGE.....	---	1,551
AIR NATIONAL GUARD		
WILL ROGERS WORLD AIRPORT (OKLAHOMA CITY)		
ADD/ALTER SECURITY POLICE FACILITY.....	570	570
ARMY RESERVE		
MUSKOGEE		
ADD/ALTER USARC/OMS.....	3,125	3,125
AIR FORCE RESERVE		
TINKER AFB		
ALTER FACILITIES FOR CONVERSION.....	5,700	5,700
K-135 OPERATIONS AND TRAINING FACILITIES.....	3,400	3,400
TOTAL, OKLAHOMA.....	25,875	45,690
OREGON		
DEFENSE-WIDE		
UMATILLA DEPOT		
AMMUNITION DEMILITARIZATION FACILITY (PHASE II)...	64,000	64,000
AIR NATIONAL GUARD		
KLAMATH FALLS IAP		
INFRASTRUCTURE UPGRADES.....	---	2,500
TOTAL, OREGON.....	64,000	66,500
PENNSYLVANIA		
NAVY		
PHILADELPHIA NS		
FOUNDRY IMPROVEMENTS.....	---	8,300
ARMY RESERVE		
GENEVA		
ECS/AMSA/WAREHOUSE.....	9,352	9,352
ST MARYS		
ADD/ALTER USARC/OMS.....	2,333	2,333
NAVAL RESERVE		
NAS WILLOW GROVE		
AIRCRAFT RINSE FACILITY.....	750	750
NMCRC PITTSBURGH		
PURCHASE RESERVE CENTER BUILDING AND LAND.....	3,480	3,480
TOTAL, PENNSYLVANIA.....	15,915	24,215
RHODE ISLAND		
NAVY		
NEWPORT NWC		
STRATEGIC MARITIME RESEARCH CENTER (PHASE II).....	---	8,000
SOUTH CAROLINA		
NAVY		
PARRIS ISLAND MCRD		
RECRUIT BATTALION OPERATIONS FACILITY.....	---	2,540
AIR FORCE		
CHARLESTON AFB		
C-17 ADD/ALTER AIRCRAFT MAINTENANCE/NDI SHOP.....	4,590	4,590
C-17 ADD/ALTER APRON/HYDRANT SYSTEM.....	13,170	13,170
C-17 AIRCRAFT MAINTENANCE FACILITY.....	5,785	5,785
C-17 SQUADRON OPS/AIRCRAFT MAINTENANCE UNIT FAC...	5,685	5,685
DORMITORY.....	8,180	8,180
SHAW AFB		
ALTER DORMITORIES.....	---	8,800
SECURITY POLICE OPERATIONS.....	3,300	3,300
UPGRADE SANITARY SEWER SYSTEM.....	2,365	2,365
DEFENSE-WIDE		
CHARLESTON NAVAL SHIPYARD (DFAS)		
RENOVATE EXISTING FACILITY FOR ADMIN USE (DBOF)...	6,200	6,200

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	CONFERENCE AGREEMENT
CHARLESTON AIR FORCE BASE		
WRM/BEE FACILITY	1,300	1,300
DFSC SHAW AFB		
RAILROAD JET FUEL FACILITY (DBOF)	2,900	2,900
AIR NATIONAL GUARD		
MCENTIRE ANGB		
COMPOSITE SECURITY POLICE FACILITY	---	1,500
TOTAL, SOUTH CAROLINA	53,475	66,315
SOUTH DAKOTA		
AIR FORCE		
ELLSWORTH AFB		
ADD/ALTER CHILD DEVELOPMENT CENTER	---	4,150
ARMY NATIONAL GUARD		
RAPID CITY		
ARMY AVIATION SUPPORT FACILITY RAMP	---	4,329
TOTAL, SOUTH DAKOTA	---	8,479
TENNESSEE		
AIR FORCE		
ARNOLD ENGINEERING DEV CENTER		
UPGRADE ETF REFRIG SYSTEM PLANT	3,790	3,790
UPGRADE JET ENGINE AIR INDUCTION SYSTEM	2,991	8,691
TOTAL, TENNESSEE	6,781	12,481
TEXAS		
ARMY		
FORT HOOD		
CLOSE COMBAT TACTICAL TRAINING BUILDING II	5,900	5,900
WHOLE BARRACKS COMPLEX RENEWAL (PHASE II)	35,000	35,000
ORGANIZATIONAL MOTOR POOL	---	6,400
FORT SAM HOUSTON		
DINING FACILITY MODERNIZATION	---	3,100
NAVY		
INGLESIDE NAVAL STATION		
BACHELOR ENLISTED QUARTERS (PHASE III)	9,600	9,600
MAGNETIC RANGE FACILITY AND LAND ACQUISITION	7,250	7,250
KINGSVILLE NAVAL AIR STATION		
COMBINED FIRE/CRASH RESCUE STATION	1,810	1,810
AIR FORCE		
BROOKS AFB		
STUDENT DORMITORY	---	5,400
DYESS AFB		
ADD/ALTER DORMITORIES	5,895	5,895
CONSOLIDATED DINING HALL	---	6,400
KELLY AFB		
WING SUPPORT FACILITY (DBOF)	3,250	3,250
LACKLAND AFB		
PIF COMBAT ARMS TRAINING FACILITY	4,800	4,800
UPGRADE RECRUIT DORMITORY	4,613	4,613
SHEPPARD AFB		
CONSOLIDATED LOGISTICS COMPLEX	9,400	9,400
DEFENSE-WIDE		
FORT BLISS		
LIFE SAFETY UPGRADE	6,600	6,600
FORT HOOD		
SOCIAL WORK SERVICES CLINIC	1,950	1,950
ARMY NATIONAL GUARD		
BRYAN		
ORGANIZATIONAL MAINTENANCE SHOP	---	1,358
AIR NATIONAL GUARD		
FORT WORTH JRB		
FUEL CELL AND CORROSION CONTROL FACILITY	3,450	4,500
NAVAL RESERVE		
DYESS AFB		
MARINE CORPS RESERVE CENTER	---	3,100
TOTAL, TEXAS	99,518	126,326
UTAH		
AIR FORCE		
HILL AFB		
CORRECT FIRE PROTECTION DEFICIENCIES	3,690	3,690
AIR NATIONAL GUARD		

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	CONFERENCE AGREEMENT
SALT LAKE CITY IAP		
ELECTRONICS SECURITY SQUADRON COMPLEX	2,250	2,250
NAVAL RESERVE		
MARCORESCEN CAMP WILLIAMS		
RESERVE TRAINING CENTER	1,994	1,994
TOTAL, UTAH	7,934	7,934
VERMONT		
ARMY NATIONAL GUARD		
JERICHO		
UPGRADE TRAINING RANGES	---	746
VIRGINIA		
ARMY		
CHARLOTTESVILLE (DIA)		
LAND ACQUISITION, NATIONAL GROUND INTELLIGENCE CTR	---	1,000
FORT EUSTIS		
CHILD DEVELOPMENT CENTER	---	3,550
NAVY		
DAHLGREN NSWC		
BACHELOR ENLISTED QUARTERS	---	8,030
NORFOLK NAV ADMIN COM ARMED FORCES COLLEGE		
WARGAMING AND RESEARCH CENTER	12,900	12,900
NORFOLK NAVAL STATION		
CONTROLLED INDUSTRIAL FACILITY	16,500	16,500
CRANE RAIL INTERCONNECT	---	14,400
OILY WASTE COLLECTION SYSTEM	10,200	10,200
PIER ELECTRICAL IMPROVEMENTS	---	6,200
SHORE INTERMEDIATE MNT ACT ADDN AND UPGRADE	8,820	8,820
QUANTICO MARINE CORPS COMBAT DEV COMMAND		
AMMUNITION STORAGE MAGAZINES (PHASE II)	2,060	2,060
BATTLE STAFF TRAINING FACILITY	3,580	3,580
SANITARY LANDFILL	8,930	8,930
AIR FORCE		
LANGLEY AFB		
ALTER HQ AIR COMBAT FACILITIES	5,160	5,160
UPGRADE SANITARY SEWER SYSTEM	2,845	2,845
DEFENSE-WIDE		
DFSC OCEANA NAS		
JET FUEL STORAGE TANK (DBOF)	1,500	1,500
NORFOLK NAVAL AIR STATION		
ENVIRONMENTAL PREVENTIVE MED UNIT ADDITION	1,250	1,250
PORTSMOUTH NAVAL HOSPITAL		
HOSPITAL REPLACEMENT (PHASE VIII)	24,000	24,000
ARMY NATIONAL GUARD		
DANVILLE		
ADD/ALTER READINESS CENTER	---	1,789
ARMY RESERVE		
FORT EUSTIS		
USARC/OMS	10,273	10,273
TOTAL, VIRGINIA	108,018	142,987
WASHINGTON		
ARMY		
FORT LEWIS		
READINESS DEPLOYMENT FACILITY	3,600	3,600
TANK TRAIL EROSION MITIGATION (YAKIMA)	2,000	2,000
WHOLE BARRACKS COMPLEX RENEWAL	49,000	49,000
NAVY		
NAVAL STATION, EVERETT		
BACHELOR ENLISTED QUARTERS	10,940	10,940
BERTHING PIER	14,800	14,800
KEYPORT NUWC		
ENVIRONMENTAL TEST FACILITY	---	6,800
AIR FORCE		
FAIRCHILD AFB		
KC-135 HYDRANT FUELING SYSTEM	10,875	10,875
KC-135 SQUADRON OPS AIRCRAFT MAINTENANCE UNIT	7,280	7,280
MCCHORD AFB		
C-17 ADD TO FLIGHT SIMULATOR	2,095	2,095
C-17 ADD/ALTER AVIONICS MAINTENANCE FACILITY	1,300	1,300
C-17 ALTER HYDRANT FUELING SYSTEM	1,100	1,100
C-17 BEDDOWN SUPPORT UTILITIES	5,985	5,985
C-17 CORROSION CONTROL FACILITY	11,570	11,570
C-17 FUEL CELL MAINTENANCE FACILITY	7,480	7,480

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	CONFERENCE AGREEMENT
C-17 MAINTENANCE TRAINING FACILITY	5,685	5,685
C-17 MODULAR REPLACEMENT CENTER	16,460	16,460
DORMITORY	5,390	5,390
TOTAL, WASHINGTON	155,560	162,360
WISCONSIN		
AIR NATIONAL GUARD		
VOLK FIELD (CAMP DOUGLAS)		
UPGRADE SANITARY SEWER SYSTEM	850	850
AIR FORCE RESERVE		
BILLY MITCHELL FIELD (MILWAUKEE)		
IMPROVE STORM DRAINAGE SYSTEM	950	950
MEDICAL TRAINING FACILITY	2,500	2,500
TOTAL, WISCONSIN	4,300	4,300
WYOMING		
AIR FORCE		
FE WARREN AFB		
CHILD DEVELOPMENT CENTER	---	3,700
CONUS CLASSIFIED		
ARMY		
CLASSIFIED LOCATIONS		
CLASSIFIED PROJECT	4,600	4,600
BAHRAIN ISLAND		
NAVY		
ADMINISTRATIVE SUPPORT UNIT		
QUALITY OF LIFE IMPROVEMENTS	5,980	5,980
DEFENSE-WIDE		
ASU BAHRAIN		
MEDICAL/DENTAL CLINIC	4,600	4,600
TOTAL, BAHRAIN ISLAND	10,580	10,580
GERMANY		
ARMY		
MANNHEIM		
BEQ RENOVATION (TAYLOR BARRACKS)	---	9,300
BEQ RENOVATION (SPINELLI BARRACKS)	---	8,100
DARMSTADT		
CHILD DEVELOPMENT CENTER (LINCOLN VILLAGE)	---	7,300
AIR FORCE		
RAMSTEIN AB		
DORMITORY	5,370	5,370
SPANGDAHLEM AB		
FIRE STATION	1,890	1,890
TOTAL, GERMANY	7,260	31,960
GREECE		
NAVY		
SOUDA BAY CRETE NAVAL SUPPORT ACTIVITY		
BACHELOR ENLISTED QUARTERS REPLACEMENT	7,050	7,050
TOTAL, GREECE	7,050	7,050
ITALY		
ARMY		
CAMP EDERLE (VINCENZA)		
UPGRADE WATER SYSTEM	3,100	3,100
NAVY		
NAPLES NAVAL SUPPORT ACTIVITY		
AIR CARGO TERMINAL	8,620	8,620
SIGONELLA NAVAL AIR STATION		
BACHELOR ENLISTED QUARTERS REPLACEMENT	15,700	15,700
AIR FORCE		
AVIANO AB		
CONSOLIDATED SUPPORT CENTER	5,225	5,225
UPGRADE ELECTRICAL DISTRIBUTION SYSTEM	1,935	1,935
UPGRADE FLIGHTLINE WATER DISTRIBUTION SYSTEM	2,900	2,900
DEFENSE-WIDE		
DFSC SIGONELLA NAS		
EXTEND HYDRANT FUEL SYSTEM (DBOF)	6,100	6,100

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	CONFERENCE AGREEMENT
TOTAL, ITALY	43,580	43,580
KOREA		
ARMY		
CAMP CASEY		
WHOLE BARRACKS COMPLEX RENEWAL	16,000	16,000
CAMP RED CLOUD		
WHOLE BARRACKS COMPLEX RENEWAL	14,000	14,000
AIR FORCE		
OSAN AB		
DORMITORY	9,780	9,780
TOTAL, KOREA	39,780	39,780
PUERTO RICO		
AIR NATIONAL GUARD		
PUERTO RICO IAP (SAN JUAN)		
REFUELING VEHICLE SHOP AND PAINT BAY	450	450
SPAIN		
DEFENSE-WIDE		
DFSC MORON AIR BASE		
REPLACE HYDRANT FUEL SYSTEM (DBOF)	12,958	12,958
TURKEY		
AIR FORCE		
INCIRLIK AB		
ADD/ALTER PHYSICAL FITNESS CENTER	1,740	1,740
BASE OPS AND CONTROL TOWER COMPLEX	3,680	3,680
ADD/ALTER TRANSIENT DORMITORY	1,740	1,740
TOTAL, TURKEY	7,160	7,160
UNITED KINGDOM		
NAVY		
ST MAWGAN JOINT MARITIME COMMUNICATION CTR		
ADD/ALTER PHYSICAL FITNESS CENTER	4,700	4,700
AIR FORCE		
RAF CROUGHTON		
FIRE STATION	1,740	1,740
RAF LAKENHEATH		
DORMITORY	7,950	7,950
DORMITORY	4,260	4,260
F-15E ADD/ALTER WEAPONS RELEASE FACILITY	2,615	2,615
F-15E ADD TO JET ENGINE SHOP	2,700	2,700
RAF MILDENHALL		
DORMITORY	6,195	6,195
TOTAL, UNITED KINGDOM	30,160	30,160
OVERSEAS CLASSIFIED		
ARMY		
OVERSEAS CLASSIFIED		
STRATEGIC LOGISTICAL PREPO COMPLEX (PHASE II)	64,000	64,000
AIR FORCE		
OVERSEAS CLASSIFIED		
MUNITIONS STORAGE IGLOOS	6,735	6,735
SPECIAL TACTICAL UNIT DETACHMENT FACILITY	3,680	3,680
WAR READINESS MATERIAL WAREHOUSE	2,215	2,215
WAR READINESS MATERIAL WAREHOUSE	5,765	5,765
TOTAL, OVERSEAS CLASSIFIED	82,395	82,395
NATO		
NATO SECURITY INVESTMENT PROGRAM	197,000	172,000
WORLDWIDE UNSPECIFIED		
ARMY		
UNSPECIFIED WORLDWIDE LOCATIONS		
HOST NATION SUPPORT	20,000	20,000
PLANNING AND DESIGN	23,623	30,538
UNSPECIFIED MINOR CONSTRUCTION	5,000	5,000
NAVY		
UNSPECIFIED WORLDWIDE LOCATIONS		
ACCESS ROADS	300	300
PLANNING AND DESIGN	42,559	49,927

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	CONFERENCE AGREEMENT
UNSPECIFIED MINOR CONSTRUCTION	5,115	5,115
AIR FORCE		
UNSPECIFIED WORLDWIDE LOCATIONS		
UNSPECIFIED MINOR CONSTRUCTION	9,328	9,328
PLANNING AND DESIGN	43,387	50,687
DEFENSE-WIDE		
UNSPECIFIED WORLDWIDE LOCATIONS		
ENERGY CONSERVATION IMPROVEMENT PROGRAM	47,765	47,765
CONTINGENCY CONSTRUCTION	9,500	4,500
PLANNING AND DESIGN		
SPECIAL OPERATIONS COMMAND	2,305	2,305
CHEMICAL DEMILITARIZATION PROGRAM	4,124	4,124
DEFENSE FINANCE AND ACCOUNTING SERVICE	862	862
DEFENSE LEVEL ACTIVITIES	4,948	4,948
SUBTOTAL, PLANNING AND DESIGN	12,239	12,239
UNSPECIFIED MINOR CONSTRUCTION		
SPECIAL OPERATIONS COMMAND	4,000	4,000
DEFENSE MEDICAL SUPPORT ACTIVITY	5,142	5,142
JOINT CHIEFS OF STAFF	6,128	6,128
DEFENSE LEVEL ACTIVITIES	3,200	3,200
DOD DEPENDENT SCHOOLS	2,000	2,000
BALLISTIC MISSILE DEFENSE ORGANIZATION	1,404	1,404
SUBTOTAL, UNSPECIFIED MINOR CONSTRUCTION	21,874	21,874
DEPARTMENT OF DEFENSE		
MILITARY UNACCOMPANIED HOUSING IMPROVEMENT FUND	---	5,000
ARMY NATIONAL GUARD		
UNSPECIFIED WORLDWIDE LOCATIONS		
PLANNING AND DESIGN	2,100	20,000
UNSPECIFIED MINOR CONSTRUCTION	5,500	5,500
ACCESS ROADS	---	1,550
AIR NATIONAL GUARD		
UNSPECIFIED WORLDWIDE LOCATIONS		
PLANNING AND DESIGN	7,725	12,036
UNSPECIFIED MINOR CONSTRUCTION	4,100	4,100
ARMY RESERVE		
UNSPECIFIED WORLDWIDE LOCATIONS		
PLANNING AND DESIGN	3,480	5,249
NAVAL RESERVE		
UNSPECIFIED WORLDWIDE LOCATIONS		
PLANNING AND DESIGN	1,884	3,394
AIR FORCE RESERVE		
UNSPECIFIED WORLDWIDE LOCATIONS		
PLANNING AND DESIGN	5,900	5,900
UNSPECIFIED MINOR CONSTRUCTION	4,326	4,326
TOTAL, WORLDWIDE UNSPECIFIED	275,705	319,328
WORLDWIDE VARIOUS		
ARMY		
VARIOUS LOCATIONS		
RESCISSION, FISCAL YEAR 1994	---	-2,028
NAVY		
REDUCTIONS		
REDUCTION FOR PRIOR YEAR SAVINGS	-12,000	---
VARIOUS LOCATIONS		
RESCISSION, FISCAL YEAR 1993	---	-9,000
RESCISSION, FISCAL YEAR 1994	---	-2,300
AIR FORCE		
VARIOUS LOCATIONS		
RESCISSION, FISCAL YEAR 1995	---	-2,100
DEFENSE-WIDE		
VARIOUS LOCATIONS		
RESCISSION, FISCAL YEAR 1996	---	-7,000
TOTAL, WORLDWIDE VARIOUS	-12,000	-22,428
FAMILY HOUSING, ARMY		
HAWAII		
SCHOFIELD BARRACKS (54 UNITS)	10,000	10,000
NORTH CAROLINA		
FORT BRAGG (88 UNITS)	9,800	9,800
PENNSYLVANIA		
TOBYHANNA AD (ACQUIRE AND DEMOLISH 200 UNITS)	---	890

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	CONFERENCE AGREEMENT
TEXAS		
FORT BLISS (64 UNITS) (PHASE I)	---	11,000
FORT HOOD (140 UNITS)	18,500	18,500
CONSTRUCTION IMPROVEMENTS	33,750	105,350
PLANNING	2,963	2,963
SUBTOTAL, CONSTRUCTION	75,013	158,503
OPERATION AND MAINTENANCE		
SERVICES ACCOUNT	53,684	53,684
FURNISHINGS ACCOUNT	49,057	49,057
UTILITIES ACCOUNT	270,391	270,391
MISCELLANEOUS ACCOUNT	1,241	1,241
LEASING	227,515	227,515
MANAGEMENT ACCOUNT	84,678	84,678
MAINTENANCE OF REAL PROPERTY	525,893	525,893
INTEREST PAYMENTS	7	7
SUBTOTAL, OPERATION AND MAINTENANCE	1,212,466	1,212,466
TOTAL, FAMILY HOUSING, ARMY	1,287,479	1,370,969
FAMILY HOUSING, NAVY		
ARIZONA		
YUMA MCAS (COMMUNITY CENTER)	709	709
CALIFORNIA		
CAMP PENDLETON MARINE CORPS BASE (202 UNITS)	19,483	29,483
LEMOORE NAVAL AIR STATION (276 UNITS)	39,837	39,837
SAN DIEGO PUBLIC WORKS CENTER (366 UNITS)	48,719	48,719
TWENTYNINE PALMS MARCOR AIR-GRND COMB CTR (COMMUNITY CENTER)	1,982	1,982
TWENTYNINE PALMS MARCOR AIR-GRND COMB CTR (HOUSING OFFICE)	956	956
FLORIDA		
MAYPORT NS (100 UNITS)	---	10,000
HAWAII		
KANEOHE BAY MARINE CORPS AIR STATION (54 UNITS)	11,676	11,676
PEARL HARBOR PUBLIC WORKS CENTER (264 UNITS)	52,586	52,586
MAINE		
BRUNSWICK NAS (72 UNITS) (PHASE I)	---	10,925
MARYLAND		
PATUXENT RIVER NAVAL AIR TEST CTR (COMMUNITY CENTER)	1,233	1,233
NORTH CAROLINA		
CAMP LEJEUNE MARINE CORPS BASE (COMMUNITY CENTER)	845	845
CAMP LEJEUNE MARINE CORPS BASE (94 UNITS)	---	10,110
SOUTH CAROLINA		
BEAUFORT MCAS (140 UNITS)	---	14,000
TEXAS		
CORPUS CHRISTI NAVAL COMPLEX (104 UNITS)	---	11,675
KINGSVILLE NAS (32 UNITS) (PHASE I)	---	7,550
VIRGINIA		
CHESAPEAKE NSGA NORTHWEST VA (COMMUNITY CENTER)	741	741
WALLOPS ISLAND AEGIS CSC (20 UNITS)	2,975	2,975
WASHINGTON		
BANGOR NAVAL SUBMARINE BASE (HOUSING OFFICE)	934	934
EVERETT NAVAL STATION PUGET SOUND (100 UNITS)	15,015	15,015
CONSTRUCTION IMPROVEMENTS	183,483	205,383
PLANNING	22,552	22,552
SUBTOTAL, CONSTRUCTION	403,726	499,886
OPERATION AND MAINTENANCE		
MISCELLANEOUS ACCOUNT	1,290	1,290
FURNISHINGS ACCOUNT	34,621	34,621
UTILITIES ACCOUNT	204,967	204,967
SERVICES ACCOUNT	67,413	67,413
MANAGEMENT ACCOUNT	88,707	88,707
MAINTENANCE OF REAL PROPERTY	508,632	508,632
LEASING	108,531	108,531
MORTGAGE INSURANCE PREMIUMS	80	80
SUBTOTAL, OPERATION AND MAINTENANCE	1,014,241	1,014,241

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	CONFERENCE AGREEMENT
TOTAL, FAMILY HOUSING, NAVY	1,417,967	1,514,127
FAMILY HOUSING, AIR FORCE		
ALASKA		
EIELSON AFB (FIRE STATION)	2,950	2,950
EIELSON AFB (72 UNITS)	21,127	21,127
CALIFORNIA		
BEALE AFB (56 UNITS)	8,893	8,893
LOS ANGELES AFB (25 UNITS)	---	6,425
TRAVIS AFB (70 UNITS)	8,631	8,631
VANDENBERG AFB (112 UNITS)	20,891	20,891
DISTRICT OF COLUMBIA		
BOLLING AFB (40 UNITS)	5,000	5,000
FLORIDA		
EGLIN AFB (HURLBURT FIELD) (1 UNIT)	249	---
MACDILL AFB (56 UNITS)	8,822	8,822
PATRICK AFB (HOUSING MAINTENANCE FACILITY)	853	853
PATRICK AFB (HOUSING SUPPLY AND STORAGE FACILITY)	756	756
PATRICK AFB (HOUSING OFFICE)	821	821
TYNDALL AFB (42 UNITS)	---	6,000
GEORGIA		
ROBINS AFB (46 UNITS)	---	5,252
LOUISIANA		
BARKSDALE AFB (80 UNITS)	9,570	9,570
MASSACHUSETTS		
HANSCOM AFB (32 UNITS) (PHASE III)	---	5,100
MISSOURI		
WHITEMAN AFB (68 UNITS)	9,600	9,600
MONTANA		
MALMSTROM AFB (98 UNITS)	---	15,688
NEVADA		
NELLIS AFB (50 UNITS) (PHASE III)	---	7,955
NEW MEXICO		
KIRTLAND AFB (50 UNITS)	5,450	5,450
NORTH DAKOTA		
GRAND FORKS AFB (66 UNITS)	7,784	7,784
MINOT AFB (46 UNITS)	8,740	8,740
TEXAS		
LACKLAND AFB (HOUSING OFFICE)	450	450
LACKLAND AFB (HOUSING MAINTENANCE FACILITY)	350	350
LACKLAND AFB (82 UNITS)	6,500	11,500
WASHINGTON		
MCCHORD AFB (40 UNITS)	5,659	5,659
CONSTRUCTION IMPROVEMENTS	88,550	123,650
PLANNING	9,590	9,590
SUBTOTAL, CONSTRUCTION	231,236	317,507
OPERATION AND MAINTENANCE		
MISCELLANEOUS ACCOUNT	5,619	5,619
MORTGAGE INSURANCE PREMIUMS	30	30
MANAGEMENT ACCOUNT	51,185	51,185
UTILITIES ACCOUNT	167,985	155,020
SERVICES ACCOUNT	32,257	32,257
FURNISHINGS ACCOUNT	36,228	36,228
LEASING	108,083	108,083
MAINTENANCE OF REAL PROPERTY	428,087	428,087
SUBTOTAL, OPERATION AND MAINTENANCE	829,474	816,509
TOTAL, FAMILY HOUSING, AIR FORCE	1,060,710	1,134,016

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	CONFERENCE AGREEMENT
FAMILY HOUSING, DEFENSE-WIDE		
CONSTRUCTION IMPROVEMENTS (NSA)	50	50
CONSTRUCTION IMPROVEMENTS (DLA)	3,821	3,821
PLANNING AND DESIGN (DLA)	500	500
SUBTOTAL, CONSTRUCTION	4,371	4,371
OPERATION AND MAINTENANCE		
SERVICES ACCOUNT (NSA)	355	355
SERVICES ACCOUNT (DLA)	137	137
UTILITIES ACCOUNT (NSA)	500	500
UTILITIES ACCOUNT (DLA)	405	405
MISCELLANEOUS ACCOUNT (NSA)	35	35
LEASING (DIA)	14,366	14,366
LEASING (NSA)	11,271	11,271
FURNISHINGS ACCOUNT (NSA)	184	184
FURNISHINGS ACCOUNT (DIA)	2,262	2,262
FURNISHINGS ACCOUNT (DLA)	32	32
MANAGEMENT ACCOUNT (NSA)	70	70
MANAGEMENT ACCOUNT (DLA)	206	206
MAINTENANCE OF REAL PROPERTY (DLA)	616	616
MAINTENANCE OF REAL PROPERTY (NSA)	524	524
SUBTOTAL, OPERATION AND MAINTENANCE	30,963	30,963
TOTAL, FAMILY HOUSING, DEFENSE-WIDE	35,334	35,334
DEPARTMENT OF DEFENSE FAMILY HOUSING IMPROVEMENT FUND		
DEPARTMENT OF DEFENSE FAMILY HOUSING IMPROVEMENT FUND	20,000	25,000
HOMEOWNERS ASSISTANCE FUND		
HOMEOWNERS ASSISTANCE FUND	36,181	36,181
BASE REALIGNMENT AND CLOSURE ACCOUNT, PART II		
BASE REALIGNMENT AND CLOSURE ACCOUNT, PART II	352,800	352,800
BASE REALIGNMENT AND CLOSURE ACCOUNT, PART III		
BASE REALIGNMENT AND CLOSURE ACCOUNT, PART III	971,925	971,925
BASE REALIGNMENT AND CLOSURE ACCOUNT, PART IV		
BASE REALIGNMENT AND CLOSURE ACCOUNT, PART IV	1,182,749	1,182,749
TOTAL, BASE REALIGNMENT AND CLOSURE ACCOUNT	2,507,474	2,507,474
GRAND TOTAL	9,132,309	9,982,309

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1996 recommended by the Committee of Conference, with comparisons to the fiscal year 1995 amount, the 1996 budget estimates, and the House and Senate bills for 1996 follow:

New budget (obligational) authority, fiscal year 1995	$11,177,009,000
Budget estimates for new (obligational) authority, fiscal year 1996	9,132,309,000
House bill, fiscal year 1996	10,032,309,000
Senate bill, fiscal year 1996	9,832,309,000
Conference agreement, fiscal year 1996	9,982,309,000
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1995	−1,194,700,000
Budget estimates for new (obligational) authority, fiscal year 1996	+850,000,000
House bill, fiscal year 1996	−50,000,000
Senate bill, fiscal year 1996	+150,000,000

BARBARA F. VUCANOVICH,
SONNY CALLAHAN,
JOHN T. MYERS,
JOHN EDWARD PORTER,
DAVID L. HOBSON,
ROGER F. WICKER,
BOB LIVINGSTON,
W.G. (BILL) HEFNER,
THOMAS M. FOGLIETTA,
ESTEBAN EDWARD TORRES,
NORMAN D. DICKS,
DAVID OBEY,
Managers on the Part of the House.

CONRAD BURNS,
TED STEVENS,
JUDD GREGG,
BEN NIGHTHORSE CAMPBELL,
MARK O. HATFIELD,
HARRY REID,
DANIEL K. INOUYE,
HERB KOHL,
ROBERT BYRD,
Managers on the Part of the Senate.

CONFERENCE REPORT ON H.R. 3603

Mr. SKEEN submitted the following conference report and statement on the bill (H.R. 3603) making appropriations for agriculture, rural development, Food and Drug Administration, and related agencies programs for the fiscal year ending September 30, 1997, and for other purposes:

[Will be printed in a future issue of the CONGRESSIONAL RECORD.]

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mrs. LINCOLN (at the request of Mr. GEPHARDT) for today and the balance of the week, on account of medical reasons.

Mr. ORTIZ (at the request of Mr. GEPHARDT) for today, on account of personal business.

Mrs. MEEK of Florida (at the request of Mr. GEPHARDT) for today, on account of a family emergency.

Mr. YOUNG of Florida (at the request of Mr. ARMEY) for today and for the balance of the week, on account of medical reasons.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. FALEOMAVAEGA) to revise and extend their remarks and include extraneous material:)

Mrs. COLLINS of Illinois, for 5 minutes, today.

Mr. FALEOMAVAEGA, for 5 minutes today.

Mr. BROWN of California, for 5 minutes, today.

Ms. JACKSON-LEE, for 5 minutes, today.

(The following members (at the request of Mr. STEARNS) to revise and extend their remarks and include extraneous material:)

Mr. METCALF, for 5 minutes, today.

Mr. HORN, for 5 minutes, today.

Mr. MCINTOSH for 5 minutes, on August 1.

Mr. RIGGS, for 5 minutes, today.

Mr. KINGSTON, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. TORKILDSEN, 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.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. FALEOMAVAEGA) and to include extraneous matter:)

Mr. SANDERS.
Mr. LANTOS.
Mr. MARTINEZ.
Mr. TOWNS.
Mr. MILLER of California.
Mr. GEJDENSON.
Mrs. LOWEY.
Mr. JACOBS.
Mr. LIPINSKI.
Ms. HARMAN.
Mrs. MALONEY.
Mrs. MINK of Hawaii.
Mr. SERRANO.

(The following Members (at the request of Mr. STEARNS) and to include extraneous matter:)

Mr. SMITH of Michigan.
Mr. MCKEON.
Mr. THOMAS.
Mr. GINGRICH.
Mr. SOUDER.
Mr. FIELDS of Texas.
Mr. SKEEN.
Mr. GILMAN, in three instances.
Mr. KING.
Mrs. SMITH of Washington.
Mr. KOLBE.
Mr. FORBES, in three instances.
Mrs. JOHNSON of Connecticut.
Mr. RIGGS.
Mr. LEWIS of California.

(The following Members (at the request of Mr. KASICH) and to include extraneous matter:)

Mr. DOYLE.
Ms. WOOLSEY.
Mr. KNOLLENBERG.
Mr. JACOBS.
Mr. HORN.
Mrs. SEASTRAND.
Mrs. MORELLA.
Ms. MOLINARI.
Mr. TORRES.
Mr. ENGEL in two instances.

ADJOURNMENT

Mr. KASICH. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 58 minutes p.m.), the House adjourned until tomorrow, Wednesday, July 31, 1996, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

4429. A letter from the Secretary of Agriculture, transmitting the annual animal welfare enforcement report for fiscal year 1995, pursuant to 7 U.S.C. 2155; to the Committee on Agriculture.

4430. A letter from the Administrator, Agricultural Marketing Service, transmitting the Service's final rule—Irish Potatoes Grown in Certain Designated Counties in Idaho, and Malheur County, Oregon; Assessment Rate [Docket No. FV96–945–1 IFR] received July 29, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4431. A letter from the Secretary of the Treasury, transmitting a report on the Mint's numismatice public enterprise fund for fiscal year 1995, pursuant to Public Law 102–390, section 221(a) (106 Stat. 1627); to the Committee on Banking and Financial Services.

4432. A letter from the Managing Director, Federal Communications Commission, transmitting the Commission's final rule—Bell Operating Company Provision of Out-of-Region Interstate, Interchange Services [CC Docket No. 96–21] received July 30, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4433. A letter from the Acting Director, Office of Management and Information, National Marine Fisheries Committee, transmitting the Service's final rule—West Coast Salmon Fisheries; Northwest Emergency Assistance Plan (NEAP) [Docket No. 960412111–6202–02; I.D. 040596B] (RIN: 0648–ZA20) received July 30, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4434. A letter from the Acting Director, Office of Fisheries Conservation and Management, National Marine Fisheries Service, transmitting the Service's final rule—Groundfish of the Bering Sea and Aleutian Islands Area; Atka Mackerel in the Central Aleutian District of the Bering Sea and Aleutian Islands [Docket No. 960129019–6019–01;

I.D. 071296A] received July 29, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4435. A letter from the Program Management Officer, National Marine Fisheries Service, transmitting the Service's final rule—Scallop Fishery Off Alaska; Management Measures; 1996–97 Harvest Specifications [Docket No. 960502124–6190–02; I.D. 042396B] (RIN: 0648–AF81) received July 29, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4436. A letter from the Acting Director, Office of Fisheries Conservation and Management, National Marine Fisheries Service, transmitting the Service's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Shortraker/Rougheye Rockfish Species Group in the Eastern Gulf of Alaska [Docket No. 960129018–6018–01; I.D. 071296C] received July 29, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4437. A letter from the Acting Director, Office of Fisheries Conservation and Management, National Marine Fisheries Service, transmitting the Service's final rule—Groundfish of the Gulf of Alaska; Pacific Ocean Perch in the Central Regulatory Area [Docket No. 960129018–6018–01; I.D. 07229A] received July 29, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4438. A letter from the Acting Director, Office of Fisheries Conservation and Management, National Marine Fisheries Service, transmitting the Service's final rule—Groundfish of the Gulf of Alaska; Northern Rockfish in the Central Gulf of Alaska [Docket No. 960129018–6018–01; I.D. 07199A] received July 29, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4439. A letter from the Acting Director, Office of Fisheries Conservation and Management, National Marine Fisheries Service, transmitting the Service's final rule—International Fisheries Regulations; 1996 Halibut Report No. 5 [Docket No. 960111003–6068–03; I.D. 072496A] received July 29, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4440. A letter from the Acting Director, Office of Fisheries Conservation and Management, National Marine Fisheries Service, transmitting the Service's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Sablefish in the West Yakutat District [Docket No. 960129018–6018–01; I.D. 07219B] received July 29, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4441. A letter from the Program Management Officer, National Marine Fisheries Service, transmitting the Service's final rule—Fisheries of the Exclusive Economic Zone off Alaska; Salmon Donation Program [Docket No. 960503125–6191–02; I.D. 040996A] (RIN: 0648–AH03) received July 29, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4442. A letter from the Director, Federal Bureau of Prisons, transmitting the Bureau's final rule—Use of Force and Application of Restraints [BOP–1053–F] (RIN: 1120–AA41) received July 29, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

4443. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; McDonnell Douglas Model MD–11 Series Airplanes (Federal Aviation Administration) [Docket No. 95–NM–211–AD; Amendment 39–9702; AD 96–16–02] (RIN: 2120–AA64) received July 29, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4444. A letter from the General Counsel, Department of Trnasportation, transmitting the Department's final rule—Airworthiness Directives; McDonnell Douglas Model DC–10–10 and DC–10–15 Series Airplanes (Federal Aviation Administration) [Docket No. 96–NM–39–AD; Amendment 39–9701; AD 96–16–01] (RIN: 2120–AA64) received July 29, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4445. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A320–200 Series Airplanes (Federal Aviation Administration) [Docket No. 95–NM–267–AD; Amendment 39–9703; AD 96–16–03] (RIN: 2120–AA64) received July 29, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4446. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Fokker Model F28 Mark 0100 and 0070 Series Airplanes (Federal Aviation Administration) [Docket No. 95–NM–171–AD; Amendment 39–9700; AD 96–15–10] (RIN: 2120–AA64) received July 29, 1996, pursuant to 5 U.S.C. 801(a)(1)(A): to the Committee on Transportation and Infrastructure.

4447. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 747–400 Series Airplanes Equipped With BF Goodrich Evacuation Slide/Rafts (Federal Aviation Administration) [Docket No. 95–NM–218–AD; Amendment 39–9698; AD96–15–08] (RIN: 2120–AA64) received July 29, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4448. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A320–111, –211, and –231 Series Airplanes (Federal Aviation Administration) [Docket No. 95–NM–208–AD; Amendment 39–9699; AD 96–15–09] (RIN: 2120–AA64) received July 29, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4449. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Establishment of Class E Airspace; Colstrip, Montana (Federal Aviation Administration) [Airspace Docket No. 95–ANM–22] received July 29, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4450. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Advanced Simulation Plan Revisions (Federal Aviation Administration) [Docket No. 28072; Amendment No. 121–258] (RIN: 2120–AF29) received July 29, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4451. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Federal Motor Vehicle Safety Standards; Door Locks and Door Retention Components (National Highway Traffic Safety Administration) [Docket No. 94–70, Notice 4] (RIN: 2127–AF35) received July 29, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4452. A letter from the Director, Office of Regulations Management Department of Veterans Affairs, transmitting the Department's final rule—Schedule for Rating Disabilities; Infectious Diseases, Immune Disorders and Nutritional Deficiencies (Systemic Conditions) (RIN: 2900–AE95) received July 30, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans' Affairs.

4453. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Weighted Average Interest Rate Update (Notice 96–38) received July 30, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

4454. A letter from the Clerk of the Court, United States Court of Federal Claims, transmitting an Advisory Opinion; Cable TV on Military Bases; Termination for Convenience (No. 96–133X), pursuant to Public Law 104–106 section 823 (110 Stat. 399); jointly, to the Committees on National Security, the Judiciary, Commerce, and Government Reform and Oversight.

4455. A letter from the Chairperson, National Council on Disability, transmitting progress made in implementing recommendations contained in its report of July 26, 1996, ''Achieving Independence''; concurrent status and trends in the status of individuals with disabilities, pursuant to 29 U.S.C. 781(b)(1); jointly, to the Committees on Economic and Educational Opportunities, the Judiciary, Transportation and Infrastructure, and Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BLILEY: Committee on Commerce. H.R. 3867. A bill to amend the Developmental Disabilities Assistance and Bill of Rights Act to extend the act, and for other purposes (Rept. 104–719). Referred to the Committee of the Whole House on the State of the Union.

Mr. McINNIS: Committee on Rules. House Resolution 492. Resolution waiving a requirement of clause 4(b) of rule XI with respect to consideration of a certain resolution reported from the Committee on Rules (Rept. 104–720). Referred to the House Calendar.

Mrs. VUCANOVICH: Committee of Conference. Conference report on H.R. 3517. A bill making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for fiscal year ending September 30, 1997, and for other purposes (Rept. 104–721). Ordered to be printed.

Mr. GILMAN: Committee on International Relations. H.R. 3759. A bill to extend the authority of the Overseas Private Investment Corporation, and for other purposes; with an amendment (Rept. 104–722). Referred to the Committee of the Whole House on the State of the Union.

Mr. GOODLING: Committee on Economic and Educational Opportunities. H.R. 123. A bill to amend title 4, United States Code, to declare English as the official language of the Government of the United States; with an amendment (Rept. 104–723). Referred to the Committee of the Whole House on the State of the Union.

Mr. SPENCE: Committee of Conference. Conference report on H.R. 3230. A bill to authorize appropriations for fiscal year 1997 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 1997, and for other purposes (Rept. 104–724). Ordered to be printed.

Mr. KASICH: Committee on Conference. Conference report on H.R. 3734. A bill to provide for reconciliation pursuant to section 201(a)(1) of the concurrent resolution on the budget for fiscal year 1997 (Rept. 104–725). Ordered to be printed.

Mr. SKEEN: Committee on Conference. Conference report on H.R. 3603. A bill making appropriations for Agriculture, Rural Development, Food and Drug Administration,

and Related Agencies programs for the fiscal year ending September 30, 1997, and for other purposes (Rept. 104–726). Ordered to be printed.

DISCHARGE OF COMMITTEE

Pursuant to clause 5 of rule X the Committee on Ways and Means discharged from further consideration. H.R. 3539 referred to the Committee of the Whole House on the State of the Union.

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. GILMAN (for himself, Mr. ANDREWS, and Mr. FOX):

H.R. 3916. A bill to make available certain Voice of America and Radio Marti multilingual computer readable text and voice recordings; to the Committee on International Relations.

By Mr. MILLER of California (for himself, Mr. VENTO, Mr. HINCHEY, Mr. GEJDENSON, Mr. STUDDS, and Mr. OLVER):

H.R. 3917. A bill to require full cost pricing for irrigation water delivered by the Bureau of Reclamation from new projects under new long-term contracts, and for other purposes; to the Committee on Resources.

By Ms. NORTON:

H.R. 3918. A bill to amend title 5, United States Code, to treat employees of the Government of the District of Columbia in the same manner as employees of State and local governments are treated for the purposes of the Hatch Act; to the Committee on Government Reform and Oversight.

By Mr. OBEY (for himself, Mr. CLAY, Mr. MILLER of California, Mr. YATES, Mr. BROWN of California, Mr. FROST, Mr. LIPINSKI, Ms. DELAURO, and Mr. HINCHEY):

H.R. 3919. A bill to provide financial aid grants for college and technical school education; to the Committee on Economic and Educational Opportunities.

By Mr. PETRI:

H.R. 3920. A bill to amend chapter 35 of title 44, United States Code, popularly known as the Paperwork Reduction Act, to require that collections of information that ask a respondent to specify a racial classification or ethnic classification from among a list of classifications shall provide an opportunity for the respondent to specify, respectively, multiracial or multiethnic; to the Committee on Government Reform and Oversight.

By Ms. WOOLSEY:

H.R. 3921. A bill to recognize businesses which show an exemplary commitment to participating with schools to enhance educators' technology capabilities and to make every student technologically literate; to the Committee on Economic and Educational Opportunities.

By Ms. WOOLSEY (for herself, Mrs. MORELLA, Mrs. MALONEY, Mr. DELLUMS, Mr. BERMAN, Mr. BARRETT of Wisconsin, Mr. NADLER, Mr. TORRICELLI, Mr. STOCKMAN, Mr. GEJDENSON, and Mr. FRANK of Massachusetts):

H. Con. Res. 205. Concurrent resolution expressing the sense of the Congress that the German Government should investigate and prosecute Dr. Hans Joachim Sewering for his war crimes of euthanasia committed during World War II; to the Committee on International Relations.

By Mr. DORNAN:

H. Res. 493. Resolution urging that certain actions be taken with respect to Vietnamese asylum seekers; to the Committee on International Relations, and in addition to the Committee on the Judiciary, 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. PAYNE of New Jersey (for himself, Mr. PORTER, Mr. LANTOS, Ms. PELOSI, Mr. HASTINGS of Florida, Mr. ACKERMAN, Mr. FATTAH, Mr. TORRICELLI, Mrs. CLAYTON, Mr. OLVER, Mr. EVANS, and Ms. WATERS):

H. Res. 494. Resolution expressing the sense of the House of Representatives that criminals from the genocide in Rwanda should be brought to justice by the International Criminal Tribunal for Rwanda; to the Committee on International Relations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CANADY:

H.R. 3915. A bill to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade, in the fisheries, and on the Great Lakes and their tributary and connecting waters in trade with Canada, for the vessel *Maralinda;* to the Committee on Transportation and Infrastructure.

By Mr. MCCOLLUM:

H.R. 3922. A bill for the relief of Juice Farms, Inc.; to the Committee on Ways and Means.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 103: Mr. GUTKNECHT and Ms. LOFGREN.
H.R. 132: Ms. NORTON.
H.R. 206: Mr. WATTS of Oklahoma.
H.R. 447: Mr. GILLMOR.
H.R. 561: Mr. DEFAZIO.
H.R. 580: Mr. MEEHAN.
H.R. 911: Mr. DUNCAN.
H.R. 941: Mr. CONDIT.
H.R. 1325: Mr. BACHUS, Mr. BORSKI, and Mr. LATOURETTE.
H.R. 1406: Mr. ACKERMAN, Mr. BEILENSON, Mr. DURBIN, Mr. QUILLEN, and Mr. MARTINEZ.
H.R. 1560: Mr. VENTO.
H.R. 1863: Mr. GEPHARDT and Mr. BROWN of Ohio.
H.R. 2026: Mr. ALLARD.
H.R. 2167: Mrs. MORELLA.
H.R. 2270: Mr. HASTINGS of Washington.
H.R. 2421: Mr. FRANKS of New Jersey.
H.R. 2654: Mr. HILLIARD.
H.R. 2748: Mr. DIXON.
H.R. 2849: Mr. MANTON.
H.R. 2892: Mr. YATES.
H.R. 2900: Mr. COBLE, Mr. JEFFERSON, and Mr. VENTO.
H.R. 2913: Mr. VENTO.
H.R. 3000: Mr. CLYBURN and Mr. JACKSON.
H.R. 3117: Ms. PRYCE.
H.R. 3142: Mr. JACOBS, Mr. DICKS, and Mr. DOOLEY.
H.R. 3195: Mr. SOUDER.
H.R. 3207: Mr. PASTOR.
H.R. 3213: Mr. ACKERMAN.
H.R. 3455: Ms. ROYBAL-ALLARD and Ms. SLAUGHTER.
H.R. 3518: Mr. DOOLEY.
H.R. 3521: Ms. DELAURO.
H.R. 3560: Mr. ACKERMAN, Mr. BARRETT of Wisconsin, Mr. BISHOP, Ms. BROWN of Florida, Mr. BROWN of California, Mr. CLAY, Mrs. CLAYTON, Mr. CLYBURN, Mr. CUMMINGS, Miss. COLLINS of Michigan, Mr. CONYERS, Mr. COSTELLO, Mr. DEFAZIO, Mr. DE LA GARZA, Mr. DELLUMS, Mr. DINGELL, Mr. DIXON, Mr. ENGEL, Mr. FALEOMAVAEGA, Mr. FATTAH, Mr. FIELDS of Louisiana, Mr. FILNER, Mr. FORBES, Mr. FLAKE, Mr. FOX, Mr. FRANK of Massachusetts, Mr. FRAZER, Mr. FROST, Mr. GEPHARDT, Mr. GONZALEZ, Mr. GUTIERREZ, Mr. HASTINGS of Florida, Mr. HILLIARD, Mr. HINCHEY, Mr. JACKSON, Ms. JACKSON-LEE, Mr. JEFFERSON, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. KENNEDY of Massachusetts, Mr. KENNEDY of Rhode Island, Mrs. KENNELLY, Mr. KING, Mr. LAFALCE, Mrs. LOWEY, Mr. MARKEY, Mrs. MALONEY, Mr. MANTON, Mr. MARTINEZ, Mr. MATSUI, Mr. MINGE, Mr. MCDERMOTT, Ms. MILLENDER-MCDONALD, Mr. MCINTOSH, Mr. MCNULTY, Mrs. MEEK of Florida, Mr. NADLER, Ms. NORTON, Mr. OWENS, Mr. PAYNE of New Jersey, Mr. POSHARD, Mr. RUSH, Mr. SERRANO, Mr. SCHUMER, Mrs. SCHROEDER, Mr. SCOTT, Ms. SLAUGHTER, Mr. STOKES, Mr. THOMPSON, Mr. TORRES, Mr. TOWNS, Mr. TRAFICANT, Ms. VELAZQUEZ, Ms. WATERS, Mr. WATT of North Carolina, Mr. WATTS of Oklahoma, Mr. WAXMAN, Mr. WYNN, and Mr. YATES.
H.R. 3619: Ms. NORTON.
H.R. 3621: Mr. FRELINGHUYSEN and Mr. LAFALCE.
H.R. 3631: Mr. STUMP, Mr. TORRICELLI, Ms. ROS-LEHTINEN, Mr. HASTINGS of Florida, Mr. BRYANT of Texas, Mr. CONDIT, Mrs. MEEK of Florida, Mr. FRAZER, Ms. BROWN of Florida, Mr. TORRES, Mr. BISHOP, Mr. PASTOR, and Mr. GENE GREEN of Texas.
H.R. 3656: Mr. BONIOR, Mr. STARK, and Ms. NORTON.
H.R. 3700: Mrs. MALONEY.
H.R. 3710: Mr. CLEMENT, Mr. CUMMINGS, Mrs. LOWEY, Mr. MICA, Ms. FURSE, Mr. BECERRA, Ms. NORTON, Mr. BREWSTER, Ms. ROS-LEHTINEN, Ms. ESHOO, and Mr. BARCIA of Michigan.
H.R. 3713: Mr. FLANAGAN, Mr. FALEOMAVAEGA, and Mr. GONZALEZ.
H.R. 3775: Mr. DUNCAN.
H.R. 3783: Mr. ENGLISH of Pennsylvania, Mr. BEREUTER, Mr. NORWOOD, Mr. CONDIT, and Mr. POMEROY.
H.R. 3795: Mr. HUTCHINSON, Mr. LUCAS, Mr. TRAFICANT, Mr. STEARNS, and Mr. LEACH.
H.R. 3798: Mrs. KENNELLY and Ms. NORTON.
H.R. 3856: Mr. CONDIT.
H.R. 3896: Mr. NEY and Mr. SOLOMON.
H.R. 3907: Mrs. ROUKEMA, Mr. FRELINGHUYSEN, Mr. BOEHLERT, Mrs. KELLY, Mr. GILMAN, and Mr. FRANKS of New Jersey.
H. Con. Res. 100: Mr. SKELTON.
H. Con. Res. 190: Mr. OWENS, Mrs. MORELLA, and Mr. FRANKS of New Jersey.
H. Res. 452: Mr. RADANOVICH.
H. Res. 478: Mr. CANADY.
H. Res. 480: Ms. GREENE of Utah.

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. 3481: Mr. CHRYSLER.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 123

OFFERED BY: MR. CONYERS

(Page and line number references are to H.R. 3898)

AMENDMENT NO. 2: Page 6, after line 5, insert the following (and redesignate any subsequent paragraphs accordingly):

''(2) to affect the bilingual election requirements of the Voting Rights Act of 1965;''.

Beginning on page 8, strike line 11 and all that follows through page 10, line 3.

H.R. 123

OFFERED BY: MR. CUNNINGHAM

(Page and line number references are to H.R. 3898)

AMENDMENT NO. 3: Page 6, after line 5, insert the following (and redesignate any subsequent paragraphs accordingly):

''(2) to limit the preservation or use of Native American languages;''.

Page 7, after line 3, insert the following (and redesignate any subsequent subparagraphs accordingly):

''(B) requirements under the Individuals with Disabilities Education Act;''.

H.R. 123

OFFERED BY: MR. CUNNINGHAM

(Page and line number references are to H.R. 3898)

AMENDMENT NO. 4: Page 7, line 20, strike ''documents that utilize'' and insert ''using''.

H.R. 123

OFFERED BY: MR. GREEN OF TEXAS

(Page and line number references are to H.R. 3898)

AMENDMENT NO. 5: Page 4, line 12, after the period, insert the following:

In order for the Federal Government to meet its obligation of encouraging individuals to learn the English language, this chapter shall take effect only after the date of the enactment of an appropriation act which provides funding for State programs under the Adult Education Act at a level that exceeds $500,000,000.

H.R. 123

OFFERED BY: MR. GREEN OF TEXAS

(Page and line number references are to H.R. 3898)

AMENDMENT NO. 6: Page 5, strike lines 6 through 9.

H.R. 123

OFFERED BY: MR. GREEN OF TEXAS

(Page and line number references are to H.R. 3898)

AMENDMENT NO. 7: Page 7, after line 3, insert the following (and redesignate any subsequent subparagraphs accordingly):

''(B) educational programs;''.

H.R. 123

OFFERED BY: MR. GREEN OF TEXAS

(Page and line number references are to H.R. 3898)

AMENDMENT NO. 8: Page 8, strike lines 8 through 10, and insert the following:

The amendments made by section 102 shall take effect only after the date of the enactment of an appropriation act which provides funding for title VII of the Elementary and Secondary Education Act of 1965 at a level that exceeds $500,000,000.

H.R. 123

OFFERED BY: MS. JACKSON-LEE OF TEXAS

(Page and line number references are to H.R. 3898)

AMENDMENT NO. 9: Page 7, after line 10, insert the following (and redesignate the following accordingly):

''(D) ballots for Federal elections;''.

Beginning on page 8, strike line 11 and all that follows through the end.

H.R. 123

OFFERED BY: MR. MARTINEZ

(Page and line number references are to H.R. 3898)

AMENDMENT NO. 10: Page 7, line 1, strike ''income tax forms,''.

Page 7, after line 10, insert the following (and redesignate any subsequent subparagraphs accordingly):

''(D) actions and documents that inform individuals of their rights and responsibilities under the Internal Revenue Code of 1986;''.

H.R. 123

OFFERED BY: MR. MARTINEZ

(Page and line number references are to H.R. 3898)

AMENDMENT NO. 11: Page 7, after line 10, insert the following (and redesignate any subsequent subparagraphs accordingly):

''(D) actions and documents that inform individuals of benefits under the Social Security Act;''.

H.R. 123

OFFERED BY: MR. RICHARDSON

(Page and line number references are to H.R. 3898)

AMENDMENT NO. 12: Page 7, after line 15, insert the following (and redesignate any subsequent subparagraphs accordingly):

''(F) planning sessions for and events and ceremonies at any Olympic games;''.

H.R. 123

OFFERED BY: MR. RICHARDSON

(Page and line number references are to H.R. 3898)

AMENDMENT NO. 13: Beginning on page 8, strike line 11 and all that follows through page 10, line 3.

H.R. 123

OFFERED BY: MR. ROMERO-BARCELÓ

(Page and line number references are to H.R. 3898)

AMENDMENT NO. 14: Page 6, after line 5, insert the following (and redesignate the subsequent paragraphs accordingly):

''(2) to prohibit an agency from communicating in a language other than English, either orally or in writing, if such agency determines that communicating in a language other than English will assist the agency in carrying out its duties in a more efficient manner;''.

H.R. 123

OFFERED BY: MR. SERRANO

(Page and line number references are to H.R. 3898)

AMENDMENT NO. 15: Page 5, after line 23, insert the following (and make any necessary conforming changes):

''(b) APPLICATION TO CAMPAIGNS.—The requirements of this chapter apply to Presidential campaigns and the Federal Election Campaign fund.''.

H.R. 123

OFFERED BY: MR. SERRANO

(Page and line number references are to H.R. 3898)

AMENDMENT NO. 16: Page 8, before line 4, insert the following new section:

SEC. 103. PROHIBITION AGAINST COMBAT DUTY FOR MEMBERS OF THE ARMED FORCES NOT FLUENT IN ENGLISH.

A member of the Armed Forces who is not fluent in the English language in accordance with section 165(a) may not be assigned to combat duty.

H.R. 123

OFFERED BY: MR. UNDERWOOD

(Page and line number references are to H.R. 3898)

AMENDMENT NO. 17: Page 4, strike lines 8 through 12, and insert ''promote the role of English as the language of the Federal Government, and encourage greater opportunities for individuals to learn the English language.''.

Page 5, line 19, strike ''Except'' and insert ''(a) Except''.

Page 5, after line 23, insert the following:

''(b) The provisions of this chapter shall not apply to Guam, American Samoa, the United States Virgin Islands, or the Commonwealth of the Northern Mariana Islands.

Page 6, line 4, strike ''orally'' and insert ''in oral, electronic, multi-media, or broadcast form''.

Page 6, after line 5, insert the following (and redesignate subsequent paragraphs accordingly):

''(2) to prevent officials of the Federal Government from communicating in a language other than English, when such communicating facilitates the efficiency of government;

''(3) to affect the languages used by families;

''(4) to limit the promotion, preservation, instruction, or use of languages indigenous to the United States;

''(5) to limit the access to the Federal Government by the elderly;

''(6) to limit the access to the Federal Government of the disabled;''.

Page 6, strike lines 12 and 13, and insert the following:

''Nothing in this chapter shall be construed to violate the rights and protections afforded under the 1st, 5th, and 14th amendments of the Constitution of the United States.

Page 7, strike line 3, and insert the following:

''(A) education and training, including early childhood education, bilingual education, adult education, and special education;

''(B) actions, documents, or policies necessary for communication in Braille or American Sign Language;

''(C) religious materials and observances;

''(D) artistic, cultural, and sporting events;

''(E) all actions involving law enforcement, including the Federal Bureau of Investigation and the Drug Enforcement Agency;

Page 7, line 4, strike ''(B)'' and insert ''(F)''.

Page 7, line 6, strike ''or''.

Page 7, line 8, insert ''or'' after the semicolon.

Page 7, line 8, insert the following:

''(iii) broadcasting, telecommunications, multi-media, and the internet;

Page 7, strike lines 9 and 10, and insert the following (and redesignate subsequent subparagraphs accordingly):

''(G) public documents, acts, statements, votes, hearings, and proceedings for the protection of individual or public health, safety, and entitlements;

''(H) activities related to disaster relief, natural or manmade;''.

H.R. 123

OFFERED BY: MR. UNDERWOOD

(Page and line number references are to H.R. 3898)

AMENDMENT NO. 18: Page 6 after line 13, insert the following (redesignating any subsequent sections accordingly and conforming the table of contents):

§ 169. Affirmation of indigenous languages

''Nothing in this chapter shall be construed to limit the promotion, preservation,

instruction, or use of languages indigenous to the United States.

H.R. 123

OFFERED BY: MS. VELÁZQUEZ

(Page and line number references are to H.R. 3898)

AMENDMENT NO. 19: Page 4, strike lines 24 through 25, and insert the following:

''(1) to communicate in any form with representatives of the Federal Government in the language in which the person feels most comfortable;''

Page 5, after line 5, insert the following:

''(d) ELECTED OFFICIALS.—Every elected offical is entitled to communicate in any form with constituents in the language in which the elected official feels most comfortable;''.

H.R. 123

OFFERED BY: MS. VELÁZQUEZ

(Page and line number references are to H.R. 3898)

AMENDMENT NO. 20: Page 7, after line 8, insert the following (and redesignate any subsequent subparagraphs accordingly):

''(C) actions or documents that the Veterans Administration considers necessary to carry out its functions in an efficient manner;''.

H.R. 123

OFFERED BY: MS. VELÁZQUEZ

(Page and line number references are to H.R. 3898)

AMENDMENT NO. 21: Page 8, before line 4, insert the following new section:

SEC. 103. EFFECT OF ENGLISH FLUENCY REQUIREMENTS ON MEMBERS OF THE ARMED FORCES.

No person may be complelled to serve as a member of the Armed Forces of the United States unless that person is fluent in the English language in accordance with section 165(a). Persons who are members of the Armed Forces as of the date of the enactment of this Act shall have the opportunity to receive an honorable discharge from the Armed Forces if the member is not fluent in the English language in accordance with section 165(a).

H.R. 123

OFFERED BY: MS. VELÁZQUEZ

(Page and line number references are to H.R. 3898)

AMENDMENT NO. 22: Insert at end of Title II, the following new section:

SEC. . This Act shall not take effect until Congress has funded bilingual education for three consecutive years at the amount requested by the President's annual budget request.

H.R. 123

OFFERED BY: MS. VELÁZQUEZ

(Page and line number references are to H.R. 3898)

AMENDMENT NO. 23: Insert at end of Title II, the following new section:

SEC. . PROTECTION OF CIVIL RIGHTS.

No provisions of this Act shall take effect on the date of enactment if the Attorney General determines that implementation of these provisions may increase discrimination based on race, nationality or ancestry.

H.R. 123

OFFERED BY: MS. VELÁZQUEZ

(Page and line number references are to H.R. 3898)

AMENDMENT NO. 24: Insert at end of Title II, the following new section:

SEC. . LIMITATION OF BURDEN TO TAXPAYERS.

No provisions of this Act shall take effect on the date of enactment if the Director of the Office of Management and Budget determines that implementation of these provisions will increase the tax burden of taxpayers.

H.R. 123

OFFERED BY: MS. VELÁZQUEZ

(Page and line number references are to H.R. 3898)

AMENDMENT NO. 25:

SEC. 203. LIMITATION.

This title and the amendments made by this title do not apply with respect to any State, county, or other similar political subdivision, if the Attorney General determines that the voter turnout in the most recent election in that State, county, or subdivision was below the national average.

N O T I C E

Except for Conference Reports on H.R. 3230, National Defense Authorization Act for Fiscal Year 1997; and H.R. 3603, Making Appropriations for Agriculture, Rural Development, Food and Drug Administration and Related Agencies for fiscal year 1997, this issue of the Record is complete.

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PROCEEDINGS AND DEBATES OF THE 104th CONGRESS, SECOND SESSION

Vol. 142 WASHINGTON, TUESDAY, JULY 30, 1996 No. 114

Senate

The Senate met at 9:30 a.m., and was called to order by the President pro tempore [Mr. THURMOND].

The PRESIDENT pro tempore. Today's prayer will be offered by our guest chaplain, the Reverend Charles Hart, of Salem, OR.

We are pleased to have you with us.

PRAYER

The guest chaplain, the Reverend Charles F. Hart, of the Associated Churches of God in Oregon and Southwest Washington, offered the following prayer:

Eternal God, our Maker, our God most holy, Your unconditional love surrounds us, and everywhere we look, we see the beauty of Your creative power. We join our hearts with the psalmist who prayed, ''O Lord, our Lord, how majestic is thy name in all the Earth.'' You are a God of refuge and strength and a very present help in times of important decisions that the men and women of the U.S. Senate will face from day to day.

Our prayer this day, O sovereign Lord, is for Your limitless, fathomless, most holy wisdom and love to permeate these great leaders of our great Nation as they lead the United States of America into the 21st century. May our Nation always be known as peacemakers and peacekeepers.

May the grace and the glory of our Lord Jesus Christ be with you always. Amen.

The PRESIDENT pro tempore. The able Senator from Oregon is recognized.

THE REVEREND CHARLES F. HART

Mr. HATFIELD. Mr. President, it is a pleasure today to introduce to my colleagues the Reverend Charles Hart. Reverend Hart understood Christ's words when he told his disciples, ''Where your treasure is, there your heart will be also.'' Charles Hart's treasure has been in his service to God by acting on his faith with the skills that he has been given and blessed with.

Reverend Hart earned his undergraduate degree at Arlington College in Long Beach, CA. While Reverend Hart's first love was baseball, finance and his faith won out in his life. He began his career with Security Pacific Bank while at the same time serving as the associate pastor of South Bay Church of God in Torrance, CA.

Reverend Hart's skill in finance led to a successful career in the secular world of banking. While this type of success can bring satisfaction, it did not bring to him the deepest satisfaction that comes from serving God full time. At that point, Reverend Hart decided to use his skills as a development officer for a small Christian liberal arts college in California. Reverend Hart has continued in his capacity by lending financial expertise to Christian institutions throughout this career.

From Azusa Pacific University, he went on to Warner Pacific College in Portland where he still serves as a member of the board of trustees. He has also assisted Wycliffe Bible Translators in raising funds to translate God's word to all nationalities and is currently working with the Associated Churches of God in Oregon and Southwest Washington in securing expansion funds. Reverend Hart has also worked to share the treasure of his faith with others in the business community through his 25-year involvement with the Christian Businessmen's Committee.

God provides us all with special skills, and Reverend Hart is a prime example that we can use those skills to better ourselves and the world in which we live.

Again, on behalf of my Senate colleagues, we are privileged that Reverend Hart is willing to fulfill the duties of Senate Chaplain today, and I would like to officially welcome him to this Chamber. Also accompanying him today is his wife, Sally, and his son, Ken Hart, who is my press secretary, and Ken's wife, Sheila.

SCHEDULE

Mr. HATFIELD. Mr. President, on behalf of the majority leader, this morning the Senate will immediately resume consideration of the energy and water appropriations bill. Under the agreement reached last night, there will be 30 minutes of debate prior to a series of rollcall votes which will begin at 10 a.m. this morning. Senators should be aware that the first vote in the sequence will be the normal 15 minutes in length with the remaining votes limited to 10 minutes each.

Once again, the majority leader asks for the cooperation of all Members in allowing us to proceed to these votes in an orderly and timely fashion.

Senators should be prepared to remain in or around the Chamber during these stacked votes. During this voting sequence, the Senate will also be voting on amendments and completing action on the legislative appropriations bill. The Senate may remain in session late this evening to consider other available appropriations bills and conference reports that are available. Therefore, additional votes may occur.

ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 1997

The PRESIDING OFFICER (Mr. BROWN). Under the previous order, the Senate will now resume consideration of S. 1959, which the clerk will report.

The assistant legislative clerk read as follows.

A bill (S. 1959) making appropriations for energy and water development for the fiscal

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

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year ending September 30, 1997, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

McCain amendment No. 5094, to clarify that report language does not have the force of law.

McCain amendment No. 5095, to prohibit the use of funds to carry out the advanced light water reactor program.

Bumpers amendment No. 5096, to reduce funding for the weapons activities account to the level requested by the Administration.

Johnston (for Wellstone) amendment No. 5097, to ensure adequate funding for the biomass power for rural development program.

Grams amendment No. 5100, to limit funding for the Appalachian Regional Commission and require the Commission to be phased out in 5 years.

Domenici (for McCain) amendment No. 5105, to strike section 503 of the bill.

Feingold amendment No. 5106, to eliminate funding for the Animas-LaPlata participating project.

The PRESIDING OFFICER. Who seeks recognition?

Mr. HATFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum is noted.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. DOMENICI. Mr. President, parliamentary inquiry. What is the business before the Senate?

The PRESIDING OFFICER. Currently, there is 20 minutes equally divided between the Senator from New Mexico and the Senator from Louisiana. At 9:50 a.m., we will recognize Senator MCCAIN for remarks concerning his amendment.

Mr. DOMENICI. Let me just state for Senator JOHNSTON's benefit, we have, as he probably knows, reached an agreement with Senator MCCAIN on his report language. I think he will find that satisfactory.

So, when Senator MCCAIN arrives, when his time has expired, we will do this second-degree amendment, and then we will vote, if he desires a rollcall vote; if not, we will adopt the amendment.

What would be the next order of business after that amendment is disposed of?

The PRESIDING OFFICER. The unanimous-consent order from last night talks about a 10 a.m. vote, with 2 minutes allotted to each side and a vote on the McCain amendment.

Mr. DOMENICI. What is the next amendment after that, Mr. President?

The PRESIDING OFFICER. Following that, amendment No. 5095, which is another McCain amendment.

Mr. DOMENICI. On advanced light water reactor?

The PRESIDING OFFICER. That is correct.

Mr. DOMENICI. And there are 2 minutes on each side on that?

The PRESIDING OFFICER. Again, 2 minutes on that, and then we will move to a Bumpers amendment No. 5096.

Mr. DOMENICI. I am going to yield now—we only have about 6 minutes—if the Senator from Louisiana would like to speak to the light water reactor amendment or whatever he would like to speak to.

AMENDMENT NO. 5095

Mr. JOHNSTON. Mr. President, I thank my distinguished colleague from New Mexico. There is a McCain amendment on cutting the funds, $22 million for the light water reactor. This is the fifth year of a 5-year program.

There are many reasons to be against the McCain amendment, but the clearest, most indelible, most compelling reason is that to cut these funds now would subject the U.S. Government to greater penalties for termination costs than it would be to finish it.

Moreover, the U.S. Government would lose, according to Terry Lash, who is the Director of the Department of Energy office in charge of this, the U.S. Government would lose up to $125 million to which they would otherwise be entitled. The reason for that is, the AP–600, which is the reactor, which is 90 percent complete would be completed by this last year. When the first of those is sold, the Federal Government is entitled to a $25 million recoupment, plus $4 million for every reactor sold after that, plus the United States Government is entitled right now to $3 million from GE for reactors already sold under this program to Taiwan and others in the pipeline.

For the United States to, in effect, break their contract and terminate, subjects the Government not only to a greater amount in loss but the loss of future revenues as well.

Mr. President, the AP–600, which is the Westinghouse reactor, which would be finished under this program, is exactly what all of us in the Congress have been saying all this time that we ought to be doing; that is, it is a passively safe reactor, it is one generically designed and is, I believe, going to be a very hot item, particularly in Asia. The Chinese have already obligated themselves to 6,000 megawatts of nuclear power between now and the year 2000 using Russian technology, Canadian technology, and French technology, because we do not permit our nuclear technology to go to China after Tiananmen Square. We expect that that negotiation will take place in the not too far distant future to allow American nuclear technologies to get in on that huge market.

In the first decade after the year 2000, the Chinese expect to do another 11,000 megawatts, many, many billions of dollars, and they have a longstanding relationship with Westinghouse, they like the AP–600, and we ought to have it finished.

So, Mr. President, you can finish it for less money than to terminate it, and then you lose all the additional funds you would get.

So, Mr. President, I hope we will not be so foolish as in a fit of antinuclear pique to go out and accept one of these bumper-sticker-type arguments that this is corporate welfare. The fact of the matter is that the corporations involved here, relying upon the Government, have put up almost $500 million to get this program finished, and now it takes another $22 million to finish the program and the Congress is saying, ''Let's not do it.'' If this argument was to have been made and this decision was to have been made, it should have been made back in 1992 when the Energy Policy Act was up, when the issue was debated and when the Congress decided to go ahead with the program.

To stop it at the 11th hour at greater cost than to complete it is nothing short of madness, which is not to say that the Congress has not done that kind of thing before. We have done some exceedingly foolish things in this Senate before, as my colleagues all know. But at least we should not go into this one, which not only would be exceedingly foolish but exceedingly simple and exceedingly easy to understand. It ought to be easy for anyone to understand that you should not terminate a program that costs more money to terminate than to continue.

Moreover, there would be a huge amount of potential profits to be lost and a very, very useful technology.

One final note, Mr. President. I note that the United States is now getting serious about global warming, and in the New York Times of July 17, 1996, there is an article entitled ''In a Shift, the U.S. Will Seek a Binding Agreement by Nations To Combat Global Warming.''

Mr. President, if we are, in fact, serious about global warming—and I will submit that to the conscience and intelligence and state of knowledge of each Senator as to whether you are or not serious about global warming—I can tell you that there is one solution that stands out above all the rest, and that is nuclear energy, if you really are serious about global warming, because how else are you going to generate large amounts of power?

We have a huge amount of money in this bill for renewables. We have increased it. You know, I am for it. But, Mr. President, if you think you are going to solve global warming by something short of major powerplants at a time when there is huge growth in the world, industrial growth, I believe, Mr. President, you would be mistaken.

All over the Pacific rim where there are these enormous rates of growth, unparalleled in the history of the world for a region of such huge populations to be growing at such leaps and bounds, there is also an air pollution problem of unprecedented severity. That is why the Chinese and the Indonesians and the Japanese are very serious about a big nuclear program. All of those nations are. And American technology should be able to compete. This technology, which is almost complete,

about 90 percent complete, would be America's best way to get into that global competition.

So, Mr. President, I hope my colleagues will vote against the McCain amendment when it is brought up, the McCain amendment with respect to the advanced light water program.

The PRESIDING OFFICER. The Senator's time has expired.

Under the previous order, the Senator from Arizona has the time from 9:50 to 10 a.m. The Senator from Arizona is recognized.

AMENDMENT NO. 5094

Mr. MCCAIN. Mr. President, I want to thank the Senator from New Mexico for his agreement on our changes to his amendment. I appreciate that very much. I do want to make it clear, though, that we are talking about a very important issue here; that is, the differentiation between report language and bill language. The report language is sometimes ignored. I understand that many of our Members are very frustrated from time to time when report language is ignored.

The administration does sometimes ignore report language at its own peril. We know that if the administration acts in direct contradiction to report language that Members will come up with numerous ways to force the administration to do their bidding.

The effective language contained in this bill—before the amendment—I believe was dangerous for two reasons. First, by giving report language the force of law, we essentially passed statutory language that has not been agreed to by both Houses and signed into law. This is, on its face, unconstitutional.

Mr. President, let me just quote from Justice Scalia where he said:

> As anyone familiar with modern-day drafting of congressional committee reports is well aware, the references to the cases were inserted, at best by a committee staff member on his or her own initiative, and at worst by a committee staff member at the suggestion of a lawyer-lobbyist; and the purpose of those references was not primarily to inform the Members of Congress what the bill meant. . .

Mr. President, as I have been around here about 10 years, I agree with Justice Scalia. I have seen it time after time. Mr. President, the D.C. Circuit Court, in International Brotherhood of Electrical Workers, Local Union No. 474 versus NLRB noted:

> . . . [w]hile a committee report may ordinarily be used to interpret unclear language contained in a statute, a committee report cannot serve as an independent statutory source having force of law.

And in Rubin versus U.S., the eighth circuit court stated:

> A conference report, moreover, is just that—a report, not a legislative act requiring the votes of the requisite number of legislators.

Second, by codifying report language, which is written by the staffs of the 13 full committee chairmen, you have essentially disenfranchised every other Senator of his or her right to amend legislation. Report language cannot be amended. I cannot stand on the floor of the Senate and try to amend and change report language. The minority party cannot change report language. No one but that chairman that writes it can dictate what is in report language.

Mr. President, codifying report language is creative budget chicanery and an affront to this institution and the Constitution, and it should not be done. If a Member of Congress wants to force the administration to take a certain specific action, whether to spend money on a project or do something else, then that Senator has the right to offer an amendment.

We all know the rules here. An amendment can be debated, further amended, filibustered, or tabled. But report language cannot be touched. Therefore, it should not be codified into law.

Mr. President, the Office of Management and Budget specifically mentioned its opposition to this language in the statement of administration policy. OMB is correct in that this provision should be struck from the bill.

I recognize that report language has been codified in the past. It was wrong then, and it is wrong now. We should not do this ever, in my view.

Mr. President, I appreciate the concern of the Senator from New Mexico concerning the lack of cooperation on the part of the administration to carry out the will of Congress and the will especially expressed in legislation that he has so much expertise and knowledge of, and I respect all that.

I appreciate the fact that Senator DOMENICI has modified his amendment. I also understand why he would want a report on how the Department is spending those appropriated funds. I would point out in passing, although I certainly agree with the amendment, that one of my goals has been to reduce the number of reports that flow over to the Congress and are demanded by the Congress of the executive branch.

But, in this case, I understand the urgency that the Senator from New Mexico feels is associated with this language and with the efforts that he has made on behalf of the people of this country and, in the form of his chairmanship, this very proper appropriations subcommittee.

Mr. President, I yield the floor.

Mr. DOMENICI. The leader has asked that I make the following unanimous-consent request. Mr. President, I ask unanimous consent that the vote schedule at 10 a.m. be postponed until 10:15—that is because of an emergency that our leader recognizes—with the time before that being equally divided, if we want to use the time. We can yield it to other Senators.

I say to Senator MCCAIN, let me thank you for your efforts with reference to the report language that essentially was put in this bill at my request. I do understand that language that I have in the bill that says:

> Notwithstanding [other provisions of the law,] funds made available by this Act . . . shall be available only for the purposes for which they have been made available by this Act and only in accordance with the recommendations contained in this report.

We are going to strike that with your amendment, and we are going to offer a second-degree amendment that requires regular reports to this subcommittee on how it has complied with this bill.

I am going to cite only four or five examples of what I consider egregious departures from the intent of the bill. I will give you one. We worked very hard on technology transfer, and we got that to a dollar number of $150 million. It had been higher. The administration wanted less. We worked it out. We debated it. The Secretary decided to use only $50 million of it, and to put $100 million somewhere else at her choosing.

That is nice. It is just that, for many of us who worked hard on these issues, it is sort of insulting to go through all this work and have it happen. We accepted, after debate, an amendment by Senator KERREY with reference to a certain math and science initiative which the Department was requested and in report language required to do it. It was a half million dollars. Totally ignored. The money went somewhere else.

The McCain amendment would strike ''and only in accordance with the recommendations contained in this report.''

Why is the language necessary?

The act provides funds in very large chunks. For example, the act provides $2.749 billion for energy supply, research, and development.

Only the report indicates that $247 million should go to solar and renewably energy programs—that is not in the act.

Only the report indicates that $389 million is for biological and environmental research which funds the Human Genome Program—that is not in the act.

Without the proposed language, the DOE does not have to follow the Senate's guidance.

Last year, I worked hard to provide $150 million for technology transfer—but it was only in the report and so DOE provided only $50 million.

Last year, Senator KERREY of Nebraska included report language that $500,000 should go to the Nebraska math and science initiative—DOE did not provide the money—they did not have to, it was just report language.

Last year, Congress eliminated funding for in-house energy management—private sector companies now offer the service for free. But, Congress only eliminated the program in report language so DOE provide $4 million for the program—after Congress thought we had eliminated it.

Financial irregularities abound at the DOE:

Funds have been reprogrammed from their original purpose to purposes specifically denied by the Congress last year;

The Department created a furlough relief fund to augment appropriations specifically reduced by Congress;

A recent draft inspector general report noted that the Department deliberately ignored a statutory funding limitation on the use of representational expenses and spent more than appropriated for receptions.

The language is necessary for two reasons:

First, it is the only way funding for programs of interest to Members can be assured, and;

Second, without it, the Department can ignore congressional intent.

Frankly, the Secretary and her administrative assistants understand the concern we have about departures from what is the clear intent. I will just ask those who are for renewable energy, if they know that we just put a very large sum of money in, and in report language we recommend the renewables that you just alluded to, I say to Senator JOHNSTON.

Obviously, if the Secretary wants to, the way they act on other things, they could decide to cut that in half and spend the money elsewhere. Now, we go through a lot of effort on those kinds of issues. Frankly, I believe we must do something.

So you are right. My language went too far. I think language that comes after it saying we want you to report to us, we will set the right tone.

AMENDMENT NO. 5121 TO AMENDMENT NO. 5094

(Purpose: Second degree amendment to the McCain first degree amendment regarding report language)

Mr. DOMENICI. Mr. President, I send a second-degree amendment to the desk, to the McCain amendment.

The PRESIDING OFFICER. Is there objection to consider the second-degree amendment? Without objection, it is so ordered. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Mexico [Mr. DOMENICI] proposes an amendment numbered 5121 to amendment No. 5094.

Mr. DOMENICI. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

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

On line 3 of amendment number 5094, strike ''Act'' and insert in lieu thereof the following: ''Act. The Department of Energy shall report monthly to the Committees on Appropriations of the House and Senate on the Department of Energy's adherence to the recommendations included in the accompanying report.''

Mr. DOMENICI. Now, Mr. President, if Senator MCCAIN is willing, we will adopt the second-degree amendment by voice vote.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. BYRD. I compliment the Senator from Arizona on this amendment. It is the first time that I have been aware of language that, in effect, incorporates the committee report language as a part of the bill. The committee report language cannot be amended, and if we are going to start down this road, we are going to rue the day we began on this journey.

I hope we will not have a voice vote in this. Have the yeas and nays been ordered?

The PRESIDING OFFICER. The yeas and nays have been ordered on the underlying amendment.

Mr. BYRD. I think we ought to have a vote and let that record be there for all to see in the future.

Let me ask a question without losing my right to the floor, Mr. President. Does the distinguished Senator from Arizona know of any other bill, appropriations bill, in the recent past or ever in the past, that has utilized this approach of incorporating amendment language as a part of the bill?

I have been unaware of it if this has been done before.

Mr. MCCAIN. Answering a question like that to the distinguished Senator from West Virginia is like asking a minor league baseball player to pitch the World Series.

The Senator from West Virginia is all corporate knowledge on these issues, and I bow to his knowledge. He has been intimately involved in this process for so long. I believe I am correct in responding when I say I know of no other case, except one case that took place sometime in the mid-1980's when this particular instance happened, but I have not heard of it before.

I ask in return, does the Senator from West Virginia know of any place where this happened?

Mr. BYRD. Mr. President, I do not know, but that is not to say that it has not been done. It may have escaped my attention, but whether or not it has been done heretofore, I think we ought to put a stop to it if it has been done. I think it ought to be stopped now.

I congratulate the Senator on his amendment. I shall object to vitiating the yeas and nays on this amendment if the request is made.

The PRESIDING OFFICER. The question is on agreeing to the second-degree amendment to the McCain amendment.

The amendment (No. 5121) was agreed to.

AMENDMENT NO. 5095

Mr. MCCAIN. Mr. President, I want to discuss very briefly the other amendment that I have pending. I, of course respect the views of the Senator from Louisiana. Let me state at the beginning I am a supporter of nuclear energy and I believe at some point in our history we may turn back to that as a source of power for our energy needs.

Continuing the advanced light-water reactor program is a mistake. I point out that this program has already received more than $230 million over the past 5 years. This amendment does not create any termination costs of the program. The contract between Westinghouse and the Department of Energy specifically provides reimbursement for costs incurred as a result of termination, ''shall be subject to the availability of appropriated funds.''

General Electric recently announced it is canceling its simplified boiling water reactor after receiving $50 million from the Department of Energy under the program because ''extensive evaluations of the market competitiveness of the 600-megawatt-size advanced light-water reactor have not established the commercial viability of these designs.'' The Westinghouse AP–600 is a similarly designed reactor that is scheduled to receive advanced light-water reactor support and is of a similar size and design and is facing similar market forces that led General Electric to cancel that program.

These facts are significant because the Government cannot recoup its costs for reactors not sold. The Westinghouse reactor is like the canceled reactor and will likely never be sold, and no costs can be recouped.

Last year, there was opposition to end funding for the advanced light-water reactor program by arguing that this year, fiscal year 1996, would be the fifth year of the 5-year program. Now, a year later, the same argument is being made.

The way to end this taxpayer subsidy is by the will of the Congress exercised here today. Mr. President, I hope my colleagues will support the amendment. I yield the floor.

AMENDMENT NO. 5094, AS AMENDED

Mr. DOMENICI. Mr. President, on the first amendment by Senator MCCAIN, as amended by the second-degree amendment, we are working to try to get that adopted.

Senator BYRD, let me suggest we are ready to acknowledge openly that the amendment went too far. The intention, I still feel very comfortable with, because I believe the Department truly in egregious ways violates the intent and spirit by moving money around, but I think Senator BYRD has made the case, and Senator MCCAIN has made the case. Clearly it is not going to happen.

I think the Senate knows that we are not going to be doing this, but I would like to make sure that what comes out of the Senate is kind of balanced, that the Department does not get the idea that they have all the latitude in the world and will never be called to task. I think this would better be served, overall, if we just proceed to adopt the amendment by voice vote.

Mr. BYRD. Mr. President, if the distinguished Senator will yield.

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

Mr. BYRD. I think the two managers have made a very salient point. I have discussed this matter with them privately and the majority manager has stated the case well. I am willing to yield to their request that we vitiate the yeas and nays but I hope the distinguished Senator from Arizona will continue his superb surveillance of bill

language in the future so that we will be aware of any future attempt to incorporate, in essence, incorporate committee report language into the bill as a law.

I thank the distinguished Senator for yielding.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the yeas and nays be vitiated, and we proceed to the McCain amendment, as amended.

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

The amendment before the Senate is amendment 5094, as amended with the Domenici amendment. The question is on agreeing to the amendment.

The amendment (No. 5094), as amended, was agreed to.

Mr. JOHNSTON. I move to reconsider the vote.

Mr. DOMENICI. I move to table the motion.

The motion to lay on the table was agreed to.

AMENDMENT NO. 5095

The PRESIDING OFFICER. The amendment under consideration now is amendment numbered 5095.

The Chair reminds Senators that by unanimous consent rollcall votes will commence at 10:15. Sponsors of the amendment and their opponents have 2 minutes each with which to comment on the amendment.

Mr. DOMENICI. Mr. President, it is the understanding of Senator MCCAIN from Arizona and the manager of the bill that Senator MCCAIN has an additional 10 minutes reserved on the light water reactor amendment. He has indicated to me he would like to vitiate that.

Mr. MCCAIN. That was before final passage that I ask to vitiate that.

Mr. DOMENICI. Yes, 10 minutes before final passage. He asks that that be vitiated at this point. On his behalf, I ask unanimous consent that it be vitiated.

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

Mr. DOMENICI. Now, Mr. President, parliamentary inquiry. Has all the time provided been used on the second McCain amendment on the light water reactor?

The PRESIDING OFFICER. Each proponent and opponent are reserved 2 minutes each for debate. By previous agreement, votes will not commence until 10:15.

Mr. DOMENICI. Senator MCCAIN does not desire any further time at this point, and Senator JOHNSTON needs no more time. I ask unanimous consent that the 2 minutes each be vitiated.

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

Mr. DOMENICI. Mr. President, I move to table the second McCain amendment, and 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. The question is on agreeing to the motion to table amendment No. 5095.

The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Kansas [Mrs. FRAHM] is necessarily absent.

Mr. FORD. I announce that the Senator from Rhode Island [Mr. PELL] is necessarily absent.

I also announce that the Senator from Rhode Island [Mr. PELL] is absent because of a funeral.

I further announce that, if present and voting, the Senator from Rhode Island [Mr. PELL] would vote ''no.''

The result was announced—yeas 53, nays 45, as follows:

[Rollcall Vote No. 249 Leg.]

YEAS—53

Abraham	Exon	Mack
Bennett	Faircloth	McConnell
Bingaman	Ford	Moseley-Braun
Bond	Gorton	Murkowski
Breaux	Grams	Nickles
Brown	Hatch	Nunn
Burns	Heflin	Pressler
Byrd	Helms	Santorum
Campbell	Hollings	Shelby
Cochran	Inhofe	Simon
Conrad	Inouye	Simpson
Coverdell	Johnston	Smith
Craig	Kassebaum	Specter
D'Amato	Kempthorne	Stevens
Daschle	Kyl	Thomas
DeWine	Lieberman	Thurmond
Dodd	Lott	Warner
Domenici	Lugar	

NAYS—45

Akaka	Glenn	Levin
Ashcroft	Graham	McCain
Baucus	Gramm	Mikulski
Biden	Grassley	Moynihan
Boxer	Gregg	Murray
Bradley	Harkin	Pryor
Bryan	Hatfield	Reid
Bumpers	Hutchison	Robb
Chafee	Jeffords	Rockefeller
Coats	Kennedy	Roth
Cohen	Kerrey	Sarbanes
Dorgan	Kerry	Snowe
Feingold	Kohl	Thompson
Feinstein	Lautenberg	Wellstone
Frist	Leahy	Wyden

NOT VOTING—2

Frahm	Pell

The motion to lay on the table the amendment (No. 5095) was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the motion was agreed to.

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 5096

The PRESIDING OFFICER. According to the previous agreement, there are now 2 minutes equally divided on the motion to table the Bumpers amendment No. 5096. The Senate is reminded that the rollcall vote on the motion to table the Bumpers amendment will be reduced to 10 minutes.

The Senate will be in order. Members who wish to converse, please retire to the cloakrooms.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

Mr. BUMPERS. This amendment deals with an account in this bill called weapons activities. This account has $516 million more than it had last year, which is a 14-percent increase—14 percent. Incidentally, it is $300 million above the House, $269 million more than the President requested. My amendment simply takes them down to a 7-percent increase.

It is the account where you deal with testing. And we have had a testing moratorium for 3 years. Under the START Treaty we are going to go from 24,000 weapons and 25 types to 3,500 and 7 types. We are increasing the budget to do all of that by 14 percent. If they cannot get by with a 7-percent increase, they ought to be abandoned.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. BUMPERS. Mr. President, has a motion been made to table my amendment?

Mr. DOMENICI. The motion has been.

Mr. BUMPERS. Have the yeas and nays been ordered?

Mr. DOMENICI. The yeas and nays have been ordered.

Mr. President, the United States is committed now to a new stockpile stewardship program because we no longer will do underground testing. This amendment will take $269 million out of the stockpile stewardship, which means the building of the scientific capacity to make sure our nuclear weapons are adequate and trustworthy, a whole new effort on the part of the Department of Energy's DOD activities.

Stockpile management is part of that. The maintenance of backup facilities to this stockpile stewardship are in States like Texas, Missouri, and INEL in Idaho, and also there is program direction for that entire new program.

Frankly, in essence, we get the same increase in defense spending that the other parts of defense get. I think if we want a robust nuclear deterrent that is trustworthy and safe, and do not want to build any new ones, we better not take any risks with this part of the defense budget. And that is why I move to table. I believe we are right in our assessments. We want to leave that money in.

The PRESIDING OFFICER. The Senator's time has expired.

Under the previous order, the question now occurs on agreeing to the motion to lay on the table the amendment No. 5096 offered by the Senator from Arkansas, [Mr. BUMPERS]. The yeas and nays have been ordered. Those wishing to table the Bumpers amendment will vote yea. Those opposing the tabling of the Bumpers amendment will vote nay. The clerk will call the roll.

The bill clerk called the roll.

Mr. NICKLES. I announce that the Senator from Kansas [Mrs. FRAHM] is necessarily absent.

Mr. FORD. I announce that the Senator from Rhode Island [Mr. PELL] is necessarily absent.

I also announce that the Senator from Rhode Island [Mr. PELL] is absent because of a funeral.

I further announce that, if present and voting, the Senator from Rhode Island [Mr. PELL] would vote ''nay.''

The result was announced—yeas 61, nays 37, as follows:

[Rollcall Vote No. 250 Leg.]

YEAS—61

Abraham	Gorton	McConnell
Ashcroft	Gramm	Murkowski
Bennett	Grams	Nickles
Bingaman	Grassley	Nunn
Bond	Gregg	Pressler
Breaux	Hatch	Reid
Bryan	Heflin	Robb
Burns	Helms	Roth
Campbell	Hollings	Santorum
Chafee	Hutchison	Shelby
Coats	Inhofe	Simpson
Cochran	Inouye	Smith
Cohen	Jeffords	Snowe
Coverdell	Johnston	Specter
Craig	Kassebaum	Stevens
D'Amato	Kempthorne	Thomas
DeWine	Kyl	Thompson
Domenici	Lott	Thurmond
Faircloth	Lugar	Warner
Feinstein	Mack	
Frist	McCain	

NAYS—37

Akaka	Feingold	Lieberman
Baucus	Ford	Mikulski
Biden	Glenn	Moseley-Braun
Boxer	Graham	Moynihan
Bradley	Harkin	Murray
Brown	Hatfield	Pryor
Bumpers	Kennedy	Rockefeller
Byrd	Kerrey	Sarbanes
Conrad	Kerry	Simon
Daschle	Kohl	Wellstone
Dodd	Lautenberg	Wyden
Dorgan	Leahy	
Exon	Levin	

NOT VOTING—2

Frahm	Pell

The motion to lay on the table the amendment (No. 5096) was agreed to.

AMENDMENT NO. 5106

The PRESIDING OFFICER. The pending amendment is the Feingold amendment number 5106.

The Senator from Colorado is guaranteed 10 minutes under the previous agreement.

Mr. DOMENICI. Mr. President, the Senator from Colorado has been patiently waiting and attending our sessions. He is not on the floor.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. DOMENICI. Mr. President, I ask to move now to the Feingold amendment.

The PRESIDING OFFICER. The pending question is the Feingold amendment.

Who seeks recognition?

Mr. DOMENICI. Mr. President, this matter is of great importance to the Senator from Colorado.

Mr. CAMPBELL. Thank you, Mr. President, and I thank my friend from New Mexico.

Mr. President, it is said that the great Chief Ten Bears in his later life after being deprived of his freedom by Government troops, was asked if the U.S. Government had made his people any promises. His answer was this: ''They made us many promises, more than I can remember. And they broke all but one: they promised to take our land and they took it.''

Mr. President, no matter how you sugarcoat this bitter pill—you can coat it in economic terms, you can coat it in environmental terms, you can coat it in endangered species terms but under all the sugarcoating, the bitter pill of another broken promise remains.

I was not here when the Animas La Plata was authorized in 1968. Few of my colleagues were, but I knew Wayne Aspinall, the congressman of Western Colorado who had such great vision to include it in the original authorization, with both the Central Arizona Project and the Central Utah Project—of the three, only the Animas La Plata languishes. Wayne Aspinall was a man of great vision who helped the desert bloom where only parched land had been.

Unlike the Senator from Wisconsin, I was here in 1988 when, after careful negotiations between the two Colorado Indian tribes, the States of Colorado and New Mexico, and nine separate Government agencies, we reached an agreement to share the scarce water in the San Juan Basin between Indians and their non-Indian neighbors. The tribes agreed to drop their lawsuit against the Federal Government, which they would have surely won since they have such ironclad priority rights in water matters, in return for a cash settlement and an agreement by this Government to proceed with a water storage project for both Indian and non-Indians to share. Two public votes were taken of all the people affected, and both the repayment contract for the water users and the compromise itself were overwhelmingly accepted by the people of southwest Colorado and northern New Mexico.

Still, as in matters such as this, there will always be voices of opposition, some saying we went too far and others saying we did not go far enough. We in this body have all experienced that reaction. However, since the 1988 agreement and subsequent law that I authored which implemented the agreement, those voices of opposition have made up in shrillness what they lack in reason and fairness. Yet, even above the Sierra Club's carping, virtually every elected official from the local level to the President of the United States supports this project. In fact, President Clinton had $10 million designated in his budget for this project. President Bush supported it, as did President Reagan before him. All of the Colorado delegation, save one person, support the project and voted for the necessary appropriations on the House side. The lone Member who opposed it neither lives in Colorado nor cares about abiding by this agreement, even though she voted for it in 1988. Our Governor supports it, our attorney general supports it, and all of Colorado's major newspapers support it.

I ask those who want to strip the appropriation for this project just how is the State of Colorado going to be repaid under the Feingold amendment, if it prevails, for the $30 million we have spent of taxpayers' money as our part of the agreement? Who is going to repay the almost $60 million of taxpayers' money that the Federal Government has paid both of the tribes to drop the original lawsuit? Who will pay the hundreds of Indian and non-Indian ranchers who risk losing their water rights should the tribes go back to court, win the lawsuit, and claim their rightfully owned water, thereby drying up what some say is as much as one-fourth of all non-Indian irrigated farmland in the valley? Who pays for litigation when the Department of the Interior is put in the position where the Bureau of Indian Affairs has to defend the Indian tribes against its fellow agency, the Bureau of Reclamation, for nonperformance? The answer is that the taxpayer pays untold litigation fees on both sides.

While many colleagues bring charts and graphs to the floor of the Senate to emphasize a point—there seems to be a common belief in this body that if you have a graph or chart, or it is written somehow, that it automatically becomes true—I bring two objects of great reverence to traditional Indian people. These objects are from a culture that did not need protection from one another by a written contract. They represent a culture that believed your word was your bond, in which honor was held in highest esteem. They represent a culture which never broke a treaty with the U.S. Government. Traditional Indian people committed nothing to written contract and yet believed that great nations, like great men, must honor their agreements. Yet, from the time the first Indian affixed his fingerprint to the first document with the U.S. Government, which he could not read and little understood, he has learned the hard way that all too often this Government does not keep its word.

This is a pipe, Mr. President. In traditional Indian beliefs, before any words of import were spoken, a pipe like this was smoked. The traditional belief is that the smoke would take your words to the Creator. One does not lie or break his word to the Creator.

This is a fan, a wing from Wanbli, the eagle who was designated by the Creator as the keeper of the Earth to oversee his children and to see that they did the right thing. I submit that the actions of this body, which begins its deliberations each day with prayer, could learn at least as much from the objects as they can from all the paper documents to which this Government subscribes. Why be a party to a legal document if we are going to break it?

Just last week, this body reaffirmed its commitment to North Vietnam, of all places, to the tune of $1.5 million in order to teach them the American system of law. Shall we also teach them

that under our system of law it is perfectly acceptable to deceive people, to enter into agreements and to unilaterally break our word? How can we teach the Vietnamese a code of conduct based on legal agreements if we do not practice that code ourselves? Perhaps we should tell them that these principles of law do not apply to American Indians. They apply to everyone else, but not to American Indians. It is easy to break our word to American Indians—we have done it lots of times.

In fact, Mr. President, from 1492 at Columbus' landing until the 1900's when the new century began, according to the National Congress of American Indians, 473 treaties were signed. Of those, 371 were ratified by this body, the U.S. Senate. Some, as you know, were written virtually at gunpoint and others through clever maneuvering on the part of Government negotiators. Yet, as the American Indian lost more and more, as they lost their land, as they lost their water, as they lost their families and, finally, their freedom, they never broke a single treaty with the U.S. Government. How many has the Government broken with the Indians? I defy anybody in this Chamber to give me that number. I had to look it up myself. Mr. President, they broke every single one. They broke every one with the American Indian.

I note with interest, Mr. President, there are a number of Indian people sitting in the gallery today as silent witnesses to our deliberations. I have to say that I salute them for their patience. I ask my colleagues to look into their hearts before voting on this amendment. Do not just compare statistics and charts and graphs and notes. Ask yourself, do you want to add one more broken promise to this infamous total of broken promises? Do you want to make this vote No. 474 in broken promises? America is better than this, Mr. President. The American people are better than this. Let us keep our promise. Let us do the right thing and table this amendment.

Mr. President, at this time, I ask unanimous consent to have printed in the RECORD a number of letters of support for this project. They include a letter from the City of Durango; a letter from the attorney general of the State of Colorado; a letter from the Native American Rights Fund; a letter from the Colorado House of Representatives; a letter from the Colorado General Assembly; and a Denver Post article dated July 28, 1996.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CITY OF DURANGO,
Durango, CO, July 10, 1996.

HONORABLE MEMBERS OF THE HOUSE OF REPRESENTATIVES: The City Council of the City of Durango, Colorado, urges your support of ongoing funding for the Animas-La Plata Project.

The public water supply needs of this community have been put on hold for over a decade in anticipation that Congressional commitments associated with the project would be honored and funding would be authorized in a timely fashion.

The Animas-La Plata Project remains as the most economical and efficient means of addressing the future water supply needs of this region. Failure by Congress to provide additional funding for the project at this time may bring about its demise, thereby thrusting the responsibility of developing future water resource needs back into the shoulders of the local governments and Indian Tribes in this region, thus eliminating the economies of scale inherent in the federal project.

Accordingly, we ask your positive support in providing continued funding of the Animas-La Plata Project.

Sincerely,

LEE R. GODDARD,
Mayor.

STATE OF COLORADO,
DEPARTMENT OF LAW,
Denver, CO, July 5, 1996.

Hon. DICK ZIMMER
U.S. House of Representatives,
Washington, DC.

DEAR REPRESENTATIVE ZIMMER: I am writing to you to urge your continued support of the Animas-La Plata Project. We must not simply walk away from the solemn commitments made to the Southern Ute and Ute Mountain Ute Tribes in the Colorado Ute Indian Water Rights Final Settlement Agreement and the Colorado Ute Indian Water Rights Settlement Act of 1988. The Animas-La Plata Project should go forward because it settles long-standing Tribal water claims.

It is important to remember the reasons this project is necessary. In 1976 the United States, on behalf of the Southern Ute and Ute Mountain Ute Indian Tribes filed an application in Colorado water court for adjudication of their reserved water rights on numerous tributaries covering virtually all of southwestern Colorado. If these rights were confirmed, numerous vested water rights would become junior to the Tribes' water rights. Cities, industry, farmers, ranchers and numerous other water users feared that the Tribes could take water from existing uses and could frustrate future non-tribal development.

The underlying agreement took years to negotiate and was based on commitments and compromises made by all parties, Native Americans and non-native Americans alike. A look at the general purposes set out in the settlement agreement confirms the very importance of us meeting our obligations. That agreement finally determined all rights and claims of the Tribes for water, settled existing disputes and removed causes of future controversy among the Tribes, State of Colorado, the U.S. concerning the rights to beneficially use water in southwestern Colorado. It secured for the Tribes an opportunity to generate revenue from the use of reserved water rights obtained under the agreement.

Pursuant to the terms of the agreement, if parts of the Animas-La Plata project are not completed by the year 2000, the Tribes have the option to go back to water court and pursue their original claims in the Animas and La Plata river systems. The result could be costly litigation between the U.S., State, and individual water right holders throughout the region. Further uncertainty regarding the practical use and value of many water rights would exist.

Congress has recognized its contractual and moral obligations to the parties of the settlement agreement by continuing to fund the project. Congress further recognized the project's importance by requiring the Bureau of Reclamation to construct the project without further delay in legislation passed last year.

Critics have stated that the settlement agreement can no longer be met. That, I believe, is a surprise to many of those parties to the agreement. To completely scrap the project by no longer funding it will wreak havoc on economies and water administration in the State of Colorado. The Tribes would most likely be forced to reopen their claims in a long and costly court battle. Certainty, with respect to these reserved rights could not be expected for many more years, perhaps decades.

Both the Southern Ute and Ute Mountain Ute Tribes strongly support building Animas-La Plata to implement the Settlement Agreement. In fact, the Tribes have filed a civil action against the Environmental Protection Agency in the U.S. District Court in Denver to compel EPA to fulfill its contractual and statutory duties to the Tribes and refrain from obstructing construction of the project.

The economic viability of the project has been criticized. However, as the Bureau points out in its report, the analysis does not take into account the tangible and intangible benefits of resolving the Tribes' reserved rights claims without lengthy, costly litigation that would pit Indian and non-Indian neighbors against each other.

The project will comply, as required by law, with the Endangered Species Act and all other applicable environmental statutes. The environmental effects of Animas-La Plata are carefully considered and addressed in the April 1996 Final Supplement to the Final Environmental Statement (FSFES). Extensive mitigation measures are proposed for the project.

Some project critics have urged that further studies be done on the Project. Further studies would do nothing more than delay the project beyond the settlement agreement deadline and further escalate costs. Alternatives were considered in the 1980 environmental impact statement, they were considered again during negotiation of the Settlement Agreement, and the Bureau took a fresh and extremely thorough look at them in the FSFES, which took over four years to complete.

The Settlement Agreement requires that Animas-La Plata be built without further delay. The State of Colorado has already spent over $11,000,000 to implement the Settlement Agreement, with an additional $48,000,000 set aside in escrow. The United States should likewise honor its commitment to the Tribes and the settlement. I strongly urge you to oppose any attempt to delete appropriations for the Animas-La Plata Project from the 1997 Energy and Water Development Appropriations Bill.

Sincerely,

GALE A. NORTON,
Attorney General.

NATIVE AMERICAN RIGHTS FUND,
Boulder, CO, July 2, 1996.

U.S. HOUSE OF REPRESENTATIVES,
Washington, DC.

DEAR REPRESENTATIVE: The Native American Rights Fund opposes any effort to delete funding for the Animas-La Plata Project which would affect the implementation of the 1988 Colorado Ute Indian Water Rights Settlement Act.

During the House consideration of the FY 1997 Energy and Water Appropriations bill, it is anticipated that Congressmen Petri and Defazio will offer an amendment to delete any funding the bill contains for this project and settlement.

The Ute Tribes and their non-Indian neighbors negotiated in good faith, rather than pursuing long, costly and divisive litigation. Their goal was to share invaluable water resources and provide the Tribes with water

promised them more than a century ago. Since the settlement became law in 1988, the Tribes and project sponsors have fully cooperated with federal agencies and complied with environmental law.

It is now time for the federal government to live up to its moral and legal obligation to the Tribes. Denying funding and forcing negotiation of a new deal is an extreme step which breaches the United States' trust responsibility.

Please vote against any amendment which would cut off funding for the Animas-La Plata Project and the Colorado Ute Tribes' Settlement.

Sincerely,

JOHN E. ECHOHAWK,
Executive Director.

STATE OF COLORADO,
HOUSE OF REPRESENTATIVES
Denver, CO, July 1, 1996.

Hon. NEIL ABERCROMBIE,
U.S. House of Representatives, Longworth House Office Building, Washington, DC.

DEAR REPRESENTATIVE ABERCROMBIE, When the House considers the FY 97 Energy and Water Appropriations bill, it is my understanding that Congressmen Petri and DeFazio may offer an amendment to delete any funding for the Animas La Plata Project and therefore the related Indian water rights settlement between the Ute Tribes and the State of Colorado.

I, along with Sen. Ben Alexander (R–Montrose), represent the project area, the Tribes and the non-Indian parties to the settlement. We strongly encourage you not to pull the rug out from under this negotiated agreement by withdrawing funds to implement it.

My constituents have negotiated in good faith, and avoided costly litigation which in the end would not provide real water to the Tribes and divide cultures which have worked well together. When the parties signed the settlement agreement, they took the federal government at its word. All other parties have lived up to their end of the bargain, including the State of Colorado which has a $60 million commitment to this project and settlement.

It is time for the United States Government to keep its word and begin construction on at least those project features defined in last year's appropriations bill, which told the Secretary of the Interior to construct ''without delay.''

I respectfully request that you vote against any amendment which would cut off funding for the Animas-La Plata Project and the Colorado Ute Indian Water Rights Settlement.

Sincerely,

JIM DYER,
State Representative.

GENERAL ASSEMBLY;
STATE OF COLORADO
Denver, CO, July 1, 1996.

Hon. DICK ZIMMER,
U.S. House of Representatives, Cannon House Office Building, Washington, DC.

DEAR REPRESENTATIVE ZIMMER, when the House considers the FY '97 Energy and Water Appropriations bill, it is my understanding that Congressmen Petri and DeFazio may offer an amendment to delete any funding for the Animas-La Plata Project and therefore the related Indian water rights settlement between the Ute Tribes and the State of Colorado.

I, along with Rep. Jim Dyer (D-Durango), represent the project area, the Tribes and the non-Indian parties to the settlement. We strongly encourage you not to pull the rug out from under this negotiated agreement by withdrawing funds to implement it.

My constituents have negotiated is good faith, and avoided costly litigation which in the end would not provide real water to the Tribes and divide cultures which have worked well together. When the parties signed the settlement agreement, they took the federal government at its word. All other parties have lived up to their end of the bargain, including the State of Colorado which has a $60 million commitment to this project and settlement.

It is time for the United States Government to keep its word and begin construction on at least those project features defined in last year's appropriations bill, which told the Secretary of the Interior to construct ''without delay.''

I respectfully request that you vote against any amendment which would cut off funding for the Animas-La Plata Project and the Colorado Ute Indian Water Rights Settlement.

Sincerely,

BEN ALEXANDER,
State Senator.

[From the Denver Post, July 28, 1996]

SENATE SHOULD RESTORE A–LP

Environmental groups won a round against Western and Native American interests last week when the U.S. House of Representatives voted 221–200 to delete $10 million in funding for the Animas-La Plata water project in Southwestern Colorado. But prospects are good that the Senate will keep the project alive.

The thinly populated Rocky Mountain states have little clout in the House, where environmental groups waged a concerted assault on the water project. As Colorado Rep. Scott McInnis whose 3rd District would host the project, notes, it's easy for a member of Congress from the East or South to please environmentalists by voting against a water project in Colorado. But the Senate—where the sparsely settled Rocky Mountain states have the same two senators as larger states do—is a much more favorable battleground for the West. And in Ben Nighthorse Campbell, the only Native American now serving in Congress, the project has a powerful champion.

''Look for Ben Campbell to come out swinging,'' a project supporter told a Post editor Thursday, the day after the House vote. We didn't have to look for long—Campbell called minutes later to reaffirm his support for the project.

''The Senate Appropriations Committee has already appropriated $9.5 million for Animas-La Plata,'' Campbell said. ''I think it will stay in on the floor and stay in the bill later after we go to conference with the House.

''A lot of those House members who voted against Animas-La Plata weren't here in 1988 when the Indian Settlement Act passed and the project was authorized,'' Campbell said. ''There have been 270 treaties between the U.S. government and the Indians and they have all been broken, without exception. I would hope this is not another broken promise.''

We share Campbell's hopes, for selfish as well as moral, reasons. As part of the 1988 settlement, the Southern Ute and Ute Mountain Ute tribes agreed to abide by the ''law of the river,'' a complex set of regulations that includes the Colorado River Compact. But if Congress repudiates its own pledge to convert the abstract Indian water rights into ''wet water'' the tribes can actually use to preserve their lifestyle, the Utes can return to court. In the process, they could rip huge holes in the fabric of state water law and of the Colorado River Compact itself.

That is decidedly not what the Utes want. What they want is what they deserve—their water. We trust the Senate will recognize that the Animas-La Plata project is the only practical way to meet a long-standing obligation to a people who have been cheated far too many times.

Mr. CAMPBELL. Mr. President, an amendment to strike funding for the Animas-LaPlata project is an attempt to further delay a project that was first authorized by Congress in 1968 and is the cornerstone to fulfilling the provisions of the Colorado Ute Indian Water Rights Settlement Act, enacted and signed into law by President Bush in 1988.

It seems to be that assumption of many people that ''a feasibility of the project study'' has not been completed, or that ''feasible alternatives that may be available to fulfill the water rights of the Ute tribes'', have not been explored. Frankly, Mr. President, the Senator from Wisconsin is mistaken.

In an effort to further clarify the record, I would like to share with my colleagues a brief chronology of events that show that all possible alternatives have been explored, debated, and even voted on in various public referendums.

In 1968: Congress authorized the Colorado River Basin Project Act.

Congress appropriated funds for advance studies.

In 1974–1977: the Southwestern Water Conservation District and the Bureau of Reclamation sponsored a thorough process of public involvement that compared four major alternatives and dozens of sub-alternatives for each of the four major plans. In total, approximately 100 alternatives were considered.

In 1979: The Definite Plan Report, detailing the new configuration of Ridges Basin and Southern Ute Reservoirs is completed.

Endangered Species Act, nonjeopardy opinion on Animas-La Plata project is issued by the Fish and Wildlife Service.

In 1980: The final environmental statement is completed.

In 1986: The Department of the Interior accepts cost-sharing arrangement that calls for State and local entities to provide 38 percent of the upfront funding.

Enactment of the Colorado Ute Indian Water Rights Settlement Act.

In 1987 and in 1990, voters in La Plata County, CO, and in San Juan County, NM, overwhelmingly endorsed BOR's construction of the ALP project.

October 6, 1991: Ground breaking ceremony is held in Durango.

In 1992, the San Juan River Recovery Implementation Program was executed with the dual goals of the recovery of the endangered fish in the San Juan River and allowing water development to go forward.

And as recently as the last 2 months, again the city of Durango, in a vote of confidence for the project, approved a resolution in support of the ALP project.

Since 1992, the project has been mired down in litigation by project opponents involving a laundry list of environmental related issues.

The fact is that the Ute Indian Tribes own the water rights to the Animas La Plata system by virtue of various treaties with the U.S. Government. These treaty rights have been upheld by the Supreme Court of the United States when disputes have arisen in other States.

The tribes and the water districts chose negotiation over litigation. Rather than engage in expensive and divisive legal battles, the tribes and the citizens of Colorado and New Mexico chose to pursue a negotiated settlement. The Ute Tribes agreed to share their water with all people. The people came together in partnership and cooperation with the Federal Government to reach a mutually beneficial solution: the construction of the Animas La Plata project. Their settlement agreement was executed on December 10, 1986. The Settlement Act was ratified by Congress and signed into law on November 3, 1988.

The Settlement Act also approved a cost-sharing agreement. The water districts and the States of Colorado and New Mexico have put their money where their mouth is—and have already lived up to the terms of these agreements. Consider that:

First, the State of Colorado has committed $30 million to the settlement of the tribes' water rights claims, has expended $6 million to construct a domestic pipeline from the Cortez municipal water treatment plant to the Ute Mountain Ute Indian Reservation at Towaoc, and has contributed $5 million to the tribal development funds;

Second, the U.S. Congress has appropriated and turned over to the Ute mountain Ute and Southern Ute Indian Tribes $49.5 million as part of their tribal development funds, and

Third, water user organizations have signed repayment contracts with Reclamation.

The construction of the ALP project is the only missing piece to the successful implementation of the settlement agreement and the Settlement Act. It is time that the U.S. Government kept its' commitment to the people.

Historically, this country has chosen to ignore its obligations to our Indian people. Members of the Ute Tribes had been living in a state of poverty that can only be described as obscene. Their only source of drinking water was from ditches dug in the ground. I find it most distressing that the same groups and special interests who are now scrambling to block this project also, in other contexts, hold themselves out as the only real defenders of minority rights in this country.

This project would provide adequate water reserves to not only the Ute Nation, but to people in southwestern Colorado, northern New Mexico, and other downstream users who rely on this water system for a variety of crucial needs which range from endangered species protection to safe drinking water in towns and cities—perhaps even filling swimming pools for some of our critics.

The Southern Ute Indians and the Ute Mountain Ute Indian Tribes have rejected any buy out proposals. They simply want decent and reliable water supplies—using their own water—for their people. In exchange, all the people of the area will benefit. The Sierra Club, National Wildlife, and other opponents are apparently willing to spend even more hundreds of millions of tax dollars to buy off the Indians than it would cost to complete the project.

Mr. President, on March 1, of last year Secretary Babbitt testified before the House Appropriations Subcommittee on Energy and Water Development, that the Department of Interior has devoted the resources of his agency to carrying out the will of Congress on the ALP project, and will continue to do so.

He further stated that ''the Benefit/Cost issue has already been settled and decided by the Congress.'' And further that ''it is no longer on the table as far as his [Secretary Babbitt's] experience over 30 years across the West. And that is not an issue that any court is going to take up.

And more recently, the Director of the Colorado Department of Natural Resources earlier this year testified before the House Energy and Water Subcommittee in support of the Animas-LaPlata project.

In conclusion, I would like to include for the record several items that includes a letter from a Mr. Harrick Roth, chairman of the Colorado Forum, that appeared in the Denver Post.

He writes:

> There are no secrets about ALP. There are 25 years of documents produced by the Bureau of Reclamation, the U.S. Fish and Wildlife Service, the Colorado River Salinity Control Project, the EPA, the New Mexico Interstate River Commission, the Colorado Water Conservation Board and the Colorado Water and Power authority—just to name a few.

On the question of meeting the needs of the native Americans, he writes:

> To the Editor: You have done it yet again. Treat Indians as our wards, you say. Give them ''taxpayer'' welfare benefits. Your ''howevers'' continue as you argue that it will be cheaper for taxpayers to take any alternative course. Since paleface Americans, like yourselves and myself, have made it historical practice to break treaties with Native American nations and relegate tribes to ''reservations'' of limited geography, your editorial prescribes ''continue the course!!''.

Just yesterday, July 28, yet another article appeared in the Denver Post in support of the ALP project.

Mr. President, the bottom line is, there has been exhaustive efforts to accommodate all parties from an environmental perspective and an economic perspective. The completion of this project will summarily fulfill the obligations of the Federal Government to the Ute Indian Tribes. For these reasons would ask my colleagues to oppose this amendment that seeks to strike funding for the Animas-LaPlata project.

Mr. President, is the time appropriate now to move to table the Feingold amendment?

The PRESIDING OFFICER. The time is appropriate.

Mr. CAMPBELL. I, therefore, move to table the Feingold amendment and 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. The motion before the body is the motion to table the Feingold amendment No. 5106. The yeas and nays have been ordered.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. I ask unanimous consent that there be 2 minutes equally divided.

The PRESIDING OFFICER. Without objection, there will be 2 minutes equally divided between the Senators.

Mr. FEINGOLD addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

Mr. FEINGOLD. I thank the Senator from New Mexico. I recognize there are strong feelings on this project and deep divisions in the region. I say to the junior Senator from Colorado, we must honor our commitment to this tribe. The question is how to honor the commitment.

This project was first authorized in 1968. As I understand it, it had little or nothing to do at that time with the issue of water for the native American tribe. Three decades later, it has not been built. Realistically, my colleagues, it will never be built. It is not economically or fiscally feasible that we keep spending money on it. There are legitimate Indian needs that should be addressed and have to be addressed. Remember, only one-third of the water concerned here will go to native American tribes; two-thirds goes to others. Yet, there are substantial questions, in the end, under this project, that the tribes in consideration here will be able to obtain the water.

This project is dead. Let us return to the drawing board and scale this down so it can meet our commitment without wasting substantial taxpayer dollars.

I urge the members to support the amendment and oppose the motion to table.

I want to make a few remarks to clarify several points in the committee report dealing with the Animas-La Plata water project. The committee report contains a discussion of the status of efforts by the Bureau of Reclamation to comply with numerous laws applicable to the project. It is my understanding that the committee report simply sets forth the views of the committee and is not intended to waive any provision of law or to declare that the Bureau's efforts at compliance are sufficient to satisfy any law.

I want to make it clear, for the record, that the committee report cannot have the effect of circumventing

the jurisdiction or procedures of any administrative agency with respect to the Animas-La Plata project.

It is important to make this clear because the project has been and is at present the subject of litigation concerning compliance with various environmental and reclamation laws. The committee report cannot have the effect of making any factual findings which would usurp the jurisdiction of the courts or the relevant administrative agencies with respect to whether the Animas-La Plata project is in compliance with applicable environmental, financial, and reclamation laws.

I expect that the Congress will be revisiting the future of this project, regardless of the outcome this year, and it is important in the meantime that there be no misunderstanding as to the applicability of existing laws which constrain further development.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I rise to compliment the distinguished junior Senator from Colorado. I believe that was as elegant a speech as we have ever heard. It did not take him very long, but he made the point.

Actually, the United States of America has committed to two Indian tribes for which this project would proceed. I believe he stated it right. People with different ideas and different justifications enter this case, but I believe that the project has been proven technically sound. It has continued to receive the full support of those who will put it together and finalize it.

I think the Senator has put the final touches on it with his argument that we ought to live up to our commitments to the Indian people.

I might suggest, although all the water does not go to the Indian people, that there are non-Indian people who have been relying on this water and waiting for it, also. They should not be ignored just because some people want to now change midstream.

I hope we support the motion to table and move on to take this to conference with the House.

I yield the floor.

Mr. CRAIG. Mr. President, I rise in strong opposition to the amendment by the Senator from Wisconsin. Despite its superficial appeal, the effects of his amendment would be devastating not only to the Ute Tribes in Colorado, but also for every other tribe and State who are attempting to resolve disputes over water rights through negotiated settlement rather than endless litigation.

The Senator from Wisconsin pretends that his amendment will save money—he is wrong. Indian litigation is the closest this country has come to the situation Dickens described in Bleak House. There are law firms that probably can no longer even remember who the partner was who first brought the litigation, but generations have profited—generations of lawyers both within and without the Government.

The Colorado Ute Settlement Act was a remarkable accomplishment, and it has served as a model for other settlements in Utah and Arizona. It would be unconscionable to overturn that settlement, especially for the specious arguments put forward by the opponents.

Mr. President, even Secretary Babbitt has grudgingly endorsed completion of the Animas-La Plata project because of the importance of fulfilling the Federal obligations under the negotiated settlement. Remember, this is Secretary Babbitt—the Secretary who wants to take down a really big Federal dam, the Secretary who has waged an incessant war against farmers, ranchers, miners, and those who work the land to produce the food, fiber, and material to support this Nation. This is the Secretary who repeatedly has decried what he views as an individualistic concept of private property and who has attacked State jurisdiction over water resources. This is the Secretary who would have used the Reclamation Reform Act as a lever for Federal regulation of farm operations and proposed Federal definitions of what constituted beneficial use to override State water law in his proposed lower Colorado regulations. Even this Secretary, no friend to any farmer, Indian or non-Indian, has supported funding the Animas-LaPlata project.

Mr. President, the funding in this appropriation measure is not some incidental addition from the Congress. This administration requested $10 million for the Animas-LaPlata project for work on the Ridges Basin Dam and Reservoir, and for preconstruction activities, cultural resource mitigation, environmental compliance, and endangered species studies. I hesitate to mention that the Fish and Wildlife Service is proximately responsible for the situation on the San Juan, and at least in this Senator's view, should bear all the costs associated with species recovery and mitigation. This administration—the same one that opposed $5 million to provide potable water to the rural residents at Fort Peck—this administration supports funding this project. That is how important having the Federal Government fulfill its obligations under the Colorado Ute Settlement Act is.

Mr. President, I oppose the amendment by the Senator from Wisconsin and urge my colleagues to support the action taken by the Appropriations Committee.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Colorado to lay on the table the amendment of the Senator from Wisconsin. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Kansas [Mrs. FRAHM] is necessarily absent.

Mr. FORD. I announce that the Senator from Rhode Island [Mr. PELL] is necessarily absent.

I also announce that the Senator from Rhode Island [Mr. PELL] is absent because of a funeral.

I further announce that, if present and voting, the Senator from Rhode Island [Mr. PELL] would vote ''nay.''

The result was announced—yeas 65, nays 33, as follows:

[Rollcall Vote No. 251 Leg.]

YEAS—65

Abraham	Faircloth	Lott
Akaka	Feinstein	Mack
Ashcroft	Frist	McCain
Baucus	Gorton	McConnell
Bennett	Graham	Mikulski
Bingaman	Gramm	Murkowski
Bond	Grams	Nickles
Breaux	Grassley	Pressler
Brown	Gregg	Pryor
Bryan	Hatch	Reid
Burns	Hatfield	Shelby
Campbell	Heflin	Simon
Coats	Helms	Simpson
Cochran	Hutchison	Smith
Conrad	Inhofe	Specter
Coverdell	Inouye	Stevens
Craig	Jeffords	Thomas
D'Amato	Johnston	Thompson
Daschle	Kassebaum	Thurmond
DeWine	Kempthorne	Warner
Domenici	Kennedy	Wellstone
Dorgan	Kyl	

NAYS—33

Biden	Glenn	Moseley-Braun
Boxer	Harkin	Moynihan
Bradley	Hollings	Murray
Bumpers	Kerrey	Nunn
Byrd	Kerry	Robb
Chafee	Kohl	Rockefeller
Cohen	Lautenberg	Roth
Dodd	Leahy	Santorum
Exon	Levin	Sarbanes
Feingold	Lieberman	Snowe
Ford	Lugar	Wyden

NOT VOTING—2

Frahm	Pell

The motion to lay on the table the amendment (No. 5106) was agreed to.

Mr. DOMENICI. Mr. President, I move to reconsider the vote by which the motion was agreed to.

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

The motion to lay on the table was agreed to.

Mr. DOMENICI. Mr. President, I think the next amendment is the Grams amendment with reference to ARC.

AMENDMENT NO. 5105

The PRESIDING OFFICER. The Chair's record shows the next amendment in order is McCain amendment No. 5105. Does the Senator from New Mexico request the Grams amendment be taken up next?

Mr. DOMENICI. I believe it is appropriate to withdraw that amendment.

The PRESIDING OFFICER. Without objection, the amendment is withdrawn.

The amendment (No. 5105) was withdrawn.

AMENDMENT NO. 5100

The PRESIDING OFFICER. The question is on the Grams amendment. There are 2 minutes equally divided. The Senator from Minnesota is recognized.

Mr. GRAMS. Mr. President, thank you very much. This is a very moderate and very straightforward amendment. All it does is simply adopt the

funding of the Appalachian Regional Commission——

Mr. DOMENICI. May we have order?

The PRESIDING OFFICER. The Senator will suspend. The Senate will be in order.

Mr. DOMENICI. Might I just say to the Senators who are walking out of here, in 2 minutes, we are going to start voting again on this amendment. So it might be best to stay around.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

Mr. GRAMS. Thank you, Mr. President.

Mr. President, again, as I said, this is a very moderate and straightforward amendment. All it does is simply adopt the funding for the Appalachian Regional Commission at the House-passed level of $10 million less than that approved by the Senate.

It requires that the commission provide a specific plan for future downsizing. Like many Federal programs, the ARC was created back in 1965 as a temporary response—temporary response—to poverty in Appalachia.

Today, over 30 years later and despite the infusion of more than $7 billion of taxpayer money into the region, we are still pouring money into the area under the pretext of fighting poverty. This program is one of 62 Federal economic development programs. The ARC is the only major Government agency targeted toward a specific region of the country.

This program has outlived its original mandate. It is ineffective and it is expensive and simply does not work. American taxpayers can no longer afford such extravagant spending. That is why CBO, the Senate, the House budget committees all recommended elimination of the ARC. Even President Clinton recommended reducing it by $500 million in budget authority and $300 million in outlays over the next 5 years. Although I strongly believe the ARC should be terminated, the Grams-McCain amendment does not zero out funding for the ARC, nor does it reduce it significantly. It simply reduces the level of funding to that approved by the House of $155 million, not the $165 million in the Senate budget. It also provides a specific plan for future downsizing. I urge my colleagues to support this very moderate amendment. Thank you, Mr. President.

The PRESIDING OFFICER. The Chair will note that while we have been observing 2 minutes equally divided, there is not an agreement limiting debate on this amendment to that level. Who seeks recognition?

Mr. JOHNSTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, we strongly oppose the Grams-McCain amendment and strongly support the Appalachian Regional Commission at this level. Mr. President, this has been an effective program to fight poverty in Appalachia. Appalachia is still one of the most expensive places to build roads, one of the poorest places on the face of the United States, and one of the most needed functions of Government that I can think of.

It is an ongoing program that brings roads and access to people in the mountains and hollows and poor areas of West Virginia and other States in Appalachia. We strongly oppose the Grams amendment and support Senator DOMENICI's motion to table.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. DOMENICI. I move to table the amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. FORD addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. FORD. Mr. President, I rise today in opposition to the Grams amendment to further reduce spending for the Appalachian Regional Commission. ARC serves parts of 13 States including 39 counties in my State, and I'm disappointed to see that may colleague from Minnesota is still not convinced of the importance of this program.

The people of eastern Kentucky have much to be proud. That region of the country has a strong tradition of producing some of this country's most gifted musicians, writers, and artists. But, unfortunately, they also produce something none of us are particularly proud of—poverty.

Back in 1993, the Washington Post wrote that ''the last time the United States fought a war on poverty here, poverty won.'' That's because the forces at work manufacturing this region's double-digit poverty figures and all the social disintegration that comes with those figures, are deeply imbedded in a region that was subjected to a century of economic exploitation and geographic isolation.

While poverty claimed victory 30 years ago in the first years of President Johnson's admirable battle, those of us with a deep-seated commitment to the Appalachian region knew that the task of undoing a century of destruction would not be quick in coming. ARC was borne of this commitment to see the battle against entrenched poverty through to the end—to the time when poverty would no longer be the norm.

And in fact ARC has had a dramatic effect in improving the lives of Appalachian citizens, including cutting the region's poverty rate in half, reducing the infant mortality rate by two-thirds, doubling the percentage of high school graduates, slowing the regions out migration, and reducing unemployment rates.

With 115 of the region's 399 counties still classified as economically distressed, we certainly cannot say we have won the war. But, we can say that we have weakened poverty's hold on this region. * * * that we have given the proud people of this region a finger hold in the climb back to self-sufficiency and productivity.

My colleagues should be aware that the ARC's fiscal year 1996 appropriation represents a cut of almost 40 percent from the fiscal year 1995 funding level, while the bill we're considering today makes an additional cut of $5 million for fiscal year 1997. We have already had this debate last year, when my colleague also made an attempt to cripple this program and to cripple the Nation's ability to move an entire region of the country from poverty to productivity.

On August 1 of last year, a very similar amendment offered by the Senator from Minnesota was tabled by a vote of 60 to 38. His amendment failed last year for the same reasons it should not prevail today. ARC is doing its job—helping communities put in place the building blocks of social and economic development to create self-sustaining local economies that can become contributors to the Nation's resources rather than drains on the Nation's resources.

It does this by providing the glue money that leverages other investment from the private sector, other Federal programs, or State and local funds. Since 1992, in my State alone ARC has provided over $80 million that in turn leveraged more than $115 million in additional funds. These were for a wide range of projects from water and sewage systems to tourism to adult literacy.

And as my colleagues pointed out last year, the ARC that is accomplishing this mission is lean and efficient. When it comes to administrative and personnel expenses you'd be hard pressed to find an agency as efficient. Total overhead accounts for less than 4 percent of all expenditures with State Governors contributing 50 percent of those administrative costs.

I can assure you, those Governors wouldn't be made that contribution in these tight fiscal times if they didn't believe they were getting their money's worth.

But, ARC work is far from done. As the national highway system began cris-crossing the country tieing State's together and creating jobs in its wake, the mountainous Appalachian region was left behind.

Today, ARC's highway project has had a tremendous impact on the region. A 1987 survey showed that between 1980 and 1986, 560,000 jobs were created in the Appalachian counties with a major highway—4 times that of counties without.

With only 76 percent of the 3,025 mile Appalachian development highway system constructed or under contract, those figures tell all too clearly why it's so important to let ARC complete its work.

The same is true with ARC's involvement with a wide range of other

projects from health care to job training to water treatment to small business assistance. And, even with ARC funding, Appalachia receives 11 percent less in total per capita Federal spending than the national average.

And, I hope my colleagues will remember that this debate takes place just 1 week after this body made huge changes in the welfare program. We cannot ignore the total impact of changes to the welfare system and crippling cuts in ARC to this region of the country.

Mr. President, I hope my colleagues will join me in defeating this amendment and sending a strong signal to the people of Appalachia that we support their tremendous efforts to move their region forward and secure productive and prosperous futures for their children.

Also, the Senator from Minnesota said that this duplicated a lot of other Federal programs. Mr. President, I ask unanimous consent that a statement that shows that it does not duplicate other Federal programs be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ARC DOES NOT DUPLICATE OTHER FEDERAL PROGRAMS

Many distressed Appalachian communities lack the resources to meet the match requirement of other federal programs, making them unable to take advantage of programs from EDA, FmHA, HUD, Education or other agencies. Rather than duplicating these other programs, ARC funds essentially make the programs available to communities that otherwise could not take advantage of them. In that sense our funds are supplemental, not duplicative. This increases federal participation in Appalachian areas, which was a part of the original purpose of ARC. [The administration of these ARC grants then goes through the basic agency whose program we are supplementing.]

ARC funds are more flexible than programs from other federal agencies, allowing states and communities to tailor the projects to their individual needs. An ARC project, for example, could include elements of an EDA project, a FmHA project, or a HUD project, while it would not have been fully eligible for funding under any single program at another federal agency.

ARC projects originate from the local level and are determined by each state's governor. Unlike most other federal programs, this lets the governors decide which projects will receive federal funding.

Up until ISTEA in 1991, the ARC highway program was not on the regular federal highway system. ISTEA added all but roughly 240 miles of ARC highways to the National Highway System. Separate highway funding is important for several reasons. First, for those miles not covered by ISTEA the ARC funding is the only federal source. Second, ARC funding allows the highways to be constructed sooner than they might be if they were funded solely through ISTEA. This is in keeping with the commitment that the nation made to this region almost 30 years ago to break down the isolation that had plagued the region and ink it to national and international commerce. Third, ARC sees highways as elements of an economic development strategy, rather than just a transportation strategy.

Even with ARC's special assistance to the region, Appalachia receives 11% less in total per capita federal spending (including grants, contracts, and transfer payments) than the national average.

WHY SPECIAL ASSISTANCE TO APPALACHIA?

ARC was designed to address the special problems of an entire region that had suffered from over a hundred years of neglect, a region marked by profound problems of persistent and widespread economic distress in a concentrated geographic area that set it apart from the economic mainstream of the nation.

The economic problems of Appalachia are long-term, widespread and fundamental. They are not, for example, the result of short-term cyclical changes in the economy (to which programs like EDA are designed to respond). Rather, the region's economic troubles extend back for at least four generations. Few other areas of the country have economic problems that are so deeply ingrained. In addition, ARC's problems reach broadly across state lines, affecting the economies of the 13 states. This is not a case of sporadic distress that affect single counties. Instead, it is the result of region-wide historic patterns of underdevelopment, isolation, exploitation and migration. Only a couple of other areas of the country have such profound economic problems that sweep across state lines the way Appalachia does.

The economic challenges faced by communities in Appalachia ultimately dampen the growth of the American economy. They create a drain on the national economy, through lowered productivity and reduced output, diminished economic growth and investment, increased government support through transfer payments, and a lowered standard of living. Half of the counties in the ARC region receive federal transfer payments in excess of the national average on a per capita basis. Until we help these people and communities move into the economic mainstream, they will continue to be a drain on the national resources, diminishing our national wealth. It is, therefore, in the interest of California, or Wisconsin or Florida to help Appalachian communities become economically strong and contributing their fair share to the national wealth.

Even with ARC's special assistance, Appalachia receives 11% less in per capita federal spending than the national average. Total per capita federal spending (including grants, contracts, and transfer payments) in Appalachia is $4407, while the national average is $4,917. Rather than giving Appalachia something ''extra,'' ARC just helps the region come closer to getting its fair share of federal resources.

From its creation ARC has worked to develop regional solutions to these economic problems that reach across state lines. Much of the Commission's success flows from this regional approach. No other federal program is deliberately designed to address problems on a multistate basis.

GENERAL ACCOMPLISHMENTS

ARC's diverse programs have produced tangible results across the region:

Water and Sewer Systems. ARC funding brought the first sewer lines and clean drinking water to 700,000 residents of Appalachian counties designated as ''distressed'' due to high rates of poverty and unemployment, and low per capita income. This often corrected severe public health problems. About 2,000 new water and/or sewer systems have provided the infrastructure needed for job creation. As a result of these projects, thousands of jobs have been created or retained.

Access to Health Care. A network of more than 400 primary health care clinics and hospitals has been completed with ARC funding and now serves some 4 million Appalachians a year. More than 5,000 new physicians have opened practices in Appalachia just since 1980. Infant mortality has dropped from 26.5 infant deaths per 1,000 live births in 1960 to 8.3 in 1994.

Child Care Centers. ARC has supported child development in the Region by helping build child care centers that offer low-income families a full range of educational, health and social services. These services have assisted more than 220,000 pre-school-age children and allowed mothers to earn income needed to keep their families above the poverty line.

Educational Advancement. ARC has helped construct and/or equip more than 700 vocational and technical education facilities serving more than 500,000 students a year. In 1965, only 32% of Appalachians over age 25 had finished high school. Today, that figure has risen to 68.4% Among young adults age 18–24, 77% of Appalachians have completed 12 or more years of school, compared with the national average of 76%.

Job Skills Training. In the past 10 years, about 60,000 workers who lack a high school diploma or GED have been retrained through basic skills training in the workplace. The skills of more than 30,000 other workers have been upgraded to compete for high-tech jobs or to provide specific skills required by local employers.

Affordable Housing. Housing shortages have been alleviated by the rehabilitation and construction of more than 14,000 housing units, especially in areas hampered by the lack of construction sites and construction loans. ARC has pioneered innovative approaches to housing development finance to make home ownership more affordable.

Leveraged Investments. A sample of 556 ARC community development projects that were funded between 1983 and 1996 showed that those grants had leveraged over $7.3 billion in private sector investments in the region.

Small Business Assistance. ARC grants to revolving loan funds in ten stated totaled $18.7 million, thereby assisting 822 small businesses—the source of some 8,000 new jobs in Appalachia. In the past, small businesses could not start and grow due to the lack of capital and conservative lending practices in small towns and rural areas, sources of most new jobs in Appalachia. The ARC loan program has leveraged $328.9 million of small business investment in the region—a ratio of almost 20 to 1.

Local Leadership Development. ARC has actively supported the Local Development District (LDD) concept, which was in its infancy in 1965. These 69 multi-county local planning and development agencies foster cooperation in decision-making and leadership development among hundreds of locally-elected officials and private citizens who serve on their boards. LDDs have strengthened the ability of local governments to provide efficient, modern services to their constituents.

SOCIOECONOMIC ACCOMPLISHMENTS

ARC's investments in the region have yielded impressive measurable improvement in the lives of the people of Appalachia and in the economic condition of the region.

The poverty rate in has been cut in half, falling from 31.1% in 1960 to 15.2% in 1990.

The infant mortality rate has been cut by two-thirds, going from 26.5 (deaths per thousand births) in 1960 to 8.3 in 1994.

Per capita income has improved dramatically. In 1960, the region's income was 78.1% of the national average. Today it is 83.5% of the national average.

The percentage of adults with a high school degree has doubled from 32.8% in 1960 to 68.4% in 1990.

Among adults age 18–24, the high school graduation rate now equals the national average (78%).

Overall employment rates now approximate the national average.

New outmigration has slowed, from 12.2% during the 1950s to 2.2% in the 1980s.

Population in growing. Between 1990 and 1995, the region's population increased 4.6% with all parts of Appalachia showing growth over the five-year period.

Thirty-eight counties now have economies which are performing at or near national norms of income, employment, and poverty.

THE TASK IS NOT YET DONE

Despite the significant progress the region has made, many portions of Appalachia still do not participate fully in the strength of the American economy. In a word, Appalachia has become a region of contrasts in the past 30 years. The region has made enormous strides, but because it began so far behind the rest of the nation, there is need for continued special assistance that will make these hundreds of communities and millions of people contributors to, rather than drains on, the national resources.

115 of ARC's 399 countries are classified as severely distressed. This means that they suffer from unemployment rates that are at least 150% of the national average, poverty rates that are at least 150% of the national average, and per capita incomes that are no more than ⅔ of the national average. These are areas of persistent and widespread economic distress.

The region of contrasts means that while northern and southern Appalachia have done relatively well, central Appalachia is still severely distressed. In all three sections, the non-metro counties lag the nation on almost all socioeconomic measures.

The poverty rate for Appalachia is 16% higher than the national average.

Appalachia's per capita income is only 83% ($17,406) of the U.S. average ($20,800).

Over 20% of the youth in northern and southern rural areas are growing up in poverty, and an even higher 34% of youth in central Appalachia live in poverty.

Across the region as a whole, rural Appalachia is poorer than the rest of rural America, and metropolitan Appalachia is poorer than the rest of metropolitan America.

The problems are particularly acute in Central Appalachia, where the poverty rate is 27% rural per capita income is still only two-thirds of the national average, and unemployment rates are almost double the national average.

The Appalachian Regional Development Highway System, the federal government's commitment to ending the region's isolation, is only 76% complete, with major segments not yet under contract for construction.

Mr. FORD. Mr. President, I remind my colleagues that over 60 Members voted for tabling last time.

Mr. BYRD. Mr. President, I rise in opposition to the amendment offered by the Senator from Minnesota that would reduce the Committee recommendation for the Appalachian Regional Commission from $165 million to $155.3 million. The House and Senate have voted on three different occasions against efforts to terminate or reduce funding for ARC, and I urge the Senate to reject again this attempt to penalize Appalachia.

The Committee recommendation already reduces ARC by $5 million below the amount requested in the President's Budget. The recommendation of the Senate Appropriations Committee is $17 million below the amount approved by the Senate last year for ARC. And when compared to prior year funding levels, ARC has already borne more than its fair share of deficit reduction in this appropriations bill. When compared to the fiscal year 1995 funding level for ARC, the amount recommended in the bill by the Appropriations Committee is down $117 million, or 41 percent. Let me repeat—in two years, the funding for this agency has decreased by $117 million.

Mr. President, the Committee's recommendation is a responsible one. Funding for ARC is already reduced below the President's budget. The Energy and Water appropriations bill is within its 602(b) allocation. Because of the efforts of Senator DOMENICI, the Energy and Water Subcommittee has a higher allocation than the House. As a result, additional funds are allocated throughout the bill to produce a more balanced, reasoned approach to funding for the programs in the bill. The Senate version of the Energy and Water bill provides more funding than the House bill for several programs—not just ARC. For example, funding for flood control along the Mississippi River and its tributaries is above the House level, as is funding for the Bureau of Reclamation construction (which benefits just the 17 States west of the Mississippi River). The Senate bill provides considerably more funding than the House bill for Atomic Energy Defense Activities. However, it is only ARC that is targeted for further reduction.

I cannot help but wonder if this type of amendment would be proposed if the name of this agency were the Rural Development Commission. Is it appropriate for the Senate to punish the people who are served by an agency's programs by virtue of where they live? I do not believe this is the tradition of the Senate. The Senate supports those who are in need—whether it is through quick response with additional funds when disaster occurs, or through assistance to improve the opportunities available to those who are struggling.

Mr. President, there are any number of programs in the Government that benefit a limited geographic area of the country. But in making decisions about Federal programs, the Appropriations Committee does not target spending reductions for programs based solely on geographic criteria. There are any number of programs that continue to receive funding even though they might not benefit all areas equally. In the Interior bill, for example, we appropriated over $113 million in fiscal year 1996 for the Payments in Lieu of Taxes program, even though 67 percent of the funds went to just eight States. Similarly, the Oregon and California Grant Lands account, which benefits just one State, continues to receive funding. So it is extremely unfair to suggest that the ARC funding should be reduced simply because of the reference to Appalachia in the title.

The mission of ARC is straightforward—to provide an effective regional development program that will create economic opportunity in distressed areas so that communities are better positioned to contribute to the national economy. Traditionally, there has been a great disparity in poverty and income levels between Appalachia and other parts of the country. And while great strides have been made, there is still much to be done. The programs of the ARC have contributed to improvements in the ability of the region to address the disparity in poverty and income levels between Appalachia and other parts of the country. Despite the progress in recent years, there is still much to be done. The income level in Appalachia is only 84 percent of the national average. The poverty rate in Appalachia is 16 percent above the national average. When it comes to United States expenditures on a per capita basis, even with the ARC funding, Appalachia receives 11 percent less in per capita Federal spending than the national average.

Mr. President, the programs of ARC help communities to develop their resources so that they will contribute to the Nation's economy. Many of the communities which benefit from the resources provided to ARC are without some of the most basic of services, including water and sewer infrastructure, access to health care, and decent roadways. Unless a transportation network is put in place that provides access to and from the rest of the Nation, Appalachia will remain isolated, and thus removed from competing for jobs with other population centers.

Some 30 years after establishment of the Appalachian Regional Corridor Highways, this network of 3,025 miles of highway is only about 76 percent complete. At the funding levels recommended in this bill, it will be well into the next century before this highway system is completed. The amendment offered by the Senator from Minnesota will delay further this access to safe and modern highways. The people of Appalachia deserve better from the United States Senate.

Sadly, there are still children in Appalachia who lack decent transportation routes to school. There are still pregnant women, elderly citizens and others who lack adequate, modern road access to area hospitals. There are thousands upon thousands of people who find it difficult to obtain sustainable, well-paying jobs because of poor road access to major employment centers. The ARC's limited resources play an important role in improving these circumstances. We should not reduce our efforts when so much work remains to be done.

ARC's programs do not duplicate those of other Federal agencies. The highway funds in ARC are the only source of Federal funding for Appalachian miles not covered in the Intermodal Surface Transportation Act

[ISTEA]. Because of the poverty in Appalachia, many communities are unable to qualify for other Federal programs because they can't meet the matching requirements for local cost-sharing. How are communities ever to improve their circumstances if they are never given a helping hand? Because of the situations that exist in some of the small, isolated communities of Appalachia, flexibility is critical to successful problem solving. Thus, an existing program in one Federal agency may not suit the need—but the flexible nature of the ARC program does help solve problems.

The ARC was not set up as a temporary agency. It was set up to deal with long-term, wide-spread fundamental problems in Appalachia. The problems with which ARC deals are not short term in nature. Rather, ARC deals with region wide problems of under development, isolation, and economic disparity. In no other region of the country do such problems stretch across such a vast area.

Mr. President, we hear a great deal of talk in this body about empowering local communities and States to make decisions about what works best for them. The structure of the Appalachian Regional Commission does just that. ARC operates from the bottom up—projects originate at the local level, and the Commission is comprised of the Governors of the thirteen States in the region, along with a Federal co-chairman. At present, there are eight Republican and five Democratic Governors who serve on the Commission and who have endorsed its continuation. No policy can be set or any money spent unless the Federal representative and a majority of the Governors reach agreement.

Mr. President, I urge Senators to reject this amendment. This agency is already funded $117 million below the fiscal year 1995 level, $17 million below the fiscal year 1996 level approved by the Senate, and $5 million below the fiscal year 1997 budget request level. Cuts are already being imposed on the ARC. I urge the Senate to stand by its earlier votes in support of the Appalachian Regional Commission.

Mr. ROCKEFELLER. Mr. President, I urge all of my colleagues to vote against the Grams amendment. It would be a mistake to cut funding for the Appalachian Regional Commission, a small and valuable agency that has earned strong, bipartisan support here in Congress and in the 13 States it serves.

Some Senators may think this is an amendment that only affects those of us representing Appalachian States. I want to explain why everyone in this body has reason to reject this amendment and its call for another cut in the ARC.

The people of every State have a stake in the economic strength of the rest of the country. When floods ravage the Midwest or the Gulf States; when a major defense installation or space center is located in a State like Texas or Alabama; when payments are made to farmers for crop support or losses; when California, Colorado, or some other Western State needs water to survive; when Federal research labs are placed in New Mexico or Massachusetts—when any of this support and assistance is extended, it is the country's way of investing in each region and in the future of Americans everywhere.

The Appalachian Regional Commission is the Federal Government's principal means of helping one distinct part of the country overcome some very real barriers. Its mission is to act as a Federal partner with the States of the Appalachian region—to overcome barriers from geography to infrastucture to poverty, and to lay the foundation for economic growth and prosperity.

The ARC has not exploded in size or scope or funding. Quite the opposite. In fact, as the dividends of its work have come through, Congress has been able to reduce its budget in the recent years.

This agency is a success story, and it is in the national interest to keep its work going to get the job done.

In many parts of the region, major progress has been achieved. But the ARC's job is not quite finished, and the agency needs adequate funding to continue its partnership with West Virginia and the Appalachian region to finish the foundation we need for more growth, more jobs, and more hope for our people.

In the bill before us, ARC's budget is cut by $5 million from last year's level. And more importantly, Senators should know that last year's level was set after ARC was cut by close to 40 percent from its fiscal year 1995 funding. The ARC and the States served by this small agency are doing their share of sacrifice for deficit reduction. The appropriation in this year's bill is fully consistent with the budget resolution, which assumed the continuation of the ARC. Its funding should not be further reduced.

The Grams amendment would cause real damage to the agency and to the parts of the Appalachian region where ARC's resources and expertise are still needed.

As a former Governor, and now as a U.S. Senator from West Virginia, I know vividly the value of the ARC and how it improves the lives of many hard-working citizens. Whether the funding is used for new water and sewer systems, physician recruitment, adult literacy programs, or the Appalachian corridor highways, it has made the difference in West Virginia, Kentucky, and the other Appalachian States.

The highways are the most visible and best known investments made by the ARC for the people of Appalachia. As of today, over two-thirds of the ARC highway system have been completed. But if the ARC is further cut, the job of bringing the Appalachian States up to the level of non-Appalachian States will be further delayed or never achieved at all.

At this very moment, some of these highways are called highways halfway to nowhere, because they are just that—half built, and only halfway to their destination.

The job has to be completed, so these highways become highways the whole way to somewhere. And that somewhere is called jobs and prosperity that will benefit the rest of the country, too. Appalachia simply wants to be connected to our national grid of highways. Parts of the region weren't lucky enough to come out as flat land, so the job takes longer and costs more. But it is essential in giving the people and families in this part of the United States of America a shot—a chance to be rewarded for a work ethic and commitment with real economic opportunity and a decent quality of life.

I won't speak for my colleagues from other Appalachian States, but West Virginia was not exactly the winner in the original Interstate Highway System. And Senators here represent many States that were. As a result, areas of my State have suffered, economically and in human terms. Without roads, people are shut off from jobs. That's obvious. But without roads, people also can't get decent health care. Dropping out of school is easier sometimes than taking a 2-hour bus ride because the roads aren't there.

Long before it was fashionable, ARC used a from-the-bottom-up approach to addressing local needs rather than a top-down, one-size-fits-all mandate of the type that has become all too familiar to citizens dealing with Federal agencies. It works, too.

I urge everyone in this body to keep a promise made to a region that has been short-shrifted. Each region is unique. Solutions have to differ, depending on our circumstances. When it comes to Appalachia, a small agency called the Appalachian Regional Commission should finish its work. Cutting its budget further will only create more problems and more costs that should be avoided. I urge my colleagues to vote against the Grams amendment, and again, I remind everyone that it is in the entire Nation's interest to invest in each region and each State in ways that deal with their needs and their potential.

Mr. WARNER. Mr. President, I rise in opposition to an amendment offered by Senator GRAMS of Minnesota which would drastically reduce funding for the Appalachian Regional Commission.

At a time when we are correctly terminating or scaling back outdated Federal programs, I believe the Appalachian Regional Commission is the type of Federal initiative we should be encouraging. It is important to recognize that the ARC uses its limited Federal dollars to leverage additional State and local funding. This successful partnership enables communities in Virginia to have tailored programs which help

them respond to a variety of grassroots needs.

In the Commonwealth of Virginia, 21 counties rely heavily on the assistance they receive from the Appalachian Regional Commission. Income levels for this region of Virginia further indicate that on average my constituents who reside in this region have incomes which are $6,000 below the average per capita income for the rest of the Nation.

In 1960, when the ARC was created, the poverty rate in Virginia's Appalachian region was 24.4 percent. Since that time the ARC has helped slash the region's poverty rate in half. However, we are still a long way from achieving the U.S. average poverty level of 13.1 and also the regional poverty level of other ARC-member States of 15.2 percent.

In addition to the progress made on the region's staggering poverty rate, the ARC has made important inroads curbing several other problems inherent in Appalachia. Since the inception of the ARC, the infant mortality rate in the region has fallen by two thirds. The high school graduation rate has doubled, and unemployment rates have significantly declined.

Even with these substantial improvements, however, the region still lags behind the rest of the Nation in all of these categories. Of the 339 counties within the purview of the ARC, 115 are classified as economically distressed. Meanwhile, the ARC continues with a 40-percent reduction from fiscal year 1995, and the pending Senate appropriations bill contains a further reduction of $5 billion from fiscal year 1996.

With these statistics in mind, I would like to offer some specific points one should keep in mind regarding the effectiveness of ARC programs, its relationship with the Commonwealth of Virginia, and the direct impact that this relationship has on the private sector.

In recent years, a significant portion of ARC funds have been dedicated to local economic development efforts. Were it not for this assistance, the LENOWISCO Planning District and Wise County would not have been able to complete construction of the water and sewage lines to provide utility services to the Wise County Industrial Park at Blackwood. These lines were financed by a $500,000 grant from the ARC and a $600,000 grant from the U.S. Economic Development Administration. The construction of these utilities to serve a new industrial park has attracted a major wood products manufacturing facility which has created 175 new jobs for the community.

The Fifth Planning District serving the Allegheny Highlands of Virginia is a prominent example of leveraging other State and local funds and stimulating economic development with partial funding from the ARC. For fiscal year 1995 with $350,000 from the ARC, the Allegheny Regional Commerce Center in Clifton Forge, VA was established. This new industrial center already has a commitment from 2 industries bringing new employment opportunities for over 220 persons.

The ARC funds for this project has generated an additional $500,000 in State funds, $450,000 from the Virginia Department of Transportation, $145,000 from Allegheny County, and $168,173 from the Allegheny Highlands Economic Development Authority. As a result of a limited Federal commitment, there is almost a 4 to 1 ratio of non-Federal dollars compared to Federal funds.

In many cases these funds have been the sole source of funding for local planning efforts for appropriate community development. For example, such funds have been used to prepare and update comprehensive plans which are required by Virginia State law to be updated every 5 years in revise zoning, subdivision, and other land use ordinances. In addition funds are used to prepare labor force studies or marketing plans to guide industrial development sites.

Mr. President, the mission of the Appalachian Regional Commission is as relevant today as it was when the program was created. This rural region of our Nation remains beset with many geographic obstacles that have kept it isolated from industrial expansion. It is a region that has been attempting to diversify its economy from its dependency on one industry—coal mining—to other stable employment opportunities. It is a program that provides essential services and stimulates the contributions of State and local funds.

I urge the Senate to reject the Grams amendment and supply the necessary funding for this crucial and important program.

The PRESIDING OFFICER. The question now occurs on agreeing to the motion to lay on the table the Grams amendment. The yeas and nays have been ordered. Those in favor of tabling the Grams amendment will vote aye. Those opposed to tabling the GRAMS amendment will vote no. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. NICKLES. I announce that the Senator from Kansas [Mrs. FRAHM] is necessarily absent.

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

The result was announced—yeas 69, nays 30, as follows:

[Rollcall Vote No. 252 Leg.]

YEAS—69

Akaka	Cochran	Ford
Baucus	Conrad	Frist
Bennett	Coverdell	Glenn
Biden	D'Amato	Gorton
Bingaman	Daschle	Graham
Boxer	DeWine	Harkin
Bradley	Dodd	Hatch
Breaux	Domenici	Hatfield
Bryan	Dorgan	Heflin
Bumpers	Exon	Helms
Burns	Faircloth	Hollings
Byrd	Feinstein	Inouye
Jeffords	McConnell	Rockefeller
Johnston	Mikulski	Santorum
Kassebaum	Moseley-Braun	Sarbanes
Kennedy	Moynihan	Shelby
Kerrey	Murkowski	Simon
Kerry	Murray	Specter
Lautenberg	Nunn	Stevens
Leahy	Pell	Thurmond
Levin	Pryor	Warner
Lieberman	Reid	Wellstone
Lott	Robb	Wyden

NAYS—30

Abraham	Gramm	Mack
Ashcroft	Grams	McCain
Bond	Grassley	Nickles
Brown	Gregg	Pressler
Campbell	Hutchison	Roth
Chafee	Inhofe	Simpson
Coats	Kempthorne	Smith
Cohen	Kohl	Snowe
Craig	Kyl	Thomas
Feingold	Lugar	Thompson

NOT VOTING—1

Frahm

The motion to lay on the table the amendment (No. 5100) was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

Mr. DOMENICI. I understand Senator WELLSTONE has a colloquy in lieu of an amendment.

Mr. WELLSTONE. I ask unanimous consent to withdraw my amendment.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

BIOMASS RURAL ELECTRICITY PROJECTS

Mr. WELLSTONE. Mr. President, let me be quite brief because I know we are going to a final vote. One of the more exciting developments for rural America are biomass rural electricity projects. I was in Granite Falls, MN, yesterday, and the high school auditorium was filled with citizens excited about a project with the alfalfa producers co-op. This is biomass rural electricity. This is a value-added, farmer-owned co-op. This is rural economic development. This is environmentally sound. This is new products for agriculture. It is renewable energy.

The question I ask the managers of the bill is, will these projects be eligible for consideration for funding in fiscal 1997 out of the funds provided? My concern, as the Senator from Minnesota, is that, as a matter of fact, these kinds of projects, based upon this renewable energy policy, based upon this concern about the environment and rural economic development, will be eligible for funding.

So my question, one more time, is whether or not these projects will be eligible for consideration of funding in fiscal 1997 out of the funds provided.

Mr. JOHNSTON. Mr. President, the answer is, yes, these projects for biomass electric will be eligible, and the Department should give full consideration to these projects along with those mentioned in the committee report. These appear to be promising technologies, and we will urge the department to fully consider them.

Mr. DOMENICI. Mr. President, I have listened to the colloquy and reviewed it before. I agree.

Mr. WELLSTONE. Mr. President, I thank both the Senator from Louisiana and the Senator from New Mexico.

AMENDMENT NO. 5122

Mr. DOMENICI. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Mexico [Mr. DOMENICI] proposes an amendment numbered 5122.

Mr. DOMENICI. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 22, line 17, following ''$92,629,000'' insert the following: '': *Provided further,* That in addition to any other payments which it is required to make under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, the Department of Energy shall remit to the Office of Personnel Management for deposit in the Treasury of the United States to the credit of the Civil Service Retirement and Disability Fund an amount equal to 15 percent of the final basic pay of each employee who is covered under subchapter III of chapter 83 or chapter 84 of title 5 to whom a voluntary separation incentive has bee paid under this paragraph''.

Mr. DOMENICI. Mr. President, yesterday we accepted an amendment to the bill to provide the Secretary of Energy with buyout authority in fiscal year 1997. If buyouts are offered, the Civil Service Retirement and Disability Fund would be required to make previously unanticipated payments which results in a scoring issue.

The technical amendment I offer will resolve the scoring issue by directing the Secretary of Energy to make appropriate payments to the Civil Service Retirement and Disability Fund on behalf of employees who accept buyouts.

Mr. President, I ask that the amendment be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 5122) was agreed to.

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

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

The motion to lay on the table was agreed to.

THE ADVANCED COMPUTATIONAL TECHNOLOGY INITIATIVE

Mr. STEVENS. I would like to enter into a colloquy with the bill manager, Senator DOMENICI, and Senator BENNETT. The Advanced Computational Technology Initiative [ACTI] is an ongoing DOE advanced R&D Program involving joint research efforts by the national labs and the oil and gas industry. The program pairs the unique supercomputing capabilities of DOE's nine multi-purpose National Laboratories with the domestic oil and natural gas industry. These research capabilities that would not otherwise be readily available will enable American industry to solve some of the grand challenge problems that exist in exploration and production geophysics, engineering, and geoscience.

Mr. BENNETT. This program is a collaborative effort that will produce significant energy security benefits. For example, the program is advancing technology to reduce the costs of acquiring seismic data and enhance 3D simulation using advanced visualization and virtual reality in reservoir engineering. These advances will bring down development costs in marginal areas thereby increasing net production and reducing the surface impacts of oil drilling. The application of advanced technologies will enhance oil recovery from current producing areas in Prudhoe Bay, the Gulf of Mexico, and the Appalachian Basin.

Mr. STEVENS. The Federal funding supports the national lab and university components, no Federal funds go to the industry. The projects have been selected on a competitive basis to ensure only relevant and widely beneficial research is supported by DOE. Industry contributes over 50 percent on a cost-sharing basis.

Mr. BENNETT. In order to adequately fund this program, $9,000,000 under Engineering and Geosciences in Basic Energy Sciences, and $5,000,000 in computational technology research in other energy research programs must be committed to the Department's Advanced Computational Technology Initiative.

Mr. DOMENICI. I agree with my colleagues as to the value of the ACTI Program and support Department funding of the program at this level.

SOLAR, WIND, AND RENEWABLES ACCOUNT

Mr. JEFFORDS. Mr. President, I would like to engage in a brief colloquy with the chairman of the Energy and Water Appropriations Subcommittee regarding the amendment that was adopted yesterday restoring funding to the solar, wind, and renewables account. Is it the chairman's understanding that $23.072 million has been transferred into the solar and renewables account in this appropriations measure, leaving a total of $269.713 million for the solar and renewable energy account.

Mr. DOMENICI. That is my understanding.

Mr. JEFFORDS. Is it also your understanding that of this $23.072 million in the amendment, $16.5 million shall be for an increase in wind energy systems of which $2 million shall be for the Kotzebue, Alaska project. In addition, the amendment would provide increases of $2.0 million for international solar, $1.5 million for solar thermal; $1.0 million for resource assessment; $1.072 million for the renewable energy production incentive program; and $1 million for the utility climate challenge program.

Mr. DOMENICI. That is correct, Senator.

Mr. JEFFORDS. I would like to thank the managers of this bill for their assistance with this important amendment.

INEL

Mr. KEMPTHORNE. Mr. President, the senior Senator from Idaho, Mr. CRAIG, and I, should like to engage the chairman of the Senate Energy and Water Appropriations Subcommittee, Mr. DOMENICI, in a colloquy for purposes of clarification regarding the status of two INEL projects, funding for which is not specific in the report.

Mr. DOMENICI. Mr. President, under the Defense Environmental Restoration and Waste Management account for the Department of Energy; more specifically within the nuclear material and facility stabilization section, it is stated that the ''Committee is aware that the Idaho National Engineering Laboratory has been designated the lead lab under DOE's National Spent Nuclear Fuel Program and that the Department has acknowledged that increased funding will be needed to carry out the additional responsibilities.'' In this regard, Mr. President, the Committee—Energy and Water Appropriations—recommendation is consistent with the Senate authorizing committee action for this activity.

Mr. KEMPTHORNE. As the distinguished chairman of the Senate Energy and Water Appropriations Subcommittee, the Senator from New Mexico, knows, the Senate Defense authorization bill for fiscal year 1997, H.R. 3230, also authorizes funding under the nuclear material and facility stabilization provision for spent fuel vulnerabilities associated with activities at INEL's power burst facility. Was it the intent of the committee recommendation, to be consistent with the Senate authorizing committee action for the national spent fuel activity, to also include funding for this provision?

Mr. DOMENICI. While the two INEL projects under the National Spent Nuclear Fuel Program were not actually described in report language, it was the intent of the committee to include both activities for funding under this section—nuclear material and facility stabilization.

Mr. CRAIG. Will the Senator from New Mexico indulge me in turning to another section of the energy and water appropriations bill, S. 1959; specifically the Waste Management Program under the Defense environmental restoration and waste management section for further clarification?

Mr. DOMENICI. Certainly.

Mr. CRAIG. The fiscal year 1997 Defense authorization bill also provided authorization for a surety program at the INEL to improve waste minimization efforts in the new stockpile management modernization program. Was it the intent of the committee to also provide funding for this activity within the waste management section, which

received an additional $138.4 million from the President's budget request?

Mr. DOMENICI. The DOE Waste Management Program seeks to protect the public and workers by seeking to minimize, treat, store, and dispose of radioactive, hazardous, mixed and sanitary waste generated by past and ongoing operations at DOE facilities, which is consistent with the surety program.

INDIAN ENERGY RESOURCES PROGRAM

Mr. STEVENS. Included in this appropriations bill is funding for the Indian Energy Resources Grant program, which was originally authorized in the Energy Policy Act of 1992. As the Senator from New Mexico knows well, in its short history, this program has been put to good use in providing up to a 50-percent match for funding for sorely needed energy projects in Native communities.

Mr. DOMENICI. I share the sentiments of the Senator from Alaska regarding the importance of the grants provided under the Indian Energy Resources Program.

Mr. STEVENS. I appreciate that the Senator's work on this year's bill included funding for three important renewable energy projects in Alaska—two are clean, small hydroelectric projects to partially or fully replace 100 percent diesel-generated electricity in rural parts of Alaska, which are predominantly Native. Funding for the third project will be for the construction of a transmission intertie to bring energy from a recently completed hydroelectric project to several communities.

For rural Alaska, electric power is still expensive and limited in supply. Electricity is produced in rural Native villages by burning diesel fuel that is brought in to the villages during the summer months and stored in fuel tanks. For the past two decades the State of Alaska has been able to provide subsidies to rural Alaskans through its Power Cost Equalization Program. Because the oil fields of Alaska's North Slope are now in decline, however, and because development of the known oil field on the Coastal Plain of the Arctic National Wildlife Refuge is still restricted, the State's continuation of this program is uncertain.

Rural Alaskans, therefore could be facing an increase in their energy bills on the order of 30 cents to more than $1 per kilowatt hour. The national average for electric power is just 7 to 8 cents per kilowatt hour. For this reason, development of renewable energy and energy transmission projects in rural Alaska is all the more important.

My only disappointment regarding this program is that, with the limited funding we are able to provide this year, several worthy projects, such as the hydroelectric projects proposed for Old Harbor and Admiralty Island, Alaska, were not funded. Additionally, the authorization for the Indian Energy Resources Program is only through fiscal year 1997.

It is my hope that the Department of Energy will give what support it can to Native projects such as the Old Harbor and Admiralty Island hydroelectric projects this year. I also fully support the reauthorization of this program.

Mr. DOMENICI. I agree with the Senator that we would have hoped to provide funding to all the proposed worthy projects. As this was simply not possible, however, the absence of earmarks should not prohibit the Department of Energy from providing technical and financial assistance where possible. This program has been important to Indian projects in my State as well, and I look forward to working with the Senator from Alaska in its continuation.

TITLE XVI WATER RECYCLING PROGRAM

Mr. BENNETT. I thank my friend from New Mexico, the distinguished chairman of the Energy and Water Development Subcommittee for his leadership on this bill. I particularly wish to thank the Senator for his personal commitment to the Bureau of Reclamation's title XVI water recycling program. As the Senator knows, I am a strong advocate of this program. In arid Western States like Utah, water reuse is the next logical step, both economically and environmentally toward guaranteeing more dependable water supplies for our cities and towns.

As the Senator knows, I have sponsored legislation to expand the existing title XVI program which I am hopeful will be enacted this year. This legislation includes projects in my own State of Utah as well as projects in New Mexico, Texas, Nevada, and California. In anticipation of the enactment of that legislation, I have asked the distinguished chairman to seek the inclusion of certain language in the conference report accompanying this bill at the proper time. This language that would instruct the Bureau of Reclamation to make available to other water recycling projects authorized under title XVI any funds appropriated by this bill of title XVI projects that the Bureau may be unable to obligate for whatever reasons when it is possible.

Would the distinguished chairman agree to seek the inclusion of this language in the conference report?

Mr. DOMENICI. The Senator from Utah is correct.

Mr. BENNETT. I thank the Senator for his courtesy in this regard.

ADVANCED RESERVOIR MANAGEMENT PROGRAM

Mr. DOMENICI. Mr. President, I rise today to point out to my colleagues the importance of an initiative within the Department of Energy [DOE] that represents the proper partnership role for the Department and our private sector. I speak of the advanced reservoir management [ARM] project that has been funded under the Defense Activities, Technology Transfer account within the Energy and Water Appropriations bill. This program takes advantage of the unique computer capabilities of our national lab stockpile stewardship initiative and the common problems facing the independent oil and gas producers of the country. These problems involve complex legacy databases and require advanced computational challenges that are simply beyond the grasp of most independent oil and gas producers to solve on their own. This program represents a new model for industry-lab partnerships and serves the Nation by enhancing the stockpile stewardship mission while contributing to essential new knowledge and capability in our energy sector. In doing so, this partnership contributes to both our national defense and to the Nation's energy security. I suggest that this program should continue to be an important part of the DOE mission.

FORMERLY UTILIZED SITES REMEDIAL ACTION PROGRAM

Mr. D'AMATO. Mr. President, I wonder if the chairman will yield for a moment.

Mr. DOMENICI. I am happy to yield to my friend from New York.

Mr. D'AMATO. Thank you, Mr. President. Tonawanda, NY, is home to seven sites that are on the Department of Energy's Formerly Utilized Sites Remedial Action Program [FUSRAP] list. Four of these sites—Ashland 1, Ashland 2, Seaway Industrial Park and Linde Air Products—are collectively known as the Tonawanda Site. The Tonawanda site is a legacy of the Manhattan Project and contains approximately 350,000 cubic yards of radioactive waste. For 18 years, the Department of Energy has engaged in study after study and has spent over $20 million to determine how to permanently dispose of this waste. There is no support for Tonawanda's 80,000 residents for siting this waste within the town. For 50 years they have had to endure this waste and the blight it has cast upon their town. They are sick of it and they want it gone.

Mr. MOYNIHAN. If I may add, the citizens of Tonawanda, through their elected officials, have engaged our offices and have asked Senator D'AMATO and me to request that the Congress give direction to the Department of Energy in order to start the process towards removal and disposal of this waste. We both agreed that we would do what we could to relieve the town's burden. Now, Mr. President, this is a daunting task requiring many tens of millions of dollars. We do not believe for a moment that it will be easy. However, we are here today to ask the chairman's assistance with the next step.

Mr. D'AMATO. Mr. President, the Department of Energy has indicated that moving this waste will be expensive, however, we are not aware of any fixed price of what it would cost to remove, transport and dispose of this waste. We do not know if a business, operating in the open market, can present a reasonable, competitive bid. We do not know because no bids have been put forth by the Department that would determine the private sector's

ability to manage this waste. Hence, the waste remains where it is, the studies continue and the citizens of Tonawanda grow frustrated.

Mr. MOYNIHAN. The Department should at least explore the options available to them. The private sector may be able to present a bid that would speed-up the clean-up of the Tonawanda site in a cost-effective manner. Maybe it cannot. The problem is the Department of Energy is reluctant to even find out.

Mr. DOMENICI. I appreciate hearing the concerns of my friends from New York. I can understand their wanting to see this site cleaned-up as quickly and efficiently as possible. I can also understand the concerns of the citizens of Tonawanda—they will only be pleased with the total removal of this 350,000 cubic yards of radioactive waste. Finally, I can understand the funding constraints of the FUSRAP program within the Department of Energy that can make decisions like these very difficult. Nevertheless, I believe that the Senators from the State of New York have a right to find out what analyses the Department of Energy possesses that indicate that removal, transportation and off-site storage appear unacceptable to the Department.

Mr. D'AMATO. I thank my friend from New Mexico for his indulgence.

Mr. MOYNIHAN. I thank the chairman, as well.

RENEWABLE AND CONSERVATION RESOURCES

Mr. HATFIELD. Mr. President, if I might have the attention of my friend from New Mexico, the distinguished manager of the pending legislation, I would like to clarify a clerical error which appeared in the Senate committee report on this legislation. The item I seek to clarify involves the role of the Bonneville Power Administration in advancing the use of renewable energy resources and promoting energy conservation in the Pacific Northwest.

The following language was included in the subcommittee report to accompany S. 1959:

Renewable Resource Development.—The Committee understands that the BPA, in keeping with the goals of the 1980 Northwest Power Planning and Conservation Act, is involved in four renewable resource demonstration projects in the region. The Committee supports BPA's efforts to confirm and expand the supply of renewable resources in the Northwest, and expects BPA to complete the two wind and two geothermal projects it has underway. Completing these projects will lay the foundation for building a renewable marketplace in the region, and will benefit both the environment and the local economy. The Committee understands that BPA may spend up to $40,000,000 each year on these projects once they are all in service, and encourages BPA to move forward expeditiously on their completion. The Committee directs BPA to prepare a report on the progress of this program by March 1, 1997.

Subsequently, during the markup of S. 1959 in the full Appropriations Committee, language on renewable energy was agreed to which was intended to replace, not be added to, the above subcommittee report language. The language is as follows:

Renewable and conservation resources.—The Committee continues to strongly support conservation and renewable energy resources. These resources remain the foundation for a sustainable energy future in the Pacific Northwest as the region approaches the new century. The Committee strongly encourages the Bonneville Power Administration, the Northwest Power Planning Council, and other participants in the regional review being conducted by the Governors of the four Northwest States, to explore all innovative measures to assure achievement of pace-setting energy conservation and renewable resource targets in the coming decade. The Committee urges that new mechanisms be defined to assure adequate funding to sustain and substantially expand energy conservation and renewable resources as the electric power industry transitions to a more deregulated energy marketplace. While the Committee recognizes the BPA's need to remain competitive and assure its payments to the U.S. Treasury, BPA should make every effort to fulfill the commitments it has made to renewable energy and energy conservation resources.

To summarize, the paragraph entitled, ''Renewable and conservation resources,'' adopted in the full committee markup, was meant to replace the paragraph entitled, ''Renewable Resource Development'', which was adopted in the subcommittee markup.

My purpose in speaking on this issue is to clarify this point with the chairman of the subcommittee, Mr. Domenici. Does the Senator from New Mexico's understanding of committee's intent comport with what I just described.

Mr. DOMENICI. Mr. President, the Senator from Oregon has accurately described the intent of the committee. I thank my friend for clarifying the committee's intent with regard to this clerical error.

RENEWABLE ENERGY PROGRAMS

Mr. ROTH. Mr. President, I am pleased that the Senate Energy and Water Appropriations bill includes my amendment that increase funding for renewable energy programs. My amendment restore $23 million to solar and wind energy programs, bringing funding to these programs up to last year's levels.

Mr. President, renewable energy technologies represent our best hopes for reducing air pollution, creating jobs and decreasing our reliance on imported oil and finite supplies of fossil fuels. These programs promise to supply economically competitive and commercially viable energy, while also assisting our Nation in reducing greenhouse gases and oil imports. I believe that the Nation should be looking toward alternative forms and sources of energy, not taking a step backward by cutting funding for these programs.

My own State of Delaware has a long tradition in solar energy. In 1972, the University of Delaware established one of the first photovoltaic laboratories in the Nation. The University has been instrumental in developing solar photovoltaic energy, the same type of energy that powers solar watches and calculators.

Delaware has a major solar energy manufacturer, Astro Power, which is now the fastest growing manufacturer of photovoltaic cells in the world. In collaboration with the University of Delaware and Astro Power, Delaware's major utility—Delmarva Power & Light—has installed an innovative solar energy system that has successfully demonstrated the use of solar power to satisfy peak electrical demand.

Through this collaboration, my State has demonstrated that solar energy technology can be an economically competitive and commercially viable energy alternative for the utility industry.

It is vital that we continue to manufacture these solar cell products with the high performance, high quality, and low costs required to successfully compete worldwide. Investment in Department of Energy solar and renewable energy programs has put us on the threshold of explosive growth. Continuation of the present renewable energy programs is required to achieve the goal of a healthy photovoltaic industry in the United States.

While the solar energy industries might have evolved in some form on their own, the Federal investment has accelerated the transition from the laboratory bench to commercial markets in a way that has already accrued valuable economic benefits to the Nation.

The solar energy industries—like Astro Power—have already created thousands of jobs and helped to reduce our trade deficit through exports of solar energy systems overseas, mostly to developing nations, where 2 billion people are still without access to electricity.

International markets for solar energy systems are virtually exploding, due to several key market trends. Most notably, solar energy is already one of the lowest cost options available to developing countries that cannot afford to build large, expensive centralized power generation facilities with elaborate distribution systems.

The governments of Japan, Germany, and Australia are investing heavily in aggressive technology and market development in partnership with their own solar energy industries. Until recently, Japan and Germany held the lead in world market share for photovoltaics; the United States has only recently recaptured international market dominance. Cutting funding for commercializing these technologies would have a chilling effect on the U.S. industry's ability to compete on an international scale in these billion-dollar markets of today and tomorrow. The employment potential of renewables represents a minimum of 15,000 new jobs this decade with nearly 120,000 the next decade.

It is imperative that this Senate support solar and renewable energy technologies and be a partner to an energy future that addresses our economic needs in an environmentally acceptable manner. My State has done and will continue to do its part. I hope my colleagues in the Senate will look to the future and do their part in securing a safe and reliable energy future by supporting this amendment.

Mr. MCCAIN. Mr. President, before final passage of this bill I wanted to make a few points.

First, I want to thank the managers of the bill. Their job is a thankless task and they deserve great credit for moving this important measure with such speed through the Senate.

But, Mr. President, this bill is fundamentally a flawed measure. As is the custom in the Energy and Water Appropriations bill, we put into statute all of the Army Corps of Engineer projects. This practice is very disconcerting.

After carefully examining where such funds are to be spent, one comes to the conclusion that the needs of the States represented by members of the Appropriations Committee have more weight than the needs of other States. It is for this reason that we should end this practice of earmarking Army Corps funds.

Instead, Mr. President, we should develop a system where the States and the Corps work together, develop a priority list based on national needs, and then that list is funded from a lump sum. Such a practice would eliminate the earmaking of this money as it now occurs and would—I believe—prove much more fair.

I am also concerned that some of the projects in the bill are fully funded by the Federal Government while others are not.

I note that on page 5 of the bill a project in Shreveport, LA is funded ''at full Federal expense.'' I wonder why this is being done.

On page 7, we do the same thing with a project in West Virginia.

Mr. President, it is these kinds of earmarks that I believe we should all be concerned.

Additionally, on page 11 of the bill, section 108, we are funding a wharf at the Charleston Riverfront Park in West Virginia. Why aren't there similar sections for other parks?

Mr. President, it is this constant earmarking that leaves me no choice but to vote against this bill. I would hope that in the future we could develop a better system for spending this money.

Mr. WYDEN. Mr. President, I rise in support of S. 1959, the fiscal year 1997 energy and water development appropriations bill.

I am particularly pleased that the Senate is restoring funding for renewable energy programs. A portion of the restored funds will go to support a Federal interagency board, The Committee on Renewable Energy Commerce and Trade [CORECT]. This program came out of legislation authored by Senator HATFIELD and myself in the 97th Congress which President Reagan signed. The premise of the legislation was simple: build effectiveness of Government export assistance programs by having Federal agencies work together, team together. CORECT has worked well. Not only has United States industry identified nearly $2 billion of potential in Latin America alone, but global sales for United States renewable energy equipment and services have more than doubled over the last few years.

Mr. President, I also want to thank the chairman and ranking member for including funding for a particular project—the restoration of wetlands on the Williamson River in Oregon.

This project is one of the results of an environmental initiative by my colleague, Senator HATFIELD, over the past several years.

When endangered fish concerns and other environmental problems started coming to light on the Upper Klamath River in the southern part of our state, it was Senator HATFIELD who provided funding and direction to all the Federal agencies involved to work together on solutions, instead of standing around blaming each other for the problems. And, it was Senator HATFIELD who got them to bring the local stakeholders together to work in league with the agencies in considering those problems and trying to agree on solutions—not in the courts, but sitting down face to face with each other.

The people at that table—including the farmers who use water from the Bureau of Reclamation's Klamath project, the Klamath Tribe, hydro generators, other commercial interests, Oregon Trout, and the Nature Conservancy—probably won't ever achieve perfect harmony. They each have their own priorities. But working together, they have been able to agree on positive steps to take to solve some of the environmental problems in the Upper Klamath Basin—and the Tulana Farms wetlands restoration project at the mouth of the Williamson River is one of those.

The Fish and Wildlife Service identified this restoration as a key element in restoring two endangered fish species on the river, and the Nature Conservancy worked with CH2MHill to design the project in such a way that it adds flexibility to the use of the hydro and irrigation projects on the river, rather than constraining it.

They also designed the project to keep a parcel of the Tulana Farms property in agricultural production, because of its role as an important source of seed potatoes for neighboring farmers.

The Federal Government has a responsibility to address the sorts of problems people are facing on the Upper Klamath. But I am proud to say that the Klamath Basin Working Group working with the Klamath Ecosystem Restoration Office did not simply pass the responsibility for solving these problems—or the bill—to the Federal Government.

They have taken on a substantial part of that responsibility. The restoration work and management of the project will be done by the Nature Conservancy. PacifiCorp and the New Earth Co., both of which have operations on the Upper Klamath system, are contributing $4 million of private funding to the project.

Complaining about a problem is a whole lot easier than solving it, especially when a solution affects lots of different interests, and lots of different people. I want to congratulate the people who have worked together to make this project possible, and urge my colleagues to support the work they have taken on.

TVA COMPETING WITH PRIVATE SECTOR ON ENGINEERING WORK

Mr. COCHRAN. Mr. President, Congress has for many years provided a specific appropriation to fund the Environmental Research Center in Muscle Shoal, AL, until last year, when Congress directed TVA to begin looking for ways to finance the Center's operations with funds other than appropriations.

The Chairman of TVA's Board, Craven Crowell, acknowledged this past March in testimony before our subcommittee that TVA had prepared a plan to continue operating the Environmental Research Center using outside funding sources. It has recently come to my attention that one of the ways TVA plans to continue the Center's operation is to compete for work with the private sector.

Under the latest effort, TVA has produced and distributed materials intended to capitalize on their in-house expertise and resources to perform private sector engineering work. These services include: constructed wetland for wastewater treatment; removal of underground storage tanks; site assessment; environmental restoration; groundwater monitoring, and hazardous waste management. In Mississippi alone, there are over 78 private firms, many of them small businesses, who already provide these services.

TVA's marketing of these activities to the private sector has not only created a competitive challenge because of TVA's reputation and resources, but their Government status has created a greater financial and marketing disadvantage to hundreds of private, small business engineering firms across the seven State Tennessee Valley region who are capable and have an excellent track record in performing these kinds of activities.

I have serious concerns whenever the Federal Government or quasi-governmental agencies attempt to unfairly compete with the private sector. I raise this issue today as we consider the energy and water appropriations bill because our friends in the other body have proposed to eliminate funding for the Environmental Research Center. The effect of their provision will be for TVA to accelerate its efforts to compete for private sector work.

I encourage the Energy and Water Development Subcommittee to look into this issue to ensure that TVA is not unfairly competing with private sector engineering consulting firms.

Mr. DOMENICI. Mr. President, I would like to take a moment to discuss the budget impact of S. 1959, the Energy and Water Development Appropriations Act, 1997.

This bill as reported provides $20.3 billion in budget authority and $13.1 billion in new outlays to fund the civil programs of the Army Corps of Engineers, the Bureau of Reclamation, certain independent agencies, and most of the activities of the Department of Energy. When outlays from prior year budget authority and other actions are taken into account, this bill provides a total of $19.9 billion in outlays.

The subcommittee met its budget authority allocation for defense and nondefense. The bill falls below its defense discretionary outlay allocation by $305 million and its nondefense discretionary outlay allocation by $13 million.

Mr. President, I ask unanimous consent that a table displaying the Budget Committee scoring of this bill be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ENERGY AND WATER SUBCOMMITTEE SPENDING TOTALS—SENATE-REPORTED BILL

[Fiscal year 1997, in millions of dollars]

	Budget authority	Outlays
Defense discretionary:		
Outlays from prior-year BA and other actions completed	.....	2,863
S. 1959, as reported to the Senate	11,600	8,065
Scorekeeping adjustment	.....	.....
Subtotal defense discretionary	11,600	10,928
Nondefense discretionary:		
Outlays from prior-year BA and other actions completed	.....	3,970
S. 1959, as reported to the Senate	8,708	4,986
Scorekeeping adjustment	.....	.....
Subtotal nondefense discretionary	8,708	8,956
Mandatory:		
Outlays from prior-year BA and other actions completed	.....	.....
S. 1959, as reported to the Senate	.....	.....
Adjustment to conform mandatory programs with Budget	.....	.....
Resolutoin assumptions	.....	.....
Subtotal mandatory	.....	.....
Adjusted bill total	20,308	19,884
Senate Subcommittee 602(b) allocation:		
Defense discretionary	11,600	11,233
Nondefense discretionary	8,708	8,969
Violent crime reduction trust fund	.....	.....
Mandatory	.....	.....
Total allocation	20,308	20,202
Adjusted bill total compared to Senate Subcommittee 602(b) allocation:		
Defense discretionary	.....	−305
Nondefense discretionary	.....	−13
Vlolent crime reduction trust fund	NA	NA
Mandatory	.....	.....
Total allocation	.....	−318

Note: Details may not add to totals due to rounding. Totals adjusted for consistency with current scorekeeping conventions.

Mr. DOMENICI. Mr. President, I think we are prepared to go to third reading.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. Under the previous order, the clerk will report H.R. 3816.

The legislative clerk read as follows:

A bill (H.R. 3816) making appropriations for energy and water development for the fiscal year ending September 30, 1997, and for other purposes.

The Senate proceeded to consider the bill.

The PRESIDING OFFICER. Under the previous order, all after the enacting clause is stricken and S. 1959, as amended, will be inserted in lieu thereof, and the bill is considered read the third time.

The bill was considered read the third time.

The PRESIDING OFFICER. The question occurs on passage of H.R. 3816, as amended.

Mr. DOMENICI. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second.

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is, Shall the bill pass?

The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Kansas [Mr. FRAHM], is necessarily absent.

The result was announced—yeas 93, nays 6, as follows:

[Rollcall Vote No. 253 Leg.]

YEAS—93

Abraham	Feinstein	Lugar
Akaka	Ford	Mack
Ashcroft	Frist	McConnell
Baucus	Glenn	Mikulski
Bennett	Gorton	Moseley-Braun
Biden	Graham	Moynihan
Bingaman	Gramm	Murkowski
Bond	Grams	Murray
Boxer	Grassley	Nickles
Bradley	Gregg	Nunn
Breaux	Harkin	Pell
Bryan	Hatch	Pressler
Bumpers	Hatfield	Pryor
Burns	Heflin	Reid
Byrd	Helms	Robb
Campbell	Hollings	Rockefeller
Chafee	Hutchison	Santorum
Coats	Inhofe	Sarbanes
Cochran	Inouye	Shelby
Cohen	Jeffords	Simon
Conrad	Johnston	Simpson
Coverdell	Kassebaum	Smith
Craig	Kempthorne	Snowe
D'Amato	Kennedy	Specter
Daschle	Kerrey	Stevens
DeWine	Kohl	Thomas
Dodd	Lautenberg	Thompson
Domenici	Leahy	Thurmond
Dorgan	Levin	Warner
Exon	Lieberman	Wellstone
Faircloth	Lott	Wyden

NAYS—6

Brown	Kerry	McCain
Feingold	Kyl	Roth

NOT VOTING—1

Frahm

The bill (H.R. 3816), as amended, was passed, as follows:

Resolved, That the bill from the House of Representatives (H.R. 3816) entitled ''An Act making appropriations for energy and water development for the fiscal year ending September 30, 1997, and for other purposes'', do pass with the following amendment:

Strike out all after the enacting clause and insert:

That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 1997, 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 supervision of 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, restudy of authorized projects, miscellaneous investigations, and, when authorized by laws, surveys and detailed studies and plans and specifications of projects prior to construction, $154,557,000, to remain available until expended, of which funds are provided for the following projects in the amounts specified:

Coastal Studies Navigation Improvements, Alaska, $500,000;

Red River Navigation, Southwest, Arkansas, $600,000;

Tahoe Basin Study, Nevada and California, $200,000;

Walker River Basin Restoration Study, Nevada and California, $300,000;

Bolinas Lagoon restoration study, Marin County, California, $500,000;

Barnegat Inlet to Little Egg Harbor Inlet, New Jersey, $300,000;

South Shore of Staten Island, New York, $300,000; and

Rhode Island South Coast, Habitat Restoration and Storm Damage Reduction, Rhode Island, $300,000.

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 development with participation or 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), $1,049,306,000, to remain available until expended, of which such sums as are necessary pursuant to 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 waterways projects, including rehabilitation costs for the Lock and Dam 25, Mississippi River, Illinois and Missouri, Lock and Dam 14, Mississippi River, Iowa, and Lock and Dam 24, Mississippi River, Illinois and Missouri, projects, and of which funds are provided for the following projects in the amounts specified:

Larsen Bay Harbor, Alaska, $2,000,000;

Ouzinkie Harbor, Alaska, $2,000,000;

Valdez Harbor, Alaska, Intertidal Water Retention, $1,000,000;

Red River Emergency Bank Protection, Arkansas, $6,000,000;

Indianapolis Central Waterfront, Indiana, $2,000,000;

Harlan (Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River), Kentucky, $10,000,000;

Williamsburg (Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River), Kentucky, $4,700,000;

Middlesboro (Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River), Kentucky, $4,000,000;

Pike County (Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River), Kentucky, $3,000,000;

Ouachita River Levees, Louisiana, $2,600,000;

Lake Pontchartrain and Vicinity, Louisiana, $18,525,000;

Lake Pontchartrain (Jefferson Parish) Stormwater Discharge, Louisiana, $3,500,000;

Red River Emergency Bank Protection, Louisiana, $4,400,000;

Mill Creek, Ohio, $500,000;

Seelconk River, Rhode Island Bridge removal, $650,000;

Red River Chloride Control, Texas, $4,500,000;

Wallisville Lake, Texas, $5,000,000;

Richmond Filtration Plant, Virginia, $3,500,000;

Virginia Beach, Virginia, Hurricane Protection, $8,000,000;

Hatfield Bottom (Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River), West Virginia, $1,600,000;

Lower Mingo (Kermit) (Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River), $4,200,000;

Lower Mingo, West Virginia, Tributaries Supplement, $105,000; and

Upper Mingo County (Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River), West Virginia, $4,000,000: Provided, That of the funds provided for the Red River Waterway, Mississippi River to Shreveport, Louisiana, project, $3,000,000 is provided, to remain available until expended, for design and construction of a regional visitor center in the vicinity of Shreveport, Louisiana at full Federal expense: Provided further, That the Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to initiate construction on the following projects in the amounts specified:

Kake Harbor, Alaska, $4,000,000;

Helena and Vicinity, Arkansas, $150,000;

San Lorenzo, California, $200,000;

Panama City Beaches, Florida, $400,000;

Chicago Shoreline, Illinois, $1,300,000;

Pond Creek, Jefferson City, Kentucky, $3,000,000;

Boston Harbor, Massachusetts, $500,000;

Poplar Island, Maryland, $5,000,000;

Natchez Bluff, Mississippi, $5,000,000;

Wood River, Grand Isle, Nebraska, $1,000,000;

Duck Creek, Cincinnati, Ohio, $466,000;

Saw Mill River, Pittsburgh, Pennsylvania, $500,000;

Upper Jordan River, Utah, $1,100,000;

San Juan Harbor, Puerto Rico, $800,000; and

Allendale Dam, Rhode Island, $195,000: Provided further, That no fully allocated funding policy shall apply to construction of the projects listed above, and the Secretary of the Army is directed to undertake these projects using continuing contracts where sufficient funds to complete the projects are not available from funds provided herein or in prior years.

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, restoration, or maintenance of flood control projects threatened or destroyed by flood, as authorized by law (33 U.S.C. 702a, 702g–1), $312,513,000, to remain available until expended: Provided, That the President of the Mississippi River Commission is directed henceforth to use the variable cost recovery rate set forth in OMB Circular A–126 for use of the Commission aircraft authorized by the Flood Control Act of 1946, Public Law 526.

OPERATION AND MAINTENANCE, GENERAL

For expenses necessary for the preservation, operation, maintenance, and care of existing river and harbor, flood control, and related works, including such sums as may be necessary for the maintenance of harbor channels provided 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 to navigation, $1,688,358,000, to remain available until expended, of which such sums as become available in the Harbor Maintenance Trust Fund, pursuant to Public Law 99–662, may be derived from that fund, and of which such sums as become available from the special account established by the Land and Water Conservation Act of 1965, as amended (16 U.S.C. 460l), may be derived from that fund for construction, operation, and maintenance of outdoor recreation facilities and of which $500,000 shall be made available for the maintenance of Compton Creek Channel, Los Angeles County drainage area, California: Provided, That the Secretary of the Army is directed to design and implement at full Federal expense an early flood warning system for the Greenbrier and Cheat River Basins, West Virginia within eighteen months from the date of enactment of this Act: Provided further, That the Secretary of the Army is directed during fiscal year 1997 to maintain a minimum conservation pool level of 475.5 at Wister Lake in Oklahoma: Provided further, 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 Secretary of the Army is directed to use $600,000 of funding provided herein to perform maintenance dredging of the Cocheco River navigation project, New Hampshire: Provided further, That $750,000 is for the Buford-Trenton Irrigation District, section 33, erosion control project in North Dakota.

REGULATORY PROGRAM

For expenses necessary for administration of laws pertaining to regulation of navigable waters and wetlands, $101,000,000, to remain available until expended.

FLOOD CONTROL AND COASTAL EMERGENCIES

For expenses necessary for emergency flood control, hurricane, and shore protection activities, as authorized by section 5 of the Flood Control Act approved August 18, 1941, as amended, $10,000,000, to remain available until expended.

GENERAL EXPENSES

For expenses necessary for general administration and related functions in the Office of the Chief of Engineers and offices of the Division Engineers; activities of the Coastal Engineering Research Board, the Humphreys Engineer Center Support Activity, the Engineering Strategic Studies Center, and the Water Resources Support Center, and for costs of implementing the Secretary of the Army's plan to reduce the number of division offices as directed in title I, Public Law 104–46, $153,000,000, 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 or the executive direction and management activities of the Division Offices: Provided further, That the Secretary of the Army may not obligate any funds available to the Department of the Army for the closure of the Pacific Ocean Division Office of the Army Corps of Engineers.

ADMINISTRATIVE PROVISIONS

Appropriations in this title shall be available for official reception and representation expenses (not to exceed $5,000); and during the current fiscal year the revolving fund, Corps of Engineers, shall be available for purchase (not to exceed 100 for replacement only) and hire of passenger motor vehicles.

GENERAL PROVISIONS

SEC. 101. The flood control project for Arkansas City, Kansas authorized by section 401(a) of the Water Resources Development Act of 1986 (Public Law 99–662, 100 Stat. 4116) is modified to authorize the Secretary of the Army to construct the project at a total cost of $38,500,000, with an estimated first Federal cost of $19,250,000 and an estimated first non-Federal cost of $19,250,000.

SEC. 102. Funds previously provided under the Fiscal Year 1993 Energy and Water Development Act, Public Law 102–377, for the Elk Creek Dam, Oregon project, are hereby made available to plan and implement long term management measures at Elk Creek Dam to maintain the project in an uncompleted state and to take necessary steps to provide passive fish passage through the project.

SEC. 103. The flood control project for Moorefield, West Virginia, authorized by section 101(a)(25) of the Water Resources Development Act of 1990 (Public Law 101–640, 104 Stat. 4610) is modified to authorize the Secretary of the Army to construct the project at a total cost of $26,200,000, with an estimated first Federal cost of $20,300,000 and an estimated first non-Federal cost of $5,900,000.

SEC. 104. The project for navigation, Grays Landing Lock and Dam, Monongahela River, Pennsylvania (Lock and Dam 7 Replacement), authorized by section 301(a) of the Water Resources Development Act of 1986 (Public Law 99–662, 100 Stat. 4110) is modified to authorize the Secretary of the Army to construct the project at a total cost of $181,000,000, with an estimated first Federal cost of $181,000,000.

SEC. 105. From the date of enactment of this Act, flood control measures implemented under Section 202(a) of Public Law 96–367 shall prevent future losses that would occur from a flood equal in magnitude to the April 1977 level by providing protection from the April 1977 level or the 100-year frequency event, whichever is greater.

SEC. 106. Notwithstanding any other provision of law, the Secretary of the Army, acting through the Chief of Engineers, is authorized to reprogram, obligate and expend such additional sums as are necessary to continue construction and cover anticipated contract earnings of any water resources project that received an appropriation or allowance for construction in or through an appropriations Act or resolution of the then-current fiscal year or the two fiscal years immediately prior to that fiscal year, in order to prevent the termination of a contract or the delay of scheduled work.

SEC. 107. (a) In fiscal year 1997, the Secretary of the Army shall advertise for competitive bid at least 7,500,000 cubic yards of the hooper dredge volume accomplished with government owned dredges in fiscal year 1996.

(b) Notwithstanding the provisions of this section, the Secretary is authorized to use the dredge fleet of the Corps of Engineers to undertake projects when industry does not perform as required by the contract specifications or when the bids are more than 25 percent in excess of what the Secretary determines to be a fair and reasonable estimated cost of a well equipped contractor doing the work or to respond to emergency requirements.

SEC. 108. The Corps of Engineers is hereby directed to complete the Charleston Riverfront (Haddad) Park Project, West Virginia, as described in the design memorandum approved November, 1992, on a 50–50 cost-share basis with the City. The Corps of Engineers shall pay one-half of all costs for settling contractor claims on the completed project and for completing the wharf. The Federal portion of these costs shall be obtained by reprogramming available Operations & Maintenance funds. The project cost limitation in the Project Cooperation Agreement shall be increased to reflect the actual costs of the completed project.

TITLE II

DEPARTMENT OF THE INTERIOR

CENTRAL UTAH PROJECT

CENTRAL UTAH PROJECT COMPLETION ACCOUNT

For the purpose of carrying out provisions of the Central Utah Project Completion Act, Public Law 102–575 (106 Stat. 4605), and for feasibility studies of alternatives to the Uintah and Upalco Units, $42,527,000, to remain available until expended, of which $16,700,000 shall be deposited into the Utah Reclamation Mitigation and Conservation Account: Provided, That of the amounts deposited into the Account, $5,000,000 shall be considered the Federal contribution authorized by paragraph 402(b)(2) of the Act and $11,700,000 shall be available to the Utah Reclamation Mitigation and Conservation Commission to carry out activities authorized under the Act.

In addition, for necessary expenses incurred in carrying out responsibilities of the Secretary of the Interior under the Act, $1,100,000, 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:

GENERAL INVESTIGATIONS

For engineering and economic investigations of proposed Federal reclamation projects and studies of water conservation and development plans and activities preliminary to the reconstruction, rehabilitation and betterment, financial adjustment, or extension of existing projects, $18,105,000, to remain available until expended: Provided, That of the total appropriated, the amount for program activities which can be financed by the reclamation fund shall be derived from that fund: Provided further, That funds contributed by non-Federal entities for purposes similar to this appropriation shall be available for expenditure for the purposes for which contributed as though specifically appropriated for said purposes, and such amounts shall remain available until expended: Provided further, That within available funds, $150,000 is for completion of the feasibility study of alternatives for meeting the drinking water needs of Cheyenne River Sioux Reservation and surrounding communities.

CONSTRUCTION PROGRAM

(INCLUDING TRANSFER OF FUNDS)

For construction and rehabilitation of projects and parts thereof (including power transmission facilities for Bureau of Reclamation use) and for other related activities as authorized by law, $398,596,700, to remain available until expended, of which $23,410,000 shall be available for transfer to the Upper Colorado River Basin Fund authorized by section 5 of the Act of April 11, 1956 (43 U.S.C. 620d), and $58,325,700 shall be available for transfer to the Lower Colorado River Basin Development Fund authorized by section 403 of the Act of September 30, 1968 (43 U.S.C. 1543), and such amounts as may be necessary shall be considered as though advanced to the Colorado River Dam Fund for the Boulder Canyon Project as authorized by the Act of December 21, 1928, as amended, and that $12,500,000 shall be available for the Mid-Dakota Rural Water System: Provided, That of the total appropriated, the amount for program activities which can be financed by the reclamation fund shall be derived from that fund: Provided further, That transfers to the Upper Colorado River Basin Fund and Lower Colorado River Basin Development Fund may be increased or decreased by transfers within the overall appropriation under this heading: Provided further, That funds contributed by non-Federal entities for purposes similar to this appropriation shall be available for expenditure for the purposes for which contributed as though specifically appropriated for said purposes, and such funds shall remain available until expended: Provided further, That all costs of the safety of dams modification work at Coolidge Dam, San Carlos Irrigation Project, Arizona, performed under the authority of the Reclamation Safety of Dams Act of 1978 (43 U.S.C. 506), as amended, are in addition to the amount authorized in section 5 of said Act: Provided further, That section 301 of Public Law 102–250, Reclamation States Emergency Drought Relief Act of 1991, is amended by inserting ''1996, and 1997'' in lieu of ''and 1996'': Provided further, That the amount authorized by section 210 of Public Law 100–557 (102 Stat. 2791), is amended to $56,362,000 (October 1996 prices plus or minus cost indexing), and funds are authorized to be appropriated through the twelfth fiscal year after conservation funds are first made available: Provided further, That $1,500,000 shall be available for construction of McCall Wastewater Treatment, Idaho facility, and $1,000,000 shall be available for Devils Lake Desalination, North Dakota Project.

OPERATION AND MAINTENANCE

For operation and maintenance of reclamation projects or parts thereof and other facilities, as authorized by law; and for a soil and moisture conservation program on lands under the jurisdiction of the Bureau of Reclamation, pursuant to law, $280,876,000, to remain available until expended: Provided, That of the total appropriated, the amount for program activities which can be financed by the reclamation fund shall be derived from that fund, and the amount for program activities which can be derived from the special fee account established pursuant to the Act of December 22, 1987 (16 U.S.C. 460l–6a, as amended), may be derived from that fund: Provided further, That funds advanced by water users for operation and maintenance of reclamation projects or parts thereof shall be deposited to the credit of this appropriation and may be expended for the same purpose and in the same manner as sums appropriated herein may be expended, and such advances shall remain available until expended: Provided further, That revenues in the Upper Colorado River Basin Fund shall be available for performing examination of existing structures on participating projects of the Colorado River Storage Project.

BUREAU OF RECLAMATION LOAN PROGRAM ACCOUNT

For the cost of direct loans and/or grants, $12,290,000, to remain available until expended, as authorized by the Small Reclamation Projects Act of August 6, 1956, as amended (43 U.S.C. 422a–422l): Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: Provided further, That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed $37,000,000.

In addition, for administrative expenses necessary to carry out the program for direct loans and/or grants, $425,000: Provided, That of the total sums appropriated, the amount of program activities which can be financed by the reclamation fund shall be derived from the fund.

CENTRAL VALLEY PROJECT RESTORATION FUND

For carrying out the programs, projects, plans, and habitat restoration, improvement, and acquisition provisions of the Central Valley Project Improvement Act, such sums as may be collected in the Central Valley Project Restoration Fund pursuant to sections 3407(d), 3404(c)(3), 3405(f) and 3406(c)(1) of Public Law 102–575, to remain available until expended: Provided, That the Bureau of Reclamation is directed to levy additional mitigation and restoration payments totaling $30,000,000 (October 1992 price levels) on a three-year rolling average basis, as authorized by section 3407(d) of Public Law 102–575.

GENERAL ADMINISTRATIVE EXPENSES

For necessary expenses of general administration and related functions 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, $48,307,000, to be derived from the reclamation fund and to be nonreimbursable pursuant to the Act of April 19, 1945 (43 U.S.C. 377): Provided, That no part of any other appropriation in this Act shall be available for activities or functions budgeted for the current fiscal year as general administrative expenses.

SPECIAL FUNDS

(TRANSFER OF FUNDS)

Sums herein referred to as being derived from the reclamation fund or special fee account are appropriated from the special funds in the Treasury created by the Act of June 17, 1902 (43 U.S.C. 391) or the Act of December 22, 1987 (16 U.S.C. 460l–6a, as amended), respectively. Such sums shall be transferred, upon request of the Secretary, to be merged with and expended under the heads herein specified.

ADMINISTRATIVE PROVISION

Appropriations for the Bureau of Reclamation shall be available for purchase of not to exceed 6 passenger motor vehicles for replacement only.

TITLE III

DEPARTMENT OF ENERGY

ENERGY PROGRAMS

ENERGY SUPPLY, RESEARCH AND DEVELOPMENT ACTIVITIES

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, research and development 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; purchase of passenger motor vehicles (not to exceed 24 for replacement only), $2,764,043,000, to remain available until expended: Provided, That $5,000,000 shall be available for research into reducing the costs of converting saline water to fresh water.

URANIUM SUPPLY AND ENRICHMENT ACTIVITIES

For expenses of the Department of Energy in connection with operating expenses; the purchase, construction, and acquisition of plant and capital equipment and other expenses necessary for uranium supply and enrichment activities in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101, et seq.) and the Energy Policy Act (Public Law 102–486, section 901), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; purchase of electricity as necessary; and the purchase of passenger motor vehicles (not to exceed 3 for replacement only); $42,200,000, to remain available until expended: Provided, That revenues received by the Department for uranium programs and estimated to total $42,200,000 in fiscal year 1997 shall be retained and used for the specific purpose of offsetting costs incurred by the Department for such activities notwithstanding the provisions of 31 U.S.C. 3302(b) and 42 U.S.C. 2296(b)(2): Provided further, That the sum herein appropriated shall be reduced as revenues are received during fiscal year 1997 so as to result in a final fiscal year 1997 appropriation from the General Fund estimated at not more than $0.

Section 161k. of the Atomic Energy Act of 1954 (42 U.S.C. 2201k) with respect to the Paducah Gaseous Diffusion Plant, Kentucky, and the Portsmouth Gaseous Diffusion Plant, Ohio, the guidelines shall require, at a minimum, the presence of an adequate number of security guards carrying side arms at all times to ensure maintenance of security at the gaseous diffusion plants.

Section 311(b) of the USEC Privatization Act (Public Law 104–134, title III, chapter 1, subchapter A) insert the following:

''(3) The Corporation shall pay to the Thrift Savings Fund such employee and agency contributions as are required or authorized by sections 8432 and 8351 of title 5, United States Code, for employees who elect to retain their coverage under CSRS or FERS pursuant to paragraph (1).''.

URANIUM ENRICHMENT DECONTAMINATION AND DECOMMISSIONING FUND

For necessary expenses in carrying out uranium enrichment facility decontamination and decommissioning, remedial actions and other activities of title II of the Atomic Energy Act of 1954 and title X, subtitle A of the Energy Policy Act of 1992, $205,200,000, to be derived from the Fund, to remain available until expended.

GENERAL SCIENCE AND RESEARCH ACTIVITIES

For expenses of the Department of Energy activities including the purchase, construction and acquisition of plant and capital equipment and other expenses necessary for general science and research 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 facility or for plant or facility acquisition, construction, or expansion, $1,000,626,000, to remain available until expended.

NUCLEAR WASTE DISPOSAL FUND

For nuclear waste disposal activities to carry out the purposes of Public Law 97–425, as amended, including the acquisition of real property or facility construction or expansion, $200,028,000, to remain available until expended, to be derived from the Nuclear Waste Fund: Provided, That no later than June 30, 1998, the Secretary shall provide to the President and to the Congress a viability assessment of the Yucca Mountain site. The viability assessment shall include:

(1) the preliminary design concept for the critical elements for the repository and waste package;

(2) a total system performance assessment, based upon the design concept and the scientific data and analysis available by June 30, 1998, describing the probable behavior of the repository in the Yucca Mountain geological setting relative to the overall system performance standards;

(3) a plan and cost estimate for the remaining work required to complete a license application; and

(4) an estimate of the costs to construct and operate the repository in accordance with the design concept.

DEPARTMENTAL ADMINISTRATION

For salaries and expenses of the Department of Energy necessary for Departmental Administration in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101, et seq.), including the hire of passenger motor vehicles and official reception and representation expenses (not to exceed $35,000), $218,017,000, to remain available until expended, plus such additional amounts as necessary to cover increases in the estimated amount of cost of work for others notwithstanding the provisions of the Anti-Deficiency Act (31 U.S.C. 1511, et seq.): Provided, That such increases in cost of work are offset by revenue increases of the same or greater amount, to remain available until expended: Provided further, That moneys received by the Department for miscellaneous revenues estimated to total $125,388,000 in fiscal year 1997 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 31 U.S.C. 3302: Provided further, That the sum herein appropriated shall be reduced by the amount of miscellaneous revenues received during fiscal year 1997 so as to result in a final fiscal year 1997 appropriation from the General Fund estimated at not more than $92,629,000: Provided further, That funds made available by this Act for Departmental Administration may be used by the Secretary of Energy to offer employees voluntary separation incentives to meet staffing and budgetary reductions and restructuring needs through September 30, 1997 consistent with plans approved by the Office of Management and Budget. The amount of each incentive shall be equal to the smaller of the employee's severance pay, or $20,000. Voluntary separation recipients who accept employement with the Federal Government, or enter into a personal services contract with the Federal Government within five years after separation shall repay the entire amount to the Department of Energy: Provided further, That in addition to any other payments which it is required to make under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, the Department of Energy shall remit to the Office of Personnel Management for deposit in the Treasury of the United States to the credit of the Civil Service Retirement and Disability Fund an amount equal to 15 percent of the final basic pay of each employee who is covered under subchapter III of chapter 83 or chapter 84 of title 5 to whom a voluntary separation incentive has been paid under this paragraph.

OFFICE 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, $23,103,000, 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 expenses necessary for atomic energy defense weapons 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 passenger motor vehicles (not to exceed 94 for replacement only), $3,988,602,000, to remain available until expended.

DEFENSE ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT

For Department of Energy expenses, 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; and the purchase of passenger motor vehicles (not to exceed 20, of which 19 are for replacement only), $5,605,210,000, to remain available until expended: Provided, That an additional amount of $182,000,000 is available for privatization initiatives: Provided further, That within available funds, up to $2,000,000 is provided for demonstration of stir-melter technology developed by the Department and previously intended to be used at the Savannah River Site. In carrying out this demonstration, the Department is directed to seek alternative use of this technology in order to maximize the investment already made in this technology.

Of amounts appropriated for the Defense Environmental Restoration and Waste Management Technology Development Program, $5,000,000 shall be available for the electrometallurgical treatment of spent nuclear fuel at Argonne National Laboratory.

OTHER DEFENSE ACTIVITIES

For Department of Energy expenses, including the purchase, construction and acquisition of plant and capital equipment and other expenses necessary for atomic energy defense, other defense 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 passenger motor vehicles (not to exceed 2 for replacement only), $1,606,833,000, to remain available until expended.

DEFENSE NUCLEAR WASTE DISPOSAL

For nuclear waste disposal activities to carry out the purposes of Public Law 97–425, as amended, including the acquisition of real property or facility construction or expansion, $200,000,000, to remain available until expended.

POWER MARKETING ADMINISTRATIONS

OPERATION AND MAINTENANCE, ALASKA POWER ADMINISTRATION

For necessary expenses of operation and maintenance of projects in Alaska and of marketing electric power and energy, $4,000,000, to remain available until expended.

BONNEVILLE POWER ADMINISTRATION FUND

Expenditures from the Bonneville Power Administration Fund, established pursuant to Public Law 93–454, are approved for official reception and representation expenses in an amount not to exceed $3,000.

During fiscal year 1997, no new direct loan obligations may be made.

OPERATION AND MAINTENANCE, SOUTHEASTERN POWER ADMINISTRATION

For necessary expenses of operation and maintenance of power transmission facilities and of marketing electric power and energy pursuant to the provisions of section 5 of the Flood Control Act of 1944 (16 U.S.C. 825s), as applied to the southeastern power area, $13,859,000, to remain available until expended.

OPERATION AND MAINTENANCE, SOUTHWESTERN POWER ADMINISTRATION

For necessary expenses of operation and maintenance of power transmission facilities and of marketing electric power and energy, and for construction and acquisition of transmission lines, substations and appurtenant facilities, and for administrative expenses, including official reception and representation expenses in an amount not to exceed $1,500 in carrying out the provisions of section 5 of the Flood Control Act of 1944 (16 U.S.C. 825s), as applied to the southwestern power area, $25,210,000, to remain available until expended; in addition, notwithstanding the provisions of 31 U.S.C. 3302, not to exceed $3,787,000 in reimbursements, to remain available until expended.

CONSTRUCTION, REHABILITATION, OPERATION AND MAINTENANCE, WESTERN AREA POWER ADMINISTRATION

(INCLUDING TRANSFER OF FUNDS)

For carrying out the functions authorized by title III, section 302(a)(1)(E) of the Act of August 4, 1977 (42 U.S.C. 7101, et seq.), and other related activities including conservation and renewable resources programs as authorized, including official reception and representation expenses in an amount not to exceed $1,500, $201,582,000, to remain available until expended, of which $172,378,000 shall be derived from the Department of the Interior Reclamation Fund: Provided, That of the amount herein appropriated, $5,432,000 is for deposit into the Utah Reclamation Mitigation and Conservation Account pursuant to title IV of the Reclamation Projects Authorization and Adjustment Act of 1992: Provided further, That the Secretary of the Treasury is authorized to transfer from the Colorado River Dam Fund to the Western Area Power Administration $3,774,000 to carry out the power marketing and transmission activities of the Boulder Canyon project as provided in section 104(a)(4) of the Hoover Power Plant Act of 1984, to remain available until expended.

FALCON AND AMISTAD OPERATING AND MAINTENANCE FUND

For operation, maintenance, and emergency costs for the hydroelectric facilities at the Falcon and Amistad Dams, $970,000, to remain

available until expended, and to be derived from the Falcon and Amistad Operating and Maintenance Fund of the Western Area Power Administration, as provided in section 423 of the Foreign Relations Authorization Act, fiscal years 1994 and 1995.

FEDERAL ENERGY REGULATORY COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Federal Energy Regulatory Commission to carry out the provisions of the Department of Energy Organization Act (42 U.S.C. 7101, et seq.), including services as authorized by 5 U.S.C. 3109, the hire of passenger motor vehicles, and official reception and representation expenses (not to exceed $3,000), $146,290,000, to remain available until expended: Provided, That notwithstanding any other provision of law, not to exceed $146,290,000 of revenues from fees and annual charges, and other services and collections in fiscal year 1997 shall be retained and used for necessary expenses in this account, and shall remain available until expended: Provided further, That the sum herein appropriated shall be reduced as revenues are received during fiscal year 1997 so as to result in a final fiscal year 1997 appropriation from the General Fund estimated at not more than $0.

TITLE IV

INDEPENDENT AGENCIES

APPALACHIAN REGIONAL COMMISSION

For expenses necessary to carry out the programs authorized by the Appalachian Regional Development Act of 1965, as amended, notwithstanding section 405 of said Act, and for necessary expenses for the Federal Co-Chairman and the alternate on the Appalachian Regional Commission and for payment of the Federal share of the administrative expenses of the Commission, including services as authorized by 5 U.S.C. 3109, and hire of passenger motor vehicles, $165,000,000, to remain available until expended.

DEFENSE NUCLEAR FACILITIES SAFETY BOARD

SALARIES AND EXPENSES

For necessary expenses of the Defense Nuclear Facilities Safety Board in carrying out activities authorized by the Atomic Energy Act of 1954, as amended by Public Law 100–456, section 1441, $17,000,000, to remain available until expended.

DELAWARE RIVER BASIN COMMISSION

CONTRIBUTION TO DELAWARE RIVER BASIN COMMISSION

For payment of the United States share of the current expenses of the Delaware River Basin Commission, as authorized by law (75 Stat. 706, 707), $500,000.

SALARIES AND EXPENSES

For expenses necessary to carry out the functions of the United States member of the Delaware River Basin Commission, as authorized by law (75 Stat. 716), $342,000.

INTERSTATE COMMISSION ON THE POTOMAC RIVER BASIN

CONTRIBUTION TO INTERSTATE COMMISSION ON THE POTOMAC RIVER BASIN

To enable the Secretary of the Treasury to pay in advance to the Interstate Commission on the Potomac River Basin the Federal contribution toward the expenses of the Commission during the current fiscal year in the administration of its business in the conservancy district established pursuant to the Act of July 11, 1940 (54 Stat. 748), as amended by the Act of September 25, 1970 (Public Law 91–407), $508,000.

NUCLEAR REGULATORY COMMISSION

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Commission in carrying out the purposes of the Energy Reorganization Act of 1974, as amended, and the Atomic Energy Act of 1954, as amended, including the employment of aliens; services authorized by 5 U.S.C. 3109; publication and dissemination of atomic information; purchase, repair, and cleaning of uniforms; official representation expenses (not to exceed $20,000); reimbursements to the General Services Administration for security guard services; hire of passenger motor vehicles and aircraft, $471,800,000, to remain available until expended: Provided, That of the amount appropriated herein, $11,000,000 shall be derived from the Nuclear Waste Fund, subject to the authorization required in this bill under the heading, ''Nuclear Waste Disposal Fund'': Provided further, That from this appropriation, transfer of sums may be made to other agencies of the Government for the performance of the work for which this appropriation is made, and in such cases the sums so transferred may be merged with the appropriation to which transferred: Provided further, That moneys received by the Commission for the cooperative nuclear safety research program, services rendered to foreign governments and international organizations, and the material and information access authorization programs, including criminal history checks under section 149 of the Atomic Energy Act may be retained and used for salaries and expenses associated with those activities, notwithstanding 31 U.S.C. 3302, and shall remain available until expended: Provided further, That revenues from licensing fees, inspection services, and other services and collections estimated at $457,300,000 in fiscal year 1997 shall be retained and used for necessary salaries and expenses in this account, notwithstanding 31 U.S.C. 3302, and shall remain available until expended: Provided further, That the funds herein appropriated for regulatory reviews and other activities pertaining to waste stored at the Hanford site, Washington, shall be excluded from license fee revenues, notwithstanding 42 U.S.C. 2214: Provided further, That the sum herein appropriated shall be reduced by the amount of revenues received during fiscal year 1997 from licensing fees, inspection services and other services and collections, excluding those moneys received for the cooperative nuclear safety research program, services rendered to foreign governments and international organizations, and the material and information access authorization programs, so as to result in a final fiscal year 1997 appropriation estimated at not more than $14,500,000.

OFFICE OF INSPECTOR GENERAL

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, including services authorized by 5 U.S.C. 3109, $5,000,000, to remain available until expended; and in addition, an amount not to exceed 5 percent of this sum may be transferred from Salaries and Expenses, Nuclear Regulatory Commission: Provided, That notice of such transfers shall be given to the Committees on Appropriations of the House and Senate: Provided further, That from this appropriation, transfers of sums may be made to other agencies of the Government for the performance of the work for which this appropriation is made, and in such cases the sums so transferred may be merged with the appropriation to which transferred: Provided further, That revenues from licensing fees, inspection services, and other services and collections shall be retained and used for necessary salaries and expenses in this account, notwithstanding 31 U.S.C. 3302, and shall remain available until expended: Provided further, That the sum herein appropriated shall be reduced by the amount of revenues received during fiscal year 1997 from licensing fees, inspection services, and other services and collections, so as to result in a final fiscal year 1997 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 Public Law 100–203, section 5051, $2,531,000, to be transferred from the Nuclear Waste Fund and to remain available until expended.

SUSQUEHANNA RIVER BASIN COMMISSION

CONTRIBUTION TO SUSQUEHANNA RIVER BASIN COMMISSION

For payment of the United States share of the current expenses of the Susquehanna River Basin Commission, as authorized by law (84 Stat. 1530, 1531), $300,000.

SALARIES AND EXPENSES

For expenses necessary to carry out the functions of the United States member of the Susquehanna River Basin Commission as authorized by law (84 Stat. 1541), $322,000.

TENNESSEE VALLEY AUTHORITY

For the purpose of carrying out the provisions of the Tennessee Valley Authority Act of 1933, as amended (16 U.S.C. ch. 12A), including hire, maintenance, and operation of aircraft, and purchase and hire of passenger motor vehicles, $113,000,000, to remain available until expended: Provided, That of the funds provided herein, not more than $20,000,000 shall be made available for the Environmental Research Center in Muscle Shoals, Alabama: Provided further, That of the funds provided herein, not more than $8,000,000 shall be made available for operation, maintenance, improvement, and surveillance of Land Between the Lakes: Provided further, That of the amount provided herein, not more than $9,000,000 shall be available for Economic Development activities: Provided further, That none of the funds provided herein, shall be available for detailed engineering and design or constructing a replacement for Chickamauga Lock and Dam on the Tennessee River System.

TITLE V

GENERAL PROVISIONS

SEC. 501. (a) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available in this Act should be American-made.

(b) NOTICE REQUIREMENT.—In providing financial assistance to, or entering into any contract with, any entity using funds made available in this Act, the head of each Federal agency, to the greatest extent practicable, shall provide to such entity a notice describing the statement made in subsection (a) by the Congress.

SEC. 502. The Secretary of the Interior shall extend the construction repayment and water service contracts for the following projects, entered into by the Secretary of the Interior under subsections (d) and (e) of section 9 of the Reclamation Project Act of 1939 (43 U.S.C. 485h) and section 9(c) of the Act of December 22, 1944 (58 Stat. 891, chapter 665), for a period of 1 additional year after the dates on which each of the contracts, respectively, would expire but for this section:

(1) The Bostwick District (Kansas portion), Missouri River Basin Project, consisting of the project constructed and operated under the Act of December 22, 1944 (58 Stat. 887, chapter 665), as a component of the Pick-Sloan Missouri Basin Program, situated in Republic County, Jewell County, and Cloud County, Kansas.

(2) The Bostwick District (Nebraska portion), Missouri River Basin Project, consisting of the project constructed and operated under the Act of December 22, 1944 (58 Stat. 887, chapter 665), as a component of the Pick-Sloan Missouri Basin Program, situated in Harlan County, Franklin County, Webster County, and Nuckolls County, Nebraska.

(3) The Frenchman-Cambridge District, Missouri River Basin Project, consisting of the project constructed and operated under the Act of December 22, 1944 (58 Stat. 887, chapter 665), as a component of the Pick-Sloan Missouri Basin Program, situated in Chase County, Frontier County, Hitchcock County, Furnas County, and Harlan County, Nebraska.

SEC. 503. Notwithstanding the provisions of 31 U.S.C., funds made available by this Act to the Department of Energy shall be available only for the purposes for which they have been made available by this Act. The Department of Energy shall report monthly to the Committees on Appropriations of the House and Senate on the Department of Energy's adherence to the recommendations included in the accompanying report.

SEC. 504. Following section 4(g)(3) of the Northwest Power Planning and Conservation Act, insert the following new section:

''(4)(g)(4) INDEPENDENT SCIENTIFIC REVIEW PANEL.—(i) The Northwest Power Planning Council (Council) shall appoint an Independent Scientific Review Panel (Panel), which shall be comprised of eleven members, to review projects proposed to be funded through that portion of the Bonneville Power Administration's (BPA) annual fish and wildlife budget that implements the Council's annual fish and wildlife program. Members shall be appointed from a list submitted by the National Academy of Sciences: Provided, That Pacific Northwest scientists with expertise in Columbia River anadromous and non-anadromous fish and wildlife and ocean experts shall be among those represented on the Panel.

''(ii) SCIENTIFIC PEER REVIEW GROUPS.—The Council shall establish Scientific Peer Review Groups (Peer Review Groups), which shall be comprised of the appropriate number of scientists, from a list submitted by the National Academy of Sciences to assist the Panel in making its recommendations to the Council for projects to be funded through BPA's annual fish and wildlife budget: Provided, That Pacific Northwest scientists with expertise in Columbia River anadromous and non-anadromous fish and wildlife and ocean experts shall be among those represented on the Peer Review Groups.

''(iii) CONFLICT OF INTEREST AND COMPENSATION.—Panel and Peer Review Group members may be compensated and shall be considered as special government employees subject to 45 CFR 684.10 through 684.22.

''(iv) PROJECT CRITERIA AND REVIEW.—The Peer Review Groups, in conjunction with the Panel, shall review projects proposed to be funded through BPA's annual fish and wildlife budget and make recommendations on matters related to such projects, to the Council. Project recommendations shall be based on a determination that projects are based on sound science principles; benefit fish and wildlife; and have a clearly defined objective and outcome with provisions for monitoring and evaluation of results. The Panel, with assistance from the Peer Review Groups, shall review, on an annual basis, the results of prior year expenditures based upon these criteria and submit its findings to the Council for its review.

''(v) PUBLIC REVIEW.—Upon completion of the review of projects to be funded through BPA's annual fish and wildlife budget, the Peer Review Groups shall submit their findings to the Panel. The Panel shall analyze the information submitted by the Peer Review Groups and submit recommendations on project priorities to the Council. The Council shall make the Panel's findings available to the public and subject to public comment.

''(vi) RESPONSIBILITIES OF THE COUNCIL.—The Council shall fully consider the recommendations of the Panel when making its final recommendations of projects to be funded through BPA's annual fish and wildlife budget, and if the Council does not incorporate a recommendation of the Panel, the Council shall explain in writing its reasons for not accepting Panel recommendations. In making its recommendations to BPA, the Council shall: consider the impact of ocean conditions on fish and wildlife populations; and shall determine whether the projects employ cost effective measures to achieve project objectives. The Council, after consideration of the recommendations of the Panel and other appropriate entities shall be responsible for making the final recommendations of projects to be funded through BPA's annual fish and wildlife budget.

''(vii) COST LIMITATION.—The cost of this provision shall not exceed $2,000,000 in 1997 dollars.

''(viii) EXPIRATION.—This paragraph shall expire on September 30, 2000.''.

SEC. 505. OPPORTUNITY FOR REVIEW AND COMMENT BY STATE OF OREGON ON CERTAIN REMEDIAL ACTIONS AT HANFORD RESERVATION, WASHINGTON.

(a) OPPORTUNITY.—(1) Subject to subsection (b), the Site Manager at the Hanford Reservation, Washington, shall, in consultation with the signatories to the Tri-Party Agreement, provide the State of Oregon an opportunity to review and comment upon any information the Site Manager provides the State of Washington under the Hanford Tri-Party Agreement if the agreement provides for the review and comment upon such information by the State of Washington.

(2) In order to facilitate the review and comment of the State of Oregon under paragraph (1), the Site Manager shall provide information referred to in that paragraph to the State of Oregon at the same time, or as soon thereafter as is practicable, that the Site Manager provides such information to the State of Washington.

(b) CONSTRUCTION.—This section may not be construed—

(1) to require the Site Manager to provide the State of Oregon sensitive information on enforcement under the Tri-Party Agreement or information on the negotiation, dispute resolution, or State cost recovery provisions of the agreement;

(2) to require the Site Manager to provide confidential information on the budget or procurement at Hanford under terms other than those provided in the Tri-Party Agreement for the transmission of such confidential information to the State of Washington;

(3) to authorize the State of Oregon to participate in enforcement actions, dispute resolution, or negotiation actions, conducted under the provisions of the Tri-Party Agreement;

(4) to authorize any delay in the implementation of remedial, environmental management, or other programmatic activities at Hanford; or

(5) to obligate the Department of Energy to provide additional funds to the State of Oregon.''.

SEC. 506. SENSE OF THE SENATE, HANFORD MEMORANDUM OF UNDERSTANDING.

It is the Sense of the Senate that—

(1) the State of Oregon has the authority to enter into a memorandum of understanding with the State of Washington, or a memorandum of understanding with the State of Washington and the Site Manager of the Hanford Reservation, Washington, in order to address issues of mutual concern to such States regarding the Hanford Reservation; and

(2) such agreements are not expected to create any additional obligation of the Department of Energy to provide funds to the State of Oregon.

SEC. 507. CORPUS CHRISTI EMERGENCY DROUGHT RELIEF.

For the purpose of providing emergency drought relief, the Secretary of the Interior shall defer all principal and interest payments without penalty or accrued interest for a period of one year for the city of Corpus Christi, Texas, and the Nueces River Authority under contract No. 6–07–01–X0675 involving the Nueces River Reclamation Project, Texas.

SEC. 508. CANADIAN RIVER MUNICIPAL WATER AUTHORITY EMERGENCY DROUGHT RELIEF.

The Secretary shall defer all principal and interest payments without penalty or accrued interest for a period of one year for the Canadian River Municipal Water Authority under contract No. 14–06–500–485 as emergency drought relief to enable construction of additional water supply and conveyance facilities.

SEC. 509. INTERSTATE TRANSPORTATION OF MUNICIPAL SOLID WASTE.

(a) INTERSTATE WASTE.—

(1) INTERSTATE TRANSPORTATION OF MUNICIPAL SOLID WASTE.—

(A) AMENDMENT.—Subtitle D of the Solid Waste Disposal Act (42 U.S.C. 6941 et seq.) is amended by adding at the end the following new section:

''SEC. 4011. INTERSTATE TRANSPORTATION OF MUNICIPAL SOLID WASTE.

''(a) AUTHORITY TO RESTRICT OUT-OF-STATE MUNICIPAL SOLID WASTE.—(1) Except as provided in paragraph (4), immediately upon the date of enactment of this section if requested in writing by an affected local government, a Governor may prohibit the disposal of out-of-State municipal solid waste in any landfill or incinerator that is not covered by the exceptions provided in subsection (b) and that is subject to the jurisdiction of the Governor and the affected local government.

''(2) Except as provided in paragraph (4), immediately upon the date of publication of the list required in paragraph (6)(C) and notwithstanding the absence of a request in writing by the affected local government, a Governor, in accordance with paragraph (5), may limit the quantity of out-of-State municipal solid waste received for disposal at each landfill or incinerator covered by the exceptions provided in subsection (b) that is subject to the jurisdiction of the Governor, to an annual amount equal to or greater than the quantity of out-of-State municipal solid waste received for disposal at such landfill or incinerator during calendar year 1993.

''(3)(A) Except as provided in paragraph (4), any State that imported more than 750,000 tons of out-of-State municipal solid waste in 1993 may establish a limit under this paragraph on the amount of out-of-State municipal solid waste received for disposal at landfills and incinerators in the importing State as follows:

''(i) In calendar year 1996, 95 percent of the amount exported to the State in calendar year 1993.

''(ii) In calendar years 1997 through 2002, 95 percent of the amount exported to the State in the previous year.

''(iii) In calendar year 2003, and each succeeding year, the limit shall be 65 percent of the amount exported in 1993.

''(iv) No exporting State shall be required under this subparagraph to reduce its exports to any importing State below the proportionate amount established herein.

''(B)(i) No State may export to landfills or incinerators in any 1 State that are not covered by host community agreements or permits authorizing receipt of out-of-State municipal solid waste more than the following amounts of municipal solid waste:

''(I) In calendar year 1996, the greater of 1,400,000 tons or 90 percent of the amount exported to the State in calendar year 1993.

''(II) In calendar year 1997, the greater of 1,300,000 tons or 90 percent of the amount exported to the State in calendar year 1996.

''(III) In calendar year 1998, the greater of 1,200,000 tons or 90 percent of the amount exported to the State in calendar year 1997.

''(IV) In calendar year 1999, the greater of 1,100,000 tons or 90 percent of the amount exported to the State in calendar year 1998.

''(V) In calendar year 2000, 1,000,000 tons.

''(VI) In calendar year 2001, 750,000 tons.

''(VII) In calendar year 2002 or any calendar year thereafter, 550,000 tons.

''(ii) The Governor of an importing State may take action to restrict levels of imports to reflect the appropriate level of out-of-State municipal solid waste imports if—

''(I) the Governor of the importing State has notified the Governor of the exporting State and the Administrator, 12 months prior to taking any such action, of the importing State's intention to impose the requirements of this section;

''(II) the Governor of the importing State has notified the Governor of the exporting State and the Administrator of the violation by the exporting State of this section at least 90 days prior to taking any such action; and

''(III) the restrictions imposed by the Governor of the importing State are uniform at all facilities and the Governor of the importing State may only apply subparagraph (A) or (B) but not both.

''(C) The authority provided by subparagraphs (A) and (B) shall apply for as long as a State exceeds the permissible levels as determined by the Administrator under paragraph (6)(C).

''(4)(A) A Governor may not exercise the authority granted under this section if such action would result in the violation of, or would otherwise be inconsistent with, the terms of a host community agreement or a permit issued from the State to receive out-of-State municipal solid waste.

''(B) Except as provided in paragraph (3), a Governor may not exercise the authority granted under this section in a manner that would require any owner or operator of a landfill or incinerator covered by the exceptions provided in subsection (b) to reduce the amount of out-of-State municipal solid waste received from any State for disposal at such landfill or incinerator to an annual quantity less than the amount received from such State for disposal at such landfill or incinerator during calendar year 1993.

''(5) Any limitation imposed by a Governor under paragraph (2) or (3)—

''(A) shall be applicable throughout the State;

''(B) shall not directly or indirectly discriminate against any particular landfill or incinerator within the State; and

''(C) shall not directly or indirectly discriminate against any shipments of out-of-State municipal solid waste on the basis of place of origin and all such limitations shall be applied to all States in violation of paragraph (3).

''(6) ANNUAL STATE REPORT.—

''(A) IN GENERAL.—Within 90 days after enactment of this section and on April 1 of each year thereafter the owner or operator of each landfill or incinerator receiving out-of-State municipal solid waste shall submit to the affected local government and to the Governor of the State in which the landfill or incinerator is located, information specifying the amount and State of origin of out-of-State municipal solid waste received for disposal during the preceding calendar year, and the amount of waste that was received pursuant to host community agreements or permits authorizing receipt of out-of-State municipal solid waste. Within 120 days after enactment of this section and on May 1 of each year thereafter each State shall publish and make available to the Administrator, the Governor of the State of origin and the public, a report containing information on the amount of out-of-State municipal solid waste received for disposal in the State during the preceding calendar year.

''(B) CONTENTS.—Each submission referred to in this section shall be such as would result in criminal penalties in case of false or misleading information. Such information shall include the amount of waste received, the State of origin, the identity of the generator, the date of the shipment, and the type of out-of-State municipal solid waste. States making submissions referred to in this section to the Administrator shall notice these submissions for public review and comment at the State level before submitting them to the Administrator.

''(C) LIST.—The Administrator shall publish a list of importing States and the out-of-State municipal solid waste received from each State at landfills or incinerators not covered by host community agreements or permits authorizing receipt of out-of-State municipal solid waste. The list for any calendar year shall be published by June 1 of the following calendar year.

For purposes of developing the list required in this section, the Administrator shall be responsible for collating and publishing only that information provided to the Administrator by States pursuant to this section. The Administrator shall not be required to gather additional data over and above that provided by the States pursuant to this section, nor to verify data provided by the States pursuant to this section, nor to arbitrate or otherwise entertain or resolve disputes between States or other parties concerning interstate movements of municipal solid waste. Any actions by the Administrator under this section shall be final and not subject to judicial review.

''(D) SAVINGS PROVISION.—Nothing in this subsection shall be construed to preempt any State requirement that requires more frequent reporting of information.

''(7) Any affected local government that intends to submit a request under paragraph (1) or take formal action to enter into a host community agreement after the date of enactment of this subsection shall, prior to taking such action—

''(A) notify the Governor, contiguous local governments, and any contiguous Indian tribes;

''(B) publish notice of the action in a newspaper of general circulation at least 30 days before taking such action;

''(C) provide an opportunity for public comment; and

''(D) following notice and comment, take formal action on any proposed request or action at a public meeting.

''(8) Any owner or operator seeking a host community agreement after the date of enactment of this subsection shall provide to the affected local government the following information, which shall be made available to the public from the affected local government:

''(A) A brief description of the planned facility, including a description of the facility size, ultimate waste capacity, and anticipated monthly and yearly waste quantities to be handled.

''(B) A map of the facility site that indicates the location of the facility in relation to the local road system and topographical and hydrological features and any buffer zones and facility units to be acquired by the owner or operator of the facility.

''(C) A description of the existing environmental conditions at the site, and any violations of applicable laws or regulations.

''(D) A description of environmental controls to be utilized at the facility.

''(E) A description of the site access controls to be employed, and roadway improvements to be made, by the owner or operator, and an estimate
of the timing and extent of increased local truck traffic.

''(F) A list of all required Federal, State, and local permits.

''(G) Any information that is required by State or Federal law to be provided with respect to any violations of environmental laws (including regulations) by the owner and operator, the disposition of enforcement proceedings taken with respect to the violations, and corrective measures taken as a result of the proceedings.

''(H) Any information that is required by State or Federal law to be provided with respect to compliance by the owner or operator with the State solid waste management plan.

''(b) EXCEPTIONS TO AUTHORITY TO PROHIBIT OUT-OF-STATE MUNICIPAL SOLID WASTE.—(1) The authority to prohibit the disposal of out-of-State municipal solid waste provided under subsection (a)(1) shall not apply to landfills and incinerators in operation on the date of enactment of this section that—

''(A) received during calendar year 1993 documented shipments of out-of-State municipal solid waste; and

''(B)(i) in the case of landfills, are in compliance with all applicable Federal and State laws and regulations relating to operation, design and location standards, leachate collection, ground water monitoring, and financial assurance for closure and post-closure and corrective action; or

''(ii) in the case of incinerators, are in compliance with the applicable requirements of section 129 of the Clean Air Act (42 U.S.C. 7429) and applicable State laws and regulations relating to facility design and operations.

''(2) A Governor may not prohibit the disposal of out-of-State municipal solid waste pursuant to subsection (a)(1) at facilities described in this subsection that are not in compliance with applicable Federal and State laws and regulations unless disposal of municipal solid waste generated within the State at such facilities is also prohibited.

''(c) ADDITIONAL AUTHORITY TO LIMIT OUT-OF-STATE MUNICIPAL SOLID WASTE.—(1) In any case in which an affected local government is considering entering into, or has entered into, a host community agreement and the disposal or incineration of out-of-State municipal solid waste under such agreement would preclude the use of municipal solid waste management capacity described in paragraph (2), the Governor of the State in which the affected local government is located may prohibit the execution of such host community agreement with respect to that capacity.

''(2) The municipal solid waste management capacity referred to in paragraph (1) is that capacity—

''(A) that is permitted under Federal or State law;

''(B) that is identified under the State plan; and

''(C) for which a legally binding commitment between the owner or operator and another party has been made for its use for disposal or incineration of municipal solid waste generated within the region (identified under section 4006(a)) in which the local government is located.

''(d) COST RECOVERY SURCHARGE.—

''(1) AUTHORITY.—A State described in paragraph (2) may adopt a law and impose and collect a cost recovery charge on the processing or disposal of out-of-State municipal solid waste in the State in accordance with this subsection.

''(2) APPLICABILITY.—The authority to impose a cost recovery surcharge under this subsection applies to any State that on or before April 3, 1994, imposed and collected a special fee on the processing or disposal of out-of-State municipal solid waste pursuant to a State law.

''(3) LIMITATION.—No such State may impose or collect a cost recovery surcharge from a facility on any out-of-State municipal solid waste that is being received at the facility under 1 or more contracts entered into after April 3, 1994, and before the date of enactment of this section.

''(4) AMOUNT OF SURCHARGE.—The amount of the cost recovery surcharge may be no greater than the amount necessary to recover those costs determined in conformance with paragraph (6) and in no event may exceed $1.00 per ton of waste.

''(5) USE OF SURCHARGE COLLECTED.—All cost recovery surcharges collected by a State covered by this subsection shall be used to fund those solid waste management programs administered by the State or its political subdivision that incur costs for which the surcharge is collected.

''(6) CONDITIONS.—(A) Subject to subparagraphs (B) and (C), a State covered by this subsection may impose and collect a cost recovery surcharge on the processing or disposal within the State of out-of-State municipal solid waste if—

''(i) the State demonstrates a cost to the State arising from the processing or disposal within the State of a volume of municipal solid waste from a source outside the State;

''(ii) the surcharge is based on those costs to the State demonstrated under clause (i) that, if not paid for through the surcharge, would otherwise have to be paid or subsidized by the State; and

''(iii) the surcharge is compensatory and is not discriminatory.

''(B) In no event shall a cost recovery surcharge be imposed by a State to the extent that the cost for which recovery is sought is otherwise paid, recovered, or offset by any other fee or tax paid to the State or its political subdivision or to the extent that the amount of the surcharge is offset by voluntarily agreed payments to a State or its political subdivision in connection with the generation, transportation, treatment, processing, or disposal of solid waste.

''(C) The grant of a subsidy by a State with respect to entities disposing of waste generated within the State does not constitute discrimination for purposes of subparagraph (A)(iii).

''(7) DEFINITIONS.—As used in this subsection:

''(A) The term 'costs' means the costs incurred by the State for the implementation of its laws governing the processing or disposal of municipal solid waste, limited to the issuance of new permits and renewal of or modification of permits, inspection and compliance monitoring, enforcement, and costs associated with technical assistance, data management, and collection of fees.

''(B) The term 'processing' means any activity to reduce the volume of solid waste or alter its chemical, biological or physical state, through processes such as thermal treatment, bailing, composting, crushing, shredding, separation, or compaction.

''(e) SAVINGS CLAUSE.—Nothing in this section shall be interpreted or construed—

''(1) to have any effect on State law relating to contracts; or

''(2) to affect the authority of any State or local government to protect public health and the environment through laws, regulations, and permits, including the authority to limit the total amount of municipal solid waste that landfill or incinerator owners or operators within the jurisdiction of a State may accept during a prescribed period: Provided That such limitations do not discriminate between in-State and out-of-State municipal solid waste, except to the extent authorized by this section.

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

''(1)(A) The term 'affected local government', used with respect to a landfill or incinerator, means—

''(i) the public body created by State law with responsibility to plan for municipal solid waste management, a majority of the members of which are elected officials, for the area in which the facility is located or proposed to be located; or

''(ii) the elected officials of the city, town, township, borough, county, or parish exercising primary responsibility over municipal solid waste management or the use of land in the jurisdiction in which the facility is located or is proposed to be located.

''(B)(i) Within 90 days after the date of enactment of this section, a Governor may designate and publish notice of which entity listed in clause (i) or (ii) of subparagraph (A) shall serve as the affected local government for actions taken under this section and after publication of such notice.

''(ii) If a Governor fails to make and publish notice of such a designation, the affected local government shall be the elected officials of the city, town, township, borough, county, parish, or other public body created pursuant to State law with primary jurisdiction over the land or the use of land on which the facility is located or is proposed to be located.

''(C) For purposes of host community agreements entered into before the date of publication of the notice, the term means either a public body described in subparagraph (A)(i) or the elected officials of any of the public bodies described in subparagraph (A)(ii).

''(2) HOST COMMUNITY AGREEMENT.—The term 'host community agreement' means a written, legally binding document or documents executed by duly authorized officials of the affected local government that specifically authorizes a landfill or incinerator to receive municipal solid waste generated out of State, but does not include any agreement to pay host community fees for receipt of waste unless additional express authorization to receive out-of-State waste is also included.

''(3) The term 'out-of-State municipal solid waste' means, with respect to any State, municipal solid waste generated outside of the State. Unless the President determines it is inconsistent with the North American Free Trade Agreement and the General Agreement on Tariffs and Trade, the term shall include municipal solid waste generated outside of the United States. Notwithstanding any other provision of law, generators of municipal solid waste outside the United States shall possess no greater right of access to disposal facilities in a State than United States generators of municipal solid waste outside of that State.

''(4) The term 'municipal solid waste' means refuse (and refuse-derived fuel) generated by the general public or from a residential, commercial, institutional, or industrial source (or any combination thereof), consisting of paper, wood, yard wastes, plastics, leather, rubber, or other combustible or noncombustible materials such as metal or glass (or any combination thereof). The term 'municipal solid waste' does not include—

''(A) any solid waste identified or listed as a hazardous waste under section 3001;

''(B) any solid waste, including contaminated soil and debris, resulting from a response action taken under section 104 or 106 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9604 or 9606) or a corrective action taken under this Act;

''(C) any metal, pipe, glass, plastic, paper, textile, or other material that has been separated or diverted from municipal solid waste (as otherwise defined in this paragraph) and has been transported into a State for the purpose of recycling or reclamation;

''(D) any solid waste that is—

''(i) generated by an industrial facility; and

''(ii) transported for the purpose of treatment, storage, or disposal to a facility that is owned or operated by the generator of the waste, or is located on property owned by the generator of the waste, or is located on property owned by a company in which the generator of the waste has an ownership interest;

''(E) any solid waste generated incident to the provision of service in interstate, intrastate, foreign, or overseas air transportation;

''(F) any industrial waste that is not identical to municipal solid waste (as otherwise defined in this paragraph) with respect to the physical and chemical state of the industrial waste, and composition, including construction and demolition debris;

''(G) any medical waste that is segregated from or not mixed with municipal solid waste (as otherwise defined in this paragraph); or

''(H) any material or product returned from a dispenser or distributor to the manufacturer for credit, evaluation, or possible reuse.

''(5) The term 'compliance' means a pattern or practice of adhering to and satisfying standards and requirements promulgated by the Federal or a State government for the purpose of preventing significant harm to human health and the environment. Actions undertaken in accordance with compliance schedules for remediation established by Federal or State enforcement authorities shall be considered compliance for purposes of this section.

''(6) The terms 'specifically authorized' and 'specifically authorizes' refer to an explicit authorization, contained in a host community agreement or permit, to import waste from outside the State. Such authorization may include a reference to a fixed radius surrounding the landfill or incinerator that includes an area outside the State or a reference to any place of origin, reference to specific places outside the State, or use of such phrases as 'regardless of origin' or 'outside the State'. The language for such authorization may vary as long as it clearly and affirmatively states the approval or consent of the affected local government or State for receipt of municipal solid waste from sources outside the State.

''(g) IMPLEMENTATION AND ENFORCEMENT.—Any State may adopt such laws and regulations, not inconsistent with this section, as are necessary to implement and enforce this section, including provisions for penalties.''.

(B) TABLE OF CONTENTS AMENDMENT.—The table of contents in section 1001 of the Solid Waste Disposal Act (42 U.S.C. prec. 6901) is amended by adding at the end of the items relating to subtitle D the following new item:

''Sec. 4011. Interstate transportation of municipal solid waste.''.

(2) NEEDS DETERMINATION.—The Governor of a State may accept, deny or modify an application for a municipal solid waste management facility permit if—

(A) it is done in a manner that is not inconsistent with the provisions of this section;

(B) a State law enacted in 1990 and a regulation adopted by the governor in 1991 specifically requires the permit applicant to demonstrate that there is a local or regional need within the State for the facility; and

(C) the permit applicant fails to demonstrate that there is a local or regional need within the State for the facility.

(b) FLOW CONTROL.—

(1) STATE AND LOCAL GOVERNMENT CONTROL OF MOVEMENT OF MUNICIPAL SOLID WASTE AND RECYCLABLE MATERIAL.—Subtitle D of the Solid Waste Disposal Act (42 U.S.C. 6941 et seq.), as amended by subsection (a)(1)(A), is amended by adding after section 4011 the following new section:

''SEC. 4012. STATE AND LOCAL GOVERNMENT CONTROL OF MOVEMENT OF MUNICIPAL SOLID WASTE AND RECYCLABLE MATERIAL.

''(a) DEFINITIONS.—In this section:

''(1) DESIGNATE; DESIGNATION.—The terms 'designate' and 'designation' refer to an authorization by a State, political subdivision, or public service authority, and the act of a State, political subdivision, or public service authority in requiring or contractually committing, that all or any portion of the municipal solid waste or recyclable material that is generated within the boundaries of the State, political subdivision, or public service authority be delivered to waste management facilities or facilities for recyclable material or a public service authority identified by the State, political subdivision, or public service authority.

''(2) FLOW CONTROL AUTHORITY.—The term 'flow control authority' means the authority to control the movement of municipal solid waste or voluntarily relinquished recyclable material and direct such solid waste or voluntarily relinquished recyclable material to a designated waste management facility or facility for recyclable material.

''(3) MUNICIPAL SOLID WASTE.—The term 'municipal solid waste' means—

''(A) solid waste generated by the general public or from a residential, commercial, institutional, or industrial source, consisting of paper, wood, yard waste, plastics, leather, rubber, and other combustible material and noncombustible material such as metal and glass, including residue remaining after recyclable material has been separated from waste destined for disposal, and including waste material removed from a septic tank, septage pit, or cesspool (other than from portable toilets); but

''(B) does not include—

''(i) waste identified or listed as a hazardous waste under section 3001 of this Act or waste regulated under the Toxic Substances Control Act (15 U.S.C. 2601 et seq.);

''(ii) waste, including contaminated soil and debris, resulting from a response action taken

under section 104 or 106 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9604, 9606) or any corrective action taken under this Act;

''(iii) medical waste listed in section 11002;

''(iv) industrial waste generated by manufacturing or industrial processes, including waste generated during scrap processing and scrap recycling;

''(v) recyclable material; or

''(vi) sludge.

''(4) PUBLIC SERVICE AUTHORITY.—The term 'public service authority' means—

''(A) an authority or authorities created pursuant to State legislation to provide individually or in combination solid waste management services to political subdivisions;

''(B) other body created pursuant to State law; or

''(C) an authority that was issued a certificate of incorporation by a State corporation commission established by a State constitution.

''(5) PUT OR PAY AGREEMENT.—(A) The term 'put or pay agreement' means an agreement that obligates or otherwise requires a State or political subdivision to—

''(i) deliver a minimum quantity of municipal solid waste to a waste management facility; and

''(ii) pay for that minimum quantity of municipal solid waste even if the stated minimum quantity of municipal solid waste is not delivered within a required period of time.

''(B) For purposes of the authority conferred by subsections (b) and (c), the term 'legally binding provision of the State or political subdivision' includes a put or pay agreement that designates waste to a waste management facility that was in operation on or before December 31, 1988 and that requires an aggregate tonnage to be delivered to the facility during each operating year by the political subdivisions which have entered put or pay agreements designating that waste management facility.

''(C) The entering into of a put or pay agreement shall be considered to be a designation (as defined in subsection (a)(1)) for all purposes of this title.

''(6) RECYCLABLE MATERIAL.—The term 'recyclable material' means material that has been separated from waste otherwise destined for disposal (at the source of the waste or at a processing facility) or has been managed separately from waste destined for disposal, for the purpose of recycling, reclamation, composting of organic material such as food and yard waste, or reuse (other than for the purpose of incineration).

''(7) WASTE MANAGEMENT FACILITY.—The term 'waste management facility' means a facility that collects, separates, stores, transports, transfers, treats, processes, combusts, or disposes of municipal solid waste.

''(b) AUTHORITY.—

''(1) IN GENERAL.—Each State, political subdivision of a State, and public service authority may exercise flow control authority for municipal solid waste and for recyclable material voluntarily relinquished by the owner or generator of the material that is generated within its jurisdiction by directing the municipal solid waste or recyclable material to a waste management facility or facility for recyclable material, if such flow control authority—

''(A)(i) had been exercised prior to May 15, 1994, and was being implemented on May 15, 1994, pursuant to a law, ordinance, regulation, or other legally binding provision of the State or political subdivision; or

''(ii) had been exercised prior to May 15, 1994, but implementation of such law, ordinance, regulation, or other legally binding provision of the State or political subdivision was prevented by an injunction, temporary restraining order, or other court action, or was suspended by the voluntary decision of the State or political subdivision because of the existence of such court action;

''(B) has been implemented by designating before May 15, 1994, the particular waste management facilities or public service authority to which the municipal solid waste or recyclable material is to be delivered, which facilities were in operation as of May 15, 1994, or were in operation prior to May 15, 1994 and were temporarily inoperative on May 15, 1994.

''(2) LIMITATION.—The authority of this section extends only to the specific classes or categories of municipal solid waste to which flow control authority requiring a movement to a waste management facility was actually applied on or before May 15, 1994 (or, in the case of a State, political subdivision, or public service authority that qualifies under subsection (c), to the specific classes or categories of municipal solid waste for which the State, political subdivision, or public service authority prior to May 15, 1994, had committed to the designation of a waste management facility).

''(3) LACK OF CLEAR IDENTIFICATION.—With regard to facilities granted flow control authority under subsection (c), if the specific classes or categories of municipal solid waste are not clearly identified, the authority of this section shall apply only to municipal solid waste generated by households.

''(4) DURATION OF AUTHORITY.—With respect to each designated waste management facility, the authority of this section shall be effective until the later of—

''(A) the end of the remaining life of a contract between the State, political subdivision, or public service authority and any other person regarding the movement or delivery of municipal solid waste or voluntarily relinquished recyclable material to a designated facility (as in effect May 15, 1994);

''(B) completion of the schedule for payment of the capital costs of the facility concerned (as in effect May 15, 1994); or

''(C) the end of the remaining useful life of the facility (as in existence on the date of enactment of this section), as that remaining life may be extended by—

''(i) retrofitting of equipment or the making of other significant modifications to meet applicable environmental requirements or safety requirements;

''(ii) routine repair or scheduled replacement of equipment or components that does not add to the capacity of a waste management facility; or

''(iii) expansion of the facility on land that is—

''(I) legally or equitably owned, or under option to purchase or lease, by the owner or operator of the facility; and

''(II) covered by the permit for the facility (as in effect May 15, 1994).

''(5) ADDITIONAL AUTHORITY.—

''(A) APPLICATION OF PARAGRAPH.—This paragraph applies to a State or political subdivision of a State that, on or before January 1, 1984—

''(i) adopted regulations under State law that required the transportation to, and management or disposal at, waste management facilities in the State, of—

''(I) all solid waste from residential, commercial, institutional, or industrial sources (as defined under State law); and

''(II) recyclable material voluntarily relinquished by the owner or generator of the recyclable material; and

''(ii) as of January 1, 1984, had implemented those regulations in the case of every political subdivision of the State.

''(B) AUTHORITY.—Notwithstanding anything to the contrary in this section (including subsection (m)), a State or political subdivision of a State described in subparagraph (A) may continue to exercise flow control authority (including designation of waste management facilities in the State that meet the requirements of subsection (c)) for all classes and categories of solid waste that were subject to flow control on January 1, 1984.

''(6) FLOW CONTROL ORDINANCE.—Notwithstanding anything to the contrary in this section, but subject to subsection (m), any political subdivision which adopted a flow control ordinance in November 1991, and designated facilities to receive municipal solid waste prior to April 1, 1992, may exercise flow control authority until the end of the remaining life of all contracts between the political subdivision and any other persons regarding the movement or delivery of municipal solid waste or voluntarily relinquished recyclable material to a designated facility (as in effect May 15, 1994). Such authority shall extend only to the specific classes or categories of municipal solid waste to which flow control authority was actually applied on or before May 15, 1994. The authority under this subsection shall be exercised in accordance with section 4012(b)(4).

''(c) COMMITMENT TO CONSTRUCTION.—

''(1) IN GENERAL.—Notwithstanding subsection (b)(1) (A) and (B), any political subdivision of a State may exercise flow control authority under subsection (b), if—

''(A)(i) the law, ordinance, regulation, or other legally binding provision specifically provides for flow control authority for municipal solid waste generated within its boundaries; and

''(ii) such authority was exercised prior to May 15, 1995, and was being implemented on May 15, 1994.

''(B) prior to May 15, 1994, the political subdivision committed to the designation of the particular waste management facilities or public service authority to which municipal solid waste is to be transported or at which municipal solid waste is to be disposed of under that law, ordinance, regulation, plan, or legally binding provision.

''(2) FACTORS DEMONSTRATING COMMITMENT.—A commitment to the designation of waste management facilities or public service authority is demonstrated by 1 or more of the following factors:

''(A) CONSTRUCTION PERMITS.—All permits required for the substantial construction of the facility were obtained prior to May 15, 1994.

''(B) CONTRACTS.—All contracts for the substantial construction of the facility were in effect prior to May 15, 1994.

''(C) REVENUE BONDS.—Prior to May 15, 1994, revenue bonds were presented for sale to specifically provide revenue for the construction of the facility.

''(D) CONSTRUCTION AND OPERATING PERMITS.—The State or political subdivision submitted to the appropriate regulatory agency or agencies, on or before May 15, 1994, substantially complete permit applications for the construction and operation of the facility.

''(d) FORMATION OF SOLID WASTE MANAGEMENT DISTRICT TO PURCHASE AND OPERATE EXISTING FACILITY.—Notwithstanding subsection (b)(1) (A) and (B), a solid waste management district that was formed by a number of political subdivisions for the purpose of purchasing and operating a facility owned by 1 of the political subdivisions may exercise flow control authority under subsection (b) if—

''(1) the facility was fully licensed and in operation prior to May 15, 1994;

''(2) prior to April 1, 1994, substantial negotiations and preparation of documents for the formation of the district and purchase of the facility were completed;

''(3) prior to May 15, 1994, at least 80 percent of the political subdivisions that were to participate in the solid waste management district had adopted ordinances committing the political subdivisions to participation and the remaining political subdivisions adopted such ordinances within 2 months after that date; and

''(3) the financing was completed, the acquisition was made, and the facility was placed under operation by the solid waste management district by September 21, 1994.

''(e) CONSTRUCTED AND OPERATED.—A political subdivision of a State may exercise flow control authority for municipal solid waste and for recyclable material voluntarily relinquished by

the owner or generator of the material that is generated within its jurisdiction if—

''(1) prior to May 15, 1994, the political subdivision—

''(A) contracted with a public service authority or with its operator to deliver or cause to be delivered to the public service authority substantially all of the disposable municipal solid waste that is generated or collected by or is within or under the control of the political subdivision, in order to support revenue bonds issued by and in the name of the public service authority or on its behalf by a State entity for waste management facilities; or

''(B) entered into contracts with a public service authority or its operator to deliver or cause to be delivered to the public service authority substantially all of the disposable municipal solid waste that is generated or collected by or within the control of the political subdivision, which imposed flow control pursuant to a law, ordinance, regulation, or other legally binding provision and where outstanding revenue bonds were issued in the name of public service authorities for waste management facilities; and

''(2) prior to May 15, 1994, the public service authority—

''(A) issued the revenue bonds or had issued on its behalf by a State entity for the construction of municipal solid waste facilities to which the political subdivision's municipal solid waste is transferred or disposed; and

''(B) commenced operation of the facilities.

The authority under this subsection shall be exercised in accordance with section 4012(b)(4).

''(f) STATE-MANDATED DISPOSAL SERVICES.—A political subdivision of a State may exercise flow control authority for municipal solid waste and for recyclable material voluntarily relinquished by the owner or generator of the material that is generated within its jurisdiction if, prior to May 15, 1994, the political subdivision—

''(1) was responsible under State law for providing for the operation of solid waste facilities to serve the disposal needs of all incorporated and unincorporated areas of the county;

''(2) is required to initiate a recyclable materials recycling program in order to meet a municipal solid waste reduction goal of at least 30 percent;

''(3) has been authorized by State statute to exercise flow control authority and had implemented the authority through the adoption or execution of a law, ordinance, regulation, contract, or other legally binding provision;

''(4) had incurred, or caused a public service authority to incur, significant financial expenditures to comply with State law and to repay outstanding bonds that were issued specifically for the construction of solid waste management facilities to which the political subdivision's waste is to be delivered; and

''(5) the authority under this subsection shall be exercised in accordance with section 4012(b)(4).

''(g) STATE SOLID WASTE DISTRICT AUTHORITY.—A solid waste district or a political subdivision of a State may exercise flow control authority for municipal solid waste and for recyclable material voluntarily relinquished by the owner or generator of the material that is generated within its jurisdiction if—

''(1) the solid waste district, political subdivision or municipality within said district is currently required to initiate a recyclable materials recycling program in order to meet a municipal solid waste reduction goal of at least 30 percent by the year 2005, and uses revenues generated by the exercise of flow control authority strictly to implement programs to manage municipal solid waste, other than development of incineration; and

''(2) prior to May 15, 1994, the solid waste district, political subdivision or municipality within said district—

''(A) was responsible under State law for the management and regulation of the storage, collection, processing, and disposal of solid wastes within its jurisdiction;

''(B) was authorized by State statute (enacted prior to January 1, 1992) to exercise flow control authority, and subsequently adopted or sought to exercise the authority through a law, ordinance, regulation, regulatory proceeding, contract, franchise, or other legally binding provision; and

''(C) was required by State statute (enacted prior to January 1, 1992) to develop and implement a solid waste management plan consistent with the State solid waste management plan, and the district solid waste management plan was approved by the appropriate State agency prior to September 15, 1994.

''(h) STATE-AUTHORIZED SERVICES AND LOCAL PLAN ADOPTION.—A political subdivision of a State may exercise flow control authority for municipal solid waste and for recyclable material voluntarily relinquished by the owner or generator of the material that is generated within its jurisdiction if, prior to May 15, 1994, the political subdivision—

''(1) had been authorized by State statute which specifically named the political subdivision to exercise flow control authority and had implemented the authority through a law, ordinance, regulation, contract, or other legally binding provision; and

''(2) had adopted a local solid waste management plan pursuant to State statute and was required by State statute to adopt such plan in order to submit a complete permit application to construct a new solid waste management facility proposed in such plan; and

''(3) had presented for sale a revenue or general obligation bond to provide for the site selection, permitting, or acquisition for construction of new facilities identified and proposed in its local solid waste management plan; and

''(4) includes a municipality or municipalities required by State law to adopt a local law or ordinance to require that solid waste which has been left for collection shall be separated into recyclable, reusable or other components for which economic markets exist; and

''(5) is in a State that has aggressively pursued closure of substandard municipal landfills, both by regulatory action and under statute designed to protect deep flow recharge areas in counties where potable water supplies are derived from sole source aquifers.

''(i) RETAINED AUTHORITY.—

''(1) REQUEST.—On the request of a generator of municipal solid waste affected by this section, a State or political subdivision may authorize the diversion of all or a portion of the solid waste generated by the generator making the request to an alternative solid waste treatment or disposal facility, if the purpose of the request is to provide a higher level of protection for human health and the environment or reduce potential future liability of the generator under Federal or State law for the management of such waste, unless the State or political subdivision determines that the facility to which the municipal solid waste is proposed to be diverted does not provide a higher level of protection for human health and the environment or does not reduce the potential future liability of the generator under Federal or State law for the management of such waste.

''(2) CONTENTS.—A request under paragraph (1) shall include information on the environmental suitability of the proposed alternative treatment or disposal facility and method, compared to that of the designated facility and method.

''(j) LIMITATIONS ON REVENUE.—A State or political subdivision may exercise flow control authority under subsection (b), (c), (d), or (e) only if the State or political subdivision certifies that the use of any of its revenues derived from the exercise of that authority will be used for solid waste management services or related landfill reclamation.

''(k) REASONABLE REGULATION OF COMMERCE.—A law, ordinance, regulation, or other legally binding provision or official act of a State or political subdivision, as described in subsection (b), (c), (d), or (e), that implements flow control authority in compliance with this section shall be considered to be a reasonable regulation of commerce retroactive to its date of enactment or effective date and shall not be considered to be an undue burden on or otherwise considered as impairing, restraining, or discriminating against interstate commerce.

''(l) EFFECT ON EXISTING LAWS AND CONTRACTS.—

''(1) ENVIRONMENTAL LAWS.—Nothing in this section shall be construed to have any effect on any other law relating to the protection of human health and the environment or the management of municipal solid waste or recyclable material.

''(2) STATE LAW.—Nothing in this section shall be construed to authorize a political subdivision of a State to exercise the flow control authority granted by this section in a manner that is inconsistent with State law.

''(3) OWNERSHIP OF RECYCLABLE MATERIAL.—Nothing in this section—

''(A) authorizes a State or political subdivision of a State to require a generator or owner of recyclable material to transfer recyclable material to the State or political subdivision; or

''(B) prohibits a generator or owner of recyclable material from selling, purchasing, accepting, conveying, or transporting recyclable material for the purpose of transformation or remanufacture into usable or marketable material, unless the generator or owner voluntarily made the recyclable material available to the State or political subdivision and relinquished any right to, or ownership of, the recyclable material.

''(m) REPEAL.—(1) Notwithstanding any provision of this title, authority to flow control by directing municipal solid waste or recyclable materials to a waste management facility shall terminate on the date that is 30 years after the date of enactment of this Act.

''(2) This section and the item relating to this section in the table of contents for subtitle D of the Solid Waste Disposal Act are repealed effective as of the date that is 30 years after the date of enactment of this Act.

''(n) TITLE NOT APPLICABLE TO LISTED FACILITIES.—Notwithstanding any other provision of this title, the authority to exercise flow control shall not apply to any facility that—

''(1) on the date of enactment of this Act, is listed on the National Priorities List under the Comprehensive Environmental, Response, Compensation and Liability Act (42 U.S.C. 9601 et seq.); or

''(2) as of May 15, 1994, was the subject of a pending proposal by the Administrator of the Environmental Protection Agency to be listed on the National Priorities List.''.

(2) TABLE OF CONTENTS AMENDMENT.—The table of contents for subtitle D in section 1001 of the Solid Waste Disposal Act (42 U.S.C. prec. 6901), as amended by subsection (a)(1)(B), is amended by adding after the item relating to section 4011 the following new item:

''Sec. 4012. State and local government control of movement of municipal solid waste and recyclable material.''.

(c) GROUND WATER MONITORING.—

(1) AMENDMENT OF SOLID WASTE DISPOSAL ACT.—Section 4010(c) of the Solid Waste Disposal Act (42 U.S.C. 6949a(c)) is amended—

(A) by striking ''CRITERIA.—Not later'' and inserting the following: ''CRITERIA.—

''(1) IN GENERAL.—Not later''; and

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

''(2) ADDITIONAL REVISIONS.—Subject to paragraph (2), the requirements of the criteria described in paragraph (1) relating to ground water monitoring shall not apply to an owner or operator of a new municipal solid waste landfill unit, an existing municipal solid waste landfill unit, or a lateral expansion of a municipal solid

waste landfill unit, that disposes of less than 20 tons of municipal solid waste daily, based on an annual average, if—

''(A) there is no evidence of ground water contamination from the municipal solid waste landfill unit or expansion; and

''(B) the municipal solid waste landfill unit or expansion serves—

''(i) a community that experiences an annual interruption of at least 3 consecutive months of surface transportation that prevents access to a regional waste management facility; or

''(ii) a community that has no practicable waste management alternative and the landfill unit is located in an area that annually receives less than or equal to 25 inches of precipitation.

''(3) PROTECTION OF GROUND WATER RESOURCES.—

''(A) MONITORING REQUIREMENT.—A State may require ground water monitoring of a solid waste landfill unit that would otherwise be exempt under paragraph (2) if necessary to protect ground water resources and ensure compliance with a State ground water protection plan, where applicable.

''(B) METHODS.—If a State requires ground water monitoring of a solid waste landfill unit under subparagraph (A), the State may allow the use of a method other than the use of ground water monitoring wells to detect a release of contamination from the unit.

''(C) CORRECTIVE ACTION.—If a State finds a release from a solid waste landfill unit, the State shall require corrective action as appropriate.

''(4) ALASKA NATIVE VILLAGES.—Upon certification by the Governor of the State of Alaska that application of the requirements of the criteria described in paragraph (1) to a solid waste landfill unit of a Native village (as defined in section 3 of the Alaska Native Claims Settlement Act (16 U.S.C. 1602)) or unit that is located in or near a small, remote Alaska village would be infeasible, or would not be cost-effective, or is otherwise inappropriate because of the remote location of the unit, the State may exempt the unit from some or all of those requirements. This subsection shall apply only to solid waste landfill units that dispose of less than 20 tons of municipal solid waste daily, based on an annual average.

''(5) NO-MIGRATION EXEMPTION.—

''(A) IN GENERAL.—Ground water monitoring requirements may be suspended by the Director of an approved State for a landfill operator if the operator demonstrates that there is no potential for migration of hazardous constituents from the unit to the uppermost aquifer during the active life of the unit and the post-closure care period.

''(B) CERTIFICATION.—A demonstration under subparagraph (A) shall—

''(i) be certified by a qualified ground-water scientist and approved by the Director of an approved State.

''(C) GUIDANCE.—Not later than 6 months after the date of enactment of this paragraph, the Administrator shall issue a guidance document to facilitate small community use of the no migration exemption under this paragraph.

''(6) FURTHER REVISIONS OF GUIDELINES AND CRITERIA.—Not later than April 9, 1997, the Administrator shall promulgate revisions to the guidelines and criteria promulgated under this subchapter to allow States to promulgate alternate design, operating, landfill gas monitoring, financial assurance, and closure requirements for landfills which receive 20 tons or less of municipal solid waste per day based on an annual average: Provided That such alternate requirements are sufficient to protect human health and the environment.''.

(2) REINSTATEMENT OF REGULATORY EXEMPTION.—It is the intent of section 4010(c)(2) of the Solid Waste Disposal Act, as added by paragraph (1), to immediately reinstate subpart E of part 258 of title 40, Code of Federal Regulations, as added by the final rule published at 56 Federal Register 50798 on October 9, 1991.

(d) STATE OR REGIONAL SOLID WASTE PLANS.—

(1) FINDING.—Section 1002(a) of the Solid Waste Disposal Act (42 U.S.C. 6901(a)) is amended—

(A) by striking the period at the end of paragraph (4) and inserting ''; and''; and

(B) by adding at the end the following:

''(5) that the Nation's improved standard of living has resulted in an increase in the amount of solid waste generated per capita, and the Nation has not given adequate consideration to solid waste reduction strategies.''.

(2) OBJECTIVE OF SOLID WASTE DISPOSAL ACT.—Section 1003(a) of the Solid Waste Disposal Act (42 U.S.C. 6902(a)) is amended—

(A) by striking ''and'' at the end of paragraph (10);

(B) by striking the period at the end of paragraph (11) and inserting ''; and''; and

(C) by adding at the end the following:

''(12) promoting local and regional planning for—

''(A) effective solid waste collection and disposal; and

''(B) reducing the amount of solid waste generated per capita through the use of solid waste reduction strategies.''.

(3) NATIONAL POLICY.—Section 1003(b) of the Solid Waste Disposal Act (42 U.S.C. 6902(b)) is amended by inserting ''solid waste and'' after ''generation of''.

(4) OBJECTIVE OF SUBTITLE D OF SOLID WASTE DISPOSAL ACT.—Section 4001 of the Solid Waste Disposal Act (42 U.S.C. 6941) is amended by inserting ''promote local and regional planning for effective solid waste collection and disposal and for reducing the amount of solid waste generated per capita through the use of solid waste reduction strategies, and'' after ''objectives of this subtitle are to''.

(5) DISCRETIONARY STATE PLAN PROVISIONS.—Section 4003 of the Solid Waste Disposal Act (42 U.S.C. 6943) is amended by adding at the end the following:

''(e) DISCRETIONARY PLAN PROVISIONS RELATING TO SOLID WASTE REDUCTION GOALS, LOCAL AND REGIONAL PLANS, AND ISSUANCE OF SOLID WASTE MANAGEMENT PERMITS.—Except as provided in section 4011(a)(4), a State plan submitted under this subtitle may include, at the option of the State, provisions for—

''(1) establishment of a State per capita solid waste reduction goal, consistent with the goals and objectives of this subtitle; and

''(2) establishment of a program that ensures that local and regional plans are consistent with State plans and are developed in accordance with sections 4004, 4005, and 4006.''.

(6) PROCEDURE FOR DEVELOPMENT AND IMPLEMENTATION OF STATE PLANS.—Section 4006(b) of the Solid Waste Disposal Act (42 U.S.C. 6946(b)) is amended by inserting ''and discretionary plan provisions'' after ''minimum requirements''.

(e) GENERAL PROVISIONS.—

(1) BORDER STUDIES.—

(A) DEFINITIONS.—In this paragraph:

(i) ADMINISTRATOR.—The term ''Administrator'' means the Administrator of the Environmental Protection Agency.

(ii) MAQUILADORA.—The term ''maquiladora'' means an industry located in Mexico along the border between the United States and Mexico.

(iii) SOLID WASTE.—The term ''solid waste'' has the meaning provided the term under section 1004(27) of the Solid Waste Disposal Act (42 U.S.C. 6903(27)).

(B) IN GENERAL.—

(i) STUDY OF SOLID WASTE MANAGEMENT ISSUES ASSOCIATED WITH NORTH AMERICAN FREE TRADE AGREEMENT.—As soon as practicable after the date of enactment of this Act, the Administrator is authorized to conduct a study of solid waste management issues associated with increased border use resulting from the implementation of the North American Free Trade Agreement.

(ii) STUDY OF SOLID WASTE MANAGEMENT ISSUES ASSOCIATED WITH UNITED STATES-CANADA FREE-TRADE AGREEMENT.—As soon as practicable after the date of enactment of this Act, the Administrator may conduct a similar study focused on border traffic of solid waste resulting from the implementation of the United States-Canada Free-Trade Agreement, with respect to the border region between the United States and Canada.

(C) CONTENTS OF STUDY.—A study conducted under this paragraph shall provide for the following:

(i) A study of planning for solid waste treatment, storage, and disposal capacity (including additional landfill capacity) that would be necessary to accommodate the generation of additional household, commercial, and industrial wastes by an increased population along the border involved.

(ii) A study of the relative impact on border communities of a regional siting of solid waste storage and disposal facilities.

(iii) In the case of the study described in subparagraph (B)(i), research concerning methods of tracking of the transportation of—

(I) materials from the United States to maquiladoras; and

(II) waste from maquiladoras to a final destination.

(iv) In the case of the study described in subparagraph (B)(i), a determination of the need for solid waste materials safety training for workers in Mexico and the United States within the 100-mile zone specified in the First Stage Implementation Plan Report for 1992–1994 of the Integrated Environmental Plan for the Mexico-United States Border, issued by the Administrator in February 1992.

(v) A review of the adequacy of existing emergency response networks in the border region involved, including the adequacy of training, equipment, and personnel.

(vi) An analysis of solid waste management practices in the border region involved, including an examination of methods for promoting source reduction, recycling, and other alternatives to landfills.

(D) SOURCES OF INFORMATION.—In conducting a study under this paragraph, the Administrator shall, to the extent allowable by law, solicit, collect, and use the following information:

(i) A demographic profile of border lands based on census data prepared by the Bureau of the Census of the Department of Commerce and, in the case of the study described in subparagraph (B)(i), census data prepared by the Government of Mexico.

(ii) In the case of the study described in subparagraph (B)(i), information from the United States Customs Service of the Department of the Treasury concerning solid waste transported across the border between the United States and Mexico, and the method of transportation of the waste.

(iii) In the case of the study described in subparagraph (B)(i), information concerning the type and volume of materials used in maquiladoras.

(iv)(I) Immigration data prepared by the Immigration and Naturalization Service of the Department of Justice.

(II) In the case of the study described in subparagraph (B)(i), immigration data prepared by the Government of Mexico.

(v) Information relating to the infrastructure of border land, including an accounting of the number of landfills, wastewater treatment systems, and solid waste treatment, storage, and disposal facilities.

(vi) A listing of each site in the border region involved where solid waste is treated, stored, or disposed of.

(vii) In the case of the study described in subparagraph (B)(i), a profile of the industries in the region of the border between the United States and Mexico.

(E) CONSULTATION AND COOPERATION.—In carrying out this paragraph, the Administrator shall consult with the following entities in reviewing study activities:

(i) With respect to reviewing the study described in subparagraph (B)(i), States and political subdivisions of States (including municipalities and counties) in the region of the border between the United States and Mexico.

(ii) The heads of other Federal agencies (including the Secretary of the Interior, the Secretary of Housing, the Secretary of Health and Human Services, the Secretary of Transportation, and the Secretary of Commerce) and with respect to reviewing the study described in subparagraph (B)(i), equivalent officials of the Government of Mexico.

(F) REPORTS TO CONGRESS.—On completion of the studies under this paragraph, the Administrator shall, not later than 2 years after the date of enactment of this Act, submit to the appropriate committees of Congress reports that summarize the findings of the studies and propose methods by which solid waste border traffic may be tracked, from source to destination, on an annual basis.

(G) BORDER STUDY DELAY.—The conduct of the study described in subparagraph (B)(ii) shall not delay or otherwise affect completion of the study described in subparagraph (B)(i).

(H) FUNDING.—If any funding needed to conduct the studies required by this paragraph is not otherwise available, the president may transfer to the administrator, for use in conducting the studies, any funds that have been appropriated to the president under section 533 of the North American Free Trade Agreement Implementation Act (19 U.S.C. 3473) that are in excess of the amount needed to carry out that section. States that wish to participate in study will be asked to contribute to the costs of the study. The terms of the cost share shall be negotiated between the Environmental Protection Agency and the State.''.

(2) STUDY OF INTERSTATE HAZARDOUS WASTE TRANSPORT.—

(A) DEFINITION OF HAZARDOUS WASTE.—In this paragraph, the term ''hazardous waste'' has the meaning provided in section 1004 of the Solid Waste Disposal Act (42 U.S.C. 6903).

(B) STUDY.—not later than 3 years after the date of enactment of this act, the administrator of the environmental protection agency shall conduct a study, and report to congress on the results of the study, to determine—

(i) the quantity of hazardous waste that is being transported across state lines; and

(ii) the ultimate disposition of the transported waste.

(3) STUDY OF INTERSTATE SLUDGE TRANSPORT.—

(A) DEFINITIONS.—In this paragraph:

(i) SEWAGE SLUDGE.—The term ''sewage sludge''—

(I) means solid, semisolid, or liquid residue generated during the treatment of domestic sewage in a treatment works; and

(II) includes—

(i) domestic septage;

(ii) scum or a solid removed in a primary, secondary, or advanced wastewater treatment process; and

(iii) material derived from sewage sludge (as otherwise defined in this clause); but

(III) does not include—

(i) ash generated during the firing of sewage sludge (as otherwise defined in this clause) in a sewage sludge incinerator; or

(ii) grit or screenings generated during preliminary treatment of domestic sewage in a treatment works.

(ii) SLUDGE.—The term ''sludge'' has the meaning provided in section 1004 of the Solid Waste Disposal Act (42 U.S.C. 6903).

(B) STUDY.—Not later than 3 years after the date of enactment of this act, the administrator of the environmental protection agency shall conduct a study, and report to congress on the results of the study, to determine—

(i) the quantity of sludge (including sewage sludge) that is being transported across state lines; and

(ii) the ultimate disposition of the transported sludge.

SEC. 510. SENSE OF SENATE REGARDING UNITED STATES SEMICONDUCTOR TRADE AGREEMENT.

(a) FINDINGS.—

(1) The United States-Japan Semiconductor Trade Agreement is set to expire on July 31, 1996;

(2) The Governments of the United States and Japan are currently engaged in negotiations over the terms of a new United States-Japan agreement on semiconductors;

(3) The President of the United States and the Prime Minister of Japan agreed at the G–7 Summit in June that their two governments should conclude a mutually acceptable outcome of the semiconductor dispute by July 31, 1996, and that there should be a continuing role for the two governments in the new agreement;

(4) The current United States-Japan Semiconductor Trade Agreement has put in place both government-to-government and industry-to-industry mechanisms which have played a vital role in allowing cooperation to replace conflict in this important high technology sector such as by providing for joint calculation of foreign market share in Japan, deterrence of dumping, and promotion of industrial cooperation in the design-in of foreign semiconductor devices;

(5) Despite the increased foreign share of the Japanese semiconductor market since 1986, a gap still remains between the share United States and other foreign semiconductor makers are able to capture in the world market outside of Japan through their competitiveness and the sales of these suppliers in the Japanese market, and that gap is consistent across the full range of semiconductor products as well as a full range of end-use applications;

(6) The competitiveness and health of the United States semiconductor industry is of critical importance to the United States' overall economic well-being as well as the nation's high technology defense capabilities;

(7) The economic interests of both the United States and Japan are best served by well-functioning, open markets and deterrence of dumping in all sectors, including semiconductors;

(8) The Government of Japan continues to oppose an agreement that (A) ensures continued calculation of foreign market share in Japan according to the formula set forth in the current agreement, and (B) provides for continuation of current measures to deter renewed dumping of semiconductors in the United States and in the third country markets; and

(9) The United States Senate on June 19, 1996, unanimously adopted a sense of the Senate resolution that the President should take all necessary and appropriate actions to ensure the continuation of a government-to-government United States-Japan semiconductor trade agreement before the current agreement expires on July 31, 1996.

(b) SENSE OF SENATE.—It is the sense of the Senate that if a new United States-Japan Semiconductor Agreement is not concluded by July 31, 1996, that (1) ensures continued calculation of foreign market share in Japan according to the formula set forth in the current agreement, and (2) provides for continuation of current measures to deter renewed dumping of semiconductors in the United States and in third country markets, the President shall—

(A) Direct the Office of the United States Trade Representative and the Department of Commerce to establish a system to provide for unilateral United States Government calculation and publication of the foreign share of the Japanese semiconductor market, according to the formula set forth in the current agreement;

(B) Report to the Congress on a quarterly basis regarding the progress, or lack thereof, in increasing foreign market access to the Japanese semiconductor market; and

(C) Take all necessary and appropriate actions to ensure that all United States trade laws with respect to foreign market access and injurious dumping are expeditiously and vigorously enforced with respect to U.S.-Japan semiconductor trade, as appropriate.

This Act may be cited as the ''Energy and Water Development Appropriations Act, 1997''.

Mr. DOMENICI. Mr. President, I move to reconsider the vote by which the bill was passed, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOMENICI. Mr. President, I ask unanimous consent that S. 1959, the fiscal year 1997 energy and water development appropriations bill, be indefinitely postponed.

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

Mr. DOMENICI. Mr. President, I move that the Senate insist on its amendments, request a conference with the House on the disagreeing votes of the two Houses and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer (Mr. ASHCROFT) appointed Mr. DOMENICI, Mr. HATFIELD, Mr. COCHRAN, Mr. GORTON, Mr. MCCONNELL, Mr. BENNETT, Mr. BURNS, Mr. JOHNSTON, Mr. BYRD, Mr. HOLLINGS, Mr. REID, Mr. KERREY and Mrs. MURRAY conferees on the part of the Senate.

Mr. DOMENICI. Mr. President, I thank the combined staff—the Republican staff and the Democratic staff—for the marvelous job they did. I, most of all, thank all the Senators for being as cooperative as they were. This is a bill that is not singular in purpose but has an awful lot of facets to it. We were able in 2 days to complete it, and that is because we got great cooperation.

I yield the floor.

RECESS

The PRESIDING OFFICER. Under the previous order, the Senate will now stand in recess until the hour of 2:15 p.m. today.

Thereupon, at 12:42 p.m., the Senate recessed until 2:15 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. SMITH).

LEGISLATIVE BRANCH APPROPRIATIONS ACT, 1997

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of H.R. 3754, which the clerk will report.

The legislative clerk read as follows:

A bill (H.R. 3754) making appropriations for the legislative branch for the fiscal year ending September 30, 1997, and for other purposes.

The Senate resumed the consideration of the bill.

Pending:

Chafee amendment No. 5119, to provide for a limitation on the exclusion copyrights of literary works reproduced or distributed in specialized formats for use by blind or disabled persons.

Mr. MACK addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida.

AMENDMENT NO. 5119

Mr. MACK. Mr. President, I understand that there is a pending amendment before the Senate, which is the Chafee amendment.

The PRESIDING OFFICER. The Senator is correct. The pending amendment is the amendment by the Senator from Rhode Island.

Mr. MACK. Mr. President, I understand the amendment has been cleared by both sides of the aisle, including the authorizing committee chair and ranking member. Therefore, I ask unanimous consent that Senator FORD and Senator FRIST be added as cosponsors to the Chafee amendment and that the amendment be agreed to.

The amendment (No. 5119) was agreed to.

Mrs. MURRAY. I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

Mr. LEAHY. Mr. President, yesterday Senator MURRAY was good enough to file on my behalf an amendment dealing with a recently adopted rule on the acceptable uses of the Senate Internet Services. I have some very serious concerns about this new rule, concerns that many of my colleagues in the Senate share.

Senator FORD and Senator WARNER have worked closely with me on this issue and I think we have reached a compromise which is very reasonable and accommodating for both the Rules Committee and the Senators who would be affected by the new Internet policy. I would like to thank them for agreeing to take another look at this policy. As a result of that compromise, I have withdrawn my amendment and am looking forward to working with the members of the Rules Committee and other Senators who are interested in the Senate Internet policy over the next 2 months. During that time, implementation of the rule dealing with promotional or commercial links on Senate home pages will be delayed.

I do want to take a moment to inform other Senators who may not have had a chance to read the new Senate Internet policy, about the issue my amendment addressed. On July 22, 1996, the Senate Committee on Rules and Administration adopted a policy for the use of the U.S. Senate Internet Services. Among other things, the rule states that ''The use of Senate Internet Services for personal, promotional, commercial, or partisan political campaign purposes is prohibited.''

Now most of those restrictions I would agree are appropriate and prudent. But I am concerned about the ambiguity of the terms ''promotional'' and ''commercial''. My amendment would have clarified that language by allowing a ''home state exemption''—similar to the one that is included under the gift rule to allow gifts of home State products. Under my amendment, Senators would have been allowed to link to sites, businesses, and organizations in their home State as long as those links are accompanied by a disclaimer stating that the link is not an endorsement of the products, locations, or services they feature.

Like many Senators I have links on my Web page to places and organizations in my home State. My home page is a virtual office for people who may not be able to get to my offices in Montpelier or Burlington. Without the links to Vermont sites it would be a pretty uninviting place—no native Vermont art on the walls, no calendar of events, and no directory of places to go and things to see while you are in the area. That's not the kind of hospitality I like to show people who have taken the time to visit my office.

Under the July 22 rule, I will probably have to eliminate most of the home state links on my Senate Web page or defend my decision to keep those links before the Senate Ethics Committee. However I won't be alone—over half of my colleagues in the Senate have similar links on their Web pages to tourist spots, businesses or event listings in their home States, including most of the members of the Rules Committee itself. Mr. President, I do not believe that is what the committee intended. I do not believe that most Members are aware of this rule and the affect that it will have on the individuality of their home pages.

The Internet is a new milestone in communication which the Senate should be using to the advantage of all States. But it is also a rapidly changing field, and I understand completely the difficulty that Senator FORD, Senator WARNER and the other members of the Rules Committee have had in setting down a policy for Senate use of the Internet. The World Wide Web is uncharted territory when it comes to drawing the line between what is an appropriate use of Senate resources and what is not. But by opening up this dialog between all interested Senators, we can will go a long way toward finding that balance.

This will certainly not be the last time that the Senate grapples with the problem of fitting advances in telecommunications technology to a government body that pre-dates the pony express. However, I hope that the process we are establishing now of open communication between Senators who are deeply interested in this emerging technology and the Rules Committee, will continue as we travel down this road.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read a third time.

Mr. MACK. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. COATS. Mr. President, may I ask what the current business of the Senate is?

The PRESIDING OFFICER. Under the previous order, the Senator from West Virginia is to be recognized for up to 20 minutes, followed immediately by a vote on passage of the bill.

Mr. COATS. Mr. President, I noted the absence of a quorum and thought perhaps there was a timeframe open here for me to introduce a bill; however, I see the Senator from West Virginia is here and prepared to go ahead.

Under the previous order, I am happy to abide by that and will do this at another time.

Mr. BYRD. How much time did the Senator need to introduce his bill?

Mr. COATS. There is no rush on this. I think we should stick with what was agreed upon.

Mr. BYRD. I probably have more time under the order than I will use.

Mr. COATS. I just want to introduce legislation. I can probably do it in 2 minutes.

Mr. BYRD. I yield the Senator 2 minutes, and I ask unanimous consent that he may speak as in morning business and introduce a bill.

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

The Senator from Indiana is recognized.

Mr. COATS. Mr. President, I thank the Chair and I thank the Senator from West Virginia.

(The remarks of Mr. COATS pertaining to the introduction of S. 2000 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

Mr. BYRD. Mr. President, I rise in support of H.R. 3754, the Fiscal Year 1997 Legislative Appropriations Bill. This is the second year, I believe, that the distinguished Senator from Florida [Mr. MACK] has chaired the Legislative subcommittee and it is also the second year that the equally distinguished Senator from Washington [Mrs. MURRAY] has served as the ranking member of the subcommittee. Both Senators are to be commended for the efforts that they have made to ensure that the legislative branch of Government does its share in contributing toward deficit reduction.

As has been stated, the pending measure contains funding levels that are below the previous year's budget by a little over $22 million, or around 1 percent. Further, the proposed fiscal year 1997 funding level, in total, is $13 million less than what the legislative branch had 6 years ago in fiscal year 1991. So when we consider the cost increases that have occurred over this 6

year period, the legislative branch has taken a significant reduction in funding.

I note that the largest reduction contained in the bill is to the budget of the General Accounting Office, for which a reduction of $44 million is recommended, as well as a personnel ceiling of 3,500 positions. That reduction fulfills a commitment made by the GAO to reduce its budget by 25 percent over a 2-year period. But for that 44 million-dollar reduction, the pending measure would, in fact, show an increase above fiscal year 1996.

Overall, I believe that this bill recognizes the fact that we have reached the bottom of the barrel as far as further reductions in the legislative branch budget. A large portion of the legislative branch budget is for personnel whose purpose is to assist Members of the House and Senate in carrying out their responsibilities. It is my strongly held belief that we must be very careful in the future to avoid any further arbitrary reductions in the legislative branch. We have reached the point, by making such dramatic reductions in staff throughout the legislative branch, that it is affecting the ability of Members to adequately address issues of national importance which arise in Congress every day and to adequately serve the people who send us here. In fact, let me take this opportunity to congratulate a very commendable group of individuals. Who are they? The United States Senate staff.

Senators like to think of themselves as akin to stars in the heavens, giving off light, and giving off heat, energy and brilliance—separate and distinct suns in orbits all of our own, as it were, creating their very own blinding illumination. In truth our lights would be very dim indeed without the dedicated hard work and unbelievable loyalty of those who labor so long on our behalf and on behalf of our constituents.

The people who open our mail, who read our mail and who answer much of our mail, the people who answer our telephones, and take a great deal of guff in the process on many occasions, the people who research our issues, the people who prepare our press releases, the people who work on the Nation's problems, as well as on the problems of our respective States, the people on the committees who craft legislative language. I doubt that there is a Senator here—there may be one—who personally writes his own bills, the bills that he introduces. The people who intercede on behalf of our constituents when we cannot do so ourselves, the people who toil on the Senate floor, the people who negotiate far into the night, I am talking about our committee staffs in particular here, negotiate far into the night to reconcile intractable differences with Members of the other body sometimes, long after Senators have gone home and gone to bed. All of these individuals unselfishly give countless hours and energies in order to serve Senators and to benefit their country.

Some of those staff members may have certain advantages, this is true. But these are very special people, and they are special people who are mostly unsung and very often unappreciated. Daily, they combine demanding, stressful, and difficult careers with equally demanding private lives. When they leave home in the morning, they often have no idea what time they may return to their loved ones at night. Many of us, Senators, are here in that same boat. We do not know what time we are going to get to go home at night. But certainly those employees do not for the most part. Still they manage to rear children and cook and clean and carry out the hundreds of other chores which must be performed in their personal lives weekly, despite impossible hours.

Every Senator in this body, each and every Member on both sides of the aisle, is deeply in their debt, as are our constituents and the Nation as a whole.

So we are supposed to pay them well, and in many instances, or most instances, I think we do pay them well. But not always, by any means.

That is why I am particularly concerned that this year those same capable, hard-working, largely uncomplaining individuals have been singled out, not for praise, but, at least indirectly, for scorn. It is my understanding that, for the first time in the years in which there have been cost-of-living adjustments, the staff of the U.S. Senate are alone—alone—among all Federal employees in this land in their failure to receive the COLA. Staffers of the House of Representatives have been authorized to receive their COLAS, the entire rest of the Federal work force has already received a cost-of-living adjustment, including the employees who staff the Federal judiciary.

I often wonder. It strikes me as strange that Senators, many Senators, in thinking of reducing personnel and of not increasing salaries of the staff or of Members themselves, do not dare touch the judiciary. They do not want to touch the judiciary.

So staffers of the Federal judiciary have received the cost-of-living adjustment. I do not regret that. I am not complaining about that. But only Senate staffers have been singled out for this special kind of strange and unfair treatment. I cannot fathom any substantive reason for such gross unfairness. I cannot understand why such a situation has been allowed to develop. I am sure it is not intended to be punitive, but in a way it is punitive. When our staffs in the Senate look across at the other end of the Capitol and see the staffs of the House, when they look across the street and see the staffs of the judiciary, and when they look down Pennsylvania Avenue and see the staffs of the executive branch who received their COLA's, how could our staffs, how could our committee staffs, help but wonder, why is this? Why the difference? Why the discrimination?

Unlike most of the Federal work force that normally receives any approved cost-of-living adjustment automatically, Senate staffers may only receive such COLA if their respective Senator approves the increase for each member of his or her staff. Senators do not have to give the COLA to anyone on their staffs or anyone on their committee staffs who is under their jurisdiction if they do not wish to. But, this year even the option for Senators to do so has been effectively taken away from Members.

I would like to at least have the option. I would at least like to be able to pass the COLA's on to the lower paid members of my staff. I would like to make that judgment based on each staff person's merits. But that option I do not have. No other Senator has that option this year.

Do I hear deficit cutting given as a reason for such disparity? If we wanted to make a serious reduction in the deficit through this means, we could prohibit the cost-of-living adjustment for anyone and everyone in the Federal Government in the first place, including the judicial branch. No. Serious deficit reduction is not the issue here. Some sort of misguided symbolism can be the only reason for such an unwarranted slap in the face for our own loyal employees in the Senate on our personal staffs and on committee staffs.

In my opinion, this is a very poor way to thank the hundreds of people who toil to make Senators the celestial heavenly bodies that we sometimes believe we are. It is pretty shabby treatment, if you ask me.

In a city that is as expensive to live in and work in as is Washington, DC, how can any Senator be comfortable knowing that we are treating the very people who help us to serve our constituents in such a fashion?

I thank the managers of the bill. They have included moneys so that the COLA's can be passed on for the coming year. I hope that the leadership will authorize that this be done.

I think the extreme matter should be rectified immediately for this year and should not be repeated in 1997. Why? Because common decency and fairness demand it.

Mr. President, I yield the remainder of my time.

I yield the floor.

Mr. MACK addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida.

Mr. MACK. Mr. President, I ask unanimous consent that the vote on passage of H.R. 3754, the legislative branch appropriations bill, occur at 3 p.m. today.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. MACK. I ask for the yeas and nays on final passage.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. MACK. I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. COATS. Mr. President, I call for the regular order.

The PRESIDING OFFICER. Under the previous order, the bill having been read the third time, the question is, Shall the bill, as amended, pass? The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. NICKLES. I announce that the Senator from Kansas [Mrs. FRAHM] is necessarily absent.

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

The result was announced—yeas 93, nays 6, as follows:

[Rollcall Vote No. 254 Leg.]

YEAS—93

Abraham	Ford	Mack
Akaka	Frist	McCain
Ashcroft	Glenn	McConnell
Baucus	Gorton	Mikulski
Bennett	Graham	Moseley-Braun
Biden	Grams	Moynihan
Bingaman	Grassley	Murkowski
Bond	Gregg	Murray
Boxer	Harkin	Nickles
Bradley	Hatch	Nunn
Breaux	Hatfield	Pell
Bryan	Helms	Pressler
Bumpers	Hollings	Pryor
Burns	Hutchison	Reid
Byrd	Inhofe	Robb
Campbell	Inouye	Rockefeller
Chafee	Jeffords	Roth
Coats	Johnston	Santorum
Cochran	Kassebaum	Sarbanes
Cohen	Kempthorne	Shelby
Coverdell	Kennedy	Simon
Craig	Kerrey	Simpson
D'Amato	Kerry	Smith
Daschle	Kohl	Snowe
DeWine	Kyl	Specter
Dodd	Lautenberg	Stevens
Domenici	Leahy	Thomas
Dorgan	Levin	Thompson
Exon	Lieberman	Thurmond
Feingold	Lott	Warner
Feinstein	Lugar	Wyden

NAYS—6

Brown	Faircloth	Heflin
Conrad	Gramm	Wellstone

NOT VOTING—1

Frahm

The bill (H.R. 3754), as amended, was passed.

Mrs. MURRAY. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

Mr. MACK addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. MACK. Mr. President, I move that the Senate insist on its amendments to the bill, request a conference with the House on the disagreeing votes thereon, and that the Chair appoint conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer appointed Mr. MACK, Mr. BENNETT, Mr. CAMPBELL, Mr. HATFIELD, Mrs. MURRAY, Ms. MIKULSKI, and Mr. BYRD conferees on the part of the Senate.

Mr. MACK. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. EXON. Mr. President, I ask unanimous consent that the Senator from Nebraska be allowed to proceed as in morning business for not exceeding 2 minutes the purpose of introducing legislation.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator from Nebraska is recognized.

(The remarks of Mr. EXON pertaining to the introduction of S. 2003 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

Mr. FORD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS ACT, 1997

Mr. HATFIELD. Mr. President, I ask unanimous consent that the Senate now proceed to consideration of calendar order 504, H.R. 3675, the transportation appropriations bill.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 3675) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1997, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Appropriations, with amendments; as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets and the parts of the bill intended to be inserted are shown in italic.)

H.R. 3675

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

That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 1997, and for other purposes, namely:

TITLE I

DEPARTMENT OF TRANSPORTATION

OFFICE OF THE SECRETARY

SALARIES AND EXPENSES

For necessary expenses of the Office of the Secretary, **[**$53,816,000**]** *$53,376,000,* of which not to exceed $40,000 shall be available as the Secretary may determine for allocation within the Department for official reception and representation expenses: *Provided,* That notwithstanding any other provision of law, there may be credited to this appropriation up to $1,000,000 in funds received in user fees established to support the electronic tariff filing system: *Provided further,* That none of the funds appropriated in this Act or otherwise made available may be used to maintain custody of airline tariffs that are already available for public and departmental access at no cost; to secure them against detection, alteration, or tampering; and open to inspection by the Department.

OFFICE OF CIVIL RIGHTS

For necessary expenses of the Office of Civil Rights, $5,574,000.

TRANSPORTATION PLANNING, RESEARCH, AND DEVELOPMENT

For necessary expenses for conducting transportation planning, research, systems development, and development activities, to remain available until expended, **[**$3,000,000**]** *$4,158,000.*

TRANSPORTATION ADMINISTRATIVE SERVICE CENTER

Necessary expenses for operating costs and capital outlays of the Transportation Administrative Service Center, not to exceed $124,812,000, shall be paid from appropriations made available to the Department of Transportation: *Provided,* That such services shall be provided on a competitive basis to entities within the Department of Transportation: *Provided further,* That the above limitation on operating expenses shall not apply to non-DOT entities: *Provided further,* That no funds appropriated in this Act to an agency of the Department shall be transferred to the Transportation Administrative Service Center without the approval of the agency modal administrator: *Provided further,* That no assessments may be levied against any program, budget activity, subactivity or project funded by this Act unless notice of such assessments and the basis therefor are presented to the House and Senate Committees on Appropriations and are approved by such Committees.

PAYMENTS TO AIR CARRIERS

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(AIRPORT AND AIRWAY TRUST FUND)

(INCLUDING RESCISSION OF CONTRACT AUTHORIZATION)

For liquidation of obligations incurred for payments to air carriers of so much of the compensation fixed and determined under subchapter II of chapter 417 of title 49, United States Code, as is payable by the Department of Transportation, **[**$10,000,000**]** *$25,900,000,* to remain available until expended and to be derived from the Airport and Airway Trust Fund: *Provided,* That none of the funds in this Act shall be available for the implementation or execution of programs in excess of **[**$10,000,000**]** *$25,900,000* for the Payments to Air Carriers program in fiscal year 1997: *Provided further,* That none of the funds in this Act shall be used by the Secretary of Transportation to make payment of compensation under subchapter II of

chapter 417 of title 49, United States Code, in excess of the appropriation in this Act for liquidation of obligations incurred under the ''Payments to air carriers'' program: *Provided further,* That none of the funds in this Act shall be used for the payment of claims for such compensation except in accordance with this provision: *Provided further,* That none of the funds in this Act shall be available for service to communities in the forty-eight contiguous States that are located fewer than seventy highway miles from the nearest large or medium hub airport, or that require a rate of subsidy per passenger in excess of $200 unless such point is greater than two hundred and ten miles from the nearest large or medium hub airport: *Provided further,* That of funds provided for ''Small Community Air Service'' by Public Law 101–508, [$28,600,000] *$12,700,000* in fiscal year 1997 is hereby rescinded.

PAYMENTS TO AIR CARRIERS

(RESCISSION)

Of the budgetary resources remaining available under this heading, $1,133,000 are rescinded.

RENTAL PAYMENTS

For necessary expenses for rental of headquarters and field space not to exceed 8,580,000 square feet and for related services assessed by the General Services Administration, [$127,447,000] *$132,500,000*: *Provided,* That of this amount, $2,022,000 shall be derived from the Highway Trust Fund, $39,113,000 shall be derived from the Airport and Airway Trust Fund, $840,000 shall be derived from the Pipeline Safety Fund, and $193,000 shall be derived from the Harbor Maintenance Trust Fund: *Provided further,* That in addition, for assessments by the General Services Administration related to the space needs of the Federal Highway Administration, [$17,294,000] *$17,192,000,* to be derived from ''Federal-aid Highways'', subject to the ''Limitation on General Operating Expenses''.

MINORITY BUSINESS RESOURCE CENTER PROGRAM

For the cost of direct loans, $1,500,000, as authorized by 49 U.S.C. 332: *Provided,* That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further,* That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed $15,000,000. In addition, for administrative expenses to carry out the direct loan program, $400,000.

MINORITY BUSINESS OUTREACH

For necessary expenses of the Minority Business Resource Center outreach activities, $2,900,000, of which $2,635,000 shall remain available until September 30, 1998: *Provided,* That notwithstanding 49 U.S.C. 332, these funds may be used for business opportunities related to any mode of transportation.

COAST GUARD

OPERATING EXPENSES

For necessary expenses for the operation and maintenance of the Coast Guard, not otherwise provided for; purchase of not to exceed five passenger motor vehicles for replacement only; payments pursuant to section 156 of Public Law 97–377, as amended (42 U.S.C. 402 note), and section 229(b) of the Social Security Act (42 U.S.C. 429(b)); and recreation and welfare; [$2,609,100,000] *$2,331,350,000,* of which $25,000,000 shall be derived from the Oil Spill Liability Trust Fund: *Provided,* That the number of aircraft on hand at any one time shall not exceed two hundred and eighteen, exclusive of aircraft and parts stored to meet future attrition: *Provided further,* That none of the funds appropriated in this or any other Act shall be available for pay or administrative expenses in connection with shipping commissioners in the United States: *Provided further,* That none of the funds provided in this Act shall be available for expenses incurred for yacht documentation under 46 U.S.C. 12109, except to the extent fees are collected from yacht owners and credited to this appropriation: *Provided further,* That the Commandant shall reduce both military and civilian employment levels for the purpose of complying with Executive Order No. 12839.

ACQUISITION, CONSTRUCTION, AND IMPROVEMENTS

For necessary expenses of acquisition, construction, renovation, and improvement of aids to navigation, shore facilities, vessels, and aircraft, including equipment related thereto, [$358,000,000] *$393,100,000,* of which $20,000,000 shall be derived from the Oil Spill Liability Trust Fund; of which [$205,600,000] *$227,960,000* shall be available to acquire, repair, renovate or improve vessels, small boats and related equipment, to remain available until September 30, 2001; [$18,300,000] *$19,040,000* shall be available to acquire new aircraft and increase aviation capability, to remain available until September 30, 1999; [$39,900,000] *$46,200,000* shall be available for other equipment, to remain available until September 30, 1999; [$47,950,000] *$52,900,000* shall be available for shore facilities and aids to navigation facilities, to remain available until September 30, 1999; and [$46,250,000] *$47,000,000* shall remain available for personnel compensation and benefits and related costs, to remain available until September 30, 1998: *Provided,* That funds received from the sale of the VC–11A and HU–25 aircraft shall be credited to this appropriation for the purpose of acquiring new aircraft and increasing aviation capacity: *Provided further,* That the Commandant may dispose of surplus real property by sale or lease and the proceeds of such sale or lease shall be credited to this appropriation[: *Provided further,* That the property in Wildwood, New Jersey shall be disposed of in a manner resulting in a final fiscal year 1997 appropriation estimated at $338,000,000: *Provided further,* That none of the funds in this Act may be obligated or expended to continue the ''Vessel Traffic Service 2000'' Program.

[ACQUISITION, CONSTRUCTION, AND IMPROVEMENTS

[(RESCISSIONS)

[Of the available balances under this heading provided in Public Law 104–50, $3,400,000 are rescinded.

[Of the available balances under this heading provided in Public Law 103–331, $355,000 are rescinded.]

ENVIRONMENTAL COMPLIANCE AND RESTORATION

For necessary expenses to carry out the Coast Guard's environmental compliance and restoration functions under chapter 19 of title 14, United States Code, [$21,000,000] *$23,000,000,* to remain available until expended.

PORT SAFETY DEVELOPMENT

For necessary expenses for debt retirement of the Port of Portland, Oregon, $5,000,000, to remain available until expended.

ALTERATION OF BRIDGES

For necessary expenses for alteration or removal of obstructive bridges, [$16,000,000] *$10,000,000,* to remain available until expended.

RETIRED PAY

For retired pay, including the payment of obligations therefor otherwise chargeable to lapsed appropriations for this purpose, and payments under the Retired Serviceman's Family Protection and Survivor Benefits Plans, and for payments for medical care of retired personnel and their dependents under the Dependents Medical Care Act (10 U.S.C. ch. 55) $608,084,000.

RESERVE TRAINING

For all necessary expenses for the Coast Guard Reserve, as authorized by law; maintenance and operation of facilities; and supplies, equipment, and services; $65,890,000.

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

For necessary expenses, not otherwise provided for, for applied scientific research, development, test, and evaluation; maintenance, rehabilitation, lease and operation of facilities and equipment, as authorized by law, [$19,000,000] *$19,550,000,* to remain available until expended, of which $5,020,000 shall be derived from the Oil Spill Liability Trust Fund: *Provided,* That there may be credited to this appropriation funds received from State and local governments, other public authorities, private sources, and foreign countries, for expenses incurred for research, development, testing, and evaluation.

BOAT SAFETY

(AQUATIC RESOURCES TRUST FUND)

For payment of necessary expenses incurred for recreational boating safety assistance under Public Law 92–75, as amended, [$35,000,000] *$10,000,000,* to be derived from the Boat Safety Account and to remain available until expended.

FEDERAL AVIATION ADMINISTRATION

OPERATIONS

For necessary expenses of the Federal Aviation Administration, not otherwise provided for, including operations and research activities related to commercial space transportation, administrative expenses for research and development, establishment of air navigation facilities and the operation (including leasing) and maintenance of aircraft, and carrying out the provisions of subchapter I of chapter 471 of title 49, United States Code, or other provisions of law authorizing the obligation of funds for similar programs of airport and airway development or improvement, lease or purchase of four passenger motor vehicles for replacement only, [$4,900,000,000] *$4,899,957,000,* of which [$1,642,500,000] *$2,742,602,000* shall be derived from the Airport and Airway Trust Fund: *Provided,* That notwithstanding any other provision of law, not to exceed [$30,000,000] *$75,000,000* from additional user fees to be established by the Administrator of the Federal Aviation Administration shall be credited to this appropriation as offsetting collections and used for necessary and authorized expenses under this heading: *Provided further,* That the sum herein appropriated from the general fund shall be reduced on a dollar for dollar basis as such offsetting collections are received during fiscal year 1997, to result in a final fiscal year 1997 appropriation from the general fund estimated at not more than [$2,127,398,000] *$2,082,355,000* [*Provided further,* That the only additional user fees authorized as offsetting collections are fees for services provided to aircraft that neither take off from, nor land in, the United States]: *Provided further,* That there may be credited to this appropriation, funds received from States, counties, municipalities, foreign authorities, other public authorities, and private sources, for expenses incurred in the provision of agency services, including receipts for the maintenance and operation of air navigation facilities and, for issuance, renewal or modification of certificates, including airman, aircraft, and repair station

certificates, or for tests related thereto, or for processing major repair or alteration forms: *Provided further,* That funds may be used to enter into a grant agreement with a nonprofit standard setting organization to assist in the development of aviation safety standards: *Provided further,* That none of the funds in this Act shall be available for new applicants for the second career training program: *Provided further,* That none of the funds in this Act shall be available for paying premium pay under 5 U.S.C. 5546(a) to any Federal Aviation Administration employee unless such employee actually performed work during the time corresponding to such premium pay: *Provided further,* That none of the funds in this Act may be obligated or expended to operate a manned auxiliary flight service station in the contiguous United States: *Provided further,* That none of the funds derived from the Airport and Airway Trust Fund may be used to support the operations and activities of the Associate Administrator for Commercial Space Transportation.

FACILITIES AND EQUIPMENT

(AIRPORT AND AIRWAY TRUST FUND)

For necessary expenses, not otherwise provided for, for acquisition, establishment, and improvement by contract or purchase, and hire of air navigation and experimental facilities and equipment as authorized under part A of subtitle VII of title 49, United States Code, including initial acquisition of necessary sites by lease or grant; engineering and service testing, including construction of test facilities and acquisition of necessary sites by lease or grant; and construction and furnishing of quarters and related accommodations for officers and employees of the Federal Aviation Administration stationed at remote localities where such accommodations are not available; and the purchase, lease, or transfer of aircraft from funds available under this head; to be derived from the Airport and Airway Trust Fund, [$1,800,000,000] *$1,788,700,000,* of which [$1,583,000,000] *$1,571,700,000* shall remain available until September 30, 1999, and of which $217,000,000 shall remain available until September 30, 1997: *Provided,* That there may be credited to this appropriation funds received from States, counties, municipalities, other public authorities, and private sources, for expenses incurred in the establishment and modernization of air navigation facilities.

RESEARCH, ENGINEERING, AND DEVELOPMENT

(AIRPORT AND AIRWAY TRUST FUND)

For necessary expenses, not otherwise provided for, for research, engineering, and development, as authorized under part A of subtitle VII of title 49, United States Code, including construction of experimental facilities and acquisition of necessary sites by lease or grant, [$185,000,000] *$187,000,000,* to be derived from the Airport and Airway Trust Fund and to remain available until September 30, 1999: *Provided,* That there may be credited to this appropriation funds received from States, counties, municipalities, other public authorities, and private sources, for expenses incurred for research, engineering, and development.

GRANTS-IN-AID FOR AIRPORTS

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(AIRPORT AND AIRWAY TRUST FUND)

For liquidation of obligations incurred for grants-in-aid for airport planning and development, and for noise compatibility planning and programs as authorized under subchapter I of chapter 471 and subchapter I of chapter 475 of title 49, United States Code, and under other law authorizing such obligations, $1,500,000,000, to be derived from the Airport and Airway Trust Fund and to remain available until expended: *Provided,* That none of the funds in this Act shall be available for the planning or execution of programs the obligations for which are in excess of [$1,300,000,000] *$1,460,000,000* in fiscal year 1997 for grants-in-aid for airport planning and development, and noise compatibility planning and programs, notwithstanding section 47117(h) of title 49, United States Code.

AVIATION INSURANCE REVOLVING FUND

The Secretary of Transportation is hereby authorized to make such expenditures and investments, within the limits of funds available pursuant to 49 U.S.C. 44307, and in accordance with section 104 of the Government Corporation Control Act, as amended (31 U.S.C. 9104), as may be necessary in carrying out the program for aviation insurance activities under chapter 443 of title 49, United States Code.

AIRCRAFT PURCHASE LOAN GUARANTEE PROGRAM

None of the funds in this Act shall be available for activities under this heading during fiscal year 1997.

ADMINISTRATIVE SERVICES FRANCHISE FUND

There is hereby established in the Treasury a fund, to be available without fiscal year limitation, for the costs of capitalizing and operating such administrative services as the FAA Administrator determines may be performed more advantageously as centralized services, including accounting, international training, payroll, travel, duplicating, multimedia and information technology services: Provided, That any inventories, equipment, and other assets pertaining to the services to be provided by such fund, either on hand or on order, less the related liabilities or unpaid obligations, and any appropriations made prior to the current year for the purpose of providing capital shall be used to capitalize such fund: Provided further, That such fund shall be paid in advance from funds available to the FAA and other Federal agencies for which such centralized services are performed, at rates which will return in full all expenses of operation, including accrued leave, depreciation of fund plant and equipment, amortization of Automated Data Processing (ADP) software and systems (either required or donated), and an amount necessary to maintain a reasonable operating reserve, as determined by the FAA Administrator: Provided further, That such fund shall provide services on a competitive basis: Provided further, That an amount not to exceed four percent of the total annual income to such fund may be retained in the fund for fiscal year 1997 and each year thereafter, to remain available until expended, to be used for the acquisition of capital equipment and for the improvement and implementation of FAA financial management, ADP, and support systems: Provided further, That no later than thirty days after the end of each fiscal year, amounts in excess of this reserve limitation shall be transferred to miscellaneous receipts in the Treasury.

FEDERAL HIGHWAY ADMINISTRATION

LIMITATION ON GENERAL OPERATING EXPENSES

Necessary expenses for administration, operation, including motor carrier safety program operations, and research of the Federal Highway Administration not to exceed [$510,981,000] *$534,846,000* shall be paid in accordance with law from appropriations made available by this Act to the Federal Highway Administration together with advances and reimbursements received by the Federal Highway Administration: *Provided,* That [$214,698,000] *$234,840,000* of the amount provided herein shall remain available until September 30, 1999.

HIGHWAY-RELATED SAFETY GRANTS

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(HIGHWAY TRUST FUND)

For payment of obligations incurred in carrying out the provisions of title 23, United States Code, section 402 administered by the Federal Highway Administration, to remain available until expended, $2,049,000 to be derived from the Highway Trust Fund.

FEDERAL-AID HIGHWAYS

(LIMITATION ON OBLIGATIONS)

(HIGHWAY TRUST FUND)

None of the funds in this Act shall be available for the implementation or execution of programs the obligations for which are in excess of [$17,550,000,000] *$17,650,000,000* for Federal-aid highways and highway safety construction programs for fiscal year 1997.

FEDERAL-AID HIGHWAYS

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(HIGHWAY TRUST FUND)

For carrying out the provisions of title 23, United States Code, that are attributable to Federal-aid highways, including the National Scenic and Recreational Highway as authorized by 23 U.S.C. 148, not otherwise provided, including reimbursements for sums expended pursuant to the provisions of 23 U.S.C. 308, $19,800,000,000 or so much thereof as may be available in and derived from the Highway Trust Fund, to remain available until expended.

RIGHT-OF-WAY REVOLVING FUND

(LIMITATION ON DIRECT LOANS)

(HIGHWAY TRUST FUND)

None of the funds under this head are available for *net* obligations for right-of-way acquisition during fiscal year 1997.

MOTOR CARRIER SAFETY GRANTS

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(HIGHWAY TRUST FUND)

For payment of obligations incurred in carrying out 49 U.S.C. 31102, $74,000,000, to be derived from the Highway Trust Fund and to remain available until expended: *Provided,* That none of the funds in this Act shall be available for the implementation or execution of programs the obligations for which are in excess of [$77,425,000] *$79,000,000* for ''Motor Carrier Safety Grants''.

STATE INFRASTRUCTURE BANKS

(HIGHWAY TRUST FUND)

To carry out the State Infrastructure Bank Pilot Program (Public Law 104–59, section 350), $250,000,000, to be derived from the Highway Trust Fund and to remain available until expended, to be distributed by the Secretary to more than 10 States: Provided, That these funds shall be used to advance projects or programs under the terms and conditions of section 350: Provided further, That any State that receives such funds may deposit any portion of those funds into either the highway or transit account of the State Infrastructure Bank: Provided further, That the funds appropriated and deposited into transit accounts authorized by section 350(b)(3) shall be drawn from the Mass Transit account of the Highway Trust Fund and that funds appropriated and deposited into highway accounts authorized by section 350(b)(2) shall be drawn from the Highway Trust Fund (other than the Mass Transit Account): Provided further, That the Secretary shall ensure that the Federal disbursements shall be at a rate consistent with historic rates for the Federal-aid highways program.

NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

OPERATIONS AND RESEARCH

For expenses necessary to discharge the functions of the Secretary with respect to traffic and highway safety under part C of

subtitle VI of title 49, United States Code, and chapter 301 of title 49, United States Code, [$81,895,000] *$80,000,000*, of which $45,646,000 shall remain available until September 30, 1999: *Provided*, That none of the funds appropriated by this Act may be obligated or expended to plan, finalize, or implement any rulemaking to add to section 575.104 of title 49 of the Code of Federal Regulations any requirement pertaining to a grading standard that is different from the three grading standards (treadwear, traction, and temperature resistance) already in effect.

OPERATIONS AND RESEARCH

(HIGHWAY TRUST FUND)

For expenses necessary to discharge the functions of the Secretary with respect to traffic and highway safety under 23 U.S.C. 403 and section 2006 of the Intermodal Surface Transportation Efficiency Act of 1991 (Public Law 102–240), to be derived from the Highway Trust Fund, [$50,377,000] *$53,195,000*, of which $27,066,000 shall remain available until September 30, 1999.

HIGHWAY TRAFFIC SAFETY GRANTS

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(HIGHWAY TRUST FUND)

For payment of obligations incurred carrying out the provisions of 23 U.S.C. 153, 402, 408, and 410, chapter 303 of title 49, United States Code, and section 209 of Public Law 95–599, as amended, to remain available until expended, [$167,100,000] *$169,100,000*, to be derived from the Highway Trust Fund: *Provided*, That, notwithstanding subsection 2009(b) of the Intermodal Surface Transportation Efficiency Act of 1991, none of the funds in this Act shall be available for the planning or execution of programs the total obligations for which, in fiscal year 1997, are in excess of [$167,100,000] *$169,100,000* for programs authorized under 23 U.S.C. 402 and 410, as amended, of which [$127,700,000] *$129,700,000* shall be for ''State and community highway safety grants'', $2,400,000 shall be for the ''National Driver Register'', [$11,000,000] *$12,000,000* shall be for highway safety grants as authorized by section 1003(a)(7) of Public Law 102–240, and [$26,000,000] *$25,000,000* shall be for section 410 ''Alcohol-impaired driving counter-measures programs'': *Provided further*, That none of these funds shall be used for construction, rehabilitation or remodeling costs, or for office furnishings and fixtures for State, local, or private buildings or structures: *Provided further*, That not to exceed [$5,268,000] *$5,468,000* of the funds made available for section 402 may be available for administering ''State and community highway safety grants'': *Provided further*, That not to exceed $150,000 of the funds made available for section 402 may be available for administering the highway safety grants authorized by section 1003(a)(7) of Public Law 102–240: *Provided further*, That the unobligated balances of the appropriation ''Highway-Related Safety Grants'' shall be transferred to and merged with this ''Highway Traffic Safety Grants'' appropriation: *Provided further*, That not to exceed $500,000 of the funds made available for section 410 ''Alcohol-impaired driving counter-measures programs'' shall be available for technical assistance to the States.

FEDERAL RAILROAD ADMINISTRATION

OFFICE OF THE ADMINISTRATOR

For necessary expenses of the Federal Railroad Administration, not otherwise provided for, [$16,469,000] *$16,739,000*, of which $1,523,000 shall remain available until expended: *Provided*, That none of the funds in this Act shall be available for the planning or execution of a program making commitments to guarantee new loans under the Emergency Rail Services Act of 1970, as amended, and no new commitments to guarantee loans under section 211(a) or 211(h) of the Regional Rail Reorganization Act of 1973, as amended, shall be made: *Provided further*, That, as part of the Washington Union Station transaction in which the Secretary assumed the first deed of trust on the property and, where the Union Station Redevelopment Corporation or any successor is obligated to make payments on such deed of trust on the Secretary's behalf, including payments on and after September 30, 1988, the Secretary is authorized to receive such payments directly from the Union Station Redevelopment Corporation, credit them to the appropriation charged for the first deed of trust, and make payments on the first deed of trust with those funds: *Provided further*, That such additional sums as may be necessary for payment on the first deed of trust may be advanced by the Administrator from unobligated balances available to the Federal Railroad Administration, to be reimbursed from payments received from the Union Station Redevelopment Corporation.

RAILROAD SAFETY

For necessary expenses in connection with railroad safety, not otherwise provided for, $51,407,000, of which $2,476,000 shall remain available until expended: *Provided*, That notwithstanding any other law, funds appropriated under this heading are available for the reimbursement of out-of-state travel and per diem costs incurred by employees of state governments directly supporting the Federal railroad safety program, including regulatory development and compliance-related activities.

RAILROAD RESEARCH AND DEVELOPMENT

For necessary expenses for railroad research and development, [$20,341,000] *$20,000,000*, to remain available until expended.

NORTHEAST CORRIDOR IMPROVEMENT PROGRAM

For necessary expenses related to Northeast Corridor improvements authorized by title VII of the Railroad Revitalization and Regulatory Reform Act of 1976, as amended (45 U.S.C. 851 et seq.) and 49 U.S.C. 24909, $200,000,000, to remain available until September 30, 1999.

HIGH-SPEED RAIL TRAINSETS AND FACILITIES

For the National Railroad Passenger Corporation, $80,000,000, to remain available until September 30, 1999, to pursue public/private partnerships for high-speed rail trainset and maintenance facility financing arrangements.

RAILROAD REHABILITATION AND IMPROVEMENT PROGRAM

The Secretary of Transportation is authorized to issue to the Secretary of the Treasury notes or other obligations pursuant to section 512 of the Railroad Revitalization and Regulatory Reform Act of 1976 (Public Law 94–210), as amended, in such amounts and at such times as may be necessary to pay any amounts required pursuant to the guarantee of the principal amount of obligations under sections 511 through 513 of such Act, such authority to exist as long as any such guaranteed obligation is outstanding: *Provided*, That no new loan guarantee commitments shall be made during fiscal year 1997.

NEXT GENERATION HIGH-SPEED RAIL

For necessary expenses for Next Generation High-Speed Rail studies, corridor planning, development, demonstration, and implementation, [$19,757,000] *$26,525,000*, to remain available until expended: *Provided*, That funds under this head may be made available for grants to States for high-speed rail corridor design, feasibility studies, environmental analyses, and [track and signal] *track, signal and station* improvements.

TRUST FUND SHARE OF NEXT GENERATION HIGH-SPEED RAIL

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(HIGHWAY TRUST FUND)

For grants and payment of obligations incurred in carrying out the provisions of the High-Speed Ground Transportation program as defined in subsections 1036(c) and 1036(d)(1)(B) of the Intermodal Surface Transportation Efficiency Act of 1991, including planning and environmental analyses, $2,855,000, to be derived from the Highway Trust Fund and to remain available until expended.

ALASKA RAILROAD REHABILITATION

To enable the Secretary of Transportation to make grants to the Alaska Railroad, $10,000,000 shall be for capital rehabilitation and improvements benefiting its passenger operations.

RHODE ISLAND RAIL DEVELOPMENT

For the costs associated with construction of a third track on the Northeast Corridor between Davisville and Central Falls, Rhode Island, with sufficient clearance to accommodate double stack freight cars, [$4,000,000] *$10,000,000* to be matched by the State of Rhode Island or its designee on a dollar for dollar basis and to remain available until expended: *Provided*, That as a condition of accepting such funds, the Providence and Worcester (P&W) Railroad shall enter into an agreement with the Secretary to reimburse Amtrak and/or the Federal Railroad Administration, on a dollar for dollar basis, up to the first [$10,000,000] *$16,000,000* in damages resulting from the legal action initiated by the P&W Railroad under its existing contracts with Amtrak relating to the provision of vertical clearances between Davisville and Central Falls in excess of those required for present freight operations.

[DIRECT LOAN FINANCING PROGRAM

[Notwithstanding any other provision of law, $58,680,000, for direct loans not to exceed $400,000,000 consistent with the purposes of section 505 of the Railroad Revitalization and Regulatory Reform Act of 1976 (45 U.S.C. 825) as in effect on September 30, 1988, to the Alameda Corridor Transportation Authority to continue the Alameda Corridor Project, including replacement of at-grade rail lines with a below-grade corridor and widening of the adjacent major highway: *Provided*, That loans not to exceed the following amounts shall be made on or after the first day of the fiscal year indicated:

[Fiscal year 1997	$140,000,000
[Fiscal year 1998	$140,000,000
[Fiscal year 1999	$120,000,000

Provided further, That any loan authorized under this section shall be structured with a maximum 30-year repayment after completion of construction at an annual interest rate of not to exceed the 30-year United States Treasury rate and on such terms and conditions as deemed appropriate by the Secretary of Transportation: *Provided further*, That specific provisions of section 505(a)(b) and (d) shall not apply: *Provided further*, That the Alameda Corridor Transportation Authority shall be deemed to be a financially responsible person for purposes of section 505 of the Act.]

GRANTS TO THE NATIONAL RAILROAD PASSENGER CORPORATION

To enable the Secretary of Transportation to make grants to the National Railroad Passenger Corporation authorized by 49 U.S.C. 24104, [$462,000,000] *$592,000,000*, to remain available until expended, of which $342,000,000 shall be available for operating losses and for mandatory passenger rail service payments, and [$120,000,000] *$250,000,000* shall be for capital improvements: *Provided*,

That funding under this head for capital improvements shall not be made available before July 1, 1997: *Provided further,* That none of the funds herein appropriated shall be used for lease or purchase of passenger motor vehicles or for the hire of vehicle operators for any officer or employee, other than the president of the Corporation, excluding the lease of passenger motor vehicles for those officers or employees while in official travel status.

FEDERAL TRANSIT ADMINISTRATION

ADMINISTRATIVE EXPENSES

For necessary administrative expenses of the Federal Transit Administration's programs authorized by chapter 53 of title 49, United States Code, [$41,367,000] *$42,147,000.*

FORMULA GRANTS

For necessary expenses to carry out 49 U.S.C. 5307, 5310(a)(2), 5311, and 5336, to remain available until expended, [$490,000,000] *$218,335,000*: *Provided,* That no more than [$2,052,925,000] *$2,149,185,000* of budget authority shall be available for these purposes: *Provided further,* That, *notwithstanding any other provision of law,* of the funds provided under this head for formula grants, no more than $400,000,000 may be used for operating assistance under 49 U.S.C. 5336(d): *Provided further,* That the limitation on operating assistance provided under this heading shall, for urbanized areas of less than 200,000 in population, be no less than seventy-five percent of the amount of operating assistance such areas are eligible to receive under Public Law 103–331: *Provided further,* That in the distribution of the limitation provided under this heading to urbanized areas that had a population under the 1990 census of 1,000,000 or more, the Secretary shall direct each such area to give priority consideration to the impact of reductions in operating assistance on smaller transit authorities operating within the area and to consider the needs and resources of such transit authorities when the limitation is distributed among all transit authorities operating in the area.

UNIVERSITY TRANSPORTATION CENTERS

For necessary expenses for university transportation centers as authorized by 49 U.S.C. 5317(b), to remain available until expended, $6,000,000.

TRANSIT PLANNING AND RESEARCH

For necessary expenses for transit planning and research as authorized by 49 U.S.C. 5303, 5311, 5313, 5314, and 5315, to remain available until expended, $85,500,000, of which $39,500,000 shall be for activities under Metropolitan Planning (49 U.S.C. 5303); $4,500,000 for activities under Rural Transit Assistance (49 U.S.C. 5311(b)(2)); $8,250,000 for activities under State Planning and Research (49 U.S.C. 5313(b)); $22,000,000 for activities under National Planning and Research (49 U.S.C. 5314); $8,250,000 for activities under Transit Cooperative Research (49 U.S.C. 5313(a)); and $3,000,000 for National Transit Institute (49 U.S.C. 5315).

TRUST FUND SHARE OF EXPENSES

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(HIGHWAY TRUST FUND)

For payment of obligations incurred in carrying out 49 U.S.C. 5338(a), $1,920,000,000, to remain available until expended and to be derived from the Highway Trust Fund: *Provided,* That $1,920,000,000 shall be paid from the Mass Transit Account of the Highway Trust Fund to the Federal Transit Administration's formula grants account.

DISCRETIONARY GRANTS

(LIMITATION ON OBLIGATIONS)

(HIGHWAY TRUST FUND)

None of the funds in this Act shall be available for the implementation or execution of programs the obligations for which are in excess of [$1,665,000,000] *$1,900,000,000* in fiscal year 1997 for grants under the contract authority in 49 U.S.C. 5338(b): *Provided,* That *notwithstanding any provision of law,* there shall be available for fixed guideway modernization, [$666,000,000] *$725,000,000*; there shall be available for the replacement, rehabilitation, and purchase of buses and related equipment and the construction of bus-related facilities, [$333,000,000] *$375,000,000*; and, notwithstanding any other provision of law, except for fixed guideway modernization projects, [$10,510,000] *$8,890,000* made available under Public Law 102–240 and Public Law 102–143 under ''Federal Transit Administration, Discretionary Grants'' for projects specified in those Acts or identified in reports accompanying those Acts, not obligated by September 30, 1996; together with, notwithstanding any other provision of law, $744,000 funds made available for the ''New Bedford and Fall River Massachusetts commuter rail extension'' under Public Law 103–331; together with, notwithstanding any other provision of law, $47,322,000 funds made available for the ''Chicago Central Area Circulator Project'' in Public Law 103–122 and Public Law 103–331, shall be made available for new fixed guideway systems together with the [$666,000,000] *$800,000,000* made available for new fixed guideway systems in this Act, to be available as follows:

$6,390,000 for the Alaska-Hollis to Ketchikan ferry project;

[$66,820,000] *$62,000,000* for the Atlanta-North Springs project;

[$10,260,000] *$5,000,000* for the Baltimore-LRT Extension project;

[$40,181,000] *$30,000,000* for the Boston Piers-MOS–2 project;

$2,000,000 for the Burlington-Charlotte, Vermont commuter rail project;

[$5,500,000 for the Canton-Akron-Cleveland commuter rail project;]

[$25,000,000,] *$20,000,000* notwithstanding any other provision of law, for transit improvements in the Chicago downtown area;

$3,000,000 for the Cincinnati Northeast-Northern Kentucky rail line project;

[$10,000,000] *$12,000,000* for the DART North Central light rail extension project;

[$12,500,000] *$18,000,000* for the Dallas-Fort Worth RAILTRAN project;

[$1,000,000 for the DeKalb County, Georgia light rail project;]

[$3,000,000 for the Denver Southwest Corridor project;]

[$9,000,000] *$20,000,000* for the Florida Tri-County commuter rail project;

[$2,000,000 for the Griffin light rail project;]

[$40,590,000] *$24,000,000* for the Houston Regional Bus project;

$7,400,000 for the Jackson, Mississippi Intermodal Corridor;

[$15,300,000 for the Jacksonville ASE extension project;]

[$1,500,000] *$3,600,000* for the Kansas City Southtown corridor project;

$6,000,000 for the Little Rock, Arkansas Junction Bridge project;

[$90,000,000] *$55,000,000* for the Los Angeles-MOS–3 project;

[$1,500,000 for the Los Angeles-San Diego commuter rail project;]

[$27,000,000] *$50,000,000* for the MARC Commuter Rail Improvements project;

$5,000,000 for the Metro-Dade Transit east-west corridor, Florida project;

[$1,000,000 for the Miami-North 27th Avenue project;]

[$2,000,000] *$6,400,000* for the Memphis, Tennessee Regional Rail Plan;

$4,240,000 for the Morgantown, West Virginia Personal Rapid Transit System;

$10,000,000 for the New Jersey Urban Core/Hudson-Bergen LRT project;

$105,530,000 for the New Jersey Urban Core/Secaucus project;

[$1,000,000 for the New Jersey West Trenton commuter rail project;]

[$8,000,000] *$10,000,000* for the New Orleans Canal Street Corridor project;

[$2,000,000 for the New Orleans Desire Streetcar project;]

$35,020,000 for the New York-Queens Connection project;

[$500,000 for the Northern Indiana commuter rail project;]

$10,000,000 for the Oklahoma City, MAPS corridor transit system;

[$5,000,000 for the Orange County transitway project;]

$2,000,000 for the Orlando Lynx light rail project;

$15,100,000 for the Pittsburgh Airport busway project;

$6,000,000 for the Portland South/North light rail transit project;

[$90,000,000] *$138,000,000* for the Portland-Westside/Hillsboro Extension project;

$5,000,000 for the Research Triangle Park, North Carolina regional transit plan;

[$6,000,000] *$7,000,000* for the Sacramento LRT Extension project;

[$20,000,000] *$58,000,000* for the Salt Lake City-South LRT project[, of which not less than $10,000,000 shall be available only for high-occupancy vehicle lane and corridor design costs];

$30,000,000 for St. Louis Metrolink;

[$20,000,000] *$45,000,000* for the St. Louis-St. Clair Extension project;

[$35,000,000] *$20,000,000* for the San Francisco Area-BART airport extension/San Jose Tasman West LRT projects;

[$3,000,000 for the San Diego-Mid-Coast Corridor project;]

[$9,500,000 for the San Juan Tren Urbano project;]

$5,000,000 for the Seattle-Renton-Tacoma light rail project;

[$375,000 for the Staten Island-Midtown Ferry service project;]

$2,000,000 for the Tampa to Lakeland commuter rail project; [and]

$8,000,000 for the Virginia Rail Express Richmond to Washington commuter rail project; and

[$2,500,000] *$5,000,000* for the Whitehall ferry terminal, New York, New York.

MASS TRANSIT CAPITAL FUND

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(HIGHWAY TRUST FUND)

For payment of obligations incurred in carrying out 49 U.S.C. 5338(b) administered by the Federal Transit Administration, [$2,000,000,000] *$2,300,000,000,* to be derived from the Highway Trust Fund and to remain available until expended.

WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

For necessary expenses to carry out the provisions of section 14 of Public Law 96–184 and Public Law 101–551, $200,000,000, to remain available until expended.

SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION

The Saint Lawrence Seaway Development Corporation is hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to the Corporation, and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the Corporation's budget for the current fiscal year.

OPERATIONS AND MAINTENANCE

(HARBOR MAINTENANCE TRUST FUND)

For necessary expenses for operation and maintenance of those portions of the Saint

Lawrence Seaway operated and maintained by the Saint Lawrence Seaway Development Corporation, including the Great Lakes Pilotage functions delegated by the Secretary of Transportation, [$10,037,000] *$10,337,000*, to be derived from the Harbor Maintenance Trust Fund, pursuant to Public Law 99–662.

RESEARCH AND SPECIAL PROGRAMS ADMINISTRATION

RESEARCH AND SPECIAL PROGRAMS

For expenses necessary to discharge the functions of the Research and Special Programs Administration, [$23,929,000] *$27,675,000*, of which $574,000 shall be derived from the Pipeline Safety Fund, and of which $7,101,000 shall remain available until September 30, 1999: *Provided*, That up to $1,200,000 in fees collected under 49 U.S.C. 5108(g) shall be deposited in the general fund of the Treasury as offsetting receipts: *Provided further*, That there may be credited to this appropriation funds received from States, counties, municipalities, other public authorities, and private sources for expenses incurred for training, for reports publication and dissemination.

PIPELINE SAFETY

(PIPELINE SAFETY FUND)

For expenses necessary to conduct the functions of the pipeline safety program, for grants-in-aid to carry out a pipeline safety program, as authorized by 49 U.S.C. 60107, and to discharge the pipeline program responsibilities of the Oil Pollution Act of 1990, [$30,988,000] *$31,278,000*, of which $2,528,000 shall be derived from the Oil Spill Liability Trust Fund and shall remain available until September 30, 1999; and of which [$28,460,000] *$28,750,000* shall be derived from the Pipeline Safety Fund, of which $15,500,000 shall remain available until September 30, 1999: *Provided*, That in addition to amounts made available for the Pipeline Safety Fund, $1,000,000 shall be available for grants to States for the development and establishment of one-call notification systems and shall be derived from amounts previously collected under section 7005 of the Consolidated Omnibus Budget Reconciliation Act of 1985.

EMERGENCY PREPAREDNESS GRANTS

(EMERGENCY PREPAREDNESS FUND)

For necessary expenses to carry out 49 U.S.C. 5127(c), $200,000, to be derived from the Emergency Preparedness Fund, to remain available until September 30, 1999: *Provided*, That none of the funds made available by 49 U.S.C. 5116(i) and 5127(d) shall be made available for obligation by individuals other than the Secretary of Transportation, or his designee.

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

For necessary expenses of the Office of Inspector General to carry out the provisions of the Inspector General Act of 1978, as amended, [$39,450,000] *$39,700,000*: *Provided*, That [none of the funds under this heading shall be for the conduct of contract audits] *of which $1,900,000 shall be for the conduct of contract audits.*

SURFACE TRANSPORTATION BOARD

SALARIES AND EXPENSES

For necessary expenses of the Surface Transportation Board, including services authorized by 5 U.S.C. 3109, $12,344,000: *Provided*, That $3,000,000 in fees collected in fiscal year 1997 by the Surface Transportation Board pursuant to 31 U.S.C. 9701 shall be made available to this appropriation in fiscal year 1997: *Provided further*, That any fees received in excess of $3,000,000 in fiscal year 1997 shall remain available until expended, but shall not be available for obligation until October 1, 1997.

TITLE II

RELATED AGENCIES

ARCHITECTURAL AND TRANSPORTATION BARRIERS COMPLIANCE BOARD

SALARIES AND EXPENSES

For expenses necessary for the Architectural and Transportation Barriers Compliance Board, as authorized by section 502 of the Rehabilitation Act of 1973, as amended, $3,540,000: *Provided*, That, notwithstanding any other provision of law, there may be credited to this appropriation funds received for publications and training expenses.

NATIONAL TRANSPORTATION SAFETY BOARD

SALARIES AND EXPENSES

For necessary expenses of the National Transportation Safety Board, including hire of passenger motor vehicles and aircraft; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for a GS–18; uniforms, or allowances therefor, as authorized by law (5 U.S.C. 5901–5902), $42,407,000, of which not to exceed $2,000 may be used for official reception and representation expenses.

TITLE III—GENERAL PROVISIONS

(INCLUDING TRANSFERS OF FUNDS)

SEC. 301. During the current fiscal year applicable appropriations to the Department of Transportation shall be available for maintenance and operation of aircraft; hire of passenger motor vehicles and aircraft; purchase of liability insurance for motor vehicles operating in foreign countries on official department business; and uniforms, or allowances therefor, as authorized by law (5 U.S.C. 5901–5902).

SEC. 302. Such sums as may be necessary for fiscal year 1997 pay raises for programs funded in this Act shall be absorbed within the levels appropriated in this Act or previous appropriations Acts.

SEC. 303. Funds appropriated under this Act for expenditures by the Federal Aviation Administration shall be available (1) except as otherwise authorized by title VIII of the Elementary and Secondary Education Act of 1965, 20 U.S.C. 7701, et seq., for expenses of primary and secondary schooling for dependents of Federal Aviation Administration personnel stationed outside the continental United States at costs for any given area not in excess of those of the Department of Defense for the same area, when it is determined by the Secretary that the schools, if any, available in the locality are unable to provide adequately for the education of such dependents, and (2) for transportation of said dependents between schools serving the area that they attend and their places of residence when the Secretary, under such regulations as may be prescribed, determines that such schools are not accessible by public means of transportation on a regular basis.

SEC. 304. Appropriations contained in this Act for the Department of Transportation shall be available for services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for an Executive Level IV.

SEC. 305. None of the funds in this Act shall be available for salaries and expenses of more than one hundred seven political and Presidential appointees in the Department of Transportation: *Provided*, That none of the personnel covered by this provision may be assigned on temporary detail outside the Department of Transportation.

SEC. 306. None of the funds in this Act shall be used for the planning or execution of any program to pay the expenses of, or otherwise compensate, non-Federal parties intervening in regulatory or adjudicatory proceedings funded in this Act.

SEC. 307. None of the funds appropriated in this Act shall remain available for obligation beyond the current fiscal year, nor may any be transferred to other appropriations, unless expressly so provided herein.

SEC. 308. The Secretary of Transportation may enter into grants, cooperative agreements, and other transactions with any person, agency, or instrumentality of the United States, any unit of State or local government, any educational institution, and any other entity in execution of the Technology Reinvestment Project authorized under the Defense Conversion, Reinvestment and Transition Assistance Act of 1992 and related legislation: *Provided*, That the authority provided in this section may be exercised without regard to section 3324 of title 31, United States Code.

SEC. 309. The expenditure of any appropriation under this Act for any consulting service through procurement contract pursuant to section 3109 of title 5, United States Code, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

SEC. 310. (a) For fiscal year 1997 the Secretary of Transportation shall distribute the obligation limitation for Federal-aid highways by allocation in the ratio which sums authorized to be appropriated for Federal-aid highways that are apportioned or allocated to each State for such fiscal year bear to the total of the sums authorized to be appropriated for Federal-aid highways that are apportioned or allocated to all the States for such fiscal year.

(b) During the period October 1 through December 31, 1996, no State shall obligate more than 25 per centum of the amount distributed to such State under subsection (a), and the total of all State obligations during such period shall not exceed 12 per centum of the total amount distributed to all States under such subsection.

(c) Notwithstanding subsections (a) and (b), the Secretary shall—

(1) provide all States with authority sufficient to prevent lapses of sums authorized to be appropriated for Federal-aid highways that have been apportioned to a State;

(2) after August 1, 1997, revise a distribution of the funds made available under subsection (a) if a State will not obligate the amount distributed during that fiscal year and redistribute sufficient amounts to those States able to obligate amounts in addition to those previously distributed during that fiscal year giving priority to those States having large unobligated balances of funds apportioned under sections 103(e)(4), 104, and 144 of title 23, United States Code, and under sections 1013(c) and 1015 of Public Law 102–240; and

(3) not distribute amounts authorized for administrative expenses and funded from the administrative takedown authorized by section 104(a), title 23 U.S.C., the Federal lands highway [program,] *program;* the intelligent transportation systems [program, and] *program;* amounts made available under sections 1040, 1047, 1064, 6001, 6005, 6006, 6023, and 6024 of Public Law 102–240, and 49 U.S.C. 5316, 5317, and 5338*; $5,000,000 for activities authorized by section 140(b) of title 23, United States Code; $5,000,000 for activities authorized by section 1012(b) of Public Law 102–240; and $50,000,000 of the obligation limitation established by this Act for Federal-aid highways and highway safety construction: Provided, That $15,000,000 of such undistributed obligation limitation shall be available for administrative costs and allocation*

to States under section 104(I) of title 23, United States Code; $30,000,000 shall be available for allocation to States authorized by section 1069(y) of Public Law 102–240; and $5,000,000 shall be available for administrative costs and allocation to States under section 1302(d) of the Symms National Recreational Trails Act of 1991: ⟦*Provided*⟧ *Provided further*, That amounts made available under section 6005 of Public Law 102–240 shall be subject to the obligation limitation for Federal-aid highways and highway safety construction programs under the head ''Federal-Aid Highways'' in this Act.

(d) During the period October 1 through December 31, 1996, the aggregate amount of obligations under section 157 of title 23, United States Code, for projects covered under section 147 of the Surface Transportation Assistance Act of 1978, section 9 of the Federal-Aid Highway Act of 1981, sections 131(b), 131(j), and 404 of Public Law 97–424, sections 1061, 1103 through 1108, 4008, and 6023(b)(8) and 6023(b)(10) of Public Law 102–240, and for projects authorized by Public Law 99–500 and Public Law 100–17, shall not exceed $277,431,840.

(e) During the period August 2 through September 30, 1997, the aggregate amount which may be obligated by all States shall not exceed 2.5 percent of the aggregate amount of funds apportioned or allocated to all States—

(1) under sections 104 and 144 of title 23, United States Code, and 1013(c) and 1015 of Public Law 102–240, and

(2) for highway assistance projects under section 103(e)(4) of title 23, United States Code,

which would not be obligated in fiscal year 1997 if the total amount of the obligation limitation provided for such fiscal year in this Act were utilized.

(f) Paragraph (e) shall not apply to any State which on or after August 1, 1997, has the amount distributed to such State under paragraph (a) for fiscal year 1997 reduced under paragraph (c)(2).

(g) INCREASE IN ADMINISTRATIVE TAKEDOWN.—

(1) IN GENERAL.—Notwithstanding any other provision of law, for fiscal year 1997 only, whenever an allocation is made of the sums authorized to be appropriated for expenditure on the Federal lands highways program, and whenever an apportionment is made of the sums authorized to be appropriated for expenditure on the surface transportation program, the congestion mitigation and air quality improvement program, the National Highway System, the Interstate maintenance program, the Interstate reimbursement program, the highway bridge replacement and rehabilitation program, and the donor State bonus program, the Secretary of Transportation shall deduct a sum in such amount not to exceed 4¾ per centum of all sums to be authorized as the Secretary may determine necessary for administering the provisions of law to be financed from appropriations for the Federal-Aid Highway Program and for carrying on the research authorized by subsections (a) and (b) of section 307 of title 23, United States Code. In making such determination, the Secretary shall take into account the unobligated balance of any sums deducted for such purposes in prior years. The sum so deducted shall remain available until expended.

(2) EFFECT.—Any deduction by the Secretary of Transportation in accordance with this Act shall be deemed to be a deduction under 23 U.S.C. § 104(a).

SEC. 311. The limitation on obligations for the programs of the Federal Transit Administration shall not apply to any authority under 49 U.S.C. 5338, previously made available for obligation, or to any other authority previously made available for obligation under the discretionary grants program.

SEC. 312. None of the funds in this Act shall be used to implement section 404 of title 23, United States Code.

SEC. 313. None of the funds in this Act shall be available to plan, finalize, or implement regulations that would establish a vessel traffic safety fairway less than five miles wide between the Santa Barbara Traffic Separation Scheme and the San Francisco Traffic Separation Scheme.

SEC. 314. Notwithstanding any other provision of law, airports may transfer, without consideration, to the Federal Aviation Administration (FAA) instrument landing systems (along with associated approach lighting equipment and runway visual range equipment) which conform to FAA design and performance specifications, the purchase of which was assisted by a Federal airport aid program, airport development aid program or airport improvement program grant. The FAA shall accept such equipment, which shall thereafter be operated and maintained by the FAA in accordance with agency criteria.

SEC. 315. None of the funds in this Act shall be available to award a multiyear contract for production end items that (1) includes economic order quantity or long lead time material procurement in excess of $10,000,000 in any one year of the contract or (2) includes a cancellation charge greater than $10,000,000 which at the time of obligation has not been appropriated to the limits of the government's liability or (3) includes a requirement that permits performance under the contract during the second and subsequent years of the contract without conditioning such performance upon the appropriation of funds: *Provided*, That this limitation does not apply to a contract in which the Federal Government incurs no financial liability from not buying additional systems, subsystems, or components beyond the basic contract requirements.

SEC. 316. None of the funds provided in this Act shall be made available for planning and executing a passenger manifest program by the Department of Transportation that only applies to United States flag carriers.

SEC. 317. Notwithstanding any other provision of law, and except for fixed guideway modernization projects, funds made available by this Act under ''Federal Transit Administration, Discretionary grants'' for projects specified in this Act or identified in reports accompanying this Act not obligated by September 30, 1999, shall be made available for other projects under 49 U.S.C. 5309.

SEC. 318. Notwithstanding any other provision of law, any funds appropriated before October 1, 1993, under any section of chapter 53 of title 49 U.S.C., that remain available for expenditure may be transferred to and administered under the most recent appropriation heading for any such section.

SEC. 319. None of the funds in this Act shall be available to implement or enforce regulations that would result in the withdrawal of a slot from an air carrier at O'Hare International Airport under section 93.223 of title 14 of the Code of Federal Regulations in excess of the total slots withdrawn from that air carrier as of October 31, 1993 if such additional slot is to be allocated to an air carrier or foreign air carrier under section 93.217 of title 14 of the Code of Federal Regulations.

SEC. 320. None of the funds in this Act may be used to compensate in excess of 335 technical staff years under the federally-funded research and development center contract between the Federal Aviation Administration and the Center for Advanced Aviation Systems Development during fiscal year 1997.

SEC. 321. Funds provided in this Act for the Transportation Administrative Service Center (TASC) shall be reduced by $10,000,000, which limits fiscal year 1997 TASC obligational authority for elements of the Department of Transportation funded in this Act to no more than $114,812,000: *Provided*, That such reductions from the budget request shall be allocated by the Department of Transportation to each appropriations account in proportion to the amount included in each account for the transportation administrative service center.

SEC. 322. Funds received by the Federal Highway Administration, Federal Transit Administration, and Federal Railroad Administration from States, counties, municipalities, other public authorities, and private sources for expenses incurred for training may be credited respectively to the Federal Highway Administration's ''Limitation on General Operating Expenses'' account, the Federal Transit Administration's ''Transit Planning and Research'' account, and to the Federal Railroad Administration's ''Railroad Safety'' account, except for State rail safety inspectors participating in training pursuant to 49 U.S.C. 20105.

⟦SEC. 323. None of the funds in this Act shall be available to prepare, propose, or promulgate any regulations pursuant to title V of the Motor Vehicle Information and Cost Savings Act (49 U.S.C. 32901, et seq.) prescribing corporate average fuel economy standards for automobiles, as defined in such title, in any model year that differs from standards promulgated for such automobiles prior to enactment of this section.⟧

SEC. 324. None of the funds in this Act may be used for planning, engineering, design, or construction of a sixth runway at the new Denver International Airport, Denver, Colorado*: Provided, That this provision shall not apply in any case where the Administrator of the Federal Aviation Administration determines, in writing, that safety conditions warrant obligation of such funds.*

SEC. 325. Notwithstanding 31 U.S.C. 3302, funds received by the Bureau of Transportation Statistics from the sale of data products, for necessary expenses incurred pursuant to the provisions of section 6006 of the Intermodal Surface Transportation Efficiency Act of 1991, may be credited to the Federal-aid highways account for the purpose of reimbursing the Bureau for such expenses: *Provided*, That such funds shall not be subject to the obligation limitation for Federal-aid highways and highway safety construction: *Provided further*, ⟦That in addition to amounts otherwise provided in this Act, not to exceed $3,100,000 in expenses of the Bureau of Transportation Statistics necessary to conduct activities related to airline statistics may be incurred, but only to the extent such expenses are offset by user fees charged for those activities and credited as offsetting collections⟧ *That of the funds provided by section 6006(b) of Public Law 102–240, not to exceed $3,100,000 may be incurred to conduct activities related to airline statistics.*

SEC. 326. The Secretary of Transportation is authorized to transfer funds appropriated in this Act to ''Rental payments'' for any expense authorized by that appropriation in excess of the amounts provided in this Act: *Provided*, That prior to any such transfer, notification shall be provided to the House and Senate Committees on Appropriations.

SEC. 327. None of the funds in this Act may be obligated or expended for employee training which: (a) does not meet identified needs for knowledge, skills and abilities bearing directly upon the performance of official duties; (b) contains elements likely to induce high levels of emotional response or psychological stress in some participants; (c) does not require prior employee notification of the content and methods to be used in the training and written end of course evaluations; (d) contains any methods or content associated with religious or quasi-religious belief systems or ''new age'' belief systems as defined in Equal Employment Opportunity Commission Notice N–915.022, dated

September 2, 1988; (e) is offensive to, or designed to change, participants' personal values or lifestyle outside the workplace; or (f) includes content related to human immunodeficiency virus/acquired immune deficiency syndrome (HIV/AIDS) other than that necessary to make employees more aware of the medical ramifications of HIV/AIDS and the workplace rights of HIV-positive employees.

SEC. 328. None of the funds in this Act shall, in the absence of express authorization by Congress, be used directly or indirectly to pay for any personal service, advertisement, telegram, telephone, letter, printed or written matter, or other device, intended or designed to influence in any manner a Member of Congress, to favor or oppose, by vote or otherwise, any legislation or appropriation by Congress, whether before or after the introduction of any bill or resolution proposing such legislation or appropriation: *Provided,* That this shall not prevent officers or employees of the Department of Transportation or related agencies funded in this Act from communicating to Members of Congress on the request of any Member or to Congress, through the proper official channels, requests for legislation or appropriations which they deem necessary for the efficient conduct of the public business.

SEC. 329. None of the funds in this Act may be used to support Federal Transit Administration's field operations and oversight of the Washington Metropolitan Area Transit Authority in any location other than from the Washington, D.C. metropolitan area.

[SEC. 330. None of the funds made available in this Act may be used for improvements to the Miller Highway in New York City, New York.]

SEC. 331. Not to exceed [$850,000] *$1,050,000* of the funds provided in this Act for the Department of Transportation shall be available for the necessary expenses of advisory committees.

SEC. 332. Notwithstanding any other provision of law, the Secretary may use funds appropriated under this Act, or any subsequent Act, to administer and implement the exemption provisions of 49 CFR 580.6 and to adopt or amend exemptions from the disclosure requirements of 49 CFR part 580 for any class or category of vehicles that the Secretary deems appropriate.

[SEC. 333. No funds other than those appropriated to the Surface Transportation Board shall be used for conducting the activities of the Board.]

SEC. 333. Section 24902 of title 49, United States Code, is amended by adding at the end the following new subsection:

''(m) APPLICABLE PROCEDURES.—No State or local building, zoning, subdivision, or similar or related law, nor any other State or local law from which a project would be exempt if undertaken by the Federal Government or an agency thereof within a Federal enclave wherein Federal jurisdiction is exclusive, including without limitation with respect to all such laws referenced herein above requirements for permits, actions, approvals or filings, shall apply in connection with the construction, ownership, use, operation, financing, leasing, conveying, mortgaging or enforcing a mortgage of (i) any improvement undertaken by or for the benefit of Amtrak as part of, or in furtherance of, the Northeast Corridor Improvement Project (including without limitation maintenance, service, inspection or similar facilities acquired, constructed or used for high speed trainsets) or chapter 241, 243, or 247 of this title or (ii) any land (and right, title or interest created with respect thereto) on which such improvement is located and adjoining, surrounding or any related land. These exemptions shall remain in effect and be applicable with respect to such land and improvements for the benefit of any mortgagee before, upon and after coming into possession of such improvements or land, any third party purchasers thereof in foreclosure (or through a deed in lieu of foreclosure), and their respective successors and assigns, in each case to the extent the land or improvements are used, or held for use, for railroad purposes or purposes accessory thereto. This subsection (m) shall not apply to any improvement or related land unless Amtrak receives a Federal operating subsidy in the fiscal year in which Amtrak commits to or initiates such improvement.''

SEC. 334. None of the funds made available in this Act may be used to construct, or to pay the salaries or expenses of Department of Transportation personnel who approve or facilitate the construction of, a third track on the Metro-North Railroad Harlem Line in the vicinity of Bronxville, New York, when it is made known to the Federal official having authority to obligate or expend such funds that a final environmental impact statement has not been completed for such construction project.

SEC. 335. Section 5328(c)(1)(E) of title 49, United States Code, is amended—

(1) by striking ''Westside'' the first place it appears;

(2) by striking ''and'' after ''101–584,''; and

(3) by inserting before the period at the end the following: '', and the locally preferred alternative for the South/North Corridor Project''.

SEC. 335a. Section 3035(b) of Public Law 102–240 is hereby amended by striking ''$515,000,000'' and inserting in lieu thereof ''$555,000,000''.

SEC. 336. Notwithstanding any other provision of law, of the funds made available to Cleveland for the ''Cleveland Dual Hub Corridor Project'' or ''Cleveland Dual Hub Rail Project,'' $4,023,030 in funds made available in fiscal years 1991, 1992, and 1994, under Public Laws 101–516, 102–143, 102–240, 103–122, and accompanying reports, shall be made available for the Berea Red Line Extension and the Euclid Corridor Improvement projects.

[SEC. 337. Notwithstanding any other provision of law, funds made available under section 3035(kk) of Public Law 102–240 for fiscal year 1997 to the State of Michigan shall be for the purchase of buses and bus-related equipment and facilities.]

[SEC. 338. In addition to amounts otherwise provided in this Act, there is hereby appropriated $2,400,000 for activities of the National Civil Aviation Review Commission, to remain available until expended.]

SEC. 338. Of the amounts made available under the Federal Transit Administration's Discretionary Grants program for Kauai, Hawaii, in Public Law 103–122 and Public Law 103–311, $3,250,000 shall be transferred to and administered in accordance with 49 U.S.C. 5307 and made available to Kauai, Hawaii.

[SEC. 339. Section 423 of H.R. 1361, as passed the House of Representatives on May 9, 1995, is hereby enacted into law.]

SEC. 339. Improvements identified as highest priority by section 1069(t) of Public Law 102–240 and funded pursuant to section 118(c)(2) of title 23, United States Code, shall not be treated as an allocation for Interstate maintenance for such fiscal year under section 157(a)(4) of title 23, United States Code, and sections 1013(c), 1015(a)(1), and 1015(b)(1) of Public Law 102–240: Provided, That any discretionary grant made pursuant to Public Law 99–663 shall not be subject to section 1015 of Public Law 102–240.

SEC. 340. (a) COMPLIANCE WITH BUY AMERICAN ACT.—None of the funds made available in this Act may be expended by an entity unless the entity agrees that in expending the funds the entity will comply with the Buy American Act (41 U.S.C. 10a–10c).

(b) SENSE OF CONGRESS; REQUIREMENT REGARDING NOTICE.—

(1) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—In the case of any equipment or product that may be authorized to be purchased with financial assistance provided using funds made available in this Act, it is the sense of the Congress that entities receiving the assistance should, in expending the assistance, purchase only American-made equipment and products to the greatest extent practicable.

(2) NOTICE TO RECIPIENTS OF ASSISTANCE.—In providing financial assistance using funds made available in this Act, the head of each Federal agency shall provide to each recipient of the assistance a notice describing the statement made in paragraph (1) by the Congress.

(c) PROHIBITION OF CONTRACTS WITH PERSONS FALSELY LABELING PRODUCTS AS MADE IN AMERICA.—If it has been finally determined by a court or Federal agency that any person intentionally affixed a label bearing a ''Made in America'' inscription, or any inscription with the same meaning, to any product sold in or shipped to the United States that is not made in the United States, the person shall be ineligible to receive any contract or subcontract made with funds made available in this Act, pursuant to the debarment, suspension, and ineligibility procedures described in sections 9.400 through 9.409 of title 48, Code of Federal Regulations.

SEC. 341. Notwithstanding any other provision of law, receipts, in amounts determined by the Secretary, collected from users of fitness centers operated by or for the Department of Transportation shall be available to support the operation and maintenance of those facilities.

SEC. 342. None of the funds made available in this Act may be used by the National Transportation Safety Board to plan, conduct, or enter into any contract for a study to determine the feasibility of allowing individuals who are more than 60 years of age to pilot commercial aircraft.

SEC. 343. Funds provided in this Act for bonuses and cash awards for employees of the Department of Transportation shall be reduced by $513,604 which limits fiscal year 1997 obligation authority to no more than $25,448,300: Provided, That this provision shall be applied to funds for Senior Executive Service bonuses, merit pay, and other bonuses and cash awards.

SEC. 344. Hereinafter, the National Passenger Railroad Corporation shall be exempted from any State or local law relating to the payment or delivery of abandoned or unclaimed personal property to any government authority, including any provision for the enforcement thereof, with respect to passenger rail tickets for which no refund has been or may be claimed, and such law shall not apply to funds held by Amtrak as a result of the purchase of tickets after April 30, 1972 for which no refund has been claimed.

SEC. 345. Notwithstanding any other provision in law, of the amounts made available under the Federal Aviation Administration's operations account, the FAA shall provide personnel at Dutch Harbor, Arkansas to provide real-time weather and runway observation and other such functions to help ensure the safety of aviation operations.

SEC. 346. VOLUNTARY SEPARATION INCENTIVES FOR EMPLOYEES.—

(a) AUTHORITY.—Notwithstanding any other provision of law, in order to avoid or minimize the need for involuntary separations due to a reduction in force, reorganization, transfer of function, or other similar action, the Secretary of Transportation may pay, or authorize the payment of, voluntary separation incentive payments to employees of the United States Coast Guard, Research and Special Programs Administration, St. Lawrence Seaway Development Corporation, Office of the Secretary, Federal Railroad Administration, and employees of the Department in positions targeted for reduction under the National Performance Review who separate from Federal service voluntarily through September 30, 2000 (whether by retirement or resignation).

(b) AGENCY STRATEGIC PLAN.—The Secretary shall submit, for review and approval, a strategic plan to the Director of the Office of Management and Budget prior to obligating any resources for voluntary separation incentive payments allowed under this Act.

(1) The plan shall—

(A) include the number and amounts of voluntary separation incentive payments to be offered;

(B) specify how the voluntary separation incentives will achieve downsizing goals;

(C) include a proposed time period for the payment of such incentives; and

(D) include the positions and functions to be reduced or eliminated identified by organizational unit, geographic location or occupational category and grade level.

(2) A voluntary separation incentive payment under this section may be paid to any eligible employee only to the extent necessary to eliminate the positions and functions identified by the strategic plan.

(c) CONDITIONS AND AMOUNT OF PAYMENTS.—In order to receive a voluntary separation incentive payment, an employee must separate from service with the Department (whether by retirement or resignation) within the applicable period of time specified in the agency plan. An employee's agreement to separate with an incentive payment is binding upon the employee and the Department, unless the employee and the Department mutually agree otherwise.

(1) A voluntary separation incentive payment shall be paid in a lump sum after the employee's separation and be equal to the lesser of—

(A) an amount equal to the amount the employee would have been entitled to receive under section 5595(c) of title 5, United States Code (without adjustment for any previous payment made under such section), if the employee were entitled to payment under such section; or

(B) if the employee separates during—

(i) fiscal year 1997, $25,000;

(ii) fiscal year 1998, $20,000;

(iii) fiscal year 1999, $15,000;

(iv) fiscal year 2000, $10,000;

(3) not be a basis for payment, and shall not be included in the computation of any other type of benefit;

(4) not be taken into account in determining the amount of any severance pay to which the employee may be entitled under section 5595 of title 5, United States Code, based on any other separation;

(5) be available from appropriations or funds available for the payment of the basic pay of the employee.

(d) EFFECT OF SUBSEQUENT EMPLOYMENT WITH THE GOVERNMENT.—An employee who has received a voluntary separation incentive payment under this section and accepts employment with, or enters into a personal services contract with, any Federal agency or instrumentality of the United States within 5 years after the date of the separation on which the payment is based shall be required to repay the entire amount of the incentive payment to the Department.

(1) The repayment required under this subsection may be waived only by the Secretary.

(e) ADDITIONAL AGENCY CONTRIBUTIONS TO THE RETIREMENT FUND.—

(1) IN GENERAL.—In addition to any other payments which it is required to make under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, the Department shall remit to the Office of Personnel Management for deposit in the Treasury of the United States to the credit of the Civil Service Retirement and Disability Fund an amount equal to 15 percent of the final basic pay of each employee of the Department covered by chapters 83 or 84 of title 5, United States Code, to whom a voluntary separation incentive payment has been made.

(2) DEFINITION.—For the purpose of this section, the term ''final basic pay,'' with respect to an employee, means the total amount of basic pay which would be payable for a year of service by such employee, computed using the employee's final rate of basic pay, and, if last serving on other than a full-time basis, with appropriate adjustment therefor.

(f) VOLUNTARY RELEASE PROGRAM.—Notwithstanding any other provision of law, the Department shall implement regulations that shall permit its employees, who are not scheduled for separation by RIF, to volunteer for RIF separation in place of other employees who are scheduled for RIF separation until September 30, 2000.

(g) CONTINUANCE OF GOVERNMENT SHARE OF HEALTH BENEFITS COVERAGE.—Notwithstanding any other provision of law, the Department shall pay the Government share of the health benefits coverage of any of its employees separated by RIF for up to 18 months following the employee's separation from Federal service, provided that the employee pays his requisite share of such costs over the same 18 month period.

TITLE IV—MISCELLANEOUS HIGHWAY PROVISIONS

[SEC. 401. Notwithstanding any other provision of law, semitrailer units operating in a truck tractor-semitrailer combination whose semitrailer unit is more than forty-eight feet in length and truck tractor-semitrailer-trailer combinations specified in section 31111(b)(1) of title 49, United States Code, may not operate on United States Route 15 in Virginia between the Maryland border and the intersection with United States Route 29.

[SEC. 402. Item 30 of the table contained in section 1107(b) of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 2050), relating to Mobile, Alabama, is amended in the second column by inserting after ''Alabama'' the following: ''and for feasibility studies, preliminary engineering, and construction of a new bridge and approaches over the Mobile River''.

[SEC. 403. Item 94 of the table contained in section 1107(b) of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 2052), relating to St. Thomas, Virgin Islands, is amended—

[(1) by striking ''St. Thomas,''; and

[(2) by inserting after ''the island'' the following: ''of St. Thomas and improvements to the VIPA Molasses Dock intermodal port facility on the island of St. Croix to make the facility capable of handling multiple cargo tasks''.]

SEC. 403. The funds authorized to be appropriated for highway-railroad grade crossing separations in Mineola, New York, under the head ''Highway-Railroad Grade Crossing Safety Demonstration Project (Highway Trust Fund)'' in House Report 99–976 and section 302(l) of Public Law 99–591 are hereby also authorized to be appropriated for other grade crossing improvements in Nassau and Suffolk Counties in New York and shall be available in accordance with the terms of the original authoriziaton in House Report 99–976.

SEC. 404. The Secretary of Transportation is hereby authorized to enter into an agreement modifying the agreement entered into pursuant to section 336 of the Department of Transportation and Related Agencies Appropriations Act, 1995 (Public Law 103–331) and section 356 of the Department of Transportation and Related Agencies Appropriations Act, 1996 (Public Law 104–50) to provide an additional line of credit not to exceed $25,000,000, which may be used to replace otherwise required contingency reserves; provided, however, that the Secretary may only enter into such modification if it is supported by the amount of the original appropriation (provided by section 336 of Public Law 103–331). No additional appropriation is made by this section. In implementing this section, the Secretary may enter into an agreement requiring an interest rate, on both the original line of credit and the additional amount provided for herein, higher than that currently in force and higher than that specified in the original appropriation. An agreement entered into pursuant to this section may not obligate the Secretary to make any funds available until all remaining contingency reserves are exhausted, and in no event shall any funds be made available before October 1, 1998.

[SEC. 405. Public Law 100–202 is amended in the item relating to ''Traffic Improvement Demonstration Project'' by inserting after ''project'' the following: ''or upgrade existing local roads''.]

SEC. 406. The amount appropriated for the Lake Shore Drive extension study, Whiting, Indiana, under the matter under the heading ''SURFACE TRANSPORTATION PROJECTS'' under the heading ''FEDERAL HIGHWAY ADMINISTRATION'' in title I of the Department of Transportation and Related Agencies Appropriations Act, 1995 (Public Law 103–331; 108 Stat. 2478), shall be made available to carry out the congestion relief project for the construction of a 4-lane road and overpass at Merrillville, Indiana, authorized by item 35 of section 1104(b) of the Intermodal Surface Transportation Efficiency Act of 1991 (Public Law 102–240; 105 Stat. 2030).

[TITLE V—ADDITIONAL GENERAL PROVISIONS

[SEC. 501. (a) LIMITATION ON NEW LOAN GUARANTEES FOR CERTAIN RAILROAD PROJECTS.—None of the funds made available in this Act may be used for the cost of any new loan guarantee commitment for any railroad project, when it is made known to the Federal official having authority to obligate or expend such funds that such railroad project is an international railroad project of the United States and another country, or a railroad project in the United States in the vicinity of the United States border with another country.

[(b) EXCEPTION.—Subsection (a) shall not apply when it is made known to the Federal official having authority to obligate or expend such funds that—

[(1) a comprehensive study has been conducted after the date of the enactment of this Act regarding criminal activities that have occurred on existing railroads of such type, including—

[(A) the use of such railroads to facilitate the smuggling of illegal aliens and illegal drugs into the United States, and the impact of such smuggling on the total number of illegal aliens, and the total amount of illegal drugs, entering the United States; and

[(B) the commission of robberies against such railroads; and

[(2) a detailed report setting forth the results of such study has been issued and made available to the public.

[SEC. 502. None of the funds made available in this Act may be used by the National Transportation Safety Board to plan, conduct, or enter into any contract for a study to determine the feasibility of allowing individuals who are more than 60 years of age to pilot commercial aircraft.]

This Act may be cited as the ''Department of Transportation and Related Agencies Appropriations Act, 1997''.

Mr. HATFIELD. Mr. President, I am very pleased to be able to present the fiscal 1997 appropriations bill dealing with the Department of Transportation and related agencies. The subcommittee allocation was $11.95 billion in budget authority and $35.453 billion in outlays. This allocation is $240 million lower in budget authority than the House's allocation when they passed the bill on June 28.

In spite of this limitation, I am proud of this bill because it addresses a number of concerns of not only the administration and my colleagues but also the American people. I should point out, however, that the bill is right at its allocation for both budget authority and outlays. So any amendments that increased spending would have to be offset with the necessary cuts to other parts of the bill.

This bill provides funding above that requested by the administration and above that provided by the House in two areas of critical importance: Safety and infrastructure development.

In the safety area, this bill provides the Federal Aviation Administration funding for 250 additional air traffic controllers.

In the FAA's regulation and certification area, the bill provides for more than 250 additional staff, including airworthiness inspectors, airline operations inspectors, certification inspectors of engineers and pilots, and manufacturing inspectors. However, in light of and in response to the ValuJet crash, there is also funding for an additional 130 hazardous materials inspectors in the aviation area. These inspectors were not originally requested by the administration, nor were they funded in the House appropriations bill. And the bill also provides 20 new inspectors for the Research and Special Programs Administration, the lead agency within the Department of Transportation regarding hazardous materials.

Global air transportation of hazardous materials has been growing at a steady rate of approximately 7 percent per year. The majority of these goods—60 percent—are transported on passenger-carrying equipment. And, according to the FAA, the reported incidence in air transportation associated with this type of cargo has increased 122 percent since 1991.

Although the FAA with its given resources monitors the compliance of such carriers to the extent possible, it is estimated that almost 80 percent of the problems associated with this type of cargo originates with shippers. I believe that the traveling public needs an acceptable level of safety that can be achieved, not only with air carrier inspections but also with targeted inspections of freight forwarders, repair stations, and commercial shippers.

Therefore, this bill has funding of approximately $12 million above the administration's request to address these safety problems. I believe that this is important to point out in light of the TWA Flight 800 tragedy.

This bill fully funds the administration's request for operational security of $71.9 million which funds approximately 780 security personnel. This is a 6.6 percent increase over what was provided in fiscal year 1996.

The bill also provides the full amount requested at research funding for explosives and weapons detection. That is $27.3 million.

In addition to increasing a number of positions in the aviation control, regulation, safety, and security areas, the bill provides an airport improvement program grant funding level of $1.46 billion, $160 million above the House's level, and $110 million above the administration's level.

I want to emphasize again, Mr. President, that this bill is still under the House allocation.

In the Coast Guard area, the subcommittee has provided funding for very critical maintenance activities, and is $14.3 million above the House level. The House cut was appealed directly to me by the Commandant of the Coast Guard who felt that a continued level was necessary in maintenance in the aircraft and boat area, which severely hamper the operational effectiveness of the Coast Guard in 1997.

I should also point out that the committee has not rescinded previous years' funds for the vessel traffic service systems, known as the VTS, and has provided the requested $6 million for these VTS systems in 1997. However, there is report language directing the Coast Guard to tone down their ambitious plans and to develop a common platform and common architecture for a vessel traffic system before proceeding in the future.

In the highway area, the committee rejected the administration's request that would have made some previously exempt highway programs part of the overall obligation ceiling, and would have rescinded $300 million of previously authorized ISTEA highway projects. Despite the budget constraints, there is an increase of $100 million over the House level for the Federal aid highway program of $17.6 billion. And there is $250 million for the State Infrastructure Bank Program, which was not funded in the House bill.

In the rail area, the committee has increased funding for the House bill by providing $200 million as requested for the Northeast Corridor Improvement Program, and provides $130 million above the House mark for the Amtrak Capital Program. We have also fully funded, as has the House, the $80 million requested for high-speed transits. In the transit area, we are slightly less than $100 million above the House in the formula grants program, and are $235 million above the House in the discretionary grants program. These funds are for rail modernization projects, transit new starts, and bus and bus related projects.

So you can see, despite having a lower 602(b) allocation in budget authority than the House, we have provided significant funding increases for areas that I feel very strongly about; namely, infrastructure improvement and safety related activities.

I believe that summarizes the bill. This year we received 770 separate requests from Senators, totaling $16.3 billion in earmarks and specific requests. It is difficult to balance these varied and sometimes conflicting needs, but I think this bill does a good job performing that balancing act while providing needed funds for safety improvement and infrastructure investments.

Mr. President, I am happy to yield to my colleague and former chairman of the subcommittee, a man who has been very supportive and helpful in crafting this bipartisan bill that we bring to the floor today, Senator LAUTENBERG.

The PRESIDING OFFICER. The Senator from New Jersey is recognized.

Mr. LAUTENBERG. Mr. President, I thank the Chair.

I thank my colleague and friend, Senator HATFIELD, for his ever constructive work and comments. This may be the last bill on transportation that Senator HATFIELD will manage. Long after his actions as a Senator, as a leader in the Senate, and as someone whom we all admire and respect, I hope we will continue our friendship and contact, but I will say a little bit more about that in a couple moments, if I may.

Mr. President, I rise in strong support of the Senate amendments to H.R. 3675, the transportation appropriations bill for fiscal 1997. The bill, as we know, was reported unanimously by the Appropriations Committee on Thursday, July 18. It would be my hope we could get a similarly unanimous vote for Senate passage of the bill.

Given the overall funding limitations that we face in this year's appropriations process, I think the bill before us does an excellent job in distributing scarce resources among the Nation's critical transportation needs.

Mr. President, I ask unanimous consent at this moment that Michael Brennan, a legislative fellow from the Department of Transportation who works with us, be granted privileges of the floor during the Senate consideration of H.R. 3675 and the conference report that will accompany this bill.

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

Mr. LAUTENBERG. Mr. President, this transportation bill comes before the Senate and before the Congress at a very sensitive moment in our discussions and deliberations here. The image of TWA Flight 800 is fresh in our mind. We all now grieve with those who lost loved ones, horrified at the shock that families, in some cases, lost two or three members of the family. One man lost his wife and two children. We can hardly comprehend the pain and the anguish that must go with something like that.

What an odd coincidence that at the moment we are considering how much money we spend on transportation, including safety in the air and safety in other modes of transportation, we face a time when, again, we wish that we could have done more, if it was possible, to prevent something like that.

I think it is important as we consider what the investment is going to be in transportation infrastructure in our society we not lose sight of what took

place on that fateful day when TWA 800 went down. But we also cannot easily forget the ValuJet crash, the problem with the Delta Air Lines airplane as it was taking off and the mother and child were killed even though the airplane never got into the air; the engine disintegrated and tore into the fuselage.

We, unfortunately, can recall an accident in New Jersey and an accident in Maryland on the rails when Amtrak, in the Maryland instance, and, in New Jersey, the New Jersey Transit Co. lost people as a result of a crash. We are all too familiar with what happens on our highways each day in each State; that when we invest in transportation, it is not simply another way to spend money; that it has a real life-and-death effect on the way people move between work and home or recreation and home or shopping and home; and that when we look at what happens with our air quality—and everybody is concerned about what we leave to future generations—we try to improve it the best way we can. And the significant way to do that is through effective investments in transportation.

For the knowledge of the body—and I think everyone is aware of it, but I remind you even though it may be redundant—the United States, among the most advanced nations in the world, spends the least as a percentage of GDP on transportation infrastructure. When we look at the per capita spending in the United States on transportation infrastructure spending, we are the equivalent of some of the more primitive or more backward nations of the world, those on the African Continent, poor, poverty-stricken nations. I hope this year we recognize this is one area in which we cannot afford to skimp.

This is an excellent bill considering the appropriations we had to work with. It is a much more balanced approach than the House-passed bill. The bill does an excellent job of addressing to the maximum degree possible—and I emphasize the maximum degree possible—the priorities of all Members as well as the priorities of the administration. It is a testament to Chairman HATFIELD's cooperative effort that there is not even a hint of a veto overshadowing this bill. The administration has seen that the chairman has worked almost magic in terms of getting the appropriate balance with resources still too little, in my view.

For the Federal Aviation Administration, the bill includes additional funds requested by the administration to address the specific problems associated with the transportation of hazardous materials. These materials have been implicated as the possible cause of the recent tragic ValuJet crash.

Moreover, as we await answers to the many questions surrounding the tragedy on TWA flight 800, I think it is important to point out that the bill before us fully funds the administration's requested increase for civil aviation security.

For the Coast Guard, the bill comes close to fully funding the Commandant's request for operations and acquisition. The Coast Guard has implemented its own well-designed streamlining plan to reduce costs, and I am pleased that they will not be required to endure further reductions as part of this bill.

We depend on the Coast Guard to be ever ready and at their post in the event of all kinds of national contingencies, whether it is for emergency response to marine accidents and oilspills, search and rescue, national security, or, as we have seen most recently, the collection of evidence and debris from the TWA tragedy.

We depend on the Coast Guard to be ready to serve on a moment's notice. I was in East Moriches, Long Island, a week ago Saturday shortly after the crash occurred, and I couldn't have been more proud of the Coast Guard, who was there as quickly as possible. I flew with the helicopter pilot who was the first Coast Guard pilot on the scene. He said when the sea was still burning, it looked like an inferno. And I saw the loyalty, despite the terrible stress, and the commitment of each of them, their having counseling and review of their own emotions, because in each case, they see themselves and they see their own families.

The Coast Guard is a fantastic branch of service, Mr. President. Again, I do not want to leave out the NTSB and the FBI and the Navy and the others who are working so diligently to try to provide the answers that we hope will come soon. But a branch of service like the Coast Guard often does not get the credit that it deserves as we give them ever-more assignments. As one coastal State Senator, I assure you that they have served us well over last year, over the many years in the past.

Within the Federal Highway Administration, the Appropriations Committee has been able to find sufficient resources to allow full funding for prior-year highway projects. The bill before us provides an overall increase in the obligation ceiling for highway formula funds.

Within the Federal Transit Administration, the bill before us achieves a new high in the funding of transit discretionary capital grants, and while the bill freezes operations assistance at the fiscal 1996 level, it provides an increase for transit formula capital assistance.

I am especially pleased with the committee's recommendations for the Federal Railroad Administration. The House-passed bill singled out Amtrak for some truly destructive funding cuts. The bill before us takes a much more balanced approach, and it provides full funding for the President's request for the Northeast Corridor Improvement Program and the special one-time appropriations for new high-speed train assists.

The bill also provides an increase for Amtrak's capital account, permitting them to invest in capital equipment, in trackage, in signs, in electrification. The only way Amtrak can hope to become self-sufficient is if it has adequate funds to invest in its deteriorating capital plant. The bill before us makes a sizable investment toward that goal.

While there are some questions raised about Amtrak and its service in the highly populated Northeast Corridor, I remind our colleagues that were it not for Amtrak, and if we want to provide the same level of transportation facility to those who travel between Boston, New York, and Washington, we need something like 10,000 DC–9's a year to pick up that slack. Imagine, 10,000 extra airplane flights a year over our skies with all the noise and all the congestion and everything else.

So, once again, the funds that we are investing are funds that have a significant effect on the quality of life of our citizens.

Mr. President, it is with some pain that I must make note of the fact—and I have made note of the fact—that this will be the last appropriations bill that Senator HATFIELD will manage in his capacity as subcommittee chairman. In many ways, I hope it is the last and hope that it will get to the President and get signed and we don't have to do this one over again. We shouldn't have to. But as always, his openness and fair mindedness has brought an ability to get things through the maze and bring it to this point and we hope soon to the President's desk.

In his 2 years as chairman of the Transportation Subcommittee, Senator HATFIELD has certainly distinguished himself as an informed and wise policymaker in the transportation arena. I have always admired his leadership, and I will always treasure his friendship. Mr. President, it is obvious there is only one person I would rather see as chairman of that subcommittee than Senator HATFIELD. I will not go any further. Just a joke.

Once again, I commend this bill to all my colleagues, and I hope that they will work with us to support the passage of the bill and that it does not become a forum for other discussions. It is late in the year; it is late in the week. We will soon be departing this place for other activities back home, and it would be too bad if this bill became a forum for debate that is unrelated particularly to transportation matters.

With that, I yield the floor, Mr. President.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, I rise in support of H.R. 3675, the transportation appropriations bill for fiscal year 1997. I have been a member of the Subcommittee on Transportation for many years, and was once chairman of the subcommittee. I have long been an advocate for increased and sustained funding for our Nation's transportation infrastructure.

The transportation appropriations bill is the preeminent contributor to our Nation's annual investment in infrastructure. Our Nation's economic prosperity depends heavily on the adequacy of our highways, our airports, our railroads, and our transit systems. As such, this is a critically important bill for the overall economic health of the Nation.

This bill also finances our entire Federal effort in the area of transportation safety, including the safety and security of our aviation and rail systems. The recent explosion on TWA Flight 800, which has been alluded to here already, and the associated loss of life, serve as a cruel reminder of the critical safety mission executed by our Department of Transportation.

I congratulate Senator HATFIELD, the Transportation Subcommittee chairman, and I congratulate the ranking member of the Transportation Subcommittee, Senator LAUTENBERG, for their expeditious action, their skillful and dedicated work on this bill.

Given the overall limitations we face for this year's appropriations bills, I believe that this bill represents a fair and balanced approach to the transportation needs of cities and communities throughout the Nation.

And I am particularly pleased that the committee rejected what I believe to be an ill-considered proposal by the administration that would have placed a cap on previously funded obligations for highway projects. Indeed, the bill before us provides an overall increase in the Federal aid highway obligation ceiling which provides critically needed highway funding for all 50 States.

So I commend Chairman HATFIELD and Senator LAUTENBERG for presenting to the Senate a bill that is free of controversial authorizing legislation. On balance, although I would support substantially more funding for the Nation's infrastructure than we are able to provide in this bill, I believe that H.R. 3675 deserves the support of all Senators.

Finally, Mr. President, I congratulate the efforts of the subcommittee staff—Pat McCann, Anne Miano, and Joyce Rose for the majority, and Peter Rogoff and Carole Geagley for the minority—for their outstanding work on this very important measure.

This is the last time that Senator HATFIELD will manage this transportation bill on the floor of the Senate.

I thank him for his long and illustrious service to the Senate, to his State, and to the Nation. I thank him for his steadfast friendship over the years. I thank him for his bipartisanship, his true bipartisanship, that he has demonstrated not only on this bill but on many other bills and which has been a hallmark of his service in this body. He has tremendous courage. As far as I am concerned, he is one of those few men and women in the history of the Senate who is truly a profile in courage.

I thank both the chairman and the ranking member again, as I say, for their services to the Senate and to the people of this country and to the country itself.

Emerson must have had men like these in mind when he said:

Not gold, but only men can make a nation great and strong;
Men who for truth and honor's sake stand fast and labor long;
Real men who work while others sleep,
Who dare while others fly.
They build a nation's pillars deep
And lift them to the sky.

I yield the floor.

Mr. HATFIELD addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. HATFIELD. Mr. President, first I thank my colleague and ranking member of the subcommittee, Senator LAUTENBERG, for his kind personal remarks. It has been a great pleasure and honor to work with Senator LAUTENBERG in this role. I am grateful to him for his many suggestions and recommendations.

I think, I say to Senator LAUTENBERG, if you and I were to really put the focus on the hard work and the effort and the accomplishment of this subcommittee, we would have to really look to our staff—your staff, Peter Rogoff, and my staff, Pat McCann and Anne Miano—who worked so well, beautifully together, meshing our common interests, crafting a bill that we are able to stand here and defend before the Senate.

I say, of Senator BYRD's very generous and kind remarks, that he has been a mentor. I should be thanking him for those remarks because I am sure that, like many, if not most of the Senate who have watched and listened to Senator BYRD over the years, we have learned a great deal not only about the Senate's history, but about the way legislation proceeds and the cooperation, collaboration that must be achieved on both sides of the aisle to pass legislation. I am very grateful for his most generous remarks.

Mr. President, I ask unanimous consent that the committee amendments be considered and agreed to en bloc and that they be considered as original text for the purpose of further amendment and that no points of order be waived thereon.

The PRESIDING OFFICER (Mr. THOMPSON). Without objection, it is so ordered.

The committee amendments were agreed to, en bloc.

AMENDMENTS NOS. 5123 THROUGH 5125, EN BLOC

Mr. HATFIELD. Mr. President, I have three technical amendments that I offer on behalf of the committee. They have been cleared on both sides, correcting the spelling, other such technical matters.

The PRESIDING OFFICER. The clerk will report the amendments by number.

The assistant legislative clerk read as follows:

The Senator from Oregon [Mr. HATFIELD] proposes amendments numbered 5123 through 5125, en bloc.

The amendments (Nos. 5123 through 5125) are as follows:

AMENDMENT NO. 5123

Strike section 346 and insert the following:

SEC. 346. DEPARTMENT OF TRANSPORTATION VOLUNTARY SEPARATION INCENTIVE PAYMENTS.

(a) DEFINITIONS.—For the purposes of this section—

(1) the term ''agency'' means the following agencies of the Department of Transportation:

(A) the United States Coast Guard;

(B) the Research and Special Programs Administration;

(C) the St. Lawrence Seaway Development Corporation;

(D) the Office of the Secretary;

(E) the Federal Railroad Administration; and

(F) any other agency of the Department with respect to employees of such agency in positions targeted for reduction under the National Performance Review;

(2) the term ''employee'' means an employee (as defined by section 2105 of title 5, United States Code) who is employed by the agency serving under an appointment without time limitation, and has been currently employed for a continuous period of at least 3 years, but does not include—

(A) a reemployed annuitant under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, or another retirement system for employees of the agency;

(B) an employee having a disability on the basis of which such employee is or would be eligible for disability retirement under the applicable retirement system referred to in subparagraph (A);

(C) an employee who is in receipt of a specific notice of involuntary separation for misconduct or unacceptable performance;

(D) an employee who, upon completing an additional period of service as referred to in section 3(b)(2)(B)(ii) of the Federal Workforce Restructuring Act of 1994 (5 U.S.C. 5597 note), would qualify for a voluntary separation incentive payment under section 3 of such Act;

(E) an employee who has previously received any voluntary separation incentive payment by the Federal Government under this section or any other authority and has not repaid such payment;

(F) an employee covered by statutory reemployment rights who is on transfer to another organization; or

(G) any employee who, during the twenty four month period preceding the date of separation, has received a recruitment or relocation bonus under section 5753 of title 5, United States Code, or who, within the twelve month period preceding the date of separation, received a retention allowance under section 5754 of title 5, United States Code.

(b) AGENCY STRATEGIC PLAN.—

(1) IN GENERAL.—The head of an agency, prior to obligating any resources for voluntary separation incentive payments, shall submit to the House and Senate Committees on Appropriations and the Committee on Governmental Affairs of the Senate and the Committee on Government Reform and Oversight of the House of Representatives a strategic plan outlining the intended use of such incentive payments and a proposed organizational chart for the agency once such incentive payments have been completed.

(2) CONTENTS.—The agency's plan shall include—

(A) the positions and functions to be reduced or eliminated, identified by organizational unit, geographic location, occupational category and grade level;

(B) the number and amounts of voluntary separation incentive payments to be offered; and

(C) a description of how the agency will operate without the eliminated positions and functions.

(c) AUTHORITY TO PROVIDE VOLUNTARY SEPARATION INCENTIVE PAYMENTS.—

(1) IN GENERAL.—A voluntary separation incentive payment under this section may be paid by an agency to any employee only to the extent necessary to eliminate the positions and functions identified by the strategic plan.

(2) AMOUNT AND TREATMENT OF PAYMENTS.—A voluntary separation incentive payment—

(A) shall be paid in a lump sum after the employee's separation;

(B) shall be paid from appropriations or funds available for the payment of the basic pay of the employees;

(C) shall be equal to the lesser of—

(i) an amount equal to the amount the employee would be entitled to receive under section 5595(c) of title 5, United States Code; or

(ii) an amount determined by an agency head not to exceed $25,000 in fiscal year 1997, $20,000 in fiscal year 1998, $15,000 in fiscal year 1999, or $10,000 in fiscal year 2000;

(D) shall not be a basis for payment, and shall not be included in the computation, of any other type of Government benefit; and

(E) shall not be taken into account in determining the amount of any severance pay to which the employee may be entitled under section 5595 of title 5, United States Code, based on any other separation.

(3) LIMITATION.—No amount shall be payable under this section based on any separation occurring before the date of the enactment of this Act, or after September 30, 2000.

(d) ADDITIONAL AGENCY CONTRIBUTIONS TO THE RETIREMENT FUND.—

(1) IN GENERAL.—In addition to any other payments which it is required to make under subchapter III of chapter 83 of title 5, United States Code, an agency shall remit to the Office of Personnel Management for deposit in the Treasury of the United States to the credit of the Civil Service Retirement and Disability Fund an amount equal to 15 percent of the final basic pay of each employee of the agency who is covered under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, to whom a voluntary separation incentive has been paid under this section.

(2) DEFINITION.—For the purpose of paragraph (1), the term ''final basic pay'', with respect to an employee, means the total amount of basic pay which would be payable for a year of service by such employee, computed using the employee's final rate of basic pay, and, if last serving on other than a full-time basis, with appropriate adjustment therefor.

(e) EFFECT OF SUBSEQUENT EMPLOYMENT WITH THE GOVERNMENT.—An individual who has received a voluntary separation incentive payment under this section and accepts any employment for compensation with the Government of the United States, or who works for any agency of the United States Government through a personal services contract, within 5 years after the date of the separation on which the payment is based shall be required to pay, prior to the individual's first day of employment, the entire amount of the incentive payment to the agency that paid the incentive payment.

(f) REDUCTION OF AGENCY EMPLOYMENT LEVELS.—

(1) IN GENERAL.—The total number of funded employee positions in an agency shall be reduced by one position for each vacancy created by the separation of any employee who has received, or is due to receive, a voluntary separation incentive payment under this section. For the purposes of this subsection, positions shall be counted on a full-time-equivalent basis.

(2) ENFORCEMENT.—The President, through the Office of Management and Budget, shall monitor each agency and take any action necessary to ensure that the requirements of this subsection are met.

(g) EFFECTIVE DATE.—This section shall take effect October 1, 1996.

AMENDMENT NO. 5124

On page 63 of the bill, line 24, strike ''Arkansas'' and insert ''Alaska''.

AMENDMENT NO. 5125

On page 60 of the bill, line 21, strike ''5307'' and insert ''5311''.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the amendments be considered and agreed to, en bloc, and that the motions to reconsider be laid upon the table.

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

The amendments (Nos. 5123 through 5125) were agreed to.

Mr. HATFIELD. Mr. President, I believe the parliamentary situation is the bill is open for further amendments.

The PRESIDING OFFICER. The Senator is correct.

Mr. HATFIELD. Perhaps there are none, and we could go to third reading. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk called the roll.

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

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

AMENDMENT NO. 5126

(Purpose: To fully fund the President's request for Aviation Security Research)

Mr. LAUTENBERG. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Jersey [Mr. LAUTENBERG] proposes amendment numbered 5126.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 5, line 17, strike ''132,500,000'' and insert ''132,499,000''.

On page 14, line 22, strike ''187,000,000'' and insert ''188,490,000''.

On page 38, line 5, strike ''200,000,000'' and insert ''198,510,000''.

Mr. LAUTENBERG. Mr. President, this fully funds the President's request for aviation security research. It is offset in budget authority as well as outlays.

Mr. HATFIELD. It is cleared on this side of the aisle.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 5126) was agreed to.

Mr. HATFIELD. I move to reconsider the vote by which the amendment was adopted.

Mr. LAUTENBERG. I move to lay that motion on the table, Mr. President.

Mr. LAUTENBERG. Mr. President, I want the RECORD to be clear that this is ''human factors research for security.'' That is the title under which this legislation is proposed.

Mr. SHELBY. Mr. President, would the chairman yield for a question?

Mr. HATFIELD. Yes. I would be happy to yield for a question from the Senator from Alabama.

Mr. SHELBY. Mr. President, I understand the committee has included $6 million in the transportation appropriations bill for the development of vessel traffic service systems or VTS systems by the Coast Guard. I wanted to briefly ask the chairman whether it is the intent of the committee's report language that the Coast Guard undertake a review of this system, including the costs associated with implementing the program, before proceeding with their plans to install these systems in various ports around the country, including Mobile, AL.

The GAO report that the committee refers to in its report identified serious underestimations of the cost of the VTS 2000 program. I continue to have serious reservations about this system and the Coast Guard's current plan for its implementation and use. It would appear that the GAO has raised many important issues that need to be resolved before the Coast Guard proceeds in the implementation of this program. It is the intent of the committee that such a review take place by the Coast Guard before it proceeds with the VTS program?

Mr. HATFIELD. Yes. The report language directs the Coast Guard to tone down their ambitious plans, and to develop a common platform and common architecture for vessel traffic systems before proceeding in the future.

Mr. SHELBY. I appreciate the chairman's assurances on this matter.

Mr. HATFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. REID. Mr. President, I am concerned that the committee report does not contain bus and bus facility funds for the Regional Transportation Commission of Clark County, NV. The RTC's CAT System has witnessed phenomenal growth and has seen an annual increase of ridership of over 36

percent. Its service hours and service miles per bus is more than double that of any other transit system in the United States.

The RTC has requested $5 million to complete its integrated bus maintenance facilities project to properly maintain and store its equipment fleet, and $5 million for new rolling stock to initiate express bus commuter service. Past transportation appropriations bills have provided funding for this project, recognizing its need and significance.

While I appreciate the many demands on the Senate for bus discretionary funds, I urge the chairman to give full consideration to the needs of Clark County, NV for this important funding.

Mr. HATFIELD. Mr. President, the Senator from Nevada is correct that the RTC of Clark County is certainly a worthy candidate for discretionary bus and bus facility funds. In fiscal year 1996, nearly $17 million was provided for the project. I look forward to working with the Senator to make every effort to assist in advancing its project.

Mr. DEWINE. Mr. President, I would like to thank the distinguished chairman of the Appropriations Committee for his efforts during the appropriation process. I appreciate the fact that the Senate transportation appropriation report includes $30 million for bus and bus-related facilities in the State of Ohio. I would, however, like to make sure that this $30 million will be made available to the Ohio Department of Transportation to be used for bus and bus-related facilities in a manner determined by the Ohio Department of Transportation.

Mr. HATFIELD. I say to Senator DEWINE that it is the intent of the Appropriations Committee that the $30 million earmarked in Senate Report 104–325 for Ohio bus and bus-related facilities be available to the Ohio Department of Transportation to be used for bus and bus-related facilities in a manner determined by the Ohio Department of Transportation.

Mr. President, we have a list of notifications of Members that indicated they wished to present an amendment—about a dozen. I invite Members to the floor to present those amendments. We are going to have to finish this bill tonight, as the leader indicated earlier, and I hope the Senators would see fit, if they are interested in pursuing these amendments, to appear on the floor and make their presentation.

At some point in time I think the courtesy of waiting for those amendments will expire, and I will suggest we might go to a third reading of the bill and pass the bill. My patience is growing less at this point in time. I think every Senator is busy. I have many things I can do rather than stand here waiting for other Senators.

I make a very strong appeal to Senators, and if their staffs are present, to alert those Senators that we are here to do business. If not, we will go to third reading.

Mr. LAUTENBERG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

AMENDMENTS NOS. 5127 AND 5128, EN BLOC

Mr. HATFIELD. Mr. President, I send two amendments to the desk, en bloc, on behalf of Senator KOHL and Senator BOND, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Oregon [Mr. HATFIELD] proposes amendments numbered 5127 and 5128, en bloc.

Mr. HATFIELD. Mr. President, I ask unanimous consent that reading of the amendments be dispensed with.

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

The amendments are as follows:

AMENDMENT NO. 5127

(Purpose: To express the sense of the Senate that Congress should establish the Saint Lawrence Seaway Development Corporation as a performance-based organization)

At the appropriate place in the bill insert the following:

SEC. . It is the Sense of the Senate that Congress should actively consider legislation to establish the Saint Lawrence Seaway Development Corporation as a performance-based organization on a pilot basis beginning in fiscal year 1998.

AMENDMENT NO. 5128

(Purpose: To express the sense of the Congress concerning the use of full and open competition in procurement for the Federal Aviation Administration and to require an independent assessment of the acquisition management system of the Federal Aviation Administration)

At the appropriate place, insert the following new section:

SEC. . FEDERAL AVIATION ADMINISTRATION PROCUREMENT.

(a) SENSE OF THE CONGRESS.—It is the sense of the Congress that the Administrator of the Federal Aviation Administration should promote and encourage the use of full and open competition as the preferred method of procurement for the Federal Aviation Administration.

(b) INDEPENDENT ASSESSMENT.—Not later than December 31, 1997, the Administrator of the Federal Aviation Administration shall—

(1) take such action as may be necessary to provide for an independent assessment of the acquisition management system of the Federal Aviation Administration that includes a review of any efforts of the Administrator in promoting and encouraging the use of full and open competition as the preferred method of procurement with respect to any contract that involves an amount greater than $50,000,000; and

(2) submit to the Congress a report on the findings of that independent assessment.

(c) FULL AND OPEN COMPETITION DEFINED.—For purposes of this section, the term ''full and open competition'' has the meaning provided that term in section 4(6) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(6)).

Mr. HATFIELD. Mr. President, these two amendments have been cleared on both sides of the aisle.

The PRESIDING OFFICER. Without objection, the amendments are agreed to en bloc.

The amendments (No. 5127 and 5128), en bloc, were agreed to.

Mr. LAUTENBERG. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, I make an observation that the amendments on the list that we have are all legislation—matters relating to legislation on an appropriations bill. We have indicated that in cases of emergency and timeframe problems, if they are cleared by the authorizing chairman and the authorizing committee ranking member, we would accept them. But we will not accept legislation on this appropriations bill.

Our leadership, both Republican and Democratic, has already stated that we would try to resist all riders on appropriations bills, which held us up a great deal in the last fiscal year and caused us to go, in part, into that situation where we had five appropriation bills that we had to incorporate in an omnibus package 7 months into the fiscal year. We are very desperately trying to avoid that this year. I am proud to say that by the end of this week we will have passed nine appropriation bills here in the Senate. I have already signed, today, the conference report on the agricultural appropriations bill. We are hoping to have five bills passed in the conference, ready for floor action, at the end of this week.

So we are making very significant progress. We will report out the number 12 appropriation bill from our committee, State, Justice, Commerce, on Thursday of this week. We will report the last bill on the first week in September, Labor-HHS. That would give us a schedule that the Republican leader has put together, by which we would be able to meet that October deadline a week to 10 days before the expiration of this fiscal year. What a contrast to last year, and one that I would like to be able to achieve.

So, again, I want to say that we have been here now for about a half-hour waiting for amendments. I informed the Republican leader about 15 minutes ago that we were in this situation, waiting for some kind of action, and that I wanted to consider third reading at an appropriate time, which, to me, would be right now. But I am not the leader and, consequently, I will confer with the leadership on that kind of a decision. But I have to, again, assure our colleagues that we want to do business with them. We want to consider their amendments that have been cleared by both the chairman and the ranking member of authorizing committees, because most all of them are authorization actions. And that is a bipartisan policy that our leadership has

established and which this committee leadership has also agreed to.

I do not know what more we can say to require some action.

Mr. LAUTENBERG. Mr. President, to lend some further impetus to the remarks of the distinguished chairman of the subcommittee, I would plead with my colleagues on the Democratic side to get down here if you want to do business. I think it is a very poor reflection on what has to be done to set the stage for transportation investments in the year beginning October 1, a chance to establish the fact that things are happening, that we are responding to the need for transportation investment. For us to stand here while little, if anything, takes place, I think, reflects very poorly on the commitment to getting the job done.

I urge my colleagues, as we heard from Senator HATFIELD, to come on down, present your amendments, present the argument, and see if you can win the case. If the amendments are important, then I fail to see that there is no urgency to getting them down here, get them on the floor, and let us discuss them.

This is the transportation bill. We are talking about billions of dollars. We are talking about safety. We are talking about the way our Nation competes with other countries. We are talking about quality of air. We are talking about the consumption of fuel. We are talking about so many things here in this bill, and to permit it to languish while we sit here kind of staring at one another is, I think, unacceptable.

So I hope that we can encourage leadership on both sides, and the Senators on both sides, to get with it, get done, get going so we can get on to the next piece of business, or the next pieces of business which are very important.

With that, I note the absence of interest and the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

AMENDMENT NO. 5129

(Purpose: To respond to the tragic explosion of a sugar beet processing plant in Western Nebraska and to provide for the safe and efficient interstate transportation of sugar beets)

Mr. HATFIELD. Mr. President, I send an amendment on behalf of Senators KERREY and EXON to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Oregon [Mr. HATFIELD], for Mr. KERREY, for himself and Mr. EXON, proposes an amendment numbered 5129.

Mr. HATFIELD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

49 U.S.C. App. 2311 is amended by adding the following new subsection:

(D) NEBRASKA—In addition to vehicles which the State of Nebraska may continue to allow to be operated under paragraphs (1)(a) and (1)(B) of this section, the State of Nebraska may allow longer combination vehicles that were not in actual operation on June 1, 1991 to be operated within its boundaries to transport sugar beets and from the field where such sugar beets are harvested to storage, market, factory or stockpile or from stockpile to storage, market or factory. This provision shall expire on September 30, 1997.

Mr. HATFIELD. Mr. President, this is one of those examples of a legislative action that has been cleared by the ranking member and the chairman of the Commerce Committee, so under the exigencies of the situation in Nebraska, it has been cleared on both sides to be adopted here today on our bill.

I urge its adoption.

The PRESIDING OFFICER. If there is no objection, the amendment is agreed to.

The amendment (No. 5129) was agreed to.

Mr. LAUTENBERG. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 5130

(Purpose: To allow funds previously appropriated for a highway safety improvement project in Michigan to be used for construction of a highway that is part of the project)

Mr. HATFIELD. Mr. President, I send to the desk an amendment on behalf of Senator LEVIN of Michigan.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Oregon [Mr. HATFIELD], for Mr. LEVIN, proposes an amendment numbered 5130.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

At the end of title IV, add the following:

SEC. 4. HIGHWAY SAFETY IMPROVEMENT PROJECT, MICHIGAN.

Of the amount appropriated for the highway safety improvement project, Michigan, under the matter under the heading ''SURFACE TRANSPORTATION PROJECTS'' under the heading ''FEDERAL HIGHWAY ADMINISTRATION'' in title I of the Department of Transportation and Related Agencies Appropriations Act, 1995 (Public Law 103–331; 108 Stat. 2478), for the purposes of right-of-way acquisition for Baldwin Road, and engineering, right-of-way acquisition, and construction between Walton Boulevard and Dixie Highway, $2,000,000 shall be made available for construction of Baldwin Road.

Mr. HATFIELD. Mr. President, this is an amendment by the Senator from Michigan, Mr. LEVIN, that would move some money from one account to another account to handle a situation in Michigan. This is not legislation on an appropriations bill, and there is a zero budget impact.

I believe it has been cleared on both sides of the aisle. So, therefore, I urge its adoption.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 5130) was agreed to.

Mr. LAUTENBERG. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, we are now approaching 50 minutes that we have waited here for Senators to arrive to offer amendments—50 wasted minutes. I really think we have approached the time for calling of third reading on this bill and vote this bill out, since we have not had response from Senators.

Is the Senator from North Dakota awaiting to present an amendment? I refrain from asking for third reading at this point.

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

The PRESIDING OFFICER (Mr. ABRAHAM). Without objection, it is so ordered.

AMENDMENT NO. 5131

(Purpose: To require investigation of anticompetitive practices in air transportation)

Mr. DORGAN. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from North Dakota [Mr. DORGAN] proposes an amendment numbered 5131.

Mr. DORGAN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 2, line 6 after ''$53,376,000,'' insert the following: ''of which such sums as necessary shall be used to investigate anticompetitive practices in air transportation, enforce Section 41712 of Title 49, and report to Congress by the end of the fiscal year on its progress to address anticompetitive practices, and''.

Mr. DORGAN. Mr. President, I have a couple of amendments. The amendment I have just offered is an amendment that talks about the issue of anticompetitive practices in the airline industry. I know there are some in Congress who think that the deregulation of the airline industry has been a wonderful bonanza for our country. But there are some of us who live in the more sparsely populated areas of our

country who do not believe it has been such a bonanza. The sparsely populated States like North Dakota, for example, have less airline service now and pay more for it than prior to deregulation.

I am not a big fan of airline deregulation. I think I would be a big fan if I lived in Chicago and traveled to New York and Los Angeles, because then I would have far more carriers competing, lower prices, and a wide variety of flights to take. I suppose for folks who live in those markets, this has been a wonderful bonanza. For folks who live elsewhere, it has not worked out so well.

One of the interesting things about deregulation is that even when you deregulate an industry like the airlines you must also continue to have some kind of referee so that when someone does something that distorts the market or injures the market, that someone can step in, an authority can step in and say, ''No, this is a practice that is anticompetitive.''

The whole notion of deregulation is to set free the competitive forces by which, through competition, you have more service and lower prices. But there are practices that are or can be inherently anticompetitive, even under deregulation. That is especially the case in rural areas.

Let me give you a couple of instances. Last week, in North Dakota we learned that a jet carrier that had started up a couple of years ago to provide regional jet service to our State and some other rural areas was going to discontinue service in North Dakota. Now, that is not so unusual. We have lost Continental Airlines from North Dakota. We have lost Delta Airlines. We have lost American Airlines. Now we lose Frontier Airlines. We are getting accustomed to losing airlines under deregulation. We have one large dominant carrier left in North Dakota. It is a good carrier. I think it is a good company. I speak well of it. I admire its service. I think it does well. But we do not do well when we do not have competition. When you do not have competition, you have less service and pay higher prices.

Now, a regional jet carrier starts up to provide some regional jet service competition. What happens under today's deregulation environment when they try to do that? The large carriers squash them like bugs. They say, ''We do not want competition. We do not want a new carrier to start up.''

So what do they do? Well, first of all, under deregulation, the large carriers have no requirement at all to have any sort of code-sharing with any new carrier. Take the airline that started in North Dakota to fly to the Denver hub. The Denver hub is dominated by one carrier, one of the largest airline companies in the country. That carrier says to a new jet service, ''We have no interest in cooperating with you in any way. We are not interested in offering you code-sharing in any circumstance.'' And if you want to make money you make money hauling people from point A to point B, and that is it—from Bismarck, ND, to Denver, CO. Of course most people are not traveling from Bismarck to Denver. They are traveling from Bismarck to Denver and then to Los Angeles, to Chicago, to Phoenix, to San Francisco, or elsewhere.

The result is, because a large carrier prohibits or simply refuses to cooperate in any way—especially with code-sharing—with a startup carrier, the startup carrier is severely disadvantaged.

In addition to that, the large carrier will go to the travel agents in those communities and say, ''I tell you what, we do not want you to ticket on this new competitive airline. We want you to ticket with us. Go a more circuitous route, travel more miles, but travel with us. What we will do is pay the travel agents' override commissions.'' They effectively say to travel agents, ''If you keep people off this new airline, we will pay you to do it.'' Of course, when the new airline leaves that community and no longer serves, all these overrides, the payments to the travel agents, will be gone. But that is the way this practice works.

Fundamentally, anticompetitive practices by airlines who have gotten big enough to wield the economic clout, the sheer muscle power, injure the startup companies. If I dominate a hub, say in Minneapolis, Denver, or some other hub, I will describe the kind of competition I have in and out of that hub, because I can enforce that competition. I can enforce it by keeping people out and by letting in only those who I choose to let in. Now, that is the circumstance under deregulation without a referee.

Now, I happen to think we do not have a very aggressive effort in the Department of Transportation dealing with these issues of anticompetitive behavior or anticompetitive practices. Am I critical of DOT? Yes, I have been after them for 2 years on these issues. If I am a new carrier that starts up to provide jet service from North Dakota to Denver, for example, I do not even show up on the first one or two computer screens when a travel agent in Los Angeles decides it will book a flight from Los Angeles to North Dakota and back. I do not show up on the screen as providing jet service. That is anticompetitive. It is a computer reservation system, controlled by a dominate carrier that is anticompetitive.

There are a number of anticompetitive practices that occur and not much is done about it. For 2 years I have been after the Department of Transportation to do something about it. They drag their feet for a year and a half, and now there is some work, maybe they are starting to do some things—probably too late, maybe not aggressive enough. My hope is that perhaps in the near future we will see the Department of Transportation do what it ought to do—become the referee, the arbiter of fairness, in what is competitive and what is anticompetitive in this industry.

The amendment I have offered simply says that the Secretary of Transportation shall use such funds as is necessary to investigate anticompetitive practices in air transportation, to enforce section 41712 of title 49, and to report to Congress by the end of the fiscal year on its progress to address anticompetitive practices.

I hope if this is accepted, and I understand it will be, that the Secretary of Transportation will take this seriously and do aggressively what it should have been doing the last couple of years.

I understand some people would like there to be no discussion on amendments that are offered that are being accepted. I am sorry about that, but the fact is I have also been waiting here for an hour, and when I offer an amendment, I intend to be able to speak on it as I wish.

I have a couple of other amendments that I will offer. But I ask that this amendment be accepted, if it is acceptable to the majority and minority.

With that, I yield the floor.

Mr. LAUTENBERG. Mr. President, I think the Senator from North Dakota makes a very good case. Despite the fact that I come from one of the most active transportation centers of the country, New Jersey, and we are the most densely populated State, we need access to aviation and so forth. I agree that the problems that have developed since deregulation have not always been things that we anticipated.

I talked with the Secretary of Transportation, and I made the point that the distinguished Senator from North Dakota made so eloquently just now on the floor. He tells me—and I am sure this is nothing new to the Senator from North Dakota—about the fact that United Airlines has agreed with the cooperative baggage arrangements and cooperative ticketing, though code sharing has not yet become part of the picture.

Unfortunately, in the deregulated mode, the contracts are between airlines. But I am assured that the Secretary will be looking at the anticompetitive situation of small rural airports around the country, whether jet service is available and why it is discontinued. I have that commitment to him. I pass that on to the Senator from North Dakota, so he has a basis for review as time goes by.

We continue to subsidize essential air service in the hope that we will be of some help. Meanwhile, I think the Senator has a good point. We accept his amendment from this side. I assume that the other side also is agreeable.

Mr. STEVENS. Mr. President, has there been a modification of the amendment?

The PRESIDING OFFICER. The Senator sent up a modified version of the amendment, which is before us at this time.

Mr. STEVENS. Has the Senator modified his amendment?

The PRESIDING OFFICER. Not technically.

Mr. LAUTENBERG. The Senator makes a good point. The clerk did not fully read the amendment by our request. I wonder if we could just have a reminder about what is an item to item 1 and 2, where it starts——

Mr. STEVENS. Mr. President, I merely want to find out, is the Senator going to modify the amendment in the form I have before me? This is amendment No. 5131, is that correct?

Mr. DORGAN. Mr. President, I can clear that up. I only offered one amendment. It is at the desk. It is the amendment that I had cleared through the manager.

Mr. STEVENS. I misunderstood the situation. I thought it was being modified from its original form.

Mr. DORGAN. The original amendment was never offered.

Mr. STEVENS. Very well. Really, as an original sponsor of the whole concept of the essential air service, I am pleased to see this amendment come forth in this form. We would have had to oppose the creation of a new office. But this does not do that, so we are prepared to accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 5131) was agreed to.

Mr. LAUTENBERG. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 5132

(Purpose: To reduce the level of funding for the National Railroad Passenger Corporation)

Mr. MCCAIN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Arizona [Mr. MCCAIN] proposes an amendment numbered 5132.

Mr. MCCAIN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

At the appropriate place, insert the following,

On page 25, strike lines 9 through 14, provided that the $200,000,000 thus saved be made available to the Secretary for high priority rail, aviation and highway safety purposes.

On page 29, line 6, strike ''$592,000,000'' and insert ''$462,000,000''.

On page 29, line 9, strike ''$250,000,000'' and insert ''$120,000,000, provided that the $130,000,000 thus saved be made available to the Secretary for high priority rail, aviation and highway safety purposes.''

Mr. MCCAIN. Mr. President, I ask if the managers would like to agree to a time agreement. I would be more than happy to discuss that.

Mr. STEVENS. I am interested in a time agreement if the Senator would indicate how long he might want.

Mr. MCCAIN. If the managers are agreeable, 15 minutes on a side. Senator BIDEN asked to be notified at the time of the presentation of the amendment. He also said he would agree to a time agreement, but he would like to have time to debate this amendment.

Mr. STEVENS. The Senator wishes time to contact the Senator from Delaware. If the Senator will proceed, we will try to get a time agreement.

Mr. MCCAIN. Mr. President, I fully intend to enter into a time agreement with the managers of the bill at the appropriate time when they come up with a proposal.

Mr. President, this amendment would restore Amtrak's funding to the House passed level and provide the savings to the Secretary of Transportation for high priority rail, highway, and aviation safety purposes.

The House overwhelmingly passed the fiscal 1997 Transportation appropriations bill by a vote of 403 to 2 and appropriated a total of $462 million for Amtrak's operating expenses and capital improvements.

The Senate has added $330 million to this bill for Amtrak's capital accounts, adding $200 million for the Northeast Corridor Improvement Program which the House did not fund at all. This amounts to at least a 61-percent increase in Amtrak funding over the House appropriated levels. While I understand that some of my colleagues believe that if we continue to throw additional money at Amtrak, its financial problems will disappear, I believe the House-passed funding levels are more than sufficient and I urge my colleagues to support this amendment.

I also know that some will come to the floor to argue that unless we give Amtrak this massive increase in capital grants over and above the House-passed level, Amtrak will find it even harder to reach self-sufficiency. While their intentions may be good, we have been repeatedly promised that with increased expenditures Amtrak will become self-sufficient. That has never been the case before. I do not believe that will be the case today.

Amtrak began in 1971 as a 2-year experiment. Since its creation in 1971, Amtrak has cost the American taxpayer about 418 billion. This $18 billion has gone to subsidizing rail transportation for less than one-half of 1 percent of America's intercity rail passengers. In addition, a recent study by economists Wendell Cox and Jean Love found that the vast majority of Amtrak riders earn more than $40,000 a year.

Let me just show my colleagues Amtrak funding from 1995. In 1995, there will be allotted to the State of New York $215.862 million; to the State of California, $119.531 million; the State of Pennsylvania, $11.945 million; the State of Washington $108.787 million. Those four States will receive $556.125 million. A percentage of the funding——

Mr. LAUTENBERG. Will the Senator yield?

Mr. MCCAIN. Let me finish my statement, I say to the Senator.

Mr. LAUTENBERG. Will the Senator yield for a question?

Mr. MCCAIN. Mr. President, I have the floor. I ask for the regular order.

The PRESIDING OFFICER. The Senator from Arizona has the floor.

Mr. MCCAIN. I would appreciate it if the Senator from New Jersey would observe the regular order. I said to him I do not wish to yield the floor at this time.

Mr. LAUTENBERG. The Senator from New Jersey does not need a lesson on protocol.

Mr. MCCAIN. The Senator from New Jersey obviously needs a lesson on the rules of the Senate because he interrupted me again as I have the floor.

I ask the Chair for the floor again. I hope that the Senator from New Jersey will not interrupt again as long as I choose not to yield the floor to him.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, on chart No. 2, I would like to show Amtrak revenues and expenses for fiscal years 1988 through 1994. As we can see, the expenses continue to go up and the revenues are basically flat.

This second chart reveals how, over the years, Amtrak's expenses have steadily grown at an accelerated pace while revenue have remained virtually the same. I believe this shows that Amtrak's problems are fundamental and the only question is whether the Federal Government will, at a minimum, put some limits on the amount of taxpayer dollars we are willing to lose to a failed experiment.

The point made by this third chart is basic. Amtrak appropriations have grown over its 25-year existence, and despite this fact, Amtrak still never seems to have enough Federal subsidization to cover its losses.

Mr. President, I remember with great clarity in 1983 when I came to the House of Representatives of the United States when I was visited by a man that I admired as much as any man I have ever known in my life, the former Secretary of the Navy who I had known on my tour in the Navy, Mr. Graham Claytor, Secretary Graham Claytor. Secretary Claytor was then President of Amtrak, and Secretary Claytor assured me that Amtrak funding would no longer be needed after 5 years; absolutely that would be the end because Secretary Claytor, and the other people who ran Amtrak and other Members of Congress, said that after 5 years there would be no need for any more Federal funding because Amtrak would be self-sufficient.

I would be glad to include for the RECORD how time after time after time over many previous years since 1971 that the assurances were given to this body and to the American taxpayers. ''Do not worry. Four or 5 years from now the funding required for Amtrak will be finished.''

Mr. President, on October 8, 1995, George Will wrote a very interesting and entertaining article that I would like to quote. He says:

Long ago, before Washington decided it did everything so well it should start running a passenger railroad, American slang included a phrase used to express dismay about mismanagement of organizations. The phrase is ''Helluva way to run a railroad.'' Speaking of Amtrak . . .

Congress is speaking of it because conservatives are in a Margaret Thatcher mood. It was said she cold not see an institution without swatting it with her handbag. Republicans, who praise governmental minimalism, can hardly close their year of glory without asking why the government is in the railroad business.

In a sense it has been for more than a century. The word ''cordial'' hardly suggests the intimacy between government—federal and state—and railroads in the 19th century, when 10 percent of the public domain was given in land grants to the transcontinental railroads. The Union Pacific was given one-tenth of Nebraska—4,845,997 acres.

Amtrak began, as did so much that makes today's conservatives cross, under Richard Nixon, during whose administration there occurred the largest peacetime expansion of government power in American history (wage and price controls) and the creation of the Environmental Protection Agency, the Occupational Safety and Health Administration, forced busing and racial set-asides. He failed to get Congress to enact a new entitlement, a guaranteed annual income, and to embark on what is now called ''industrial policy'' by funding development of a supersonic transport aircraft.

''All through grade school,'' said Nixon, ''my ambition was to become a railroad engineer.'' Would that he had. In March 1970, the largest operator of passenger trains, Penn Central, on the verge of bankruptcy, sought permission to end passenger service west of Harrisburg and Buffalo. For that, government deserved a portion of blame, the Interstate Commerce Commission having resisted rate increases commensurate with wage increases unions were winning. In a textbook example of how bad government begets more government, Amtrak was born.

It began operations in 1971, ostensibly as a two-year experiment. It has lost money since 1971, partly because it has been a mini-welfare state appended to the welfare state: It has been forbidden to contract out union jobs, and laid-off workers have been entitled to six years of severance pay. So, having helped make private railroads anemic (jet aircraft, better highways and inept railroad management contributed mightily to the anemia), the government piled on Amtrak its mandates that would keep it running in the red.

Helluva way to run a railroad? What do you expect from something created in defiance of market forces and regarded by its creators, the political class, as several varieties of pork, including an entitlement for small communities that want the government to guarantee continuing rail service for which there is weak demand?

Recently a full-page magazine ad by Amtrak bore this message at the bottom of the page: ''No federal funds were used to pay for this message.'' What mendacity. Money is fungible, so taxpayers paid for as large a portion of the cost of that ad as they pay of the overall costs of Amtrak—about 20 percent. And Amtrak's ads are not producing congestion down at the old railroad depot. Amtrak carries less than one percent of the people who travel between cities, and half of its passengers are in the Northeast Corridor. Most passengers are middle class, many of them business travelers. Almost all have air or long-haul bus transportation alternatives.

Defenders of the subsidies say, as defenders of subsidies do, that we are all benefiting so much that the subsidies ''pay for themselves.'' Their argument is that because of passenger trains, highways are less congested, air is less polluted, we are delaying the evil day when federal money will have to help build another airport for Boston, and so on. There is some truth in all these arguments and a lot in this one: Government even more heavily subsidizes air and road passengers. United Airlines is not expected to build airports, and Greyhound is not responsible for maintaining the highways.

However, Congress is poised to shrink Amtrak subsidies from more than $700 million next year to zero by 2002 at the latest, when Amtrak is scheduled to be privatized.

That obviously, has not been the case since Mr. Will wrote this article.

Mr. Will continues:

Its roadbed needs work, especially in the Northeast, and its rolling stock is old (the average car is 23 years old), so even with more reasonable work rules and more latitude to rationalize routes, privatization may not be possible. But trying to get the government out of railroading is not optional if the conservatives' determination to rationalize government is real.

Mr. President, this money that I am asking to be reduced would go to much needed rail, air, and road safety. We all realize how much safety is important; indeed, uppermost in the minds of many people as a result of some of the aircraft accidents that have taken place, some of the rail accidents that have taken place in America, and also some of the continued terrible tragedies that afflict the highways day in and day out.

So, Mr. President, I wonder if the managers of the bill are ready to enter into a time agreement?

In the meantime, I yield the floor.

Mr. LAUTENBERG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. STEVENS. I ask unanimous consent that on this amendment there be a time agreement with 30 minutes on the side of those who oppose Senator MCCAIN's amendment and another 5 minutes for Senator MCCAIN.

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

Mr. LAUTENBERG. If we can modify that, and that is that there be no second-degree amendments prior to a motion to table.

Mr. STEVENS. That time is on or in relation to this amendment and that there be no second-degree amendments in order.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. MCCAIN. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Who yields time?

Mr. LAUTENBERG. Mr. President, I yield 10 minutes to the Senator from Delaware.

The PRESIDING OFFICER. The Senator from Delaware is recognized.

Mr. BIDEN. Mr. President, I rise in strong opposition to the amendment by the Senator from Arizona. Cutting funding for Amtrak back to the inadequate level set by the House would be a big mistake and very bad public policy, in my view. It would be a formula for failure for the only intercity passenger rail service we have in America. The amendment would frustrate Amtrak's ongoing attempts to become self-sufficient. Instead of saving any money, it would waste funds already provided for passenger rail by virtually guaranteeing the demise of Amtrak.

It is a formula for failure, Mr. President, because it prevents Amtrak from completing the comprehensive reforms it needs to eventually become self-sufficient in its day-to-day operations.

I know my friends have heard me over the last 20 years make this same point. But no passenger rail service in the world—and passenger rail plays an important role all over the world—no passenger rail service in the world is, in fact, operated without public support for its capital needs. Whether it is in Europe or Japan, the most advanced industrialized economies in the world, not one passenger rail system in the world operates without support for its capital needs. It is these capital investments, the improvements to the Northeast corridor to carry high-speed trains and funds to purchase new locomotives and passenger cars for the western part of the United States as well as the Northeast corridor, that the McCain amendment hits the hardest.

Without upgrades to the bridges, without straightening out the curves, without completion of the electrification of the rail connections between Washington and Boston, Amtrak would be unable to attract the additional passengers it needs to earn more operating income.

Mr. President, we have put Amtrak on a very strict diet. We have cut service. We have cut subsidies. We have gotten a commitment that they will be self-sufficient by the year 2001. Amtrak on the east coast works on an electrification system, overhead electrical wires, and we have spent millions of dollars to upgrade the system from New York to Boston to allow high-speed Metroliner runs from Boston all the way to Washington. We have had to upgrade the bridges. We are well beyond New Haven and working our way up. This amendment would stop that project cold, absolutely cold.

The Senate is on record in support of providing a half cent from the Federal gasoline tax to provide for Amtrak's

capital budget. This is a step that I believe has to be taken as soon as possible. But until then, Amtrak will continue to require adequate funding through the appropriations process. I have been working here along with my colleague, Senator ROTH, and others for years and years to get a dedicated source of funding for Amtrak. We are on the verge of doing that. Once that is done, one-half cent would provide $600 million a year in capital costs.

That dedicated capital fund would be able to underwrite the capital cost of the entire Amtrak system coast to coast. But, in the meantime, absent that funding source, to eliminate the Northeast corridor improvements and decimate the remainder of their capital budget nationwide would literally be the end of the railroad. It becomes a self-fulfilling prophecy. We say we want this outfit to be self-sufficient, and the very things needed to make it self-sufficient are the things we are going to deny it before we get to that point.

My friend from Arizona said, I am told, that the average Amtrak passenger makes $40,000 a year and does not need a subsidy, et cetera, et cetera, et cetera. I would like to put this thing in focus. My Western colleagues come to us in the East, and they say, ''An integral part of our economy is water.'' They point out to us, time and again, that we need to vote to subsidize their farmers, to subsidize their cities, to subsidize their drinking water. And we do. We spend tens of billions of dollars a year—tens of billions of dollars a year.

I will never forget the first time, as a young man, I flew from the east coast to the west coast. I will never forget flying over the foothills of the Rocky Mountains and then on the other side, seeing all these concentric circles on the ground. I wondered what they were, these concentric circles. I had been in an airplane before, but I had never flown coast to coast.

All of a sudden, I realized that is my mother's tax dollars, on Social Security. That is my tax dollars. It is my dad's tax dollars, on Social Security. Subsidizing what? Subsidizing western farm areas, subsidizing Senator MCCAIN's in-laws and himself and others' drinking water. That is OK with me. We are one nation. The purpose of one nation is for each part of the country to work together. The whole is greater than the sum of the parts. All the parts of the Nation need different things. I do not hear Senator MCCAIN or other Western Senators coming here and saying: You know, let us do away with subsidizing those farmers. Let us do away with subsidizing the water John Doe drinks in Phoenix, AZ. And I am not here doing that.

But rail passenger service is critical to my section of the country and to the west coast. It is critical. If we eliminate Amtrak, how many more lanes of interstate highway are we going to be able to put in? What is it going to do to the environment? What is it going to do to the air? All Amtrak wants is a shot, a chance, a shot to make themselves self-sufficient.

I will not be on the floor trying to restore Amtrak money for operating costs if we get the half-cent gas tax, a measly half cent. But the fact of the matter is, the House Transportation Committee and Congressman WOLF cut this significantly, the same amount that my friend and colleague from Arizona wants to cut it. Senator HATFIELD and Senator LAUTENBERG and their colleagues in the Appropriations Committee have repaired the damage done by the House bill. And, as the chairman of the House Transportation Committee, Congressman WOLF, admitted, the House levels were wholly inadequate and were intended to force the adoption of the half-cent proposal.

I am not sure what I think of that strategy, but I certainly agree that Amtrak funding levels in the House bill, the levels called for in Senator MCCAIN's amendment, would be totally inadequate. The MCCain amendment is a proposal to kill Amtrak; let there be no mistake about that. As a small State in the Northeast corridor, Delaware would be hard hit by the loss of a major part of its transportation system. As a major center for the repair and maintenance of railroads for more than a century, Delaware also faces the loss of important jobs under the severe cuts in the Northeast corridor and the capital budget of Amtrak. But as Senator LAUTENBERG forcefully argued, Amtrak plays a key role in the whole country's transportation system. As Senator HATFIELD, the distinguished departing chair of the Appropriations Committee, well knows, the west coast is a major beneficiary of passenger rail as well.

I acknowledge that, because of all the cuts we made in Amtrak over the past, not every State or region benefits equally from Amtrak. I acknowledge that. But I do not benefit from the water subsidies either. Delaware farmers do not benefit like the farmers from Arizona. My mother does not benefit, like the Senator's family does. I understand that. That is America.

Senator MCCAIN comes from a desert. I come from a place where there is a lot of water. I come from a place where we are overgrown with highways, where we have trouble breathing the air. Passenger rail is needed to relieve traffic congestion and air pollution. It is needed badly.

I will leave Senator MCCAIN's water alone if he leaves my railroad alone.

Mr. President, I ask unanimous consent to proceed for 1 more minute.

The PRESIDING OFFICER. Who yields time?

Mr. BIDEN. May I have 1 more minute?

Mr. LAUTENBERG. I yield 1 more minute to the Senator from Delaware.

Mr. BIDEN. I want to stress that Amtrak is not important to just one part of the country or to just a few customers. I understand the distinguished majority leader has been assured by his constituents of the importance of Amtrak to the State of Mississippi. If Amtrak were an airline, it would be the largest air carrier in the country. Amtrak is the single largest individual passenger carrier on the east coast, and to replace Amtrak's service in the East, as well as around the country, would require more lanes of interstate highway and more air pollution, more airport construction, additional safety concerns and increased congestion for all parts of the Nation. So let us not kid ourselves that Amtrak is not important to all parts of our country. But I agree, it is of particular importance to my State and the east coast.

I thank the chairman and ranking member, and I yield back the 12 second I may have left.

The PRESIDING OFFICER. Who yields time?

Mr. LAUTENBERG. I yield 5 minutes to the Senator from Rhode Island.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. CHAFEE. Mr. President, I am pleased the Senate Appropriations Committee has approved full funding for Amtrak operations, capital support, and the Northeast Corridor Improvement Program. I regret this amendment to cut funding for Amtrak by $173 million is being offered.

Amtrak, as has been pointed out, provides service for millions of Americans, a competitive service at a competitive price. Through a modern nationwide passenger rail system, traffic congestion, and air pollution are reduced by this fuel-efficient alternative to highway and air travel. I certainly recognize that Amtrak cannot survive much longer as a viable entity in its current financial condition. Many of us are familiar with the oft-cited GAO report documenting the widening gap between Amtrak's revenues and expenses since the beginning of this decade. For the past 2 years, the question facing Congress is, what should we do about Amtrak? I do not think anyone believes that simply increasing or even continuing in perpetuity Amtrak's annual subsidy are wise solutions. Instead, a better solution has been proposed. This solution, partially embodied within the Amtrak authorization bill, will enable Amtrak to operate as much like a private business as possible.

Separate legislation, which constitutes the second part of this proposal, would redirect one-half cent of the Federal gas tax to a new passenger rail trust fund similar to those existing for highway and air travel.

I will just say this. Transporting people has never been a profitable business for railroads. At least it certainly has not been in the past 50 years. So, I believe it is unfortunate that prospects for passage of this Amtrak authorization bill and legislation to redirect the half cent of the Federal gas tax, is being proposed. I think if there is no

Amtrak authorization bill and no steady revenue source to allow Amtrak to modernize and privatize, there is going to be trouble. That is the situation we have today. Funding for Amtrak operations and capital support in the Northeast corridor are urgently required for the short-term survival of intercity passenger rail service. Amtrak does want to end its dependence on Federal subsidies. However, until such a plan is in place, Amtrak simply must have the yearly support needed to continue at a minimal level.

I am a user of Amtrak, Mr. President. It is very important to the section of the country I have, and, therefore, I urge the opposition and, indeed, the defeat of the amendment proposed by the Senator from Arizona.

The PRESIDING OFFICER (Mr. GORTON). Who yields time?

Mr. LAUTENBERG. I yield 3 minutes to the Senator from North Dakota.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. DORGAN. Mr. President, I rise in opposition to the amendment. I just heard the statement by Senator CHAFEE and agree with his comments. I would like to find a way for Amtrak to become more self-sufficient. I would like to find an additional revenue source for Amtrak. But the fact is, until that occurs, if we do not provide adequate funding, there will not be an Amtrak that represents a national rail system providing service across the country.

If this amendment is adopted, we will be left only with a Northeast corridor service for Amtrak, period. There will be no other Amtrak in the rest of the country. We will have service in the Northeast corridor, and we will have no other service anywhere else. I don't think that advances the interest of a country that does need a mix of transportation services, including rail passenger service.

In fact, the committee cut the Amtrak funding by about $40 million from last year. This amendment would then reduce it another couple hundred million dollars. This does not, in my judgment, move us in the right direction. It moves us exactly in the wrong direction, if you believe that we ought to have some kind of rail passenger system as a national system.

If you believe it only ought to be regional, then you probably will end up all right with this, although I don't think it provides sufficient funding. But if you believe we ought to have a national rail passenger system, then this amendment would severely injure the opportunity to do that, because we would not have a national rail passenger system if this amendment is adopted.

I thank the Senator from New Jersey for the time, and I yield the floor.

Mr. LAUTENBERG. Mr. President, how much time do we have?

The PRESIDING OFFICER. The Senator from New Jersey has 13 minutes, 43 seconds.

Mr. LAUTENBERG. How many?

The PRESIDING OFFICER. Thirteen minutes, 40 seconds.

Mr. LAUTENBERG. The other side has?

The PRESIDING OFFICER. Five minutes.

Mr. LAUTENBERG. Mr. President, I yield myself so much time as I will use between now and the 13 minutes plus.

Mr. President, I indicate my strong opposition to the amendment offered by the Senator from Arizona. It almost sounds like a vendetta. Talk about $18 billion worth of spending on Amtrak—my gosh, we spend over $8 billion a year on aviation; we spend over $20 billion a year on highways. Amtrak is the only serious railroad opportunity we have for passengers, and it has continued to prove its merit and its worth as time has gone by. Amtrak's farebox comes closer to its revenues than any other major passenger rail service in the world.

It is ridiculous for the United States of America not to have a significant passenger rail service. Just look at what would happen in the Northeast corridor where it is believed that we service almost 100 million people. The Northeast corridor would need 10,000 full DC–9's a year to carry the traffic. Well, perhaps that's not true. Maybe we could push them onto the highways. We could put some 11 million people in their cars and tell them to drive between New York and Washington or Boston and Washington or Boston and New York or Boston and New Haven or Boston and Hartford or Boston and Providence. Get in your cars, use more gas, take up more time, that will mean more congestion, more foul air. That is what the alternative is.

I have never seen anything so shortsighted in my life, but the speech sounds good—throw out statistics that have no merit in fact. One says we allocate by State, as I saw the chart displayed by the Senator from Arizona, at which time when I had a question, he refused to answer it. That is his privilege. He had the floor, and he is right, he did have the floor. But there is also something around here called common courtesy. But we pass on that these days.

Mr. President, I have a letter in hand from no fewer than 19 of the Nation's Governors, both Republican and Democratic Governors, urging adequate capital funding for Amtrak. Among the Governors that have urged the committee to provide adequate capital funding of Amtrak are several who are mentioned as the potential Vice President to the nominee—the likely nominee—of the Republican Party: Gov. Tom Ridge from the State of Pennsylvania; my own Governor, very popular, very thoughtful, very well thought of, Gov. Christine Todd Whitman; Governor Pataki of New York; Governor Weld of Massachusetts; and Governor Rowland of Connecticut. I dare say, probably six Vice Presidential candidates there.

I ask unanimous consent that this letter sent to Senator HATFIELD and myself from 19 of the Nation's Governors be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JUNE 25, 1996.

Hon. MARK HATFIELD,
Chairman, Senate Appropriations Committee, Capitol Building, Washington, DC.

Hon. FRANK LAUTENBERG,
Ranking Member, Appropriations Subcommittee on Transportation, Dirksen Senate Office Building, Washington, DC.

DEAR SENATORS HATFIELD and LAUTENBERG: As you consider various options for the FY 1997 Transportation Appropriations bill, we urge you to provide adequate capital funding for the National Passenger Rail Corporation (Amtrak). The General Accounting Office (GAO) estimated that in order to keep Amtrak running and to reduce its dependence on federal operating assistance, Amtrak requires an annual capital subsidy of $500 to $600 million. Amtrak, the Administration and GAO agree that the future reduction of Amtrak's federal operating subsidy is dependent on continued capital investment in Amtrak's infrastructure.

Specifically, we urge you to support, at an absolute minimum, last year's level of funding for general capital—$230 million—and the Northeast Corridor Improvement Program—$115 million. These funding levels are consistent with the assumptions made in the recently-adopted budget resolution and with the authorizations levels which have passed the House and are pending in the Senate.

As you are aware, the Amtrak Board of Directors is strongly committed to eliminating its dependence on federal operating assistance over the next six years. Amtrak's ability to continue to reduce its operating costs, however, is dependent on adequate federal capital support.

While we realize the complex and difficult decisions you face this year with respect to funding transportation programs, we urge you to carefully consider the productivity improvements that have been made at Amtrak and to support an ongoing federal role in maintaining this nation's rail system, even as the federal operating subsidy is phased out.

Sincerely,

Tom Carper, Governor, State of Delaware, Gaston Caperton Governor, State of West Virginia; Howard Dean, Governor, State of Vermont; George Pataki, Governor, State of New York; Ben Nelson, Governor, State of Nebraska; Bill Weld, Governor, State of Massachusetts; Zell Miller, Governor, State of Georgia; John Rowland, Governor, State of Connecticut; Roy Romer, Governor, State of Colorado; Parris Glendening, Governor, State of Maryland; Tom Ridge, Governor, State of Pennsylvania; Mike Lowry, Governor, State of Washington; Christine Whitman, Governor, State of New Jersey; Bob Miller, Governor, State of Nevada, Mel Carnahan, Governor, State of Missouri; Evan Bayh, Governor, State of Indiana; Lawton Chiles, Governor, State of Florida; Jim Guy Tucker, Governor, State of Arkansas; Angus King, Governor, State of Maine.

Mr. LAUTENBERG. Mr. President, in recent years, as Amtrak has been required to reduce service and, in some cases, eliminate service to several States, I have noticed that some of the loudest complaints have come from some of our States in the West and in the Midwest. I appreciate the fact the

Senator from North Dakota had comments to make in favor of Amtrak service.

A lot of people are complaining that we have reduced or eliminated Amtrak service. Well, they just don't have the income, and when you think of what it takes to put this system in shape, it is de minimis compared to the service that is being offered. We can dress it up in various terms: high-income people ride the train. See what it looks like and see people getting on there with tattered luggage and not able to figure out another way to get there. It is easy to stand on a high horse and criticize those who ride Amtrak. Try it; you may like it.

The fact of the matter is, while Amtrak's funding levels, as contained in this bill, are higher than the House-passed level, they still remain far lower than the level requested by the administration. The Senator from Arizona wants to take the funding down by almost $400 million, when we worked like the devil, skimped and saved and moved and changed to try and get a balanced funding bill, a balanced transportation bill. And the Senator from Oregon [Mr. HATFIELD], worked very hard to do that.

So, Mr. President, the House Appropriations Committee made a calculated judgment to extract the vast majority of its transportation cuts from Amtrak's budget. I do not agree with those priorities, and neither does the chairman of the committee itself.

The one thing that we ought to be aware of is that if we eliminate Amtrak, we eliminate a serious asset that this country of ours requires. We are the only country in the world, the only country of the more developed countries in the world that does not recognize that you have to invest and you have to subsidize its national passenger rail system. Get on the TGV in France or get on the bullet trains in Japan; the Government pays an awful lot more on a proportionate basis than we are willing to put in Amtrak at our most generous moments.

Mr. President, I yield for a minute or so to my friend from Delaware who has asked to be heard.

The PRESIDING OFFICER. How much time does the Senator yield?

Mr. BIDEN. I ask for 1 minute.

Mr. LAUTENBERG. I yield 1 minute.

The PRESIDING OFFICER. The Senator from Delaware is recognized.

Mr. BIDEN. Mr. President, I see my friend from Arizona is still on the floor. In terms of subsidies, I point out again, because the argument was made, there is a little thing called the central Arizona water project. That is 3.5 billion bucks that my mom is helping to pay for. She will never drink a drop of the water, but Arizona needs it. It is $3.5 billion needed, badly needed—$3.5 billion.

But our country needs Amtrak as well, on the west coast and on the east coast. I yield whatever time I have left.

Mr. McCAIN addressed the Chair.

Mr. LAUTENBERG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. The Senator from Arizona asked for the floor. It is all right with me.

Mr. McCAIN. I yield myself 1 minute.

Mr. STEVENS. Will the Senator yield for a moment?

Mr. McCAIN. Sure.

Mr. STEVENS. There is an indication that the chairman will not be able to get back in the time we thought he would get back. I think there are going to be others that seek time on this bill. Will the Senator agree we would extend time on each side for another 10 minutes? I ask unanimous consent that the current time agreement be extended for 10 additional minutes for Senator MCCAIN and 10 additional minutes for Senator LAUTENBERG.

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

Mr. McCAIN. Mr. President, I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator is recognized for 3 minutes.

Mr. McCAIN. While my friend from Delaware is still on the floor, I will say there is no one obviously that knows Amtrak better than the Senator from Delaware, who every evening travels and takes advantage of that opportunity to be back in Delaware with his family and with his friends and his constituents. And I, for one, respect and admire that dedication that the Senator from Delaware has displayed to both his family and the people that he represents. It is obvious why they keep sending him back here.

The Senator from Delaware also mentioned to me that if we did cut Amtrak, we would probably get a lot more speeches from the Senator from Delaware, which I would find enlightening, but others may not.

I understand the commitment that the Senator from Delaware has. I point out, the central Arizona project, as the Senator from Delaware knows, was completed, and the State of Arizona will be repaying the Federal Government for the cost of that.

It is obvious that your then-dollars are not the same as now-dollars. I know the Senator from Delaware appreciates that. My problem is, I say to the Senator from Delaware, this is an unending subsidy, apparently, when the Amtrak authorities themselves maintain every few years that there is only a few more years of subsidy.

My question to the Senator from Delaware is, as they cut more and more service, and basically you are left with the Northeast Corridor and the San Diego-LA route, which is basically what is left, and it is no longer a national rail system for any intents and purposes, how long would this system, which originally was conceived in 1971 to last for 2 years—2 years of subsidies was the deal when it began in 1971—how long will be the requirement to have these subsidies provided by the taxpayers for which one-half of 1 percent of all of the users of transportation, rail transportation, in America, make use of? That is, I think, a legitimate question.

Mr. BIDEN. I would be happy to take 30 seconds to answer the question.

Mr. McCAIN. Mr. President, I reserve the balance of my time. I yield time to the Senator from Delaware from my time to respond.

Mr. BIDEN. Mr. President, I think it is a mistake, but in fact the Congress has agreed—any subsidy would end by the year 2001. The only reasonable way for that to occur, Mr. President, is if in fact we are able to get that half-cent trust fund set up. But whether we get that or not, in the year 2001 this is gone. I think Amtrak made a mistake agreeing to that, to be completely honest with my friend. But that is the answer to the question.

The drop-dead date is the year 2001. In my view, they will not make it—to be completely candid with my friend—they will not make it unless they get that half-cent trust fund.

Mr. MCCAIN. I yield myself an additional 30 seconds.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, I say with all due respect to the Senator from Delaware, wasn't that what they said in 1971 when they said it will only be 2 more years? And wasn't that what they said in 1983 when Graham Claytor, a man I respect more than almost any other man I have ever known, said, ''In 4 years we'll be done''? They said, ''In 4 years we'll be done.'' It is always, always, always 4 or 5 years out, I say to the Senator from Delaware. Really what it has proved is that once you start a system on the Federal dole, it is going to continue forever. And that is the case here, unfortunately, with Amtrak, and why this amendment will not prevail again.

Mr. BIDEN. Mr. President, will the manager yield me 2 minutes?

Mr. LAUTENBERG. Absolutely. I yield 2 minutes to the Senator from Delaware.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. BIDEN. Mr. President, my friend from Arizona makes at least two valid points—and many more—but two valid points. One is that if Amtrak is out of business, I will be here. I will have to be in Washington; and it means I will not be running out of here after the last vote to get the train home, which means I will get to speak more. That may be inducement enough for my colleagues to vote to continue to subsidize Amtrak, so I am not here late at night debating.

But another truism that the Senator stated is that this has been a subsidy. It is an ongoing subsidy. But when he puts it in the context of being on the dole, you have to put it in the context of all other transportation systems. We subsidize airline tickets more. The average income of people flying in airlines, I suspect, is as high or higher

than anyone getting on an Amtrak train.

We subsidize those airline tickets a number of ways. They are tax deductible for business expenses. We build the airports. We build the towers and pay the air traffic controllers, et cetera, et cetera, et cetera. We also subsidize the highways beyond what we collect in the highway trust fund moneys.

So, Mr. President, all modes of transportation in the United States are subsidized. It seems to me rational public policy would dictate us to look at what makes sense. Different regions have different requirements. I see my friend from North Dakota is here. Amtrak is useful to him, but he does not need Amtrak as much as he needs highways. In Delaware we do not need any more highways. We cannot afford any more highways in my State or the State of Rhode Island or the State of New Jersey or the State of New York and so on and so forth.

So every region of the country has different needs. It is true. They are all subsidized. And the question here is, it seems to me, the appropriate question is, What is an appropriate amount of subsidy? And it seems to me when Amtrak, having its budget cut by a third over the last couple years, having trimmed down significantly, this is not an appropriate cut. I thank the Chair for the time.

The PRESIDING OFFICER. The time has expired.

Mr. LAUTENBERG. Mr. President, I yield 2 minutes to the distinguished Senator from Rhode Island.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. PELL. I thank the Chair and the Senator from New Jersey.

I rise to oppose the amendment offered by my colleague from Arizona, Mr. MCCAIN.

Before I outline my reasons for opposing this amendment, I would like to thank my friend and colleague, Senator HATFIELD, chairman of the Subcommittee on Transportation, and Senator LAUTENBERG, a very strong supporter of passenger rail, for their work on this bill. I believe this bill is a tremendous and necessary improvement over the one passed by the House, and we have these two gentlemen to thank for that.

Regarding the amendment offered by my colleague from Arizona, I think the point made by the Senator from Delaware is very valid. All of the modes of transportation are subsidized to a degree. We hear much about the much vaunted Swiss railroad system. They are subsidized. The one in France is subsidized. The one in Japan is subsidized. But in return for that subsidization, the people of the area get a service and a greater degree of safety and comfort that they would not get otherwise.

As some of my colleagues are aware, I wrote a book on this subject some 30 years ago, ''Megalopolis Unbound.'' And the book remains current today because so little has been done in those 30 years.

I hope that we will sustain the effort of the Transportation subcommittee and keep the money in for Amtrak. I am hopeful that, by doing so, we can really make progress in enhancing intercity high speed passenger rail. In so doing, perhaps we can avoid having a future Member of Congress come along 30 years from now, as I am now, lamenting that much more needs to be done, and how very little has changed in the intervening years.

We should also recognize that modernizing and enhancing, not short-changing, passenger rail is the current trend in Europe and Asia. These various nations are providing their people a form of efficient and safe transportation.

Mr. President, as one who helped shepherd through Congress the High Speed Ground Transportation Act of 1965, it has been my long-held belief that passenger rail service is the most fuel-efficient; the least environmentally disruptive; and ultimately, will be the least expensive mode of transportation.

Finally, there is another thought here. We accept the idea that elevated vertical transportation should be free but not horizontal transportation like the subway because it is horizontal. I can remember when I was a boy there were buildings in Europe—still some in Europe—buildings in New York where you put a nickel in order to be transported up or down. I think this also should be kept in mind.

So for all these reasons, I believe that the money—the subsidy, if you want to call it that—for Amtrak should be preserved because it is giving our people service that the citizenry should expect. I thank the managers of this bill for their very fine efforts, efforts I am pleased to support. I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. MCCAIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. I yield myself 2 minutes.

Mr. President, it is all very enjoyable to debate and discuss issues with the Senator from Delaware. And I believe that he makes valid points. I also hope that we do not spend too much time on this amendment and others so he will be able to take his taxpayer-subsidized trip back to Delaware tonight.

Mr. President, I point out that less than one-half of 1 percent of America's inner-city rail passengers are subsidized by this program. It has been long recognized by Democrats and Republicans alike that we need to curtail this ever-increasing subsidy.

As early as 1979, President Carter's Secretary of Transportation, Brock Adams, acknowledged that. I quote back in 1979.

> We can no longer afford to provide disproportionately large and continually increasing amounts of Federal funds for a passenger service that is used by less than one-half of 1 percent of the inner city traveling public.

Again, in 1988, the President's Commission on Privatization, established by President Reagan, recommended, as part of a multiyear plan to move to privatize Amtrak, that ''Federal subsidies should be incrementally reduced and a deadline should be set for the Department of Transportation to decide whether Amtrak or portions of its operation should be continued.''

Mr. President, again, I would like to see a deadline that is adhered to. I think when we have a program that began initially in 1971, that was only supposed to be there for 2 years, and now in the year 1996 we have a policy of some 4 or 5 years from now, it is time we really got realistic. If there is some cynicism on the part of some of us about these dates that continue to slide every 4 or 5 years, I think it is justified.

Mr. President, the money that is cut out of this appropriation, I point out again, will be used for aviation safety, rail safety, and highway safety, which, obviously, have a great claim to limited taxpayers' funds, greater, I think, than the rail service has been, which has not been able to obtain self-sufficiency in the last 25 years.

I reserve the remainder of my time.

Mr. DORGAN. I wonder if the Senator from New Jersey would yield 1 minute to respond to a point?

Mr. LAUTENBERG. I am delighted to yield.

Mr. DORGAN. The Senator from Arizona made a point that I think probably will mischaracterize something. The implication was that the folks in the inner cities really do not get any subsidy in this area.

My understanding is that in this bill there is $4.4 billion in subsidy for mass transit systems. Obviously, virtually all of the cities that have mass transit systems are getting subsidized on an ongoing basis, and part of this is paid for by folks in Bismarck and Fargo. That is fine. I support that. But I do not want people listening to this debate to understand there is not a subsidy for mass transit because there is a $4.4 billion subsidy.

The point I was making before was that I do not object to deciding as a public investment we want to retain an Amtrak system that is a national system. In fact, it still is a national system, but will not be under the amendment offered by the Senator from Arizona. I personally make the observation that I think it is a good investment to make.

I respect the Senator from Arizona, but we disagree on this, because I happen to think this represents a good investment as part of our transportation system.

I did want to clear up the point on whether or not mass transit is subsidized. Of course it is. It is subsidized substantially—by $4.4 billion in this bill alone.

Mr. LAUTENBERG. Mr. President, I yield 2 minutes to the Senator from Vermont.

Mr. JEFFORDS. Mr. President, I rise in opposition to the McCain amendment. It is clear what he is trying to do is kill Amtrak. This is wrong.

Amtrak is integral in transporting people across this great country of ours—not just in the Northeast, although the Northeast, which has horrible problems with traffic and air pollution and everything connected with it, needs to go to railroads, needs to utilize the railroads more than it does now for personal transportation.

In addition to that, with the overload on our airplanes, trying to shuttle back and forth to New York and to Boston, the fast trains, which this would essentially eliminate, will resolve that horrible problem, much to the benefit of the people in this Nation.

Amtrak can survive on its own. We are working toward that goal. Over the last 2 years, Amtrak has restructured itself and is working to be free of Federal support in 5 years. I think they will make it.

Mr. President, do not kill our national railroad now. Give Amtrak time to build up the business and let Congress be responsible and pass the Amtrak authorization bill and move the half-cent gas tax to Amtrak. We must not eliminate Federal support until these plans are in place, until they have been given a chance to demonstrate they can work. I am confident they can.

I yield back the remainder of my time.

Mr. ROTH. Mr. President, I rise in opposition to Senator MCCAIN's amendment that would cut capital funding for Amtrak. This funding cut will cripple the Northeast Corridor Improvement Program and threaten the viability of passenger rail in this country. It is my understanding that if the Senate votes in favor of these cuts, it will have far-reaching effects nationwide.

The reduction in capital could mean the termination of the High Speed Rail Program that has the potential to revive passenger rail as an important component of our national transportation system. It will also impair Amtrak's heavy overhaul and maintenance capabilities—much of which is done in Delaware's Amtrak shops. Shortchanging maintenance will contribute to further decline of rolling stock and locomotives, reducing the quality of service, and discouraging potential passengers from choosing Amtrak.

This is a formula for failure, not a plan to make Amtrak self-sufficient or to secure the place of passenger in our country's transportation system.

Mr. President, we are all working toward an Amtrak which operates without a Federal operating subsidy, which provides quality service, and which is financially stable. Amtrak now covers approximately 80 percent of its operating costs with self-generated revenue, up from 48 percent in 1981. Yet we also know that no intercity rail passenger service anywhere in the world operates without some degree of public sector financial support.

Investment in all modes of transportation is important, but we have gone about it in a lopsided way. Purchasing power for Federal highway programs has increased by 48 percent from 1982 to 1996. It has increased 78 percent for aviation, but has decreased 46 percent for passenger rail. In fact, Amtrak currently receives less than 3 percent of all Federal transportation spending. To attain balance, we must balance our financial support to all transportation components, including passenger rail service.

Capital funding is necessary for Amtrak's future. New capital investments will allow Amtrak to operate more efficiently. With new equipment, Amtrak will attract substantial new ridership with increased revenues. It currently costs Amtrak $60 million per year to operate and maintain its old equipment, which frequently breaks down and often requires parts to be specially made.

As many Members in the Senate are aware, I am working to provide a dedicated source of capital funding for Amtrak. The Senate has overwhelmingly supported my legislation that would give Amtrak one-half cent for capital expenditures. Unfortunately, we have not yet been able to pass this legislation into law. However, I will continue to work hard and make these speeches until this legislation is passed.

Amtrak cannot survive without capital funding. If we do not provide funding for Amtrak, we will have no other option but to watch Amtrak collapse. This amendment does not move us in the right direction. If this Congress wants a national passenger rail system, it will continue to vote for capital funding for Amtrak.

I urge my colleagues to strongly oppose this amendment.

Mr. MCCAIN. Mr. President, I note the return of the distinguished chairman of the committee and the subcommittee. I really do not have anything more to add to this debate. I would be glad to discuss it further if the Senator from Oregon desires.

However, I am prepared to yield back the remainder of my time at any time that is convenient for the distinguished manager of the bill.

Mr. LAUTENBERG. Mr. President, how much time remains on our side?

The PRESIDING OFFICER. On the side of the Senator from New Jersey, 7 minutes 32 seconds; and on the other side, 7 minutes 48 seconds.

Mr. LAUTENBERG. I thought I heard the Senator from Arizona yield back.

The PRESIDING OFFICER. He made an offer to the Senator from Oregon that was not responded to.

Mr. LAUTENBERG. Mr. President, I will take such time as remains out of the time that I have to make a couple of points.

We hear that the subsidy for passenger rail service is an egregious purpose, something that ought not be done, and we talk about the subsidy per passenger.

However, we neglect to talk about the fact that there is over $2 billion a year that goes into maintaining FAA's services. That has nothing to do with the trust fund. That is out of the taxpayers' pocket—$2 billion a year. Those who are paying into the trust fund by virtue of a ticket tax, when that is operating, pay into the fund when, in fact, they may not use a particular routing or particular region when they pay that tax.

If we start to cut up the country into how much did you pay for how much service—I think the Senator from Delaware made the point very clearly when he described the need to subsidize water projects, irrigation projects, and flood control projects out West. It is a very divisive approach, I think, to what this country of ours is supposed to be as a single nation.

Just to remind those who are concerned about what would happen if we did not have the Amtrak service that is now available—those services would not be available, I assure you, if we further diminish the assistance that the Federal Government gives to Amtrak. Yes, the needs have been miscalculated over the years. Yes, they have grown substantially. But so has the population. The population of the country has grown significantly. To no one's surprise, much of that population growth is in the urban areas where rail is an essential factor.

Here we fail to recognize that passenger rail service is part of a balanced transportation structure that we need in a society in a country as large as ours.

Commuter lines in States like Rhode Island, Connecticut, Massachusetts, Maryland, New York, Pennsylvania, and New Jersey all use Northeast corridor lines that are owned by Amtrak. They have to function; otherwise, the costs for commuting would increase substantially, or maybe they would not be able to function altogether.

Mr. President, I hope we will defeat this amendment. I think it is very short-sighted and neglects to recognize what the needs of this country are, at a time when we are straining with every mode of transportation, including aviation, including highways, and including rail. We are underinvested in transportation infrastructure and we have to continue to plow ahead, whether we like it or not, if we are to be a mobile society, operating with as much efficiency as we can.

Mr. President, I note Chairman HATFIELD is here on the floor, and I yield the floor.

Mr. HATFIELD. The Senator from Arizona indicated to me he would be willing to yield back his time.

Mr. LAUTENBERG. I am willing to yield back the time on this side.

The PRESIDING OFFICER. All time is yielded back.

Mr. HATFIELD. Mr. President, has the Senator from Arizona yielded back his time?

The PRESIDING OFFICER. Yes. All time is yielded back.

Mr. HATFIELD. I move to table the McCain amendment, and 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. The question is on agreeing to the motion to table amendment No. 5132 offered by the Senator from Arizona.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Kansas [Mrs. FRAHM] is necessarily absent.

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

The result was announced—yeas 82, nays 17, as follows:

[Rollcall Vote No. 255 Leg.]

YEAS—82

Abraham	Feingold	Lugar
Akaka	Feinstein	McConnell
Baucus	Ford	Mikulski
Bennett	Frist	Moseley-Braun
Biden	Glenn	Moynihan
Bingaman	Gorton	Murkowski
Bond	Graham	Murray
Boxer	Grassley	Nunn
Bradley	Harkin	Pell
Breaux	Hatch	Pressler
Bryan	Hatfield	Pryor
Bumpers	Heflin	Reid
Burns	Hollings	Robb
Byrd	Hutchison	Rockefeller
Campbell	Inouye	Roth
Chafee	Jeffords	Santorum
Coats	Johnston	Sarbanes
Cochran	Kassebaum	Simon
Cohen	Kempthorne	Simpson
Conrad	Kennedy	Snowe
Craig	Kerrey	Specter
D'Amato	Kerry	Stevens
Daschle	Kohl	Thomas
DeWine	Lautenberg	Warner
Dodd	Leahy	Wellstone
Domenici	Levin	Wyden
Dorgan	Lieberman	
Exon	Lott	

NAYS—17

Ashcroft	Gregg	Nickles
Brown	Helms	Shelby
Coverdell	Inhofe	Smith
Faircloth	Kyl	Thompson
Gramm	Mack	Thurmond
Grams	McCain	

NOT VOTING—1

Frahm

The motion to lay on the table the amendment (No. 5132) was agreed to.

Mr. HATFIELD. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

Mr. HATFIELD addressed the Chair.

The PRESIDING OFFICER. Will the Senate be in order.

The Senator from Oregon.

Mr. HATFIELD. Mr. President, I would just like to report to the Senate we have a few amendments yet, perhaps about 20, that we have to dispose of tonight. We will have rollcalls on some of them. There is no window. We are going to complete them. We had the window this afternoon for an hour and 10 minutes when Senator LAUTENBERG and I were ready to do business and nobody appeared. That was our window. So we will continue straight through now until we finish.

Mr. President, I would ask now that I may yield to Senator MCCAIN for 2 minutes and then the Senator from Ohio, [Mr. DEWINE], has an amendment.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, I thank the majority leader for setting a date certain for us to bring up the important and compelling issues concerning aviation safety and strengthening airport security.

We know how important this issue is to the American people. I had intended earlier to bring up some of the provisions of that bill as an amendment on this appropriations bill, something I do not like to do. The majority leader has assured us he will bring this up on a date certain in September, and I believe that is a very important. I know my colleagues are in agreement with me as to how important it is to bring up these issues. We have to strengthen airport security. We have to improve aviation safety in America. It is an obligation we have to all of our citizens.

I hope in September, when we bring up this issue, we will be able to act on it quickly. I intend to work with my colleagues on both sides of the aisle to develop a set of amendments under the leadership of the distinguished chairman of the Commerce Committee, Senator PRESSLER, who has played a key and vital role in all of this legislation.

Finally, I thank the 17 brave souls who voted with me on the last amendment.

Mr. President, I yield the remainder of my time.

Mr. DEWINE addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

AMENDMENT NO. 5133

(Purpose: To provide funds and incentives for closures of rail-highway crossings)

Mr. DEWINE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Ohio [Mr. DEWINE], for himself, Mr. LUGAR, and Mr. BIDEN, proposes an amendment numbered 5133.

Mr. DEWINE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

At the end of title IV, add the following:

SEC. . (a) Section 120(c) of title 23, United States Code, is amended by inserting ''rail-highway crossing closure,'' after ''carpooling and vanpooling,''.

(b) Section 130 of such title is amended by adding at the end the following:

''(i) INCENTIVE PAYMENTS FOR AT-GRADE CROSSING CLOSURES.—

''(1) IN GENERAL.—Notwithstanding any other provision of this section and subject to paragraphs (2) and (3), a State may, from sums available to the State under this section, make incentive payments to local governments in the State upon the permanent closure by such governments of public at-grade rail-way-highway crossings under the jurisdiction of such governments.

''(2) INCENTIVE PAYMENTS BY RAILROADS.—A State may not make an incentive payment under paragraph (1) to a local government with respect to the closure of a crossing unless the railroad owning the tracks on which the crossing is located makes an incentive payment to the government with respect to the closure.

''(3) AMOUNT OF STATE PAYMENT.—The amount of the incentive payment payable to a local government by a State under paragraph (1) with respect to a crossing may not exceed the lesser of—

''(A) the amount of the incentive payment paid to the government with respect to the crossing by the railroad concerned under paragraph (2); or

''(B) $7,500.

''(4) USE OF STATE PAYMENTS.—A local government receiving an incentive payment from a State under paragraph (1) shall use the amount of the incentive payment for transportation safety improvements.''.

Mr. DEWINE. Mr. President, this amendment is being offered by myself, Senator LUGAR, and Senator BIDEN, and it really is a fairly simple amendment.

First of all, it costs no money.

Second, it gives States more tools, more flexibility to deal with a very serious problem in this country, and that problem is that each year we lose over 500 people who are killed in collisions between automobiles and trains. In fact, the figure last year was 559 people—559 people died last year in auto-train accidents, 36 of them in my home State of Ohio.

In preparing this amendment, and having some understanding of the problem going back to my time as Lieutenant Governor in Ohio when I worked on this problem, I put together a meeting in my office where we brought together all the experts in this field. They sat down for 2, 2½ hours and discussed this. Then they got together again. One of the ideas they came up with is contained in this amendment.

Mr. President, my amendment is a simple one. It would make America's railroad crossings a lot safer—500 people are killed each year in these train-vehicle collisions. Fifty percent of these accidents occur at crossings that are already equipped with active warning devices—50 percent. So simply adding more warning devices, therefore, is not a complete solution to the problem.

Some of these railroad crossings are just simply too dangerous. They are life-threatening. They are not needed, and they ought to be closed. We all know though from our own experience that people do become accustomed to taking certain routes and communities get used to certain traffic patterns. That is why it is sometimes very difficult for localities to close these crossings, for local officials to make this decision, even when it is clear on safety grounds that a particular crossing simply needs to be closed.

Clearly, the local communities need some help, and that is the purpose of

this amendment. Again, this idea did not come from me. This idea came from the safety experts who have looked at this, both in government and outside of government.

Currently, the Federal Government pays 90 percent of the cost of closing a railroad highway grade crossing, but other grade crossing safety projects, such as traffic signs, guard rails and traffic lights, are eligible for 100 percent Federal funding.

My amendment will make grade crossing closure projects eligible for that same 100 percent Federal funding. This will help remove the current incentive against closure projects. Let me emphasize, this is a State decision that will be made by the State, and that is out of the same pot of money. No additional funds will be utilized. If the safest thing to do is to close a very dangerous railroad crossing, localities should have an incentive to do that.

Let me again point out this amendment does not involve new Federal money. The CBO says no additional contract authority would be necessary. The money for this amendment is already allocated for crossing safety purposes, for the very purpose we are talking about. All we are trying to do in this amendment, Senator LUGAR, Senator BIDEN and myself, is to deploy that money in the most rational and effective way. Again, that decision is being made by the local authorities.

The second part of my amendment provides up to $7,500—again, out of the same pot of money—to a local highway authority for each crossing closed. Mr. President, $7,500 is an incentive to that local community if the State decides that is the best way to spend this money.

Furthermore, the railroad itself that is operating the crossing under this amendment has to match the money. This means up to $15,000 for a local community to close a railroad crossing. In other words, it creates an incentive to get the job done.

Safety does not come about by accident. It comes about when concerned people exercise the necessary level of prudence and the necessary level of vigilance. I have been working with the railroads, with the Federal Railroad Administration and with the Federal Highway Administration on these issues for some time now, and I believe this amendment embodies a commonsense approach to this very real issue of railroad safety. Mr. President, we have worked with the Federal Railroad Administration to develop this amendment, and the amendment has been endorsed by the Association of American Railroads.

In conclusion, let me summarize again, this costs no additional Federal dollars. Every safety expert that we have consulted says this is the thing to do. It is the most cost-effective way to preserve lives. We can close these railroad crossings, frankly, at a fraction of the cost to install the gates and the flashers. They cost anywhere between $130,00 and $135,000, and it takes some time to get them installed.

This amendment will provide more flexibility to the States to deal with this hazard. It has the endorsement of all the safety experts, as well as Senator BIDEN, Senator LUGAR and myself. And, Mr. President, if we needed any other incentive to pass this amendment, let me just hold this chart up. This is a listing for the most immediate year available. This is 1995: ''Highway-Rail Grade Crossing Statistics by State.'' I did not have time to have this blown up, but I am going to read a couple of these, if I could. It has every State. If any Members want to see how many fatalities occurred in their home States, they can do that. South Carolina, just last year, 111 accidents, 61 injuries, 6 fatalities. Looking at the State of California, 191 accidents last year, 69 injuries, 28 fatalities. We go on and on and on.

This is a very simple amendment. It is no cost to taxpayers and gives more flexibility to States, to people who have to make the decisions to spend the finite dollars to try to save lives. I believe this amendment will save lives, and I urge its adoption.

The PRESIDING OFFICER (Mr. THOMAS). The Senator from Oregon.

Mr. HATFIELD. Mr. President, I wonder if the Senator from Ohio will yield for a question?

Mr. DEWINE. I certainly will.

Mr. HATFIELD. As the Senator knows, we have a strict position, known here, that we do not accept legislation on appropriations unless it is cleared by the authorizing committee chairman and ranking member. We have accommodated Senators where they have cleared that with the authorizing committee, but this is not in our jurisdiction. I am asking the question as to whether or not the Senator has had clearance from the Environment and Public Works chairman and the ranking member.

Mr. DEWINE. We do not have any direct clearance. If I could finish my answer? The reality is, this is the only train that is moving. If we do not have the opportunity to put it in now, the Senator is well aware it is not going to happen for months and months and months. It is such a simple amendment. I have found no one who, on the substance, is opposed to it. I cannot find anyone opposed to it. That is why we are looking at this as the opportunity to, frankly, save some lives and give the local communities the flexibility they need. It is of such a noncontroversial nature, that is why I am here.

Mr. HATFIELD. I agree the amendment is very meritorious, but it does not comply with our rules. I will have to move to table this and reject it as such. I would prefer to have, maybe, the amendment temporarily set aside until you can confer with our two colleagues who are the authorizers. If they clear it, we will accept the amendment.

Mr. DEWINE. I will be more than happy to temporarily set aside the consideration of the amendment.

Mr. HATFIELD. I thank the Senator.

Has the Senator made the request to temporarily lay aside his amendment?

The PRESIDING OFFICER. Is there objection?

Mr. EXON. Mr. President, reserving the right to object, I was distracted for a moment. I would like to be recognized in my own right to make a few comments about the amendment being offered by the Senator from Ohio. I ask that I be added as a cosponsor.

What was the suggestion of the managers of the bill? What was the unanimous-consent request?

Mr. HATFIELD. The request was to temporarily lay aside the amendment until the Senator from Ohio conferred with the authorizing leadership, and then to turn to the next amendment to be offered once it is temporarily laid aside, which is the Exon-Dorgan amendment.

Mr. EXON. The Senator from Ohio has agreed to withdraw his amendment?

Mr. DEWINE. I have agreed to temporarily lay it aside with the understanding the amendment will continue to pend.

Mr. EXON. I simply ask the Senator from Ohio, I would like to be a cosponsor of the amendment.

I remind the Senate, and the managers of the bill, this Senator offered a five-point program last year with regard to grade crossings. Three of the five were accepted and are now part of the law. The two things that were not agreed to, basically on that side of the aisle, last year are now incorporated in the amendment offered by the Senator from Ohio.

So I congratulate him for his leadership in this area. I simply remind all we should have done this last year. I hope we can do it this year in some form. So I thank my friend from Ohio. I am very pleased to be added as a cosponsor of the amendment.

The PRESIDING OFFICER. The request is to set the amendment aside. Is there objection?

Without objection, the Senator from Nebraska is added as a cosponsor.

The Senator from North Dakota.

AMENDMENT NO. 5134

(Purpose: To prohibit the Surface Transportation Board from increasing user fees)

Mr. DORGAN. Mr. President, I offer an amendment on behalf of myself, Senator CONRAD, Senator HARKIN, and Senator EXON. I send the amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from North Dakota [Mr. DORGAN], for himself, Mr. CONRAD, Mr. EXON, and Mr. HARKIN, proposes an amendment numbered 5134.

Mr. DORGAN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

On line 12 on page 41 after the semicolon, insert the following: ''*Provided further*, That none of the funds appropriated in this Act or otherwise made available may be used to increase fees for services in connection with licensing and related service fees, pursuant to 49 CFR Part 1002, STB Ex Parte No. 542, for services in connection with rail maximum rate complaints,''.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, the amendment that I have offered on behalf of myself, Senator CONRAD and Senator EXON is an amendment that deals with the fees charged by the Surface Transportation Board for the filing of a complaint by a shipper, a farmer or a grain elevator that might feel is necessary to file against a railroad company that is overcharging.

We have largely deregulated the railroad companies in this country. We have abolished the Interstate Commerce Commission and established the Surface Transportation Board. The question is, Where does a farmer or a grain elevator or some other small shipper go when they feel that the railroad is overcharging them? They file a complaint, under the current circumstances, with the new Surface Transportation Board.

Previously, when a shipper was to file a complaint, they would be required to pay a $1,000 fee in order to file a complaint against a railroad company saying, ''This railroad company is overcharging. I am complaining and want a hearing and want some facts to be developed, and I want a judgment about my complaint.'' So they would file a complaint and pay a $1,000 fee.

The Surface Transportation Board issued a proposal, under the administration's directive to increase user fees.

The Surface Transportation Board proposed to increase the fees from $1,000 to $23,000, roughly, for those who file a complaint against a railroad company.

They are saying that if you are a family farmer or you are a small grain elevator or machinery and equipment dealer and you have a complaint against a big railroad company—and most of them are big—in order to file that complaint, instead of paying a $1,000 fee, we are going to increase it to a $23,000 fee.

Some of us happen to think that that is way out of line—not just out of line but way out of line—and we do not believe the Surface Transportation Board ought to do that.

I have talked to the Chair of the Surface Transportation Board, someone for whom I have great respect. I think she is doing a good job. She said, ''Well, we were told that we were going to have to find our money from fees, so we had to put out a schedule.''

My expectation is they will not come up with those kind of fees in their final determination. But what we want to make sure of today is, in an era of deregulation of railroads where you have very large significant concentrations of economic power, that that economic power is not wielded against small shippers in a punitive way.

We believe small shippers ought to be able to make a complaint against a predatory pricing practice on the part of a railroad company without having to fork over $23,000. All that means is a lot of small shippers are told, ''You don't have the ability to file a complaint anymore. There is no way for you to complain against a railroad because we are pricing you out of existence. You can't afford to complain.''

What this amendment that I have offered on behalf of myself and my colleagues does is it says:

. . . none of the funds appropriated in this Act or otherwise made available may be used to increase fees for services in connection with licensing and related service fees pursuant to 49 CFR Part 102, STB Ex Parte No. 542, for services in connection with rail maximum rate complaints.

Very simply, we are saying you cannot increase the fees for small shippers who are going to make a complaint against the railway companies. You cannot increase them from $1,000 to $23,000, not from $1,000 to $13,000. You cannot increase them.

We happen to think in this age where we have deregulated the railroad companies, where we have a significant concentration of economic power that it is fundamentally unfair to small shippers, especially as I mentioned to farmers and grain elevators, to say to them, We have allowed them to concentrate economic power, and when they overcharge you, you are going to have to fork over $23,000 if you feel like you need to complain about it.

Some of us say it is fundamentally unfair. We will not stand for it. We want the Senate to be on record to say none of those funds will be used for those fees. There are other fees they can charge. They can increase them. I am not here complaining about that. That is a decision they can make, but at least with respect to these fees, with respect to small shippers who make complaints about these railways, I say let's freeze these fees and let's not price those folks out of the ability to make complaints against railway companies who overcharge.

Let me make a final point. I come from a part of the country that has had some experience with railroads. I come from North Dakota where a so-called ''prairie fire,'' which was a political fire, began in the early 1900's. The controversy was about banks and railroads and big grain millers taking advantage of our farmers. Big interests with large concentrations of economic power that were taking money from the pockets of our farmers.

That created a populist prairie fire out in my part of the country that said, ''We're not going to stand for it.'' Those folks in the early 1900's would not have stood for this, and we should not stand for it in 1996 either.

Mr. President, let me yield the floor and have the Senator from Nebraska speak on this.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, I ask unanimous consent that the Senator from Iowa [Mr. HARKIN] be added as a cosponsor to the amendment just offered by my friend and colleague from North Dakota.

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

Mr. EXON. Mr. President, I thank my colleague from North Dakota for a very thoughtful amendment that is vitally important if you understand the peril, or the potential peril, maybe is a better word for it, that small shippers find themselves in today.

There probably has been no one in the U.S. Senate today who has spent more time and effort in committee and on the floor with regard to railroad matters generally, including grade crossing safety. I fought very hard for the Interstate Commerce Commission. When it was obvious that was not going to prevail for long, I was one of the leading proponents of the Surface Transportation Board that was created under the Department of Transportation.

I simply say, from experience and looking into the future, myself and others as original cosponsors have had firsthand experience with the situation that could affect particularly small carriers.

The most important work of the Surface Transportation Board is to protect consumers from unfair, unjust, and unreasonable rates or actions by the railroads. I mention specifically captive shippers. Captive shippers are those who are captive because they have no other way to move their products or their goods or their livestock or their grain.

So simply put, what this amendment does is to say that if you are a small shipper, you cannot be charged as originally suggested in a preliminary announcement of fees by the Surface Transportation Board.

The Senator from North Dakota touched on this, Mr. President. I emphasize it a little bit more. If somebody files a complaint against a railroad, the railroad has a whole stable of attorneys who are willing, ready, and able to act in their behalf.

Actually, unless we adopt an amendment like this, for all practicable purposes, if the fees are set too high, that small shipper, that captive shipper, that grain elevator, that small company out there could not afford to file a complaint even if he had full justification for doing so.

So I simply say that railroads need some supervision. There needs to be, especially for small and captive shippers, the right to appeal when they think they are being unfairly treated by the railroads. The Surface Transportation Board is the successor in this area to the Interstate Commerce Commission.

I think the Senate and the House should be very careful that when we talk about increasing fees, we do not allow the Surface Transportation Board arbitrarily to set fees so high that the small businessmen—captive shipper, grain elevator, farmer, call it what you will—would be discouraged from even making a legitimate complaint.

At a time when there is consolidation in the rail sector, rate oversight by the Surface Transportation Board is the best primary means to protect rural shippers, and urban shippers, as well, from a possible loss of competition for the captive shippers. It is time to stop the annual threat to the consumers of rail transportation.

The Surface Transportation Board is all that stands between small shippers and captive shippers and the big railroads. I applaud the Appropriations Committee for rejecting the user-fee-only proposition to finance the Surface Transportation Board. The Dorgan-Exon, and others, amendment assures that the rights of rural and urban shippers are not compromised by unfair, high user fees if they file a complaint with the Surface Transportation Board.

I thank my friend and colleague from North Dakota for offering this amendment. I urge its adoption. I thank the Chair and I yield the floor.

Mr. CONRAD addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, I rise in strong support of the amendment by my colleague from North Dakota, Senator DORGAN, and the distinguished Senator from Nebraska, Senator EXON. This amendment addresses a very serious concern that was first raised earlier this year when a fee schedule was proposed by the Surface Transportation Board.

These fees that were announced earlier this year by that agency indicate that sometimes people completely take leave of their senses here in Washington when they have responsibility over an administrative function. If there was ever an example of an agency going off a cliff with respect to a proposal, these fees by the Surface Transportation Board are a perfect example.

Under the proposed fee schedule from earlier this year, the minimum filing fee charged rail users complaining of unlawful railroad actions would have been increased from the current $1,000 to $23,000. Let's think about a small elevator in my home State of North Dakota. They have a grievance. Just to be able to file, they would have been expected to come up with $23,000. Where is the rationale for that? If you are going to ask people to pony up $23,000 just to file a complaint, there are not going be many complaints filed. That is for sure.

The unfortunate thing about this is people do not have an alternative. If they have not gone through the administrative process, they cannot go to the courts. And to go through the administrative process, they are told you have to come up with a $23,000 filing fee.

Let me just go through some of the other filing fees that the Surface Transportation Board proposed earlier this year. The fee for filing a formal rate complaint under the so-called stand-alone cost methodology, guidelines alleging unlawful rate practices by rail carriers, would have been increased from the current $1,000 to $233,000.

Mr. EXON. Would the Senator yield for a question?

Mr. CONRAD. I would be happy to.

Mr. EXON. With that fee schedule that you just outlined right from the Surface Transportation Board paper, how many complaints do you think small businessmen, small elevators, would file out of North Dakota?

Mr. CONRAD. The Senator asks a very good question. I think we could be quite assured that virtually no one would file, probably no one would file. I mean, who is going to pony up $23,000 for an unlawful railroad action case? Who could afford to pay, in the case of a formal rate complaint alleging unlawful rates under practices by rail carriers, an increase from $1,000 to—it makes me laugh every time I say it—an increase from $1,000 to $233,000?

The cost for seeking a regulatory exemption to construct connecting rail lines would have been increased from the current $3,000 to $41,700.

I am glad this amendment is being offered. Hopefully, it will send a message.

I do commend the Appropriations Committee for providing some funding for the Surface Transportation Board. That is an important provision in this transportation appropriations bill. The Dorgan amendment simply ensures that there is no possibility the Surface Transportation Board will even consider user fees on the scale of those which were discussed earlier this year.

Mr. EXON. If I might add a comment. It seems to me that if there is that much money out there to get this job done, we might seize on that as a means of balancing the Federal budget in 2 years. I thank my friend from North Dakota.

Mr. CONRAD. I thank the Senator from Nebraska. He makes a very good point. Unfortunately, earlier this year the Surface Transportation Board looked at the budget and the current fee schedule, and somehow believed the agency could become self-sufficient by just raising fees. Unfortunately, this proposed fee schedule did not recognize that agricultural shippers, with legitimate complaints that they need to get adjudicated, could be completely left out of the process because of the steep fees which were being proposed.

Nobody would be coming before the Surface Transportation Board, or virtually no one, because who could afford, just to have a complaint adjudicated, to pay $23,000, much less $233,000, or to deal with the question of construction of connecting rail lines, $41,000? I mean, these are not reasonable.

Hopefully, this amendment will pass and there will be no possibility of these particular fee increases taking place. I want to thank my colleague from North Dakota, Senator DORGAN, for offering this amendment with the Senator from Nebraska, Senator EXON. I am pleased to join them in this effort. I yield the floor.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. I was just asked a series of questions by the manager of the bill and the ranking member. I thought maybe I could address those because I think there are some misunderstandings about this.

It is true that the Surface Transportation Board produced a schedule that said, where as we used to charge $1,000 as a fee in order to make complaint against a railroad for unfair pricing, if we are required to raise all of our funds from fees, we will now charge $23,100 instead of $1,000. If you are complaining about the coal rates, we will go from $1,000 to $233,000 as a filing fee and so on and so on.

The ranking member made the point to me just now, well, we have increased appropriations or actually produced appropriations of some $12 million in this bill for the Surface Transportation Board and, therefore, they will not have to raise all of this money from fees. It is absolutely correct.

That $12 million has been appropriated. They will not have to raise that from fees. They will have to raise several millions of dollars from fees. The question is, how will they get that several million dollars? There are a wide range of fees from which to choose. Will they decide, with respect to those who want to file a complaint against a railroad company for unfair pricing, that that fee should go from $1,000 to $2,000, $1,000 to $5,000, $1,000 to $15,000, $1,000 to $23,000? I do not have the foggiest idea.

My amendment says, it shall go from $1,000 to $1,000. The fee is now $1,000 and the fee will be $1,000 if you feel like you need to file a complaint against a railroad company for unfair pricing.

Mr. President, we do not have an Interstate Commerce Commission in America anymore. I never thought I would mourn its passing, and I am not sure I do now, because I used to think it was one of the few agencies in Washington, DC, that had died from the neck up. However, despite the fact the ICC, in my judgment, was relatively worthless as an agency, sat around with a giant ink pad and a giant rubber stamp, and whatever the railroads wanted, they stamped OK. There was a guy named ''OK Alan'' that was talked about down in a Southern State, the Governor of a Southern State, because he said OK to everything. It was the ''OK-ICC Commission.''

I never thought I would mourn its passage, but when we deregulated the

railroad industry and people said get rid of the ICC, there was a discussion that maybe there should be some referee deciding when and if there are predatory or unfair pricing practices by the railroads, that maybe the folks who are having their pockets picked by that have some opportunity to file a complaint.

So the Surface Transportation Board was created. As I mentioned, I have a fair amount of confidence in the chair of that board, and I do not believe they would increase rates, as they published, from $1,000 to $23,000. But I will make sure with my amendment that they do not with respect to complaints against the rails.

I am joined with the Senator from Nebraska and my colleague from North Dakota and others to say to those who need to file a complaint against the railroads, they ought to be able to file that complaint with a filing of $1,000, and it ought not to be doubled, tripled, or increased 23 times. This amendment says, ''Freeze it where it is.''

I yield the floor.

Mr. EXON. Mr. President, I ask unanimous consent the minority leader, the Senator from South Dakota [Mr. DASCHLE] be added as a cosponsor to the amendment.

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

Mr. EXON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. HATFIELD. Mr. President, I ask unanimous consent to temporarily lay aside the Dorgan amendment so we can clear the DeWine amendment that is being cleared by the authorizers.

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

AMENDMENT NO. 5133

Mr. HATFIELD. I ask unanimous consent that the DeWine amendment, which has now been cleared by the authorizers, both the chairman and the ranking member, now be accepted.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 5133) was agreed to.

Mr. LAUTENBERG. I move to reconsider the vote.

Mr. HATFIELD. I move to table the motion.

The motion to lay on the table was agreed to.

AMENDMENT NO. 5134, AS MODIFIED

(Purpose: To prohibit the Surface Transportation Board from increasing user fees)

Mr. DORGAN. Mr. President, I send a modification to my amendment to the desk.

The PRESIDING OFFICER. The amendment is so modified.

The amendment (No. 5134), as modified, is as follows:

On line 12 on page 41 after the semicolon, insert the following: ''*Provided further*, That none of the funds appropriated in this Act or otherwise made available may be used to increase fees for services in connection with rail maximum rate complaint pursuant to 49 CFR Part 1002, STB Ex Parte No. 5424.

Mr. DORGAN. The modification was made necessary in order to reach an agreement with the authorizing committee. Both the majority and the minority have agreed with the amendment as it is modified, and I am told it will be acceptable, then, to the Senator from Oregon and the Senator from New Jersey.

Mr. HATFIELD. Mr. President, I urge adoption.

Mr. EXON. It would be the same cosponsors?

Mr. DORGAN. Mr. President, might I say that the modification is purely technical. The amendment is identical to the amendment I offered previously, but we rearranged the words because there needed to be a technical change.

The modification is offered with the same cosponsors.

The PRESIDING OFFICER. The question is on agreeing to the amendment, as modified, of the Senator from North Dakota.

The amendment (No. 5134), as modified, was agreed to.

Mr. LAUTENBERG. I move to reconsider the vote.

Mr. HATFIELD. I move to table the motion.

The motion to lay on the table was agreed to.

AMENDMENT NO. 5135

Mr. MURKOWSKI. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

At the appropriate place add the following: ''SEC. . (a) APPLICABLE LAWS.—Section 24301 of Title 49, United States Code, as amended by Section 504 of this Act, is amended by adding at the end thereof the following:

'''(q) POWER PURCHASES.—The sale of power to Amtrak for its own use, including operating its electric traction system, does not constitute a direct sale of electric energy to an ultimate consumer under section 212(h)(1) of the Federal Power Act.'

''(b) CONFORMING AMENDMENTS.—Section 212(h)(2)(A) of the Federal Power Act is amended by inserting 'Amtrak;' after 'a State or any political subdivision);'.''

The Senator from Alaska [Mr. MURKOWSKI] proposes an amendment numbered 5135.

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

Mr. MURKOWSKI. Mr. President, this amendment was a consequence of discussions held in the Energy and Natural Resources Committee among the staff of the majority with regard to the dilemma surrounding Amtrak and the high cost of power that Amtrak is subjected to in the Northeast corridor where most of the rail line is electrified. As a consequence of the efforts to try and help Amtrak to reduce its costs, this amendment was suggested by Amtrak.

Mr. President, it is an extraordinary set of circumstances here when we consider that the potential cost of power wheeled in for the availability of Amtrak could be as low as 3 cents, yet Amtrak is currently paying in many cases 6 cents and, in extreme cases, up to 12 cents from a power-producing facility in New York State that is in bankruptcy. These are the result of State public utility commissions and the overall regulatory complexity associated with the jurisdiction of the Federal Energy Regulatory Commission as compared to State public utility commissions. These need to be examined.

What this amendment does, Mr. President, is to allow the FERC to order retail wheeling for Amtrak only, something which is currently prohibited under Federal law. It would exempt, therefore, Amtrak from the prohibition which prevents them from taking advantage of cheaper sources of power that would be transmitted from potential out-of-State power suppliers.

The purpose, again, of this amendment is simply to allow Amtrak to acquire electric power at a cheaper rate than it is currently paying. As we all know, Amtrak is not a private company but a quasi-governmental entity created by an act of Congress in 1970. Its stock is owned by the Federal Government. Congress mandated its mission and likewise imposes by Federal law a host of obligations and costs on Amtrak, costs that no regular private company is burdened with. Yet, each year Amtrak's losses are made up through a Federal subsidy.

In fiscal year 1996, Amtrak's Federal subsidy was $285 million, thus, this amendment would result in a savings to Amtrak that translates into about $20 million a year. That is a savings to the U.S. taxpayer that subsidizes Amtrak.

What we have done, Mr. President, in Congress is put Amtrak between the proverbial rock and a hard place. Congress has given Amtrak a mandate to decrease its reliance on Federal operating support. The House and Senate Amtrak authorization bills and the budget resolution proposed to end all operating support of Amtrak in the year 2001. What are we going to do with that? Are we going to adhere to that? Are we going to extend it and try and find ways to help Amtrak reduce its cost? The point is, we have not relieved Amtrak from its statutory obligation and, at the same time, we are taking away its Federal operating subsidy.

Mr. President, I offer this amendment not in the expectation that it is going to be adopted. I offer this amendment to point out the need to move the

electric power industry from its current highly regulated, highly inefficient situation into a fully competitive, deregulated marketplace so that Amtrak, along with industrial and residential consumers, can purchase electricity at the lowest possible price. That is what deregulation is all about.

How we get there from here is a very difficult and complex problem. As chairman of the Senate Committee on Energy and Natural Resources, I recognize it, and I have had some conversations, as late as this evening, with Senator JOHNSTON, who is concerned about the issue as well. And to the question of how we address it, of course, is an issue within the jurisdiction of our committee.

The Energy Committee has held three hearings this year on the issue of competitive change in the electric power industry. We intend to hold more. We want to assure everybody that we recognize that the electric industry in this country—a very, very important and significant industry—is not broke by any means. So it is not a question of fixing it in the sense of fixing what is not wrong with it. It is more an effort to try and recognize that by directing more attention to local and State control, with the assurance that we have the availability of wheeling coming in to address cost and efficient producers and somehow try and address that narrow area of what we are going to do to protect those that have stranded costs. That is the challenge before us.

We have an inequity associated with Amtrak. While there is no consensus as to the means for how to make the electric power industry competitive, there is a consensus as to the need for making it competitive.

So what we have to do is address the inconsistencies associated with the industry. We want to have competition, which will benefit consumers—residential consumers, commercial consumers, industrial consumers and, yes, Amtrak. This amendment is but a small piece of a much larger puzzle. The Amtrak issue, along with a host of other electric power issues, such as the privatization of the Federal Power Marketing Administration, will be the subject of our legislative interests in the 105th Congress.

Mr. President, while it is my expectation that we will undertake comprehensive electric deregulation legislation next year, it should not be taken to mean that we should not proceed this year with Senator D'AMATO's PUHCA reform legislation, of which I am a cosponsor. It has been ordered reported by the Banking Committee, and the Senate should take this legislation up at the earliest possible time.

Mr. President, I am going to withdraw the amendment as a consequence of the recognition that, clearly, this is not the time or the place to resolve the wheeling issue for Amtrak. But I hope there is now attention to the inequity associated with Amtrak, and a realization that we are forcing this entity to purchase power far beyond the competitive marketplace that exists, which puts an unfair and unrealistic burden and a responsibility right back with us in the realization that it is the taxpayers that are subsidizing this quasi-government entity, or its shortfall, when indeed there are opportunities out there for Amtrak to buy power at a competitive rate and reduce the Federal subsidy by as much as $20 million a year. And current savings can easily be identified as a consequence of prevailing rates that are in existence at this time. Unless anybody cares to talk on the amendment, or ask me questions, I am prepared to withdraw the amendment at this time. I thank my colleagues.

Mr. HATFIELD. There was a Senator who was planning to be here, but he is not able to be here. I yield to the Senator to withdraw the amendment.

Mr. MURKOWSKI. Mr. President, I withdraw my amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. HATFIELD. Mr. President, I am checking on some other matters here. But I believe that it is now the Democratic side of the aisle that is going to offer an amendment. We are alternating back and forth.

Mr. LAUTENBERG. Mr. President, what we are attempting to do is to get to that finite list, and that is in the process now.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

AMENDMENT NO. 5136

(Purpose: To provide for loan guarantees under the Railroad Revitalization and Regulatory Reform Act of 1976)

Mr. HATFIELD. Mr. President, I send an amendment to the desk on behalf of Senator PRESSLER and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Oregon [Mr. HATFIELD], for Mr. PRESSLER, for himself, Mr. WYDEN, Mr. EXON, Mr. HARKIN, and Mrs. BOXER, proposes an amendment numbered 5136.

Mr. HATFIELD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 3, line 2, strike ''$4,158,000'' and insert ''$3,000,000''.

On page 5, line 17, strike ''$132,499,000'' and insert ''$129,5000,000''.

On page 26, line 8, strike ''1997.'' and insert ''1997, except for up to $75,000,000 in loan guarantee commitments during such fiscal year (and $4,158,000 is hereby made available for the cost of such loan guarantee commitments).''.

Mr. PRESSLER. Mr. President, my amendment is very simple and straight forward. It would provide funding for the section 511 railroad loan guarantee program to enable needed rail infrastructure and safety improvements. I am pleased to be joined in this bipartisan effort by Senators LOTT, SNOWE, EXON, and WYDEN.

Over the years, Congress has often recognized the importance of Federal funding assistance for rail infrastructure projects. Federal appropriations through such programs as the section 511 program and the Local Rail Freight Assistance [LRFA] Program have enabled the continuation of rail service for many communities that have been on the brink of losing service. I strongly support initiatives to promote rail infrastructure rehabilitation.

The Senate Committee on Commerce, Science, and Transportation, which I chair, has reported legislation to permanently authorize the LRFA Program. To date, this authorizing legislation, S. 1318, the Amtrak and Local Rail Revitalization Act, has not been considered by the full Senate. Because I recognize the concerns of some of my colleagues about funding certain expired programs, my amendment only proposes funding for the permanently authorized section 511 program. However, I will continue to support LRFA reauthorization and funding in future years.

Mr. President, I want to point out the House-passed Department of Transportation appropriations bill includes $58.86 million for title V—section 505—railroad loans. At first glance, I am pleased the House recognizes the importance of funding assistance for freight rail infrastructure. Yet, I am concerned because the entire amount has been earmarked for only one project in California. Many equally important projects would be shut out of the process by the House-passed bill. This clearly ignores the national need for rail rehabilitation on light density rail projects throughout our country. It also is important to note the House approved funding has been allocated to an expired Federal loan program.

My amendment would provide $4.158 million for section 511 loan guarantees. This would permit a loan level of up to $75 million for many legitimate rail projects across our Nation. Further, my amendment includes offsets for this funding from certain administrative functions. I believe basic infrastructure investment would be a better use of scarce Federal dollars.

Mr. President, Federal involvement, while limited, would advance track and bridge projects planned in Iowa, Maine, Nebraska, New Mexico, Oregon, and South Dakota, just to name a few. In turn, rail safety and economic opportunity for these and hundreds of other communities would be promoted. I urge my colleagues to support my amendment.

Mr. HATFIELD. Mr. President, this amendment offsets $4.1 million for the

Federal Rail Administration. There is a loan program where $4.1 million can, in effect, leverage $75 million in guaranteed loans. This is basically geared for some of the rail problems in the smaller areas, or the less populated areas.

It has been cleared on both sides. It is budget neutral. As I say, it has been offset for that transfer of moneys.

Mr. LAUTENBERG. Mr. President, will the manager yield for a moment?

Mr. HATFIELD. Yes.

Mr. LAUTENBERG. There seems to be a question about clearance on our side, if we can review that for a couple of minutes. I would be happy to then discuss it.

Mr. HATFIELD. I ask that we temporarily set aside Senator Pressler's amendment, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. HATFIELD. Mr. President, I now call up again the Pressler amendment and ask unanimous consent that Senators WYDEN, EXON, HARKIN, and BOXER be added as cosponsors.

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

Mr. HATFIELD. Mr. President, this amendment has been cleared on both sides of the aisle. Therefore, I urge its adoption.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 5136) was agreed to.

Mr. LAUTENBERG. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 5137

Mr. HATFIELD. Mr. President, I send on behalf of Senator KEMPTHORNE an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Oregon [Mr. HATFIELD], for Mr. KEMPTHORNE, proposes an amendment numbered 5137.

Mr. HATFIELD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 47 line 13 of H.R. 3675, strike ''$5,000,000'' and insert ''$15,000,000''.

Mr. HATFIELD. Mr. President, this is an amendment by Senator KEMPTHORNE that is budget neutral. It moves $5 million up to $15 million for national trail rehabilitation, which particularly suffered great damage in the Pacific Northwest during the floods of recent times. It has been cleared on both sides.

I urge adoption of the amendment.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 5137) was agreed to.

Mr. HATFIELD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 5138

(Purpose: To prohibit the issuance, implementation, or enforcement of certain regulations relating to fats, oils, and greases)

Mr. HATFIELD. Mr. President, I send an amendment on behalf of Senator PRESSLER to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Oregon [Mr. HATFIELD], for Mr. PRESSLER, for himself, Mr. HARKIN, Mr. GRASSLEY, Mr. LOTT, Mr. BOND, and Mr. LUGAR, proposes an amendment numbered 5138.

Mr. HATFIELD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

At the appropriate place, insert the following new section:

SEC. . LIMITATION ON FUNDS USED TO ENFORCE REGULATIONS REGARDING ANIMAL FATS AND VEGETABLE OILS.

None of the funds made available in this Act may be used by the Coast Guard to issue, implement, or enforce a regulation or to establish an interpretation or guideline under the Edible Oil Regulatory Reform Act (Public Law 104–55) or the amendments made by that Act does not recognize and provide for, with respect to fats, oils, and greases (as described in that Act or the amendments made by that Act) differences in—

(1) physical, chemical, biological, and other relevant properties; and

(2) environmental effects.

Mr. PRESSLER. Mr. President, earlier this year Congress passed the Edible Oil Regulatory Reform Act. That measure which became Public Law 104–55 was long overdue.

The Edible Oil Regulatory Reform Act addresses how Federal agencies regulate the shipment of edible oils, as compared with toxic oils. They require that agencies make a distinction between these two kinds of oils. This is extremely important to U.S. agricultural exports. Without Public Law 104–55, farmers faced a potential loss in agricultural exports and diminished farm income.

The law is simple and very straightforward. Unfortunately, the Coast Guard continues to issue regulations that do not comply with Public Law 104–55. The Coast Guard has issued regulations that do not provide relief to the oilseed industry due to the differentiation between shipments of edible oilseeds and shipments of toxic oils, such as petroleum.

Mr. President, the kind of enforcement found in the Coast Guard regulations was never congressional intent. The amendment that I, and Senators HARKIN, GRASSLEY, LOTT, and BOND are offering today would prevent the Coast Guard from using funds to issue, implement, or enforce regulations or establish an interpretation or guideline that do not differentiate animal fats and vegetable oils from toxic oils. This amendment does not change the Oil Pollution Act of 1990 as it relates to toxic oils.

Without action, the Coast Guard regulations could inadvertently diminish U.S. agricultural exports. In addition, existing regulations could have a chilling effect on the development of new crops and new uses of crop production.

Farm exports are at all time highs. Future exports are expected to stay at record levels. The future for oilseeds is equally bright. However, current Coast Guard regulations could work against this progress. It has become clearly evident that existing regulations would seriously impact exports of U.S. agricultural commodities, especially vegetable oils and animal fats.

Unless we pass this amendment, U.S. animal fat and vegetable oil industries would be faced with lost export sales. Public Law 104–55 put common sense into Federal regulations regarding the shipment of animal fats and vegetable oils. The winners out of all this are our farmers and ranchers. Unfortunately, we have to pass this amendment to make sure that the Coast Guard abides by Federal law and congressional intent on this matter. I urge adoption of this amendment.

Mr. HATFIELD. Mr. President, this is an amendment, too, that has been cleared on both sides. It is an instruction, in effect, to the Coast Guard that as it continues its work on regulations of toxic materials, it make a differentiation between shipments of edible oilseeds and shipments of toxic oils, such as petroleum.

Mr. President, I urge adoption of the amendment.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 5138) was agreed to.

Mr. LAUTENBERG. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 5139

Mr. HATFIELD. Mr. President, I send on behalf of Senators GORTON and BAUCUS an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Oregon [Mr. HATFIELD], for Mr. GORTON, for himself and Mr. BAUCUS, proposes an amendment numbered 5139.

Mr. HATFIELD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

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

SEC. . (a) In cases where an emergency ocean condition causes erosion of a bank protecting a scenic highway or byway, FY 1996 or FY 1997 Federal Highway Administration Emergency Relief funds can be used to halt the erosion and stabilize the bank if such action is necessary to protect the highway from imminent failure and is less expensive than highway relocation;

(b) In cases where an emergency condition causes inundation of a roadway or saturation of the subgrade with further erosion due to abnormal freeze/thaw cycles and damage caused by traffic, FY 1996 or FY 1997 Federal Highway Administration Emergency Relief funds can be used to repair such roadway.

(c) Not more than $8 million in Federal Highway Administration Emergency Relief funds may be used for each of the conditions referenced in paragraphs (a) and (b).

Mr. GORTON. Mr. President, along the southwest coast of Washington State, Highway 105 runs adjacent to Willapa Bay from Raymond to Aberdeen and provides an alternative route to Highway 101. While this route serves as the only direct access for residents of the Tokeland Peninsula and the Shoalwater Indian Reservation, it also acts as a dike protecting several cranberry bogs, a vital local industry, from saltwater inundation.

Unfortunately, the embankment supporting Highway 105 has eroded away under the pressure of the unstable forces in Willapa Bay. Unless something is done, preliminary engineering studies indicate that under existing conditions, the road will be washed into Willapa Bay, sometime within the next 2 years. This timeline would obviously be moved up if any type of storm hits the Washington coast later this winter. Water, telecommunications, and power utilities located within the highway right-of-way would also be severed if the highway is destroyed.

If no action is taken to remedy this problem, the estimated loss of public facilities, cranberry bogs, jobs and economic impacts is $82 million, not including additional socioeconomic impacts. An additional $40 million from the Federal Highway Administration Emergency Relief funds would also be required to relocate a new Highway 105.

A more appropriate and financially efficient alternative, in my opinion, would be to correct this problem before it becomes a reality. While diagnosing the problem, preliminary engineering studies also indicated that the erosion could be slowed considerably by dredging a relief channel in Willapa Bay, which would alter the flow of water that is currently undercutting the highway embankment.

Officials from the Washington State Department of Transportation are currently working with representatives from the affected communities to resolve this matter, however, funding continues to be the major obstacle. This prevention project, including both engineering and actual construction costs, would cost $10 million—$8 million from the Federal Highway Administration and $2 million in State and local matching funds.

I am aware that Congress no longer earmarks money in the Federal Highway Administration (FHWA) account of the Transportation appropriations bill, and therefore, I believe that the only appropriate funding available is possibly the FHWA Emergency Relief (ER) fund. While I recognize that this fund is traditionally dedicated to repairing Federal highways once a disaster has occurred, it seems that common sense dictates using $8 million to prevent a washout rather than spending $40 million to replace the road in less than 2 years.

I have been working with officials from the Federal Highway Administration, and they are aware of the pending road failure. While they support participating in this prevention project, they believe that legislative authority must be given to allow ER funds to be used in this manner. For that reason, my amendment provides legislative language in this bill that authorizes the Federal Highway Administration to use up to $8 million in Emergency Relief funds in order to prevent complete loss of the existing Highway 105.

By allowing these funds to be used in this manner, I estimate that the Federal Government will save approximately $30 million in future highway relocation funds, while also protecting the fragile environment and economy of Pacific County in Washington State.

In closing, let me thank Chairman HATFIELD for his consideration of this matter. Let me also applaud the efforts of the officials in Pacific County, as well as other individuals in the Washington State who have worked so carefully to ensure that this potential disaster is averted.

Mr. HATFIELD. Mr. President, this provides for definition of emergency funding that can be used to relieve the situation in both Montana and Washington State. It has been cleared on both sides. It is budget neutral.

Mr. CHAFEE addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. Mr. President, this is an amendment that, as the distinguished chairman has said, has been cleared by both sides. It is an important amendment to the State of Washington and, indeed, to Senator BAUCUS as well. It is a good amendment.

Mr. BAUCUS. Mr. President, essentially following up, I thank the managers for the amendment. There was a natural catastrophe in the State of Montana due to abnormal weather. This amendment helps that situation.

I thank the Senators.

Mr. LAUTENBERG. Mr. President, I have to reserve the right to object until we clear a matter here that, frankly, raises concerns. So I am sorry to say it, but we do have to take a couple of minutes to check this. Therefore, unless there is somebody else who we are going to go to, I would note the absence of a quorum.

Mr. HATFIELD. I apologize. I was told that it was cleared on both sides, I say to my comanager.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. HATFIELD. Mr. President, let me return to the Gorton-Baucus amendment we were discussing a little bit earlier. We now have the clearance on the Democratic side, so I urge the adoption of that amendment.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 5139) was agreed to.

Mr. LAUTENBERG. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

Mr. BURNS. Mr. President, I have an inquiry of the committee chairman, the Senator from Oregon [Mr. HATFIELD].

The PRESIDING OFFICER. The Senator will state his inquiry.

Mr. BURNS. I thank the Chair. If the chairman will recall, the committee, at its meeting of July 16, included language in the Committee Report offered by the Senator from Washington [Mrs. MURRAY]. This language concerned significant costs incurred by the mid-Columbia hydroelectric projects associated with fish and wildlife mitigation due to water releases from upstream Federal facilities and how the impacts of such costs to the mid-Columbia projects could be offset. My question is this: Should no all upstream project owners incurring the same costs, from the same water releases, be treated the same as the mid-Columbia project owners? For example, the Montana Power Co. incurs the same costs at their Kerr project at Flathead Lake and Thompson Falls project on the Clark Fork River due to the large releases from the Federal Hungry Horse project. The Washington Water Power Co. incurs the same costs at their Noxon Rapids and Cabinet Gorge projects on the Clark Fork River due to these same releases from the federally owned Hungry Horse project. Does the committee also urge the BPA to enter into the same equitable energy exchange with the Montana Power Co. and the Washington Water Power Co.? Their problems with these Federal water releases are the same as those of the mid-Columbia project owners.

Mr. HATFIELD. I thank the Senator from Montana. My answer is that, ''yes'', all projects incurring the same impacts from the Federal water releases associated with fish and wildlife mitigation should be treated the same. That provision in the report urges BPA to enter into equitable energy exchange agreements. Moreover, such agreements should not increase costs for BPA.

Mr. BURNS. I thank the Senator from Oregon, my constituents will be very pleased. Let us hope that Bonneville will faithfully follow the committee's urging on this matter.

Mr. HATFIELD. Mr. President, I think we are in sight of the goal line on this bill. If Members have amendments yet pending or have registered in their respective Cloakrooms an intention to offer an amendment by the terms relevant or whatever else, we would like to have them come now because we are down to the last handful of amendments and then final passage.

I do not anticipate any votes on the remaining amendments. I do not think they are that controversial, but I am just making a judgment. We are inquiring as to the leadership's view about putting the final passage vote over until tomorrow to relieve other Senators who are not involved in the amendment process. As soon as we get that information, I will relay it.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. DEWINE). Without objection, it is so ordered.

AMENDMENT NO. 5140

(Purpose: To provide funding for the Institute of Railroad Safety)

Mr. EXON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nebraska [Mr. EXON] proposes an amendment numbered 5140.

At the appropriate place in the bill add the following new section:

SEC. . THE RAILROAD SAFETY INSTITUTE.

Of the money available to the Federal Rail Administration up to $500,000 shall be made available to establish and operate the Institute for Railroad Safety as authorized by the Swift Rail Development Act of 1994.

Mr. EXON. Mr. President, this is something that the Senate approved last year. It is a very important matter with regard to railroad safety. The matter has been cleared on both sides, I believe. I urge its adoption.

Mr. HATFIELD. Mr. President, I urge its adoption.

The amendment (No. 5140) was agreed to.

Mr. EXON. I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

Mr. EXON. I thank the Chair and I thank the managers of the bill.

Mr. HATFIELD. Mr. President, I think we are down now to the last three or four amendments. I hope the Senators who have those amendments—I could enumerate the Senators by name, but I do not think I want to do that at this point—at least will have the courtesy to call the floor and tell us whether they are going to offer their amendments or not. Is that asking too much? Please, please, make it a little easier to complete our business here.

To the Senators who put a place hold on amendments to the respective cloakrooms, at least let us know whether you plan to do it or not. We have contacted some Senators. They say, ''Oh, I'm not going to offer that after all,'' but we have not been informed. I think everybody's mother taught them better manners. So much for my lecture. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

COMMEMORATING THE 80TH BIRTHDAY OF DAVID BRODY

Mr. SIMPSON. Mr. President, just moments ago I left a reception for a friend, David Brody. I am very pleased to just rise briefly and commemorate the 80th birthday of one of the most remarkable men who it has been my privilege to know, Mr. David Brody.

He is perhaps best known to all of us in the Senate as the ''101st Senator,'' which was a characterization appropriately applied to him in 1989 in a Senate resolution which passed unanimously.

That resolution was passed on the occasion of David Brody's so-called ''retirement'' from the Anti-Defamation League of the B'Nai B'rith. As I have previously noted in other remarks, it was most carefully phrased so as to avoid any mention of the word ''retirement.''

There is nothing ''retiring'' about David Brody—nothing. He remains the essence and embodiment of energy, spirit, enthusiasm, and good will which he has always been.

It has been my personal pleasure on occasion to pay tribute to David Brody on the Senate floor, to participate in a retirement ceremony on his behalf several years ago, and most recently on March 11, 1993, on the occasion of the 50th anniversary of the wedding of Bea and David Brody. I have informed David that he and I have one thing in common for very certain above all others, and it is that we both ''severely overmarried.'' The marriage and partnership of Bea and David enriches our lives in so many ways, a monument to their boundless love to each other, and to the innumerable good works of each of them individually.

So on David's 80th birthday, I am certain he will have cause to reflect on his good fortune in spending evermore time and more than the 50 years of life wedded to that fine lady. And all of us will have cause to reflect upon our own good fortune in having David with us for now 80 years.

And our wish for him is that he may have many more years of life to savor. My wife Ann and I wish him Godspeed and all our love. I thank the Chair and I yield the floor.

HAPPY BIRTHDAY TO DAVID BRODY

Mr. GRASSLEY. Mr. President, the Senator from Wyoming, just a few minutes ago, addressed the celebration of the 80th birthday of a friend of the U.S. Senate, a friend of most every U.S. Senator, David Brody. There was a celebration of that on the Hill this evening.

It is most appropriate that Senators help David Brody celebrate his 80th birthday because he is so well known, he has been so active on the Hill, and he has been, in the truest sense of the word, a public-spirited person, a person who has been civic-minded about his responsibilities to Government. He has represented a lot of good causes, as he has interacted with Members of the U.S. Senate throughout his career on the Hill.

A few years ago, you could have read a newspaper article that stated it better than any of us could have. It was about how David Brody is respected. In that newspaper article he was referred to as the 101st Senator.

So I wish David Brody a happy birthday. I wish him and his wife well in the future. Happy birthday.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS ACT, 1997

The Senate continued with consideration of the bill.

UNANIMOUS-CONSENT AGREEMENT

Mr. HATFIELD. Mr. President, I have the following unanimous consent agreement that has been cleared with the two leaders, Republican Senator TRENT LOTT and Democratic leader TOM DASCHLE.

I ask unanimous consent that, during the Senate's consideration of the transportation appropriations bill, the following amendments be the only first-degree amendments in order, subject to second-degree amendments which must be relevant to the first-degree they propose to amend, with the exception of the antiterrorism amendments, on which there will be 1-hour notification of the two leaders prior to the offering of any amendment regarding terrorism, and they be subject to second-degree amendments which must deal with the subject of terrorism.

The amendments are follows: Two relevant amendments by Senator LOTT; one relevant amendment by Senator MCCAIN; COHEN-SNOWE, truck weight limitations; GRAMM, highways; LOTT, six amendments regarding terrorism; MCCONNELL, bridge amendment for Kentucky; HATFIELD, relevant amendment.

For the information of all Senators, any votes ordered this evening will be stacked in a sequence beginning immediately following passage of S. 1936, with the first vote and all remaining votes in the voting sequence limited to 10 minutes only, and those votes will be ordered on a case-by-case basis. In light of this agreement on behalf of the majority leader, there will be no further votes this evening.

Mr. President, I want to amend what I said. I forgot to read the Democratic list of amendments that will be relevant and in order.

A Baucus amendment on highway obligation; five antiterrorism amendments by Senator BIDEN; a Bradley amendment on rail safety/newborns; BYRD, two relevant amendments; DASCHLE, two relevant amendments; DODD, an FMLA2 amendment; DORGAN, runaway plants and a relevant amendment; LAUTENBERG, two relevant amendments; REID, one relevant amendment; WYDEN, one relevant amendment, and WELLSTONE, one relevant amendment.

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

Mr. HATFIELD. Mr. President, I believe we have run the limit of our activity for the evening. As I indicated, by a leadership agreement, there will be no further votes this evening.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

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

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

MARINE CORPS GENERALS

Mr. GRASSLEY. Mr. President, I have just received a letter from the Commandant of the Marine Corps, Gen. C.C. Kruluk.

General Kruluk's letter concerns the Marine Corps' request for 12 additional general officers.

His letter responds to a letter which I sent to the House conferees on the fiscal year 1997 Defense authorization bill.

My letter urged the House conferees to hang tough and block the Senate proposal to give the Marine Corps 12 more generals.

The Senate approved the Marine Corps's request. But the House remains opposed to it.

So the request for 12 additional generals is a bone of contention in the conference.

Mr. President, I ask unanimous consent that my letter to the conferees and the Commandant's response to it be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

JULY 29, 1996.

Hon. CHARLES E. GRASSLEY:
U.S. Senate, Washington, DC.

DEAR SENATOR GRASSLEY: I have been provided a copy of the letter you sent to House Conferees concerning the proposal in the Senate Authorization Bill that would give the Marine Corps twelve additional general officers. While this responds to the issues raised in your letter, it has been my desire to meet with you in person to discuss this issue. I understand our staffs have finally worked out a time to do so, and I look forward to meeting with you on Wednesday.

Those familiar with the Corps know that we pride ourselves in squeezing the most out of every dollar that you entrust to your Marine Corps. The also know that we don't ask for something unless it is truly needed.

The main thrust of your letter is that the number of general officers should be reduced consistent with force structure reductions. Reduction in end strength does not necessarily have a one-to-one correlation with command billet reduction. Permit me to explain. As you have correctly stated, the Marine Corps in 1988 had a total active duty end strength of approximately 198,000, with a general officer population of 70. Today, we have an end strength of 174,000, and a general officer population of 68. That said, please note that the 82nd Congress mandated in Title X that our Corps of Marines be ''so organized as to include not less than three combat divisions and three air wings,''—as it was in 1987, it is so organized today. This point is key: While the Marine Corps has reduced its end strength by 24,000 personnel, its three division, three wing structure has remained essentially unchanged. Those familiar with the military know that the requirement for general/flag officers is tied directly to the number of combat divisions and air wings—and that number has not been reduced. Of the 70 Marine general officers in 1987, 11 were assigned to joint/external billets. Today, 16 of the 68 Marine general officers are serving in joint/external billets. Today we have 52 general officers manning essentially the same structure that was manned by 59 general officers in 1988.

Throughout our history, we Marines have prided ourselves in doing more with less. In the past, we have compensated for our general officer shortfall by ''frocking'' officers selected for the next higher grade to fill that position without the pay. While that practice has its own drawbacks, it did provide us with the requisite number of general officers to fill critical shortfalls. Last year, the Senate set increasingly strict limits on the number of general officers that the Services may frock. And I understand their rationale—the practice of frocking simply makes deficiencies in Service grade/billet structure. These shortages are indeed better addressed with permanent fixes rather than the stopgap measures such as frocking. This restriction on frocking, however, has placed the Marine Corps in an untenable position. Losing six of our nine frocking authorizations means that we would now have 46 general officers manning essentially the same structure that was manned by 60 general officers in 1987. This makes it critical that we have additional general officer allotments.

In response to your remark that we are ''simply trying to keep up with the Joneses'' let me offer this: Other Service ratios of general officer to end strength range from one general/flag officer for 1,945 troops to one general/flag officer to 1,435 troops. Excluding the Marine Corps, the Service-wide nominal ratio of one general per 1,620 troops would give the Marine Corps a minimum of 104 general officers. The twelve additional officers that the SASC has provided would give us a total of only 80—hardly keeping up with the Joneses!

Finally, this is a matter of providing quality, experienced leadership for our Marines. We are the nation's force in readiness, standing by to go into harm's way to protect U.S. interests globally. Providing these brave Americans with an adequate number of commanders and representation in the joint arena is not just prudent—it is the right thing to do.

Senator Grassley, I am convinced that these additional general officer billets serve the best interest of our Services and our national defense. I am also convinced that the solution is not to bring the other Services down to our untenable position, but rather to grant us the minimal increase we need to properly perform those functions Congress has mandated and our nation expects. Our meeting on Wednesday afternoon should be productive—I am looking forward to an honest and open dialogue. Semper Fidelis!

Very respectfully,

C.C. KRULAK,
Commandant of the Marine Corps.

U.S. SENATE,
Washington, DC, July 24, 1996.

DEAR HOUSE CONFEREE: I am writing to encourage you to hang tough and do everything possible to block the Senate proposal that would give the Marine Corps 12 additional general officers.

The Senate argues that these additional Marine generals are needed to two reasons: (1) to fill vacant warfighting positions; and (2) to meet the requirements of the joint warfighting area mandated by the Goldwater-Nichols Act.

These arguments are nothing but a smoke screen for getting more generals to fill fat headquarters jobs.

In 1990, your Committee took a very straightforward, common sense approach to the question of how many general officers were really needed. Your Committee could see the handwriting on the wall. The military was beginning to downsize in earnest. As the force structure shrinks, your Committee said the number of general and flag officers should be reduced. New general officer active duty strength ceilings were established. The total number authorized had been set at 1,073 since October 1, 1980. The FY 1991 legislation reduced that number to 1,030 in 1991, including 68 for the Marine Corps. However, based on the projected 25% reduction in the force structure between 1991 and

1995, which in fact occurred, the number of general officers authorized to be on active duty was lowered to 858 by October 1, 1995, including 61 for the Marine Corps.

This is how your Committee explained the decision to cut the number of generals in 1990 (Report 101–665, page 268):

''The Committee believes that the general and flag officer authorized strengths should be reduced to a level consistent with the active force structure reductions expected by fiscal year 1995.''

The Senate Armed Services Committee report contained identical language (Report 101–384, page 159). But the Senate committee linked the need for fewer generals directly to a projected 25% reduction in the force structure. In addition, it provided a more detailed justification for the lower ceilings as follows:

''The committee believes that these ceilings should assist the military services in making critical decisions regarding the reduction, consolidation, and elimination of duplicative headquarters. The ceilings should also assist the military services in eliminating unnecessary layering in the staff patterns of general and flag officer positions.''

In reviewing your Committee's justification for lowering the general officer ceilings, there is no mention of the need to fill vacant warfighting positions—even though the Gulf War was looming on the horizon. And there was no mention of the need to fill joint billets mandated by Goldwater-Nichols.

Your Committee gave only one reason—the right reason—for reducing the number of general officers in 1990: The number of general officers should be reduced consistent with projected force structure reductions.

So what has changed since that legislation was adopted six years ago? Why has the Marine Corps fabricated a new rationale for more generals? Nothing has changed. DOD is continuing to downsize, and according to recent testimony by Secretary Perry, that process is expected to continue into the future (refer to page 254 of his Annual Report to Congress). Your guiding principle still applies: As the force structure shrinks, we need fewer general officers. It was valid then. It's still valid today.

So why is the Marine Corps trying to topsize when its downsizing? There is no reasonable explanation for giving the Marine Corps 12 extra generals. The extra 12 generals requested this year comes on top of an extra 7 Marine generals authorized just two years ago in special relief legislation.

In my mind, the issue boils down to one indefensible point: the Marine Corps is trying to keep up with the Joneses. This is a war over stars. The Marine Corps wants to have as many generals per capita as the other services. This is not the right way to resolve the problem. There is a better way. You should fix it in exactly the same way your Committee fixed it in 1990. You should fix it by giving each service the right number of generals—a number that matches the force structure.

I hope that reason prevails on this issue. At a minimum, I think the decision on the extra 12 Marine generals should be delayed until the Inspector General has conducted an independent review of all Department of Defense headquarters, commands, and general officer billets and determined exactly what is necessary based on real military requirements.

Sincerely,

CHARLES E. GRASSLEY,
U.S. Senator.

Mr. GRASSLEY. Mr. President, I would like to respond to General Krulak's letter.

This is the main point in his letter, and I quote General Krulak's own words:

The main thrust of your letter is that the number of general officers should be reduced consistent with force structure reductions.

This is General Krulak talking:

The reduction in end strength does not necessarily have a one-to-one correlation with command billet reduction.

He goes on to say:

This point is key: While the Marine Corps has reduced its end strength by 24,000 personnel, its three division, three wing structure has remained essentially unchanged. Those familiar with the military know that the requirement for general/flag officers is tied directly to the number of combat divisions and air wings—and that number has not been changed.

Mr. President, I would like to respond to General Krulak.

First, the suggestion that the number of generals should be reduced consistent with force structure reductions is not a rule dreamed up by the Senator from Iowa.

The rule was first put forward by the Senate Armed Services Committee years ago.

It has been expressed by the House Armed Services Committee.

It was the guiding principle used in formulating current law.

It is still in current law—section 526 of title 10, United States Code.

That law places a ceiling on the number of generals and admirals allowed on active duty.

This is the rule behind the law:

As the force structure shrinks, the number of generals and admirals should come down.

If the force structure expands, then the number of generals and admirals should go up.

That simple, commonsense logic has guided military planners since time began.

Second, General Krulak agrees that end strength has fallen.

However, he contends that the Marine Corps' combat force remains essentially unchanged.

Let's briefly review the facts.

In fiscal year 1987, Marine end strength was 199,525, including 70 generals.

Today, the fiscal year 1996, there are 172,434 marines, including 68 generals.

While end strength is down and two generals are gone, the Marine Corps still has three divisions and three airwings.

General Krulak is right about that. The force structure is intact.

Unfortunately, it's not whole. Some troops are missing.

The end strength is down by 27,091 Marines.

If the structure is still there, but some people are gone, that's a hollow force, isn't it?

Mr. President, is another hollow force creeping out of the Pentagon fog?

Mr. President, on July 17, I placed a Marine Corps briefing paper in the RECORD, page S7986.

That paper was entitled ''Making the Corps Fit To Fight.'' It was dated April 1996.

This is what it says:

Marine infantry battalions are at 57 percent of authorized requirements for platoon sergeants.

If that's true, then the Marine Corps structure is already getting hollow.

A Marine platoon can't function without a good sergeant.

Mr. President, do we need more generals to lead a hollow force?

Clearly, a hollow force doesn't demand more generals. Nor does a static force demand more generals.

Only a bigger force demands more generals, and that isn't in the cards right now.

Third, General Krulak introduces another argument to justify his request for more generals.

This one is designed to de-couple the issue from the force structure. This is how he tries to undo the logic.

He says he needs 12 more generals to fill joint billets mandated by the Goldwater-Nichols Act of 1986.

It's a distortion to suggest that Goldwater-Nichols mandates more generals when the force structure is shrinking.

Joint billets—just like service billets—should be squeezed as the force structure shrinks.

This is the message hammered home by Marine Gen. John Sheehan:

''Headquarters and defense agencies should not be growing as the force shrinks.''

That's General Sheehan, commander in chief of the U.S. Atlantic Command.

All the data points indicate that downsizing is continuing and will continue for the foreseeable future.

So the argument that more generals are needed to fill joint billets doesn't hold much water, either.

A few years back, the Marine Corps had another commandant. His name was Al Gray.

He was tough as nails. He was known as a mud marine.

He didn't look at the Marine Corps' needs like a bureaucrat would. He looked at it like a Marine—from the bottom up, starting with platoons and companies.

In a December 1987 interview with the Chicago Tribune, General Gray talked about his plans to fill his units with people from the bottom up. I quote:

'If the Marines fill their need for officers and troops before they get to the big headquarters in Washington,' he said with a grin, 'that might be a blessing in disguise.'

Mr. President, I ask unanimous consent that this interview be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Chicago Tribune, Dec. 13, 1987]

MARINES: MYTH VERSUS REALITY

MODERN CORPS IS BIG, COSTLY, HEAVY ON SUPPORTING CAST

(By David Evans)

WASHINGTON—The Marines have a new commandant, Gen. Alfred Gray, a veteran of

the Korean and Vietnam Wars. He's characterized by marines who know him as a self-taught thinker and a ''warrior's warrior.''

He inherits not one, but two Marine Corps. One is the corps of myth: small, cheap, and mostly fighters. A Marine Corps, if you will, designed to kick down the door of a defended coastline and put a lot of grunts on the beach in a hurry and looking for a fight.

Then there's the real Marine Corps: big, expensive, and with relatively few fighters but a big supporting cast. This real corps plans to land ashore where the enemy isn't.

Al Gray isn't very happy with this real corps.

''We're going to make some changes,'' he growls. ''It's time for a fresh, simple look.''

People are not his problem. Today's young marines are the highest quality ever, by any measure. They're enough to make a hard-boiled commander's eyes water with joy.

The real problems are deeper, and structural. They have to do with the rising cost of the Marines, a tail-wagging-the-dog support structure that pulls marines out of fighting units, and a new-found addiction to costly, exotic equipment.

Gray is already grousing about some of these problems.

''Americans expect their Marine Corps to put fully manned infantry battalions into the field,'' he said in a recent interview, ''not units missing 100 or more troops.''

That's an unusual admission from the man in charge of a corps of 20,000 officers and 180,000 enlisted marines. But over the years the corps bought equipment that took more people to maintain and repair, and it created more and larger headquarters units. These competing demands for manpower, in secondary support and headquarters activities, siphoned marines out of the fighting units.

The slogans remain—''Every marine is a rifleman''—and ringing speeches are still made about the infantryman as the corps' ultimate weapon. But in the real Marine Corps, the infantryman is steadily becoming an endangered species. Of the 180,000 enlisted marines, about 33,000 are officially designated as infantrymen.

Throw in the artillerymen, tank crews and combat engineers, and the total number of enlistees in the ''combat arms'' amounts to barely 51,000. Instead of closing with and destroying the enemy, the traditional role of marine fighting men, nearly three out of four enlisted marines are now doing something else; repairing equipment, hanging bombs on airplanes, driving trucks.

In this respect, the Marine Corps looks very much like the U.S. Army, where three out of four active-duty soldiers are in support functions, too.

Mark Cancian, a Marine Reserve major, sums up recent trends with this observation: If the corps' structure of 1962 were in place today, a structure that featured larger infantry battalions and less logistics support, ''there would be 17,000 more marines in Marine divisions—one entire division's worth.''

''Another insight,'' says Cancian, ''is to look at the number of 'trigger pullers' in the division.''

These are the marines who personally deliver fire on the enemy: the riflemen, artillery cannoneers, tank crews. Everybody else is helping to coordinate and support that fire, but the number of trigger pullers amounts to barely 7,500 in a division of 17,500 enlisted marines.

There are barely 22,500 ''trigger pullers'' in all three active divisions. Add a few hundred pilots flying close air support, say 500, and there are perhaps 23,000 marines in a corps of 200,000 whose primary duty is to personally fire on the enemy.

Most of these ''trigger pullers'' are found in the 27 infantry battalions that represent the cutting edge of the corps. Those battalions may be short the infantrymen they need, but they have plenty of headquarters over them: 29 regimental and higher level headquarters, in fact.

If the Marines have grown top-heavy with headquarters units, they've also become harder to move. Too heavy for easy deployment, despite Gen. Robert Barrow's warning as commandant in 1980 that the corps ''should be light enough to get there, and heavy enough to win.''

Artillery is an instructive example. The Marines ''heavied up''' their artillery from 105 mm. to 155 mm. howitzers, in part because the Army was shifting to heavier artillery, and in part because of the long range of Soviet guns. But the new howitzer has to be disconnected from the truck that pulls it before being loaded into the standard medium-size landing craft. And the truck doesn't have enough power to pull the gun through sand, so a forklift has to be waiting on the beach to pull the gun ashore.

Air units are more difficult to move, too. The Marines are replacing their aging F–4 fighters with new F–18s. According to the maintenance officer of a fighter group of 60 aircraft, the number of maintenance vans that must accompany the same number of F–18s went up 72 percent, from 150 vans to 260.

The Marines have become so heavy that the supplies for a full-up amphibious force of 50,000 marines fill about 6,800 containers, each as big as a small bus. Landed ashore, the containers blanket a huge area.

''About 22 acres of nothing but boxes,'' says a colonel, who asks: ''Can we afford a target that large?''

''Amphibious operations by their very nature require bulldozers and other heavy equipment,'' explains Lt. Col. Ken Estes, a staff officer at Marine headquarters.

All those support marines, the heavier equipment and the stacks of supplies cost more money. An E–3 lance corporal in an infantry squad costs $15,600 a year in pay and benefits; and E–6 staff sergeant clerking in a headquarters unit costs $22,800.

The new truck carries the same 5-ton load as the vintage model it replaces, but costs $31,000 more (in constant 1986 dollars.)

Heavier artillery shells for the new howitzer cost 160 percent more.

These are just a few examples of the thousand different ways the corps' appetite for money has ratcheted steadily upward.

The Marines are no longer the K mart of national defense; they are smack in the mainstream of an upscale defense establishment where costs are rounded to the nearest tenth of a billion dollars.

The corps' annual budget now hovers at $9 billion. Since the Navy buys airplanes for the Marines out of its ''blue dollar'' budget, the real cost of the corps runs closer to $13.7 billion a year, according to Pentagon budget experts.

Even the Marines may not realize how expensive they have become. In 1976 the total cost of equipping, paying and training each marine was about $37,000. That's in equivalent 1987 dollars. Since then, the per capital cost has rocketed to $68,000 for each marine—a stunning 83 percent increase. Part of that jump is the extra pay for more experienced marines, with the rest driven by the rising price of equipment and operations.

The cost is still less than the $104,000 the Army spends for every soldier, but the difference is narrowing, and fast.

If the taxpayers cannot afford the money-rich diet to which the Marines have grown accustomed, the Navy can't, either. Or at least it can't afford enough of the kind of highly specialized amphibious ships the Marines want.

The biggest new class of amphibious ships, for example, costs more than $1 billion and figures prominently in the planned expansion of the amphibious fleet from 62 to 76 vessels.

The Marines have rejected cheaper ships as a solution to the numbers problem. One design concept, known in the pentagon by the codeword LTAX, would have provided the same carrying capacity as the large amphibious ships now under construction, but at one-fourth their billion-dollar cost.

''LTAX didn't have the built-in survivability or creature comforts,'' admits a Pentagon naval expert, ''but it would have provided a way of complementing the limited number of true amphibious ships we can afford.''

If the Marines have erred by growing too heavy for easy deployment, they've also strayed from Gen. Barrow's timeless dictum by not being heavy enough in the right areas to win. In antitank combat, for example, the Marines' problem is more than serious—it is critical.

With the exception of the TOW missile, the Marines' infantry antitank weapons are not up to the job, according to a recent General Accounting Office report on antitank weapons. The warhead on the shoulder-launch AT–4 antitank rocket is too small for assured frontal kills against attacking Soviet tanks. Critics, including some marines, call the AT–4 ''the paint scratcher.''

Worse, the Marines probably are not buying enough TOWs. Their planned consumption rate in combat is one TOW missile per launcher every two days.

The Marines have had the Dragon medium-weight antitank missile for a decade, but its accuracy and punch are dismal. In combat, the GAO estimates the Dragon may hit the target only 8 out of 100 shots. Although the corps is upgrading the Dragon with a new warhead and sight, it will be years before the new weapons are in the hands of troops.

Moreover, the new warhead adds 2½ pounds to the missile's weight, which skeptics claim will reduce the Dragon's range. The first block of ''improved'' missiles may be less accurate, because the pulse rockets used for guidance corrections will be used up faster to counteract the added weight.

Maj. Gen. Ray Franklin, in charge of the Dragon improvement project, claims initial warhead tests are ''very impressive.'' He's hoping to field 15,000 new missiles for $60 million.

Other experts aren't so sure.

''They're getting super performance from prototype warheads,'' says an ammunition expert, ''and they're having nothing but problems trying to produce them in quantity.''

He believes the Dragon costs ''are going to go out of sight'' even if the production problems are solved, and Franklin won't get nearly what he hopes for the money.

If Marines on the ground aren't equipped to kill tanks, they'll need air support to do the job.

At enormous expense—$5 billion—the Marines have equipped five squadrons with British-designed AV–8B Harrier close air support jets. The Harrier doesn't have the right weapon for killing tanks, say a number of weapons experts familiar with its performance in live-fire tests.

The Harrier's 25 mm. cannon was tested extensively against tanks at Nellis Air Force Base in 1979. In 24 passes, the Harrier fired hundreds of shells, getting plenty of hits but not a single kill. Reportedly all but seven of the shells bounced off the tanks' armor. Test reports reveal the Air Force's 30 mm. cannon did much better, killing tanks in 60 percent of the firing passes.

Tom Amlie, a Pentagon weapons expert, says the Harrier's 25 mm. gun ''is too heavy for light work [shooting up trucks], and it's

too light for the heavy work of killing tanks.''

It may be suicidal for Harrier pilots to press their attacks to gun range, anyway. There isn't an ounce of armor on the Harrier, and its engine is wrapped in fuel tanks. A Naval Air Systems Command briefing reveals the Harrier is 10 times more vulnerable to ground fire, given a hit, than the Marines' F–18 fighter, and 20 times more vulnerable than the Navy's A–7 attack jet.

Instead of flying Harriers into the teeth of the thousands of automatic weapons found in a Soviet motorized rifle division, the preferred method is to employ so-called ''stand-off'' weapons. These are missiles or bombs that can be guided to their targets from outside the range of enemy weapons.

''That's why they're ga-ga for laser-guided Maverick missiles,'' concludes E.C. Myers, former director of air warfare in the Pentagon.

The Maverick is tricky to use against tanks, however. Of 100 Harrier test runs against tank targets in 1985, the Center for Naval Analysis found the pilots were successful in finding, locking-on and firing only 6 percent of the time.

The Marines could use their F–18 fighters armed with Rockeye cluster bombs against tanks. Because the Rockeye spreads bomblets over a wide area, it cannot be employed close to front-line marines. Even so, it is not a very effective weapon. Defense Department munitions effectiveness manuals indicate that four Rockeyes have less than 50 percent chance of killing one tank.

The real Marine Corps, it seems, is ill-equipped, both on the ground and in the air, to defeat massed tank attacks. And this kind of attack is the Sunday punch of the Soviet army and Third World armies equipped with Soviet weapons.

''We're not pleased with what we have for air work against tanks,'' admits Maj. Gen. Charles Pitman, the assistant chief of Marine aviation. He hopes improved Mavericks will solve the problem.

Perhaps the biggest problem is whether the country can afford the Marines' ambitious plans for the future.

The Marines are touting a new landing concept.

''We have to come from over the horizon,'' says Gen. Gray, to avoid exposing the amphibious fleet to shore-based antiship missiles.

But new equipment is needed to carry troops and equipment the greater distance to the beach. One is a hovercraft called LCAC (for Landing Craft Air Cushion,) which can ''fly'' over underwater and beach obstacles.

The Marines also say they need a new kind of aircraft called the MV–22 tilt-rotor. The MV–22 will take off like a helicopter and fly like an airplane, tilting its engines to again land like a helicopter. The new tilt-rotor would be used land marines as far as 25 miles inland.

Freed of traditional beach landing restrictions, the Marines say they can threaten a much wider coastline. The enemy commander, accordingly, will be forced to choose between spreading his forces or leaving large areas undefended.

The Marines plan to exploit either choice by punching through a weak and over-extended cordon defense, or by landing at undefended spots to quickly build up forces ashore, before the enemy can move and counterattack.

''If we're going to land where the enemy isn't,'' observes one colonel who's skeptical of the new concept, ''why bother staying way offshore, over the horizon? We have enough trouble landing at the right spot from 4,000 yards offshore.''

''For the actual landing,'' he says, ''we've moved the mother ships from 4,000 yards offshore to 25 miles. We've increased the distance more than 12 times, but the hovercraft is only 5 times faster. We're worse off.''

The speed advantage of the tilt rotor over current helicopters may be illusory, too. Three out of four tilt-rotor helicopters making the 50-mile trip from ship to inland landing zones will be toting loads that are too big and heavy to be carried inside. They'll be slung underneath, and some pilots say these ''external'' loads will reduce the tilt-rotor's speed further.

The experimental tilt-rotor now flying has never carried an external load.

Ultimately, the marines must use beaches accessible by conventional landing boats anyway. The new hovercraft and tilt-rotor aircraft will carry ashore only 12 percent of the troops, 6 percent of the vehicles and two-tenths of 1 percent of the ammunition and supplies. Everything else will have to be moved ashore in conventional landing craft, which will be restricted to the 17 percent of the world's coastlines where the water and beach conditions are suitable.

''The enemy will know the entry points on his own coastline that lead to meaningful objectives,'' says a former Defense Department official who questions the new landing concept. ''That's where he's going to defend, and that's the ground the marines will have to take.''

''We delude ourselves by retaining the 'assault' label,'' says Col. Gordon Batchellor, a highly regarded tactician, ''as we quietly build a scenario where movement, but no assault, occurs.''

This force structure, he maintains, ''will be useless when a true assault is called for.''

The new landing concept is expensive. Each air-cushioned hovercraft costs $20 million and can carry a single 70-ton tank ashore. For the same money, the Navy could buy four heavy ''utility'' size landing craft, called LCUs, each of which carries 175 tons.

A study by the House Armed Services Committee concluded the tilt-rotor aircraft will cost more than $35 million apiece; the CH–53E helicopter, which can carry twice the payload, costs $16 million. The extra speed and range being built into the tilt-rotor make up $15 billion of the total $25 billion cost of this program.

The Marines are buying into a number of hugely expensive and technically risky programs like the tilt-rotor. With these systems, they can range up and down enemy coastlines, jabbing here and there, but the Marines may well be giving up the capability to deliver the body blows of serious war fighting.

Gen. George Patton, no stranger to amphibious operations, once said: ''A sparrow can outmaneuver an eagle, but he is not feared. Speed and mobility not linked with fighting capacity are valueless. Wars are won by killing.''

Yet it seems the sparrow is the Marine Corps look for the future.

This situation may be perfect for Al Gray. After all, the warrior is the man of bold decision in the face of adversity, and Gray, as ''peacetime warrior,'' is facing monumental problems. His budget is a fiscal Mt. St. Helens, unable to contain the explosive pressures of bills now coming due for costly programs started years ago.

''I don't believe in watering down our requirements,'' he says, but he's also sending out strong signals that some requirements may be revised. ''We're going to look from the bottom up,'' he says, at the entire Marine Corps, ''starting with platoons and companies.''

Gray plans to fill the units with people from the bottom up, too. If the Marines fill their need for officers and troops before they get to their big headquarters in Washington, he grins, ''that might be a blessing in disguise.''

He wants to move with breath-taking speed, bringing all the infantry battalions up to full strength by next summer, adding a fourth rifle company to each battalion as well. Those two actions will put almost 6,000 infantrymen back into the cutting edge.

''We're going back to everybody being an infantryman, too,'' Gray promises. And he wants extra combat training for all marines, regardless of speciality. ''The way we used to do it,'' he adds.

What else can he do? A number of civilian experts and Marine officers concerned about the future of the corps suggest a few basic actions.

Eliminating unnecessary staffs is near the top of the list. More than half of them are not needed under the most demanding Pentagon plan for the Marine Corps, which calls for the simultaneous employment of an amphibious force and four brigades. Those commitments require only 13 of the 29 regimental and higher-level staffs the Marines now have, leaving 16 of them unemployed.

At one stroke, Gray could cut the headquarters overhead by 55 percent, saving millions of dollars in manpower costs that could be applied elsewhere.

With a quick trip to Europe, Gray can get the weapons that marine infantrymen need to kill tanks. European antitank weapons are generally heavier than their American equivalents, largely because they have bigger warheads. The West Europeans, who live much closer to those 50,000 Soviet tanks, build weapons to kill them.

The Marines don't have to wait years for an improved Dragon, which still exists largely as a ''paper'' design. The West German Panzerfaust III and the French Apilas, two shoulder-launched rockets now in production, are good for short-range work. For longer-range antitank engagements, the Milan missile, combat-proven in Chad, is available.

The Marines could buy 30 mm. gun pods to strap onto their close support aircraft.

''The gun is the only way to kill tanks in close,'' says Rep. Denny Smith (R., Ore.), who is prepared to help Gray get the pods. They're cheap at roughly $300,000 each.

For the price of half the Maverick missiles the Marines want to buy, they could buy 30 mm. gun pods for every jet aircraft in the corps. And they'd still have three times the 800 Mavericks they now possess.

Among the corps' friends and critics, there is a nearly universal belief that the Marines have lost focus. Instead of concentrating on the basics, says Smith, ''they're trying to capture hardware programs for a bigger budget share.''

A number of Pentagon officials, who prefer to remain anonymous, echo those sentiments, citing the ''over-the-horizon'' landing concept as little more than a technical scenario for justifying expensive new programs like the hovercraft and the tilt-rotor.

The concept that epitomizes what may be the most important problem Gray inherits: the pervasive failure to separate tactical needs from technical wants.

Tactically, the Marines needed a close air support aircraft. Technically, they lusted for the Harrier, a jet that could take off and land vertically. Now, they've got the most vulnerable close air support airplane in the world.

Tactically, the Marines needed lots of landing craft to get to the beach. Technically, they coveted the air-cushion hovercraft, which is quite literally a ''helicopter with the roof off.'' Now they've sacrificed the build-up rate ashore.

Gray appears to be sensitive to these problems. While he remains outwardly committed to the Harrier and the tilt-rotor program, he worries about the pervasive fascination at the staff level with ''programmatic forces'' instead of real ''fighting forces.''

However, Gray is also sending out mixed signals to the working level marines who have to translate his reformist zeal into detailed plans and budgets. For example, he wants to buy an assault gun, a form of light tank, which resurrects a weapon that failed miserably in World War II.

When the Marines start sorting out their must-have tactical needs from nice-to-have technical wants, they're likely to discover a lot they can do without.

They just might figure out a way to produce a Marine Corps the country can afford.

If Gray is successful in making the real, the heavy and expensive corps more like the lean, tough, deployable Marine Corps of myth, the Marines will be restored to what he calls ''real preparedness.''

''Anybody can have a bag full of numbers to look good,'' he says. ''We're going to make sure we have the right people and organizations for combat.

Mr. GRASSLEY. If General Krulak would look from the bottom up, instead of the top down, he would quickly realize that sergeants and lieutenants are needed more than generals.

Mr. President, I will be meeting with General Krulak in the near future to discuss this issue.

I hope we both come away from this meeting with a fresh perspective on what the Marine Corps really needs right now.

Mr. BIDEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware.

DECISION BY THE FIRST CIRCUIT COURT OF APPEALS

Mr. BIDEN. Mr. President, I rise this evening to discuss a decision handed down by the First Circuit Court of Appeals, and I will be introducing a bill to correct what I think was a serious mistake the court made.

Mr. President, let me briefly discuss the court's decision. A few months ago, the First Circuit Court of Appeals made, in my view, a serious mistake—a very big mistake. It said that the term ''serious bodily injury,'' a phrase used in one of our Federal statutes, does not include the crime of rape.

Mr. President, let me tell you about this case. One night near midnight, a woman went to her car after work. While she was getting something out of the back seat of her car, a man came up behind her with a knife and forced her into the back seat of her own car. He drove her to a remote beach, ordered her to take off her clothes, made here squat down on her hands and knees, and he raped her. He raped her. After the rape, he drove off in her car, leaving her alone on the side of the road naked.

This man was convicted under the Federal carjacking statute. That statute provides for an enhanced sentence of up to 25 years if the convicted person inflicts serious—the term of art—serious bodily injury.

If he inflicts serious bodily injury in the course of the carjacking, the statute provides for an enhanced sentence, a longer sentence, of up to 25 years.

When this case got to the sentencing phase, after the defendant had been convicted of raping the woman in the manner that I just pointed out, the prosecutor asked the court to enhance the sentence, because under the statute if serious bodily injury occurred, then an additional 25 years was warranted. And the prosecutor reasoned, as I do, that rape constituted serious bodily injury.

The trial judge agreed with the prosecutor and gave the defendant the statutory 25-year maximum, finding that rape constituted serious bodily injury. But when the case went up to the First Circuit Court of Appeals, that court said no. It said, if you can believe it, that rape is not serious bodily injury.

Mr. President, I have spent the bulk of my professional career as a U.S. Senator and prior to that as a lawyer making the case that we do not take seriously enough in this country the crime of rape, and until we do we are not going to be the society we say we wish to be and we are not going to impact upon the injury inflicted on women in this society.

But the Circuit Court of Appeals ruled that rape does not constitute serious bodily injury under our statute. To support its ruling—and I am now quoting the opinion of the First Circuit Court of Appeals—the court said: ''There is no evidence of any cuts or bruises in her vaginal area.''

I apologize for being so graphic, but that is literally a quote from the court ruling. That, in my view, is absolutely outrageous.

Senator HATCH and I and Congressman CONYERS in the House are going to be offering a bill to set matters straight. Under the U.S. Criminal Code, serious bodily injury has several definitions. It includes a substantial risk of death, protracted and obvious disfigurement, protracted loss or impairment of a bodily part or mental faculty, and it also includes extreme physical pain. It takes no great leap of logic to see that a rape involves extreme physical pain. And I would go so far as to say that only a panel of male judges could fail to make that leap and even think, let alone rule, that rape does not involve extreme pain.

Rape is one of the most brutal and serious crimes any woman can experience. It is a violation of the first order, but it has all too often been treated like a second-class crime. According to a report I issued a few years ago, a robber is 30 percent more likely to be convicted than a rapist. A rape prosecution is more than twice as likely as murder prosecutions to be dismissed. A convicted rapist—and I want to get this straight—is 50 percent more likely to receive probation than a convicted robber. And you tell me that we take this crime we say is one of the most heinous crimes that can be committed by one human being on another seriously?

Look at those statistics. We treat robbery—robbery—more seriously than we do rape. No crime carries a perfect record of arrest, prosecution and incarceration, but the record for rape is especially wanting. The first circuit decision helped explain why, in my opinion. Too often our criminal justice system, as the phrase goes, just doesn't get it when it comes to crimes against women.

I acknowledge men can and have been raped as well, and a similar infliction of pain occurs, but the fact is well over 95 percent of the rapes are rapes of women.

If the first circuit decision stands, it would mean that a criminal would spend more time behind bars for breaking a man's arm than for raping a woman. If a carjacking occurred, and I was the man whose car was carjacked, and in the process of the carjacking my arm was severely broken, for that fellow who was convicted of raping the woman, had he broken my arm, there is no doubt the prosecution's request for an enhanced penalty of 25 years would have been upheld.

Think of that. We have a statute on the books that says you can enhance a penalty to 25 years for carjacking and inflicting serious bodily harm. Had it been a man with a broken arm, that guy would have been in jail for 25 years. But this was a woman who was raped. The court said, no, it does not meet the statutory requirement of serious bodily injury.

For 5 long years, Mr. President, I worked to pass a piece of legislation that I have cared about more than any other thing I have done in my entire Senate career and the thing of which I am most proud. That is the Violence Against Women Act. My staff and I wrote that from scratch. It took a long time to convince our colleagues and administrations, Democrat and Republican, that it was necessary. For 5 long years we worked to pass that law.

The act does a great many practical things. It funds more police and prosecutors specifically trained and devoted to combating rape and family violence. It trains police, prosecutors and judges in the ways of rape and family violence so that they can better understand, as, in my view, the first circuit did not understand, the nature of the problem and how to respond to the problem.

The violence against women legislation provides shelter for more than 60,000 battered women and their children. It provides extra lighting and emergency phones in subways, bus stops and parks because of the nature in which the work force has changed.

The woman sitting behind me who helped author that legislation is here at 9:30 at night. In my mother's generation, there were not many women who left work at 9:30 or 10:30 at night.

Today, there are millions and millions, like men, who do, and we recognize the need to protect them better than they have been by providing the most effective—the most effective—crime prevention tool there is: lighting. It provides for more rape crisis centers. It sets up a national hotline that battered women can call around the clock to get advice and counseling.

I am working on the ability for them when they call to also be able to get a lawyer who will handle their case pro bono—for free—and help guide them through the system. They were getting rape education efforts going with our young people so we can break the cycle of violence that begets violence.

I might note parenthetically, one of the reasons I wrote this legislation initially, the Violence Against Women Act, is that I came across an incredible study, a poll done in the State of Rhode Island, of, I think, seventh, eighth and ninth graders. I am not certain, to be honest. I think seventh, eighth and ninth graders.

It asks, in the poll conducted, the survey, ''If a man spends $10 on a woman, is he entitled to force sex on her if she refuses?'' An astounding 30-some percent of the young men answering the question said, ''Yes.'' But do you know what astounded me more? Mr. President, 25 percent of the young girls said ''yes'' as well. We have a cultural problem here that crosses lines of race, religion, ethnicity, and income. We just do not take seriously enough the battering of our women—our women, is the way our friends like to say it—of women in this country. This is especially true when it comes to victims who know their assailants. For too long we have been quick to call these private misfortunes rather than public disgraces.

The Violence Against Women Act also meant to do something else beyond the concrete measures that I mentioned. It also sent a clarion call across the land that crimes against women will no longer be treated as second-class crimes. For too long the victims of these crimes have been seen, not as innocent targets of brutality, but as participants who somehow bear some shame or even some responsibility for the violence inflicted upon them.

As I said, this is especially true when it comes to victims who know their assailants. For too long we have been quick to call theirs a private misfortune rather than a public disgrace. We viewed the crime as less than criminal, the abuser less than culpable, and the victim as less than worthy of justice.

In my own State of Delaware, until recently, if a man raped a woman he did not know, he was eligible, if he brutally did it, to be convicted of first-degree rape. But do you know what? We had a provision in our law, and many States had similar provisions, that said if the woman knew the man, if the woman was the social companion of the man, then he could only be tried for second-degree rape, the inference being that somehow she must have invited something because she knew him, she went out with him.

It seems to me we have to remain ever vigilant in our efforts to make our streets and our neighborhoods and our homes safer for all people, but in this case particularly for women. We need to make sure right now that no judge ever misreads the carjacking statute again and undermines the overwhelming purpose of my legislation in the first place, which was to change the psyche of this Nation about how we are to deal with the brutal act of rape. It is not a sex crime, it is an act of violence, a violent act.

Now, one of the most respected courts in the Nation has come down and said it does not constitute serious bodily injury. So, Mr. President, we need to make sure right now that no judge ever misreads the carjacking statute again. We need to tell them what we intend, what we always intended, that the words ''serious bodily injury'' mean rape, no ifs, ands, or buts. The legislation, a bill to be introduced by myself and Senator HATCH and others, does just that. It says, and I will read from one section:

> Section 2119(2) of title 18, United States Code, is amended by inserting '', including any conduct that, if the conduct occurred in the special maritime or territorial jurisdiction of the United States, would violate section 2241 or 2242 of this title'' after ''(as defined in section 1365 of this title)''.

Translated into everyday English it means, serious bodily injury means rape. No judge will be able to, no matter how—I should not editorialize. No judge in the future, once we pass this legislation, will be able ever again to say that serious bodily injury does not include rape.

I thank Senator HATCH, and I would like to particularly thank Demetra Lambros, who is sitting behind me, a woman lawyer on my staff who worked with Representative CONYERS' staff to write this legislation, for the effort she has made and for calling this to my attention. I also thank Senator HATCH, who has always been supportive and very involved in this, and his staff, and Congressman CONYERS, the ranking member of the House Judiciary Committee.

I am confident if every Member—this is presumptuous for me to say, Mr. President—but as every Member of the Senate becomes aware of what this does, I cannot imagine there is anyone here or anyone in the House who will not support it.

I thank the Chair. I realize the hour is late. I thank the Chair for indulging me. Tomorrow, hopefully, we will be in a position to bring this legislation up and pass it.

I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa.

MORNING BUSINESS

Mr. GRASSLEY. Mr. President, for our distinguished majority leader, I make the following request. I ask unanimous consent that there now be a period for the transaction of morning business, with Senators permitted to speak for up to 5 minutes each.

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

MARITIME SECURITY PROGRAM

Mr. LOTT. Mr. President, I have always been a strong supporter of the U.S.-flag merchant marine, and America's maritime industry. That is why, last year I introduced the Maritime Security Act of 1995. This bill is the product of nearly a decade of bipartisan and bicameral effort. It will reform, streamline, and reduce Federal support for the U.S.-flag merchant marine, while at the same time revitalizing our U.S.-flag fleet.

The starting point for the Maritime Security Program is the simple and valid premise that America's merchant marine is a vital component of our military sealift capability.

Thus, in order to protect our military presence overseas, we must have a modern, efficient, and reliable sealift. On this point, the assessment of our Nation's top military leaders is unequivocal. Our military needs a U.S.-flag merchant marine to carry supplies to our troops overseas. We cannot, in fact, we must not, rely on foreign ships and foreign crews to deliver supplies into hostile areas.

Just recently I receive a letter from Adm. Thomas Moorer, the former Chairman of the Joint Chiefs of Staff, and Rear Adm. Robert Spiro, a former Under Secretary of the Army. They both enthusiastically endorsed the legislation. I have added this letter to a stack of letters sitting on my desk from many other distinguished military leaders who also have strongly backed the Maritime Security Act.

Not long ago, I also received endorsements of the Maritime Security Act from the Honorable John P. White, the current Deputy Secretary of Defense, and the Honorable John W. Douglass, the current Assistant Secretary of the Navy for Research, Development and Acquisition.

I also have received numerous letters from members of the Navy League of the United States.

Clearly, there is visible support from both the active and retired military community for the recognized value of this program.

The Maritime Security Act will ensure that our Nation will continue to have access to both a fleet of militarily useful U.S.-flag commercial vessels, and a cadre of trained and loyal U.S.-citizen crews. What's more, under this bill our military planners will gain access to the onshore logistical and intermodal capabilities of these U.S.-flag vessel operators. Instead of just getting a ship, our military gets access to port facilities worldwide, state-of-the-art computer tracking systems, intermodal loading and transfer equipment,

and so on. And our Nation get these benefits for less than half the cost of the current program.

This is both a fiscal and national security bargain.

Let me make this point clear. This is not a blanket handout to the maritime industry. To participate in the Maritime Security Program, each vessel must be approved by the Secretary of Defense. And participation is limited to vessels actively engaged in the international maritime trades.

Make no mistake about it—without it the American maritime flag will disappear from the high seas. The U.S.-flag merchant marine that has helped to sustain this country in peace and has served with bravery and honor in wartime will be gone.

I don't believe that any American wants that day to come.

Provisions of this bill have been considered and discussed in nearly 50 public hearings in either the House or the Senate. These hearings were full and open. All interested parties, both for and against this approach, have had notice and opportunity to make comments, criticisms and corrections. In 9 years, this inclusive process has insured the incorporation of all valid provisions into a balanced and responsible public policy which advances and revitalizes an integral segment of America's economy and culture. This inclusive process is reflected in the deep respect and support for this legislation across a wide political and social spectrum.

The House passed the bill in December on a voice vote, with overwhelming and loud bipartisan support. I have been told that the President intends to sign this bill promptly after its final passage here in the Senate.

Mr. President, the Senate has a responsibility to provide for the Nation's defense. And this bill represents the most cost-effective way to make sure that our military has the sealift capabilities it needs to protect our interests around the world. It marks a dramatic departure from our previous maritime programs. The entitlements are gone, and they have been replaced by a vigorous fiscal discipline and dynamic marketplace.

Mr. President, I urge all of my colleagues to stand with me in support of this legislation when it comes to the floor.

Mr. President, this is a bill we must pass before this Congress goes into recess for this fall's elections. It is my hope that the Senate will consider the Maritime Security Act on the floor in September.

FOREIGN OPERATIONS APPROPRIATIONS BILL

Mr. KYL. Mr. President, I am pleased and honored to offer an amendment to the Foreign Operations Appropriations bill for assistance to Ukraine. Ukraine's achievement this year in the areas of ethnic stability, human rights and constitutional reform are significant, and fully justify the substantial earmark of aid being proposed. My proposal will not change the total amount of the appropriation, but it will provide assurance that appropriated funds will be used in the interest of both the United States and Ukraine.

I believe that the best forms of foreign aid are those which strengthen the recipient from within and lead toward self sufficiency and, ultimately, independence from any assistance from the United States or other foreign sources.

In this spirit, I propose this earmark in the amount of $25 million for the purpose of helping to create a complete, modern system of commercial law in Ukraine, including not only substantive laws which are compatible with international standards but also training and equipping of an independent judiciary and legal profession, which as we know are the cornerstones of law-based economy.

Such a fundamental transformation—from a totalitarian command economy to a self-sustaining free market—cannot be achieved without substantial technical assistance. Until now, assistance for comprehensive commercial law reform has been provided to Ukraine largely through pro bono publico, through a commendable program of donated aid known as the Commercial Law Project for Ukraine. These private efforts, no matter how praiseworthy, are inadequate to bring about the fundamental reforms which are so urgently needed, the earmark which I propose would fill that need and bring the goal of economic self-sufficiency for Ukraine closer to a reality.

The philosopher John Locke wrote, ''Where law ends, tyranny begins.'' It is also true that, where law begins, tyranny ends. In this spirit, I propose an earmark for legal and commercial law restructuring in Ukraine.

I ask unanimous consent to have printed in the RECORD three letters in support of this amendment from Yuri Shcherbak, Ambassador of Ukraine, Orest A. Jejna, President of the Ukrainian American Bar Association, Askold Lozynskyj, President of the Ukrainian Congress Committee of America.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

EMBASSY OF UKRAINE,
Washington, DC, July 5, 1996.

Re foreign assistance appropriations for fiscal year 1997—sub-earmark for legal reform-commercial law restructuring.

Hon. MITCH MCCONNELL,
U.S. Senate,
Washington, DC.

DEAR SENATOR MCCONNELL: Thank you very much for your successful sponsorship of a foreign aid earmark for Ukraine in the Foreign Operations Subcommittee. Please call on me or my staff at any time if we can assist you in the coming weeks to win Congressional approval of the earmark.

I am writing at this time to indicate my support for the addition of a sub-earmark for legal reform and commercial law restructuring as recently proposed by the Ukrainian American Bar Association. I respectfully request that you support the addition of such a sub-earmark, which will help to assure that U.S. assistance will promote the establishment of the rule of law in Ukraine.

This sub-earmark would be especially encouraging for my country in respect to the adoption of the New Constitution of Ukraine and preparation of a great number of legislative acts following the Constitution.

Ukraine wants from the U.S. only that assistance which will make her self-sufficient and independent of all foreign aid. Proposals such as that by the Ukrainian American Bar Association help to bring the goal of self-sufficiency closer to realization.

Thank you once again for your support for our common cause of revitalization of Ukraine.

With warmest regards, I remain,

Respectfully,

YURI SHCHERBAK,
Ambassador of Ukraine to the USA.

UKRAINIAN AMERICAN
BAR ASSOCIATION,
Phoenix, AZ, July 2, 1996.

Senator MITCH MCCONNELL,
Russell Senate Office Building,
Washington, DC.

DEAR SENATOR MCCONNELL: Thank you for your sponsorship of an earmark of aid to Ukraine. Your courageous advocacy has promoted vital U.S. interests while bringing freedom to the people of Ukraine.

I want to add my voice to those who are requesting inclusion of an additional subearmark for legal reform and commercial law restructuring as necessary to support a decentralized, market-oriented economy. The funds granted to date by the U.S. government for comprehensive commercial law reform in Ukraine have been woefully inadequate to provide Ukraine with the necessary foundation for a functioning private sector.

I believe it is encumbent upon Congress to support assistance projects which will promote Ukraine's self-sufficiency and eventual independence from U.S. foreign aid. Commercial law reform and other fundamental legal reforms are among the most important priorities in achieving self-sufficiency for Ukraine.

If it is feasible at this juncture, I urge Congress to adopt an additional subearmark for legal reform in Ukraine as follows:

''$25,000,000.00 for legal restructuring necessary to support a decentralized market-oriented economic system, including the creation of all necessary substantive commercial law, all reforms necessary to establish an independent judiciary and bar, legal education for judges, attorneys and law students, and public education designed to promote understanding of a law-based economy.''

If you wish any additional information on the position of the Ukrainian American Bar Association, do not hesitate to contact me at (602) 254–3872. Thank you for your consideration of this subject of vital concern.

Respectfully,

OREST A. JEJNA,
President.

UKRAINIAN CONGRESS,
COMMITTEE OF AMERICA,
New York, NY, June 11, 1996.

Hon. MITCH MCCONNELL,
U.S. Senate,
Washington, DC.

Dear Senator McConnell: On behalf of the Ukrainian Congress Committee of America, Inc. (UCCA), the representative organization of the Ukrainian-American community, please allow me to once again thank you for your leadership in the passage of the $225

million earmark for Ukraine in FY 1996. The continuance of foreign aid to Central Europe and Ukraine are vital to the security of the United States and the entire world. More importantly, foreign assistance, which is properly distributed, will help insure the stability and security of Ukraine.

Since independence almost five years ago, Ukraine and its people have been striving for political, economic, and social reform. The issue at hand is that Ukraine, like many other developing countries, cannot accomplish these reforms alone. Only by the guidance and assistance of the United States can Ukraine endure this transition period.

It has come to the attention of the UCCA that during the upcoming deliberations in the Senate Sub-Committee for Foreign Operations, the opportunity to introduce another $225 million earmark for Ukraine will likely present itself, though issues remain as to how that earmark will be sub-marked. The UCCA strongly endorses the following programs as sub-earmarks for the next fiscal year.

A sub-earmark of $50 million for energy-sector restructuring, designed to alleviate Ukraine's critical need for energy resources and to improve efficiency of its large fossil-fuel and nuclear plants, therefore lessening the chances of another catastrophic nuclear accident of global proportions;

A sub-earmark of $50 million for the continued reform of the agricultural sector in Ukraine under the Food Systems Restructuring Program (FSRP) to be matched with private sector funding. Presently, the agricultural sector in Ukraine comprises nearly 60% of its GDP. For Ukraine to become economically self-sufficient, it must be provided the opportunity for greater efforts to enhance agricultural reform;

A sub-earmark of $45 million for the creation of a business incubator center that provides seed capital, as well as lending and equity investments to promote the growth of small- and medium-sized businesses in Ukraine.

A sub-earmark for $25 million for legal system restructuring, designed to reform the Ukrainian judiciary system and provide Ukraine with critically needed course materials for its law schools. Commercial law reform also remains vital in identifying the types of law and legal procedures which are necessary for the operation of a decentralized free market economic system, with special emphasis on contract enforcement mechanisms and the establishment of arbitration courts;

A sub-earmark of $20 million for business development programs targeting the privatization of large-scale enterprises, which would further stimulate the growth of the private sector in Ukraine;

A sub-earmark of $15 million for democracy-building programs that enable the development and expansion of efforts for further democratization in Ukraine;

A sub-earmark of $10 million for medication, hospital supplies, and training of physicians under a program to facilitate the treatment of cancers and other diseases related to the Chornobyl nuclear accident;

A sub-earmark of $5 million to promote the formation of independent broadcast and print media centers, essential elements of a democratic, law-based society; and

A sub-earmark of $4.5 million for FBI legal attaché offices, intended to respond to the increased threats of international terrorism and the troubling rise of corruption and organized crime in the former Soviet region which directly jeopardize U.S. interests at home and abroad.

Furthermore, business and university partnerships between Ukraine and U.S. should be developed to enhance a cooperation of business expertise and knowledge. These programs would provide training for sophisticated technology use and advance Ukraine in its commitment for economic reform. I urge that you consider the sub-earmarks proposed, which would guarantee Ukraine its fair share of the foreign aid directed to the NIS.

Again, thank you for your dedication to Ukraine's course of economic and political reform. If you have any questions, please feel free to contact Michael Sawkiw, Jr., Director of the Washington, D.C. office of the UCCA at (202) 547–0018 (tel) or (202) 543–5502 (fax).

Sincerely,

ASKOLD S. LOZYNSKYJ,
President.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, four years ago when I commenced these daily reports to the Senate I wanted to make a matter of daily record the exact Federal debt as of the close of business the previous day.

In my first report on February 27, 1992, the Federal debt the previous day stood at $3,825,891,293,066.80, at the close of business. The Federal debt has, of course, shot further into the stratosphere since then. (At the close of business yesterday, Monday, July 29, an additional $1,356,563,675,813.41 had been added to the Federal debt since February 26, 1992.)

That means, Mr. President, that the exact Federal debt stood yesterday at $5,182,454,968,880.21, which on a per capita basis means that every man, woman, and child in America owes $19,527.65 as his or her share of the Federal debt.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Thomas, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the Committee on Armed Services.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 11:53 a.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bills and joint resolution, without amendment:

S. 531. An act to authorize a circuit judge who has taken part in an in banc hearing of a case to continue to participate in that case after taking senior status, and for other purposes.

S. 1757. An act to amend the Developmental Disabilities Assistance and Bill of Rights Act to extend the act, and for other purposes.

S.J. Res. 20. A joint resolution granting the consent of Congress to the compact to provide for joint natural resource management and enforcement of laws and regulations pertaining to natural resources and boating at the Jennings Randolph Lake Project lying in Garrett County, Maryland and Mineral County, West Virginia, entered into between the States of West Virginia and Maryland.

The message also announced that the House disagrees to the amendments of the Senate to the bill (H.R. 3603) making appropriations for agriculture, rural development, Food and Drug Administration, and related agencies programs for the fiscal year ending September 30, 1997, and for other purposes, and agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon; and appoints Mr. SKEEN, Mr. MYERS of Indiana, Mr. WALSH, Mr. DICKEY, Mr. KINGSTON, Mr. RIGGS, Mr. NETHERCUTT, Mr. LIVINGSTON, Mr. DURBIN, Ms. KAPTUR, Mr. THORNTON, Mr. FAZIO, and Mr. OBEY as the managers of the conference on the part of the House.

At 5:39 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. 3907. An act to facilitate the 2002 Winter Olympic Games in the State of Utah at the Snowbasin Ski Area, to provide for the acquisition of lands within the Sterling Forest Reserve, and for other purposes.

At 6:32 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House disagrees to the amendment of the Senate to the bill (H.R. 3540) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1997, and for other purposes, and agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon; and appoints Mr. CALLAHAN, Mr. PORTER, Mr. LIVINGSTON, Mr. LIGHTFOOT, Mr. WOLF, Mr. PACKARD, Mr. KNOLLENBERG, Mr. FORBES, Mr. BUNN, Mr. WILSON, Mr. YATES, Ms. PELOSI, Mr. TORRES, Mrs. LOWEY, and Mr. OBEY as the managers of the conference on the part of the House.

The message also announced that the House disagrees to the amendment of the Senate to the bill (H.R. 3610) making appropriations for the Department of Defense for the fiscal year ending September 30, 1997, and for other purposes, and agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon; and appoints Mr. YOUNG of Florida, Mr. MCDADE, Mr. LIVINGSTON, Mr. LEWIS of California, Mr. SKEEN, Mr. HOBSON, Mr. BONILLA, Mr. NETHERCUTT, Mr. ISTOOK, Mr. MURTHA, Mr. DICKS, Mr. WILSON, Mr. HEFNER, Mr. SABO, and Mr. OBEY as the managers of the conference on the part of the House.

The message further announced that the House disagrees to the amendments of the Senate to the bill (H.R. 3754)

making appropriations for the Legislative Branch for the fiscal year ending September 30, 1997, and for other purposes, and agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon; and appoints Mr. PACKARD, Mr. YOUNG of Florida, Mr. TAYLOR of North Carolina, Mr. MILLER of Florida, Mr. WICKER, Mr. LIVINGSTON, Mr. THORNTON, Mr. SERRANO, Mr. FAZIO, and Mr. OBEY as the managers of the conference on the part of the House.

MEASURES REFERRED

The following concurrent resolution, previously received from the House of Representatives for the concurrence of the Senate, was read and referred as indicated:

H. Con. Res. 198. Concurrent resolution, the use of the Capitol Grounds for the first annual Congressional Family Picnic; to the Committee on Rules and Administration.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. STEVENS, from the Committee on Governmental Affairs, with an amendment in the nature of a substitute:

S. 1130. A bill to provide for the establishment of uniform accounting systems, standards, and reporting systems in the Federal Government, and for other purposes (Rept. No. 104–339).

By Mr. HATCH, from the Committee on the Judiciary, with an amendment in the nature of a substitute:

S. 1237. A bill to amend certain provisions of law relating to child pornography, and for other purposes.

S. 1556. A bill to prohibit economic espionage, to provide for the protection of United States proprietary economic information in interstate and foreign commerce, and for other purposes.

By Mr. HATCH, from the Committee on the Judiciary, with amendments:

S. 1887. A bill to make improvements in the operation and administration of the Federal courts, and for other purposes.

By Mr. STEVENS, from the Committee on Governmental Affairs, with an amendment in the nature of a substitute and an amendment to the title:

S. 1931. A bill to provide that the United States Post Office building that is to be located at 9 East Broad Street, Cookeville, Tennessee, shall be known and designated as the ''L. Clure Morton Post Office and Courthouse.''

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. HELMS, from the Committee on Foreign Relations:

Treaty Doc. 104–2 Treaty With the United Kingdom of Mutual Legal Assistance In Criminal Matters (Exec. Rpt. 104–23):

TEXT OF THE COMMITTEE-RECOMMENDED RESOLUTION OF ADVICE AND CONSENT

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of The Treaty Between the Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland on Mutual Legal Assistance in Criminal Matters, signed at Washington on January 6, 1994, together with a Related Exchange of Notes signed the same date. The Senate's advice and consent is subject to the following two provisos, which shall not be included in the instrument of ratification to be signed by the President:

''Nothing in the Treaty requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

''Pursuant to the rights of the United States under this Treaty to deny requests which prejudice its essential public policy or interest, the United States shall deny a request for assistance when the Central Authority, after consultation with all appropriate intelligence, anti-narcotic, and foreign policy agencies, has specific information that a senior government official who will have access to information to be provided under this Treaty is engaged in a felony, including the facilitation of the production or distribution of illegal drugs.''

Treaty Doc. 104–01 Treaty with the Republic of Korea on Mutual Legal Assistance in Criminal Matters (Exec. Rept. 104–22):

TEXT OF THE COMMITTEE-RECOMMENDED RESOLUTION OF ADVICE AND CONSENT

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of The Treaty Between the United States of American and the Republic of Korea on Mutual Legal Assistance in Criminal Matters, signed at Washington on November 23, 1993, together with a Related Exchange of Notes signed on the same date. The Senate's advice and consent is subject to the following two provisos, which shall not be included in the instrument of ratification to be signed by the President:

''Nothing in the Treaty requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

''Pursuant to the rights of the United States under this Treaty to deny requests which prejudice its essential public policy or interest, the United States shall deny a request for assistance when the Central Authority, after consultation with all appropriate intelligence, anti-narcotic, and foreign policy agencies, has specific information that a senior government official who will have access to information to be provided under this Treaty is engaged in a felony, including the facilitation of the production or distribution of illegal drugs.''

Treaty Doc. 104–21 Treaty with Austria on Mutual Legal Assistance in Criminal Matters (Exec. Rpt. 104–24):

TEXT OF THE COMMITTEE-RECOMMENDED RESOLUTION OF ADVICE AND CONSENT

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of The Treaty Between the Government of the United States of America and the Government of the Republic of Austria on Mutual Legal Assistance in Criminal Matters, signed at Vienna on February 23, 1995. The Senate's advice and consent is subject to the following two provisos, which shall not be included in the instrument of ratification to be signed by the President:

''Nothing in the Treaty requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

''Pursuant to the rights of the United States under this Treaty to deny requests which prejudice its essential public policy or interest, the United States shall deny a request for assistance when the Central Authority, after consultation with all appropriate intelligence, anti-narcotic, and foreign policy agencies, has specific information that a senior government official who will have access to information to be provided under this Treaty is engaged in a felony, including the facilitation of the production or distribution of illegal drugs.''

Treaty Doc. 104–20 Treaty with Hungary on Mutual Legal Assistance in Criminal Matters (Exec Rpt. 104–25)

TEXT OF THE COMMITTEE-RECOMMENDED RESOLUTION OF ADVICE AND CONSENT

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of The Treaty Between the Government of the United States of America and the Government of the Republic of Hungary on Mutual Legal Assistance in Criminal matters, signed at Budapest on December 1, 1994. The Senate's advice and consent is subject to the following two provisos, which shall not be included in the instrument of ratification to be signed by the President:

''Nothing in the Treaty requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

''Pursuant to the rights of the United States under this Treaty to deny requests which prejudice its essential public policy or interest, the United States shall deny a request for assistance when the Central Authority, after consultation with all appropriate intelligence, anti-narcotic, and foreign policy agencies, has specific information that a senior government official who will have access to information to be provided under this Treaty is engaged in a felony, including the facilitation of the production or distribution of illegal drugs.''

Treaty Doc. 104–18 Treaty with the Philippines on Mutual Legal Assistance in Criminal Matters (Exec Rpt. 104–26)

TEXT OF THE COMMITTEE-RECOMMENDED RESOLUTION OF ADVICE AND CONSENT

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of The Treaty Between the Government of the United States of America and the Government of the Republic of the Philippines on Mutual Legal Assistance in Criminal matters, signed at Manila on November 13, 1994. The Senate's advice and consent is subject to the following two provisos, which shall not be included in the instrument of ratification to be signed by the President:

''Nothing in the Treaty requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

''Pursuant to the rights of the United States under this Treaty to deny requests which prejudice its essential public policy or interest, the United States shall deny a request for assistance when the Central Authority, after consultation with all appropriate intelligence, anti-narcotic, and foreign policy agencies, has specific information that a senior government official who will have access to information to be provided under this Treaty is engaged in a felony, including the facilitation of the production or distribution of illegal drugs.''

Treaty Doc. 104–5 Treaty with Hungary (Exec Rpt. 104–27)

TEXT OF THE COMMITTEE-RECOMMENDED RESOLUTION OF ADVICE AND CONSENT

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of The Treaty Between the Government of the United States of America and the Government of the Republic of Hungary on Extradition, signed at Budapest on December 1, 1994. The Senate's advice and consent is subject to the following two provisos, which shall not be included in the instrument of ratification to be signed by the President:

''Nothing in the Treaty requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.''

Treaty Doc. 104–7 and 104–8 Extradition Treaty with Belgium and Supplementary Extradition Treaty with Belgium (Exec Rpt. 104–28)

TEXT OF THE COMMITTEE-RECOMMENDED RESOLUTION OF ADVICE AND CONSENT

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of The Supplementary Treaty on Extradition Between the United States of America and the Kingdom of Belgium to Promote the Repression of Terrorism, signed at Brussels on April 27, 1987. The Senate's advice and consent is subject to the following proviso, which shall not be included in the instrument of ratification to be signed by the President:

''Nothing in the Treaty requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.''

TEXT OF THE COMMITTEE-RECOMMENDED RESOLUTION OF ADVICE AND CONSENT

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of The Extradition Treaty Between the United States of America and the Kingdom of Belgium signed at Brussels on April 27, 1987. The Senate's advice and consent is subject to the following proviso, which shall not be included in the instrument of ratification to be signed by the President:

''Nothing in the Treaty requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.''

Treaty Doc. 104–16 Extradition Treaty with the Philippines (Exec. Rpt. 104–29)

TEXT OF THE COMMITTEE-RECOMMENDED RESOLUTION OF ADVICE AND CONSENT

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of The Extradition Treaty Between the Government of the United States of America and the Government of the Republic of the Philippines, signed at Manila on November 13, 1994. The Senate's advice and consent is subject to the following proviso, which shall not be included in the instrument of ratification to be signed by the President:

''Nothing in the Treaty requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.''

Treaty Doc. 104–26 Extradition Treaty with Malaysia (Exec. Rpt. 104–30)

TEXT OF THE COMMITTEE-RECOMMENDED RESOLUTION OF ADVICE AND CONSENT

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of The Extradition Treaty Between the Government of the United States of America and the Government of Malaysia, and a Related Exchange of Notes signed at Kuala Lampur on August 3, 1995. The Senate's advice and consent is subject to the following proviso, which shall not be included in the instrument of ratification to be signed by the President:

''Nothing in the Treaty requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.''

Treaty Doc. 104–22 Extradition Treaty with Bolivia (Exec. Rept. 104–31)

TEXT OF THE COMMITTEE-RECOMMENDED RESOLUTION OF ADVICE AND CONSENT

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of The Extradition Treaty Between the Government of the United States of America and the Government of the Republic of Bolivia, signed at La Paz on June 27, 1995. The Senate's advice and consent is subject to the following proviso, which shall not be included in the instrument of ratification to be signed by the President:

''Nothing in the Treaty requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.''

Treaty Doc. 104–9 Extradition Treaty with Switzerland (Exec. Rept. 104–32)

TEXT OF THE COMMITTEE-RECOMMENDED RESOLUTION OF ADVICE AND CONSENT

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of The Extradition Treaty Between the Government of the United States of America and the Government of the Swiss Conferderation, signed at Washington on November 14, 1990. The Senate's advice and consent is subject to the following proviso, which shall not be included in the instrument of ratification to be signed by the President:

''Nothing in the Treaty requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.''

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

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

By Mr. COATS (for himself, Mr. STEVENS, Mr. NICKLES, Mr. ABRAHAM, Mr. DEWINE, Mr. COVERDELL, and Mr. FAIRCLOTH):

S. 2000. A bill to make certain laws applicable to the Executive Office of the President, and for other purposes; to the Committee on Governmental Affairs.

By Mr. PELL:

S. 2001. A bill to amend the Job Training Partnership Act to improve the definition relating to eligible dislocated workers, and for other purposes; to the Committee on Labor and Human Resources.

By Ms. SNOWE:

S. 2002. A bill to amend title 18, United States Code, to prohibit taking a child hostage in order to evade arrest; to the Committee on the Judiciary.

By Mr. EXON:

S. 2003. A bill to amend the Armored Car Industry Reciprocity Act of 1993 to clarify certain requirements and to improve the flow of interstate commerce; to the Committee on Commerce, Science, and Transportation.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. COATS (for himself, Mr. STEVENS, Mr. NICKLES, Mr. ABRAHAM, Mr. DEWINE, Mr. COVERDELL and Mr. FAIRCLOTH):

S. 2000. A bill to make certain laws applicable to the Executive Office of the President, and for other purposes; to the Committee on Governmental Affairs.

THE PRESIDENTIAL AND EXECUTIVE OFFICE ACCOUNTABILITY ACT

Mr. COATS. All Members of this body remember early in this Congress we introduced and passed into law the Congressional Accountability Act which applied the various civil rights and labor laws that are currently applicable to employers and employees throughout America's workplaces, and applied this same restrictions to Members of Congress.

For too long we had exempted ourselves from the laws and regulations that we had imposed on virtually every other business operation in America. There were only a couple of workplaces that were exempted: The Labor Standards Act, the Civil Rights Act of 1964, the Americans With Disability Act, and the other items that we discussed. Those institutions were the U.S. Congress and the executive branch, in particular, the White House. We remedied that, partially, for the Congress with the adoption of the Congressional Accountability Act.

Now, these 11 specific items apply to Members of Congress as well as to the private sector. I think what we are learning is that some of these laws are good, some of these laws are applicable to what we do, but some of them are overly burdensome and overly restrictive and therefore need to be examined. Because they apply to us as they apply to everyone else, we feel that burden, and perhaps we can be reasonable when we examine these to determine whether or not reforms are needed.

This act would apply these same provisions that now apply to Congress and virtually every other workplace in the country, to the White House. This legislation, which I send to the desk for referral, was originally cosponsored by Senator STEVENS, as well as other Members including Senators NICKLES, ABRAHAM, DEWINE, COVERDELL, and FAIRCLOTH.

Mr. President, today I send to the desk a bill designed to eliminate a dubious double standard that remains in the application of our civil rights and labor protection laws.

Last year, this Congress passed the Congressional Accountability Act, requiring Congress to live under the laws it passes—and oftentimes imposes—on the rest of the Nation. Now that the Congressional Accountability Act is

the law of the land, only one workplace in America remains exempt from our Nation's laws and regulations. In just one place of employment, workers do not enjoy the rights and protections afforded to all other Americans. That one place is the White House, and it's time for the White House to join the rest of the United States in living under the civil rights and labor laws governing the rest of the Nation.

For decades, Congress callously exempted itself from rules and regulations it was passing for the rest of the country. Many of us had supported the Congressional Accountability Act for years, but were thwarted in our efforts. Finally, when—for the first time in 40 years—Republicans gained control of Congress, we wasted little time and passed the Congressional Accountability Act into law.

I remain in strong support of the principle that Congress should not be exempt from the laws that apply to all other Americans, and because of the Congressional Accountability Act, Congress now is living under 11 different labor and civil rights laws from which it had previously exempted itself. I continue to believe that this is a simple issue of fundamentlal fairness. Congress should live under the laws it passes for everyone else. In doing so, lawmakers will learn first hand which laws work, and perhaps more often than not, which laws are overly intrusive and burdensome.

These lessons also would be appropriate for the White House, since under President Clinton the Federal Register of Government regulations now totals about 65,000 pages, the largest number in more than 15 years. Despite President Clinton's stated concerns for the working men and women of this country, the White House continues to exempt itself from the laws and regulations covering the rest of the country, including Congress and all private businesses.

For example, because of this privileged loophole, the White House does not have to abide by the minimum wage or the Family Medical Leave Act or the overtime requirements of the Fair Labor Standards Act or several of the other civil rights and labor laws that apply to all other Americans. I think America's labor leaders will agree with me when I say that employees of the White House should be protected by the same laws that the President approves for the rest of the country. Employees should have the same rights and protections regardless of where they work—whether the individual labors in the private sector, the Congress, and yes, even in the White House.

There are some in the White House who argue that this legislation is unnecessary because the White House voluntarily complies with the spirit of many of these laws. Mr. President, I argue that voluntary compliance is not good enough. How many private sector companies are allowed to voluntarily comply with the laws of the land? The answer is zero, and the White House should not be an exception.

The Congressional Accountability Act, and the proposed White House Accountability Act, give employees of these two branches of Government the same rights as any other citizen to go into a court of law and have their case heard by a jury of their peers. White House employees should not have to depend on the benevolence or arbitrary good will of a supervisor to ensure that they are not taken advantage of, sexually harassed, or otherwise dealt with in an inappropriate and possibly illegal manner. They deserve the right to be free from discrimination, the right to work in a safe and healthy work environment, the right not to be fired simply because of race, sex, disability, or age. White House workers deserve the same rights and protections that every other American enjoys in the private sector, and now in the U.S. Congress.

The White House Accountability Act also would be good policy for senior management and administrators. White House policy makers and their staffs would gain a first-hand understanding of the laws they propose and enact. Perhaps the White House will find, as many in Congress have been forced to learn, that some of the laws we pass are good, some do not go far enough and need to be strengthened, or—and this is too often the case—that many of the regulations imposed on the Nation by the Federal bureaucracy in Washington are onerous and in serious need of reform.

Writing in the Federalist Papers, James Madison instructed us that no branch of Government is above the law. Madison wrote, ''Congress can make no law which will not have its full operation on themselves and their friends, as well as on the great mass of society.''

Because of the Congressional Accountability Act, Federal laws and regulations now apply from our Nation's assembly lines to our Nation's general assembly. When President Clinton was inaugurated, he called the White House, ''the people's house.'' It's time he backed up that statement by letting his workers in the White House enjoy the same civil rights and labor protections enjoyed by the rest of the people in whose house they serve.

By Mr. PELL:

S. 2001. A bill to amend the Job Training Partnership Act to improve the definition relating to eligible dislocated workers, and for other purposes; to the Committee on Labor and Human Resources.

THE FISHERMEN AS DISLOCATED WORKERS ACT

Mr. PELL. Mr. President, I am introducing legislation today that amends the Job Training Partnership Act [JTPA] to improve the definition of eligible dislocated workers. The legislation defines ''dislocated worker'' as any employee who ''has become unemployed as a result of a Federal action that limits the use of, or restricts access to, a marine natural resource.''

This language is directed at fishermen. In Rhode Island, as well as many other coastal States, customarily the crew members of fishing boats are not paid but are given a share of the day's catch. Unfortunately, this means they are neither employees of the boat nor self-employed.

Fishing has always been a difficult occupation. But now, with a declining supply, Government efforts to restore the population of various species of fish by limiting or closing access to fishing grounds, and the need to close large portions of our coastal waters after oil spills and other environmental disasters, fishermen are leaving port less and, when they do, catching less.

Some months ago, I received a letter from a Rhode Island fisherman who realized that fishing would no longer be able to support the demands of his growing family. He had, therefore, selected a new occupation—he wants to be a cabinetmaker—and on his own, he had located and been accepted into a training program. His only problem? Financial assistance.

Because he is technically not unemployed, the present system is of no help to him. My legislation would correct that unfortunate inequity.

I originally offered and had accepted a similar version of this legislation in the Labor and Human Resources Committee as an amendment to S. 143, the Workforce Development Act. Regrettably, the House-Senate work force development conference committee has only just finished its work under a cloud of partisanship and disagreement and I very much doubt any further action will take place during this Congress.

I do not believe the commercial fishermen in Galilee, RI, should suffer because of the failure of a conference committee in Washington, DC. I have, therefore, drafted this legislation.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2001

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

SECTION 1. DEFINITION.

Section 301(a)(1) of the Job Training Partnership Act (29 U.S.C. 1651(a)(1)) is amended—

(1) in subparagraph (C), by striking ''; or'' and inserting a semicolon;

(2) in subparagraph (D), by striking the period and inserting ''; or''; and

(3) by adding at the end the following:

''(E) have become unemployed as a result of a Federal action that limits the use of, or restricts access to, a marine natural resource.''.

By Ms. SNOWE:

S. 2002. A bill to amend title 18, United States Code, to prohibit taking a child hostage in order to evade arrest; to the Committee on the Judiciary.

CRIME LEGISLATION

● Ms. SNOWE. Mr. President, over the past few years, America has witnessed an unfortunate trend involving standoffs between the U.S. Government and parties who reject its authority to enforce the laws of this land—specifically, the incidents in Waco, TX; Ruby Ridge, ID; and Garfield County, MT. Thankfully, the most recent episode involving the Freemen did not escalate to violence or bloodshed. Regrettably, this does not hold true for Waco or Ruby Ridge, where there was a tragic loss of life to civilians and Government agents alike.

Each of these situations jeopardized children's lives—innocent children who had no choice in the role they played in these standoffs. In Waco, 25 young children under the age of 15 died in the blaze that spread throughout the compound. These deaths occurred despite the repeated efforts by Federal agents to encourage Branch Davidians leaders to allow children to leave the compound.

At Ruby Ridge, a 14-year-old died after being caught in gunfire. And during the Freemen standoff, Americans across the Nation held their breath—praying that violence would not erupt. Once again, the lives of children were placed in jeopardy. But thankfully, this time, the children—and adults—emerged unharmed.

As we have seen, tragedy can occur in these very tense situations. Above all else, we need to ensure that children are kept out of these situations in the future. People who arm themselves after failing to comply with warrants or because they seek to avoid arrest must realize that, whether or not it is intended, children are implicated in these standoffs. We cannot allow this to continue any longer. We cannot allow another child's life to be endangered in this manner.

Today, I am introducing a bill which seeks to protect children from harm in these standoff situations. My bill would make it a crime to detain a child when two conditions are met: if a person is trying to evade arrest or avoid complying with a warrant, and that person uses force, or threatens to use force, against a Federal agent. Any person convicted of violating this act would be imprisoned for 10–25 years. If a child is injured, the penalty would be increased to 20–35 years. If a child is killed, the penalty would be life imprisonment.

No law can ever assure that children will be kept free from harm. But this legislation will help assure that children do not become inadvertent, innocent pawns when violent situations arise. It will provide a deterrent to involving a child in any standoff—and severe penalties for those who ignore the law.

Tense standoffs between Federal law enforcement officers and hostile fugitives are no place for children. This bill will help encourage the removal of innocent children from such dangerous situations. As a nation, we should not tolerate the use of children as pawns or human shields when people choose to evade the laws of this land. I hope my colleagues support this important piece of legislation.●

By Mr. EXON:

S. 2003. A bill to amend the Armored Car Industry Reciprocity Act of 1993 to clarify certain requirements and to improve the flow of interstate commerce; to the Committee on Commerce, Science, and Transportation.

THE ARMORED CAR INDUSTRY RECIPROCITY IMPROVEMENT ACT

Mr. EXON. Mr. President, I introduce legislation known as the Armored Car Industry Reciprocity Improvement Act. This legislation is a companion measure to H.R. 3431 which has unanimously passed in the House of Representatives. It is my hope that this bill which makes a slight modification to its companion can be taken up and swiftly passed this year to safely expand the benefits of the Armored Car Reciprocity Act of 1993 which I introduced in the U.S. Senate. The 1993 law which had support from law enforcement, public safety and armored car industry advocates replaced a patch work of State laws with a common sense, pro-safety, pro-interstate commerce approach to weapons registration, background checks and training for armored car crew members.

The amendments to the 1993 law build on what was learned since 1993 and will make the reciprocal benefits of the law available to more States. The net result will be better screened, better qualified and better trained armored car crews.

The armored car is one of the most overlooked instrumentalities of interstate commerce. Without the ability to safely and securely move currency, securities, food stamps, gold and other valuables, interstate commerce would be impossible.

I am pleased to introduce this legislation which I encourage the U.S. Senate to overwhelmingly endorse. It is a tribute to the success of the 1993 law.

ADDITIONAL COSPONSORS

S. 968

At the request of Mr. MCCONNELL, the name of the Senator from Utah [Mr. HATCH] was added as a cosponsor of S. 968, a bill to require the Secretary of the Interior to prohibit the import, export, sale, purchase, and possession of bear viscera or products that contain or claim to contain bear viscera, and for other purposes.

S. 1035

At the request of Mr. DASCHLE, the name of the Senator from Wyoming [Mr. THOMAS] was added as a cosponsor of S. 1035, a bill to permit an individual to be treated by a health care practitioner with any method of medical treatment such individual requests, and for other purposes.

S. 1189

At the request of Mr. DEWINE, the name of the Senator from Nevada [Mr. BRYAN] was added as a cosponsor of S. 1189, a bill to provide procedures for claims for compassionate payments with regard to individuals with blood-clotting disorders, such as hemophilia, who contracted human immunodeficiency virus due to contaminated blood products.

S. 1832

At the request of Ms. MIKULSKI, the names of the Senator from Louisiana [Mr. BREAUX], and the Senator from South Carolina [Mr. HOLLINGS] were added as cosponsors of S. 1832, a bill to amend title II of the Social Security Act to provide that a monthly insurance benefit thereunder shall be paid for the month in which the recipient dies, subject to a reduction of 50 percent if the recipient dies during the first 15 days of such month, and for other purposes.

SENATE JOINT RESOLUTION 52

At the request of Mr. KYL, the name of the Senator from Wyoming [Mr. THOMAS] was added as a cosponsor of Senate Joint Resolution 52, a joint resolution proposing an amendment to the Constitution of the United States to protect the rights of victims of crimes.

SENATE JOINT RESOLUTION 57

At the request of Mr. ASHCROFT, the name of the Senator from Alabama [Mr. SHELBY] was added as a cosponsor of Senate Joint Resolution 57, a joint resolution requiring the Congressional Budget Office and the Joint Committee on Taxation to use dynamic economic modeling in addition to static economic modeling in the preparation of budgetary estimates of proposed changes in Federal revenue law.

AMENDMENT NO. 5119

At the request of Mr. MACK the names of the Senator from Kentucky [Mr. FORD], and the Senator from Tennessee [Mr. FRIST] were added as cosponsors of amendment No. 5119 proposed to H.R. 3754, a bill making appropriations for the legislative branch for the fiscal year ending September 30, 1997, and for other purposes.

AMENDMENTS SUBMITTED

THE ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 1997

DOMENICI AMENDMENT NO. 5121

Mr. DOMENICI proposed an amendment to amendment No. 5094 proposed by Mr. MCCAIN to the bill (S. 1959) making appropriations for energy and water development for the fiscal year ending September 30, 1997, and for other purposes; as follows:

On line three of amendment number 5094, strike ''Act'' and insert in lieu thereof the following: ''Act. The Department of Energy shall report monthly to the Committees on

Appropriations of the House and Senate on the Department of Energy's adherence to the recommendations included in the accompanying report.''

DOMENICI AMENDMENT NO. 5122

Mr. DOMENICI (for himself) proposed an amendment to the bill, S. 1959, supra; as follows:

On page 22, line 17, following ''$92,629,000'' insert the following: '': *Provided further,* That in addition to any other payments which it is required to make under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, the Department of Energy shall remit to the Office of Personnel Management for deposit in the Treasury of the United States to the credit of the Civil Service Retirement and Disability Fund an amount equal to 15 percent of the final basic pay of each employee who is covered under subchapter III of chapter 83 or chapter 84 of title 5 to whom a voluntary separation incentive has been paid under this paragraph''.

THE DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS ACT, 1997

HATFIELD AMENDMENTS NOS. 5123–5125

Mr. HATFIELD proposed three amendments to the bill (H.R. 3675) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1997, and for other purposes; as follows:

AMENDMENT NO. 5123

Strike section 346 and insert the following:

SEC. 346. DEPARTMENT OF TRANSPORTATION VOLUNTARY SEPARATION INCENTIVE PAYMENTS.

(a) DEFINITIONS.—For the purposes of this section—

(1) the term ''agency'' means the following agencies of the Department of Transportation:

(A) the United States Coast Guard;

(B) the Research and Special Programs Administration;

(C) the St. Lawrence Seaway Development Corporation;

(D) the Office of the Secretary;

(E) the Federal Railroad Administration; and

(F) any other agency of the Department with respect to employees of such agency in positions targeted for reduction under the National Performance Review;

(2) the term ''employee'' means an employee (as defined by section 2105 of title 5, United States Code) who is employed by the agency serving under an appointment without time limitation, and has been currently employed for a continuous period of at least 3 years, but does not include—

(A) a reemployed annuitant under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, or another retirement system for employees of the agency;

(B) an employee having a disability on the basis of which such employee is or would be eligible for disability retirement under the applicable retirement system referred to in subparagraph (A);

(C) an employee who is in receipt of a specific notice of involuntary separation for misconduct or unacceptable performance;

(D) an employee who, upon completing an additional period of service as referred to in section 3(b)(2)(B)(ii) of the Federal Workforce Restructuring Act of 1994 (5 U.S.C. 5597 note), would qualify for a voluntary separation incentive payment under section 3 of such Act;

(E) an employee who has previously received any voluntary separation incentive payment by the Federal Government under this section or any other authority and has not repaid such payment;

(F) an employee covered by statutory reemployment rights who is on transfer to another organization; or

(G) any employee who, during the twenty four month period preceding the date of separation, has received a recruitment or relocation bonus under section 5753 of title 5, United States Code, or who, within the twelve month period preceding the date of separation, received a retention allowance under section 5754 of title 5, United States Code.

(b) AGENCY STRATEGIC PLAN.—

(1) IN GENERAL.—The head of an agency, prior to obligating any resources for voluntary separation incentive payments, shall submit to the House and Senate Committees on Appropriations and the Committee on Governmental Affairs of the Senate and the Committee on Government Reform and Oversight of the House of Representatives a strategic plan outlining the intended use of such incentive payments and a proposed organizational chart for the agency once such incentive payments have been completed.

(2) CONTENTS.—The agency's plan shall include—

(A) the positions and functions to be reduced or eliminated, identified by organizational unit, geographic location, occupational category and grade level;

(B) the number and amounts of voluntary separation incentive payments to be offered; and

(C) a description of how the agency will operate without the eliminated positions and functions.

(c) AUTHORITY TO PROVIDE VOLUNTARY SEPARATION INCENTIVE PAYMENTS.—

(1) IN GENERAL.—A voluntary separation incentive payment under this section may be paid by an agency to any employee only to the extent necessary to eliminate the positions and functions identified by the strategic plan.

(2) AMOUNT AND TREATMENT OF PAYMENTS.—A voluntary separation incentive payment—

(A) shall be paid in a lump sum after the employee's separation;

(B) shall be paid from appropriations or funds available for the payment of the basic pay of the employees;

(C) shall be equal to the lesser of—

(i) an amount equal to the amount the employee would be entitled to receive under section 5595(c) of title 5, United States Code; or

(ii) an amount determined by an agency head not to exceed $25,000 in fiscal year 1997, $20,000 in fiscal year 1998, $15,000 in fiscal year 1999, or $10,000 in fiscal year 2000;

(D) shall not be a basis for payment, and shall not be included in the computation, of any other type of Government benefit; and

(E) shall not be taken into account in determining the amount of any severance pay to which the employee may be entitled under section 5595 of title 5, United States Code, based on any other separation.

(3) LIMITATION.—No amount shall be payable under this section based on any separation occurring before the date of the enactment of this Act, or after September 30, 2000.

(d) ADDITIONAL AGENCY CONTRIBUTIONS TO THE RETIREMENT FUND.—

(1) IN GENERAL.—In addition to any other payments which it is required to make under subchapter III of chapter 83 of title 5, United States Code, an agency shall remit to the Office of Personnel Management for deposit in the Treasury of the United States to the credit of the Civil Service Retirement and Disability Fund an amount equal to 15 percent of the final basic pay of each employee of the agency who is covered under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, to whom a voluntary separation incentive has been paid under this section.

(2) DEFINITION.—For the purpose of paragraph (1), the term ''final basic pay'', with respect to an employee, means the total amount of basic pay which would be payable for a year of service by such employee, computed using the employee's final rate of basic pay, and, if last serving on other than a full-time basis, with appropriate adjustment therefor.

(e) EFFECT OF SUBSEQUENT EMPLOYMENT WITH THE GOVERNMENT.—An individual who has received a voluntary separation incentive payment under this section and accepts any employment for compensation with the Government of the United States, or who works for any agency of the United States Government through a personal services contract, within 5 years after the date of the separation on which the payment is based shall be required to pay, prior to the individual's first day of employment, the entire amount of the incentive payment to the agency that paid the incentive payment.

(f) REDUCTION OF AGENCY EMPLOYMENT LEVELS.—

(1) IN GENERAL.—The total number of funded employee positions in an agency shall be reduced by one position for each vacancy created by the separation of any employee who has received, or is due to receive, a voluntary separation incentive payment under this section. For the purposes of this subsection, positions shall be counted on a full-time-equivalent basis.

(2) ENFORCEMENT.—The President, through the Office of Management and Budget, shall monitor each agency and take any action necessary to ensure that the requirements of this subsection are met.

(g) EFFECTIVE DATE.—This section shall take effect October 1, 1996.

AMENDMENT NO. 5124

On page 63 of the bill, line 24, strike ''Arkansas'' and insert ''Alaska''.

AMENDMENT NO. 5125

On page 60 of the bill, line 21, strike ''5307'' and insert ''5311''.

LAUTENBERG AMENDMENT NO. 5126

Mr. LAUTENBERG proposed an amendment to the bill, H.R. 3675, supra; as follows:

On page 5, line 17, strike ''132,500,000'' and insert ''132,499,000.''

On page 14, line 22, strike ''187,000,000'' and insert ''188,490,000.''

On page 38, line 5, strike ''200,000,000'' and insert ''198,510,000.''

KOHL AMENDMENT NO. 5127

Mr. HATFIELD (for Mr. KOHL) proposed an amendment to the bill, H.R. 3675, supra; as follows:

SEC.—. It is the sense of the Senate that Congress should actively consider legislation to establish the Saint Lawrence Seaway Development Corporation as a performance-based organization on a pilot basis beginning in fiscal year 1998.

BOND AMENDMENT NO. 5128

Mr. HATFIELD (for Mr. BOND) proposed an amendment to the bill, H.R. 3675, supra; as follows:

At the appropriate place, insert the following new section:

SEC. . FEDERAL AVIATION ADMINISTRATION PROCUREMENT.

(a) SENSE OF THE CONGRESS.—It is the sense of the Congress that the Administrator of the Federal Aviation Administration should promote and encourage the use of full and open competition as the preferred method of procurement for the Federal Aviation Administration.

(b) INDEPENDENT ASSESSMENT.—Not later than December 31, 1997, the Administrator of the Federal Aviation Administration shall—

(1) take such action as may be necessary to provide for an independent assessment of the acquisition management system of the Federal Aviation Administration that includes a review of any efforts of the Administrator in promoting and encouraging the use of full and open competition as the preferred method of procurement with respect to any contract that involves an amount greater than $50,000,000; and

(2) submit to the Congress a report on the findings of that independent assessment.

(c) FULL AND OPEN COMPETITION DEFINED.—For purposes of this section, the term ''full and open competition'' has the meaning provided that term in section 4(6) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(6)).

KERREY AND EXON AMENDMENT NO. 5129

Mr. HATFIELD (Mr. KERREY, for himself and Mr. EXON) proposed an amendment to the bill, H.R. 3675, supra; as follows:

49 U.S.C. App. 2311 is amended by adding the following new subsection:

(d) NEBRASKA.—In addition to vehicles which the State of Nebraska may continue to allow to be operated under paragraphs (1)(A) and (1)(B) of this section, the State of Nebraska may allow longer combination vehicles that were not in actual operation on June 1, 1991 to be operated within its boundaries to transport sugar beets from the field where such sugar beets are harvested to storage, market, factory or stockpile or from stockpile to storage, market or factory. This provision shall expire on September 30, 1997.

LEVIN AMENDMENT NO. 5130

Mr. HATFIELD (for Mr. LEVIN) proposed an amendment to the bill, H.R. 3675, supra; as follows:

At the end of title IV, add the following:

SEC. 4 . HIGHWAY SAFETY IMPROVEMENT PROJECT, MICHIGAN.

Of the amount appropriated for the highway safety improvement project, Michigan, under the matter under the heading ''SURFACE TRANSPORTATION PROJECTS'' under the heading ''FEDERAL HIGHWAY ADMINISTRATION'' in title I of the Department of Transportation and Related Agencies Appropriations Act, 1995 (Public Law 103–331; 108 Stat. 2478), for the purposes of right-of-way acquisition for Baldwin Road, and engineering, right-of-way acquisition, and construction between Walton Boulevard and Dixie Highway, $2,000,000 shall be made available for construction of Baldwin Road.

DORGAN AMENDMENT NO. 5131

Mr. DORGAN proposed an amendment to the bill, H.R. 3675, supra; as follows:

On page 2, line 6 after ''$53,376,000,'' insert the following: ''of which such sums as necessary shall be used to investigate anticompetitive practices in air transportation, enforce Section 41712 of Title 49, and report to Congress by the end of the fiscal year on its progress to address anticompetitive practices, and''.

MCCAIN AMENDMENT NO. 5132

Mr. MCCAIN proposed an amendment to the bill, H.R. 3675, supra; as follows:

On page 25, strike lines 9 through 14, provided that the $200,000,000 thus saved be made available to the Secretary for high priority rail, aviation and highway safety purposes.

On page 29, line 6, strike ''$592,000,000'' and insert ''$120,000,00, provided that the $130,000,000 thus saved be made available to the Secretary for high priority rail, aviation and highway safety purposes.''

DEWINE (AND OTHERS) AMENDMENT NO. 5133

Mr. DEWINE (for himself, Mr. LUGAR, Mr. BIDEN, and Mr. EXON) proposed an amendment to the bill, H.R. 3675, supra; as follows:

At the end of title IV, add the following:

SEC. . (a) Section 120(c) of title 23, United States Code, is amended by inserting ''rail-highway crossing closure,'' after ''carpooling and vanpooling,''.

(b) Section 130 of such title is amended by adding at the end the following:

''(i) INCENTIVE PAYMENTS FOR AT-GRADE CROSSING CLOSURES.—

''(1) IN GENERAL.—Notwithstanding any other provision of this section and subject to paragraphs (2) and (3), a State may, from sums available to the State under this section, make incentive payments to local governments in the State upon the permanent closure by such governments of public at-grade rail-highway crossings under the jurisdiction of such governments.

''(2) INCENTIVE PAYMENTS BY RAILROADS.—A State may not make an incentive payment under paragraph (1) to a local government with respect to the closure of a crossing unless the railroad owning the tracks on which the crossing is located makes an incentive payment to the government with respect to the closure.

''(3) AMOUNT OF STATE PAYMENT.—The amount of the incentive payment payable to a local government by a State under paragraph (1) with respect to a crossing may not exceed the lesser of—

''(A) the amount of the incentive payment paid to the government with respect to the crossing by the railroad concerned under paragraph (2); or

''(B) $7,500.

''(4) USE OF STATE PAYMENTS.—A local government receiving an incentive payment from a State under paragraph (1) shall use the amount of the incentive payment for transportation safety improvements.''.

DORGAN (AND OTHERS) AMENDMENT NO. 5134

Mr. DORGAN (for himself, Mr. CONRAD, Mr. EXON, Mr. HARKIN, Mr. PRESSLER, and Mr. DASCHLE) proposed an amendment to the bill, H.R. 3675, supra; as follows:

On line 12 on page 41 after the semicolon, insert the following: ''*Provided further,* That none of the funds appropriated in this Act or otherwise made available may be used to increase fees for services in connection with licensing and related service fees, pursuant to 49 CFR Part 1002, STB Ex Parte No. 542, for services in connection with rail maximum rate complaints,''.

MURKOWSKI AMENDMENT NO. 5135

Mr. MURKOWSKI proposed an amendment to the bill, H.R. 3675, supra; as follows:

At the appropriate place add the following:

''SEC. . (a) APPLICABLE LAWS.—Section 24301 of Title 49, United States Code, as amended by Section 504 of this Act, is amended by adding at the end thereof the following:

''(q) POWER PURCHASES.—The sale of power to Amtrak for its own use, including operating its electric traction system, does not constitute a direct sale of electric energy to an ultimate consumer under section 212(h)(1) of the Federal Power Act.''

''(b) CONFORMING AMENDMENTS.—Section 212(h)(2)(A) of the Federal Power Act is amended by inserting ''Amtrak;'' after ''a State or any political subdivision);''.''

PRESSLER (AND OTHERS) AMENDMENT NO. 5136

Mr. HATFIELD (for Mr. PRESSLER, for himself, Mr. WYDEN, Mr. EXON, Mr. HARKIN, and Mrs. BOXER) proposed an amendment to the bill, H.R. 3675, supra; as follows:

On page 3, line 2, strike ''$4,158,000'' and insert ''$3,000,000''.

On page 5, line 17, strike ''$132,499,000'' and insert ''$129,500,000''.

On page 26, line 8, strike ''1997'' and insert ''1997, except for up to $75,000,000 in loan guarantee commitments during such fiscal year (and $4,158,000 is hereby made available for the cost of such loan guarantee commitments.).''

KEMPTHORNE AMENDMENT NO. 5137

Mr. HATFIELD (for Mr. KEMPTHORNE) proposed an amendment to the bill, H.R. 3675, supra; as follows:

On page 47, of H.R. 3675: line 13, strike ''$5,000,000'' and insert ''$15,000,000''.

PRESSLER (AND OTHERS) AMENDMENT NO. 5138

Mr. HATFIELD (for Mr. PRESSLER, for himself, Mr. HARKIN, Mr. GRASSLEY, Mr. LOTT, Mr. BOND, and Mr. LUGAR) proposed an amendment to the bill, H.R. 3675, supra; as follows:

At the appropriate place, insert the following new section:

SEC. . LIMITATION ON FUNDS USED TO ENFORCE REGULATIONS REGARDING ANIMAL FATS AND VEGETABLE OILS.

None of the funds made available in this Act may be used by the Coast Guard to issue, implement, or enforce a regulation or to establish an interpretation or guideline under the Edible Oil Regulatory Reform Act (Public Law 104–55) or the amendments made by that Act that does not recognize and provide for, with respect to fats, oils, and greases (as described in that Act or the amendments made by that Act) differences in—

(1) physical, chemical, biological, and other relevant properties; and

(2) environmental effects.

GORTON (AND OTHERS) AMENDMENT NO. 5139

Mr. HATFIELD (for Mr. GORTON, for himself, Mr. BAUCUS, and Mr. BURNS)

proposed an amendment to the bill, H.R. 3675, supra; as follows:

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

SEC. . (a) In cases where an emergency ocean condition causes erosion of a bank protecting a scenic highway or byway, FY 1996 or FY 1997 Federal Highway Administration Emergency Relief funds can be used to halt the erosion and stabilize the bank if such action is necessary to protect the highway from imminent failure and is less expensive than highway relocation.

(b) In cases where an emergency condition causes inundation of a roadway or saturation of the subgrade with further erosion due to abnormal freeze/thaw cycles and damage caused by traffic, FY 1996 or FY 1997 Federal Highway Administration Emergency Relief funds can be used to repair such roadway.

(c) Not more than $8 million in Federal Highway Administration Emergency Relief funds may be used for each of the conditions referenced in paragraphs (a) and (b).

EXON AMENDMENT NO. 5140

Mr. EXON proposed an amendment to the bill, H.R. 3675, supra; as follows:

At the appropriate place in the bill add the following new section:

SEC. . THE RAILROAD SAFETY INSTITUTE.

Of the money available to the Federal Rail Administration up to $500,000 shall be made available to establish and operate the Institute for Railroad Safety as authorized by the Swift Rail Development Act of 1994.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON INDIAN AFFAIRS

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Committee on Indian Affairs be authorized to meet during the session of the Senate on Tuesday, July 30, 1996, at 9:30 a.m. in room 485 of the Russell Senate Office Building to conduct a markup on S. 1983, a bill to amend the Native American Graves Protection and Repatriation Act to provide for native Hawaiian organizations, and for other purposes.

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

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be authorized to meet for a hearing on S. 1035, the Access to Medical Treatment Act., during the session of the Senate on Tuesday, July 30, 1996, at 9:30 a.m.

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

SPECIAL COMMITTEE ON AGING

Mr. COHEN. Mr. President, I ask unanimous consent that the Special Committee on Aging be authorized to meet during the session of the Senate on Tuesday, July 30 at 9:30 a.m. to hold a hearing to discuss suicide among the elderly.

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

SUBCOMMITTEE ON CONSTITUTION, FEDERATION, AND PROPERTY RIGHTS

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Committee on the Judiciary Subcommittee on Constitution, Federalism, and Property Rights be authorized to meet during the session of the Senate on Tuesday, July 30, 1996, at 2 p.m., to hold an executive business meeting.

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

SUBCOMMITTEE ON FORESTS AND PUBLIC LAND MANAGEMENT

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Subcommittee on Forests and Public Land Management of the Committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on Tuesday, July 30, 1996, for purposes of conducting a subcommittee hearing which is scheduled to begin at 10:30 a.m. The purpose of this oversight hearing is to receive testimony on the conditions that have made the national forests of the Southwest susceptible to catastrophic fires and disease.

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

SUBCOMMITTEE ON INTERNATIONAL TRADE

Mr. DOMENICI. Mr. President, the Finance Committee requests unanimous consent for the Subcommittee on International Trade and the Caucus on International Narcotics Control to conduct a hearing on Tuesday, July 30, 1996, beginning at 9 a.m. in room SD–215.

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

SUBCOMMITTEE ON INTERNATIONAL TRADE

Mr. DOMENICI. Mr. President, the Finance Committee requests unanimous consent for the Subcommittee on International Trade and the Caucus on International Narcotics Control to conduct a hearing on Tuesday, July 30, 1996, beginning at 10 a.m. in room SD–215.

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

SUBCOMMITTEE ON WESTERN HEMISPHERE AND PEACE CORPS AFFAIRS

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Subcommittee on Western Hemisphere and Peace Corps Affairs of the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, July 30, 1996, at 3 p.m. to hold a hearing.

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

ADDITIONAL STATEMENTS

TRIBUTE TO DR. WILLIAM WHEELER, NEW HAMPSHIRE'S SUPERINTENDENT OF THE YEAR

● Mr. SMITH. Mr. President, I rise today to pay tribute to Dr. William Wheeler for receiving New Hampshire's Superintendent of the Year Award. William has served his schools with pride and dedication, always putting the best interests of New Hampshire's children first. As a former teacher and school board chairman myself, I am proud to congratulate him for receiving this prestigious award.

William received his doctorate in education from the University of Wyoming and has been a teacher, high school principal, and assistant superintendent of schools. He is currently superintendent of school in School Administrative Unit No. 38, which serves the Monadnock Regional, Hinsdale, and Winchester Schools District. In addition, he also serves as president of the New Hampshire Schools Administrators Association. William's colleagues have always been impressed with his focus and commitment to the communities he serves.

William was selected as New Hampshire's Superintendent of the Year for his leadership, communication skills, professionalism, and community involvement. He is a leader and an educator tireless in his commitment to children and community. William's efforts on behalf of New Hampshire public school children have been praised by many including the New Hampshire School Boards Association, the director of the New Hampshire School Administrator's Association, New Hampshire's Education Commissioner, and the vice president of the New Hampshire Business and Industry Association.

Our Nation's children are our future and one of our greatest treasures. Our educators have been entrusted with the care and development of these young minds and are the guardians of this treasure. As superintendent, William has done an excellent job coordinating the schools in his care. His outstanding performance is reflected in the quality of the schools in his district and the respect and admiration he has earned from fellow educators. I commend William Wheeler for a career of distinction in the field of education. New Hampshire is fortunate to have such a talented and dedicated educator devoted to our children.●

SELMA JEAN COHEN

● Ms. MIKULSKI. Mr. President, I would like to call to the attention of my colleagues the life of Selma Jean Cohen, a native Marylander who dedicated her life to caring for ill and handicapped children and adults. Mrs. Cohen passed away on July 2 at the age of 75.

Mrs. Cohen was born Selma Jean Lattin and graduated from Forest Park High School in 1930. She married Leonard Cohen in 1942, and had two sons. While raising her children, Selma Cohen was very active in her community. She was the PTA president at Louisa May Alcott Elementary School, as well as the Cub Scout den mother and president of her synagogue sisterhood.

After raising her children, Selma Cohen served as the Maryland State Health Department Director of Nursing Home Bed Registry for 25 years, finding

nursing home beds for seniors and the ill across Maryland. Mrs. Cohen was instrumental in bringing nursing home quality and safety concerns to the attention of authorities. She also volunteered her time at the Levindale Hebrew Geriatric Center and Hospital.

As a volunteer manager at the Baltimore Ronald McDonald House for 10 years, Selma Cohen worked with families who had children in the hospital for serious illnesses. She also volunteered at Mount Washington Pediatric Hospital. Mrs. Cohen is remembered for the tremendous joy and fulfillment she derived from working with children and the way she cared for them as though they were her own.

Despite her long battle with cancer, Mrs. Cohen never lost her cheerful outlook, her sense of humor or her great zest for life. In fact, two days before her death, she was asking how her favorite team, the Baltimore Orioles, was doing.

I know my colleagues join me in paying tribute to Mrs. Cohen's many years of service to our community. Mrs. Cohen was a great mother, a great wife, a great advocate for seniors and children and a great Marylander.●

TRIBUTE TO OLYMPIAN JENNY THOMPSON

● Mr. SMITH. Mr. President, I rise today to pay tribute to Jenny Thompson of Dover, NH, for three gold medal performances at the 1996 summer Olympic games in Atlanta. Jenny's outstanding performances in women's swimming relay events are a tremendous achievement. She has made the Granite State very proud of her Olympic success.

Jenny swam the anchor leg in the women's 400 and 800 meter freestyle relays, setting American and Olympic records in both races. In addition, she swan in the qualifying round of the 400-meter medley relay to launch the team to gold in the final. With her three outstanding performances, Jenny proved herself a team player, giving so much of herself to the team's quest for a gold medal. The U.S. swimming team brought home its sixth straight relay gold medal, winning all of the relays that have been contested.

Jenny is a graduate of Dover High School where she swam and ran cross country track. She subsequently attended Stanford University, graduating in 1995, and began working with her current coach in California. In the 1992 Olympic games in Barcelona, Jenny won two gold medals and one silver medal. She has held American and world records in the 100 meter freestyle and an American record in the 100-yard freestyle. She was named the U.S. swimmer of the year after winning five national titles, eight NCAA titles, and six Pan-Pacific titles and is also a 12-time U.S. national champion. In 1995, she won the 100-meter freestyle and 100-meter butterfly at the world championships despite breaking her arm. At the young age of 23, Jenny now ties skater Bonnie Blair as the American woman with the highest number of Olympic gold medals.

The Olympic games are the crowning achievement of an athlete's career—the best meet the best from around the world. Years of training culminate in just a few weeks of competition in which dreams are fulfilled, records are broken, and champions are made. Jenny is one such champion with her three gold medals and two Olympic records. Dover will welcome their hometown girl as she returns on August 10 with a celebration and, appropriately, the dedication of a swimming pool in her name.

Jenny has proven herself an athlete and a winner. She has the admiration and pride of the New Hampshire seacoast and we are indeed proud of her. It is with pride that I congratulate the women's relay teams and our shining New Hampshire star, Jenny Thompson.●

CONGRATULATING MAC VAN HORN

● Mr. BUMPERS. Mr. President, on August 27, 1996, the Industrial Developers of Arkansas will honor Mac Van Horn as their Developer of the Year.

Mac Van Horn has been the backbone of industrial development for the past 25 years in Russellville, AR. Owner of a local construction firm involved in residential and commercial development, Mac began work as a cheerleader for development in the early 1970's. He began to attend seminars, visited Arkansas Industrial Development Commission project managers, and others and learned all the things that were important to industrial recruitment.

He was such a good student of industrial recruitment techniques that two Arkansas Governors placed him on the Arkansas Industrial Development Commission where he served faithfully for 15 years.

In the past 5 years, Mac and others on the Russellville Industrial Contact Team have recruited five new companies to the Arkansas River Valley. Fasco Industries, Inc., Alumax Foils, Inc., Bardcor Corp., CarMar Freezers, and Amarillo Gear Company have all chosen to locate in Russellville.

Mac combines his knowledge of industrial development recruitment and home cooking since he invites prospective company officials into his home when they visit to lure industry to Pope County.

Mac plans to retire soon from these endeavors. His leadership, years of experience and expertise, and his skills as a negotiator will be missed on the Russellville Industrial Contact Team.

This award is most deserved and I want to join in congratulating Mac Van Horn for his tireless service to the community he loves.●

TRIBUTE TO ROBERT SILVA FOR RECEIVING NEW HAMPSHIRE'S OUTSTANDING SERVICE AWARD IN EDUCATION

● Mr. SMITH. Mr. President, I rise today to pay tribute to Robert Silva for receiving New Hampshire's Outstanding Service Award in Education. William has served Concord school children for almost 30 years with pride and dedication, always putting the best interests of the children first. As a former teacher and school board chairman myself, I am proud to congratulate him for receiving this prestigious award.

Robert received his Bachelors and Masters degrees from the University of New Hampshire and has worked in Concord since 1967. He has been a teacher, athletic director, assistant principal, and principal. In addition, he served as the Director of Adult Education at the New Hampshire State Prison for 2 years. Robert is currently Assistant Superintendent in Concord, a position he has held since 1984.

Robert is also very involved in his community, where his record of service to schools and the community is outstanding. He has served on the Concord Recreation Committee, the Christa McAuliffe Fund Committee, and the Community Election Forum Committee. In addition he has served on the Board of Directors of the Concord DARE Association and chaired United Way fundraising for the schools.

Robert's dedication and commitment to service won him this prestigious award. He is also a leader who has shown his devotion to community development. He is a highly respected individual who is trusted and admired by all who know and work with him. His colleagues have always been impressed with his hard work and warm hearted nature. To those who work with him, Robert is also reliable and down to earth.

Our educators have been entrusted with one of our Nation's greatest treasures, our children. They, as the guardians of this treasure, care for and ensure the development of these young minds. Throughout his career in education, Robert has done an excellent job looking out for the welfare of those in his care. His outstanding performance is reflected in the respect and admiration he has earned from his colleagues. New Hampshire is fortunate to have such a talented educator and administrator. I commend Robert Silva for his outstanding career in the field of education.●

PUBLIC HOUSING REFORM AND EMPOWERMENT ACT OF 1996

Mr. GRASSLEY. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 1260, a bill to reform and consolidate the public and assisted housing programs of the United States, and to redirect primary responsibility

for these programs from the Federal Government to States and localities, and of other purposes.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 1260) entitled ''An Act to reform and consolidate the public and assisted housing programs of the United States, and to redirect primary responsibility for these programs from the Federal Government to States and localities, and for other purposes'', do pass with the following amendments:

Strike out all after the enacting clause, and insert:

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''United States Housing Act of 1996''.

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

Sec. 1. Short title and table of contents.
Sec. 2. Declaration of policy to renew American neighborhoods.

TITLE I—GENERAL PROVISIONS

Sec. 101. Statement of purpose.
Sec. 102. Definitions.
Sec. 103. Organization of local housing and management authorities.
Sec. 104. Determination of adjusted income and median income.
Sec. 105. Occupancy limitations based on illegal drug activity and alcohol abuse.
Sec. 106. Community work and family self-sufficiency requirement.
Sec. 107. Local housing management plans.
Sec. 108. Review of plans.
Sec. 109. Reporting requirements.
Sec. 110. Pet ownership.
Sec. 111. Administrative grievance procedure.
Sec. 112. Headquarters reserve fund.
Sec. 113. Labor standards.
Sec. 114. Nondiscrimination.
Sec. 115. Prohibition on use of funds.
Sec. 116. Inapplicability to Indian housing.
Sec. 117. Effective date and regulations.

TITLE II—PUBLIC HOUSING

Subtitle A—Block Grants

Sec. 201. Block grant contracts.
Sec. 202. Block grant authority, amount, and eligibility.
Sec. 203. Eligible and required activities.
Sec. 204. Determination of grant allocation.
Sec. 205. Sanctions for improper use of amounts.

Subtitle B—Admissions and Occupancy Requirements

Sec. 221. Low-income housing requirement.
Sec. 222. Family eligibility.
Sec. 223. Preferences for occupancy.
Sec. 224. Admission procedures.
Sec. 225. Family rental payment.
Sec. 226. Lease requirements.
Sec. 227. Designated housing for elderly and disabled families.

Subtitle C—Management

Sec. 231. Management procedures.
Sec. 232. Housing quality requirements.
Sec. 233. Employment of residents.
Sec. 234. Resident councils and resident management corporations.
Sec. 235. Management by resident management corporation.
Sec. 236. Transfer of management of certain housing to independent manager at request of residents.
Sec. 237. Resident opportunity program.

Subtitle D—Homeownership

Sec. 251. Resident homeownership programs.

Subtitle E—Disposition, Demolition, and Revitalization of Developments

Sec. 261. Requirements for demolition and disposition of developments.
Sec. 262. Demolition, site revitalization, replacement housing, and choice-based assistance grants for developments.
Sec. 263. Voluntary voucher system for public housing.

Subtitle F—General Provisions

Sec. 271. Conversion to block grant assistance.
Sec. 272. Payment of non-Federal share.
Sec. 273. Definitions.
Sec. 274. Authorization of appropriations for block grants.
Sec. 275. Authorization of appropriations for operation safe home.

TITLE III—CHOICE-BASED RENTAL HOUSING AND HOMEOWNERSHIP ASSISTANCE FOR LOW-INCOME FAMILIES

Subtitle A—Allocation

Sec. 301. Authority to provide housing assistance amounts.
Sec. 302. Contracts with LHMA's.
Sec. 303. Eligibility of LHMA's for assistance amounts.
Sec. 304. Allocation of amounts.
Sec. 305. Administrative fees.
Sec. 306. Authorizations of appropriations.
Sec. 307. Conversion of section 8 assistance.

Subtitle B—Choice-Based Housing Assistance for Eligible Families

Sec. 321. Eligible families and preferences for assistance.
Sec. 322. Resident contribution.
Sec. 323. Rental indicators.
Sec. 324. Lease terms.
Sec. 325. Termination of tenancy.
Sec. 326. Eligible owners.
Sec. 327. Selection of dwelling units.
Sec. 328. Eligible dwelling units.
Sec. 329. Homeownership option.
Sec. 330. Assistance for rental of manufactured homes.

Subtitle C—Payment of Housing Assistance on Behalf of Assisted Families

Sec. 351. Housing assistance payments contracts.
Sec. 352. Amount of monthly assistance payment.
Sec. 353. Payment standards.
Sec. 354. Reasonable rents.
Sec. 355. Prohibition of assistance for vacant rental units.

Subtitle D—General and Miscellaneous Provisions

Sec. 371. Definitions.
Sec. 372. Rental assistance fraud recoveries.
Sec. 373. Study regarding geographic concentration of assisted families.

TITLE IV—ACCREDITATION AND OVERSIGHT OF LOCAL HOUSING AND MANAGEMENT AUTHORITIES

Subtitle A—Housing Foundation and Accreditation Board

Sec. 401. Establishment.
Sec. 402. Membership.
Sec. 403. Functions.
Sec. 404. Initial establishment of standards and procedures for LHMA compliance.
Sec. 405. Powers.
Sec. 406. Fees.
Sec. 407. Reports.
Sec. 408. GAO Audit.

Subtitle B—Accreditation and Oversight Standards and Procedures

Sec. 431. Establishment of performance benchmarks and accreditation procedures.
Sec. 432. Financial and performance audit.
Sec. 433. Accreditation.
Sec. 434. Classification by performance category.
Sec. 435. Performance agreements for authorities at risk of becoming troubled.
Sec. 436. Performance agreements and CDBG sanctions for troubled LHMA's.
Sec. 437. Option to demand conveyance of title to or possession of public housing.
Sec. 438. Removal of ineffective LHMA's.
Sec. 439. Mandatory takeover of chronically troubled PHA's.
Sec. 440. Treatment of troubled PHA's.
Sec. 441. Maintenance of and access to records.
Sec. 442. Annual reports regarding troubled LHMA's.
Sec. 443. Applicability to resident management corporations.

TITLE V—REPEALS AND CONFORMING AMENDMENTS

Sec. 501. Repeals.
Sec. 502. Conforming and technical provisions.
Sec. 503. Amendments to Public and Assisted Housing Drug Elimination Act of 1990.
Sec. 504. Treatment of certain projects.
Sec. 505. Amendments relating to community development assistance.
Sec. 506. Authority to transfer surplus real property for housing use.
Sec. 507. Rural housing assistance.
Sec. 508. Treatment of occupancy standards.
Sec. 509. Implementation of plan.
Sec. 510. Income eligibility for HOME and CDBG programs.
Sec. 511. Amendments relating to section 236 program.
Sec. 512. Prospective application of gold clauses.
Sec. 513. Moving to work demonstration for the 21st century.
Sec. 514. Occupancy screening and evictions from federally assisted housing.
Sec. 515. Use of American products.
Sec. 516. Limitation on extent of use of loan guarantees for housing purposes.
Sec. 517. Consultation with affected areas in settlement of litigation.

TITLE VI—NATIONAL COMMISSION ON HOUSING ASSISTANCE PROGRAMS COST

Sec. 601. Establishment.
Sec. 602. Membership.
Sec. 603. Organization.
Sec. 604. Functions.
Sec. 605. Powers.
Sec. 606. Funding.
Sec. 607. Sunset.

TITLE VII—NATIVE AMERICAN HOUSING ASSISTANCE

Sec. 701. Short title.
Sec. 702. Congressional findings.
Sec. 703. Administration through Office of Native American Programs.
Sec. 704. Definitions.

Subtitle A—Block Grants and Grant Requirements

Sec. 711. Block grants.
Sec. 712. Local housing plans.
Sec. 713. Review of plans.
Sec. 714. Treatment of program income and labor standards.
Sec. 715. Environmental review.
Sec. 716. Regulations.
Sec. 717. Effective date.
Sec. 718. Authorization of appropriations.

Subtitle B—Affordable Housing Activities

Sec. 721. National objectives and eligible families.
Sec. 722. Eligible affordable housing activities.
Sec. 723. Required affordable housing activities.
Sec. 724. Types of investments.
Sec. 725. Low-income requirement and income targeting.
Sec. 726. Certification of compliance with subsidy layering requirements.
Sec. 727. Lease requirements and tenant selection.
Sec. 728. Repayment.
Sec. 729. Continued use of amounts for affordable housing.

Subtitle C—Allocation of Grant Amounts

Sec. 741. Annual allocation.
Sec. 742. Allocation formula.

Subtitle D—Compliance, Audits, and Reports
Sec. 751. Remedies for noncompliance.
Sec. 752. Replacement of recipient.
Sec. 753. Monitoring of compliance.
Sec. 754. Performance reports.
Sec. 755. Review and audit by Secretary.
Sec. 756. GAO audits.
Sec. 757. Reports to Congress.
Subtitle E—Termination of Assistance for Indian Tribes under Incorporated Programs
Sec. 761. Termination of Indian public housing assistance under United States Housing Act of 1937.
Sec. 762. Termination of new commitments for rental assistance.
Sec. 763. Termination of youthbuild program assistance.
Sec. 764. Termination of HOME program assistance.
Sec. 765. Termination of housing assistance for the homeless.
Sec. 766. Savings provision.
Sec. 767. Effective date.
Subtitle F—Loan Guarantees for Affordable Housing Activities
Sec. 771. Authority and requirements.
Sec. 772. Security and repayment.
Sec. 773. Payment of interest.
Sec. 774. Treasury borrowing.
Sec. 775. Training and information.
Sec. 776. Limitations on amount of guarantees.
Sec. 777. Effective date.
Subtitle G—Other Housing Assistance for Native Americans
Sec. 781. Loan guarantees for Indian housing.
Sec. 782. 50-year leasehold interest in trust or restricted lands for housing purposes.
Sec. 783. Training and technical assistance.
Sec. 784. Effective date.
TITLE VIII—NATIONAL MANUFACTURED HOUSING CONSTRUCTION AND SAFETY STANDARDS CONSENSUS COMMITTEE
Sec. 801. Short title; reference.
Sec. 802. Statement of purpose.
Sec. 803. Definitions.
Sec. 804. Federal manufactured home construction and safety standards.
Sec. 805. Abolishment of National Manufactured Home Advisory Council.
Sec. 806. Public information.
Sec. 807. Inspection fees.
Sec. 808. Elimination of annual report requirement.
Sec. 809. Effective date.

SEC. 2. DECLARATION OF POLICY TO RENEW AMERICAN NEIGHBORHOODS.

The Congress hereby declares that—

(1) the Federal Government has a responsibility to promote the general welfare of the Nation—

(A) by using Federal resources to aid families and individuals seeking affordable homes that are safe, clean, and healthy and, in particular, assisting responsible, deserving citizens who cannot provide fully for themselves because of temporary circumstances or factors beyond their control;

(B) by working to ensure a thriving national economy and a strong private housing market; and

(C) by developing effective partnerships among the Federal Government, State and local governments, and private entities that allow government to accept responsibility for fostering the development of a healthy marketplace and allow families to prosper without government involvement in their day-to-day activities;

(2) the Federal Government cannot through its direct action alone provide for the housing of every American citizen, or even a majority of its citizens, but it is the responsibility of the Government to promote and protect the independent and collective actions of private citizens to develop housing and strengthen their own neighborhoods;

(3) the Federal Government should act where there is a serious need that private citizens or groups cannot or are not addressing responsibly;

(4) housing is a fundamental and necessary component of bringing true opportunity to people and communities in need, but providing physical structures to house low-income families will not by itself pull generations up from poverty;

(5) it is a goal of our Nation that all citizens have decent and affordable housing; and

(6) our Nation should promote the goal of providing decent and affordable housing for all citizens through the efforts and encouragement of Federal, State, and local governments, and by promoting and protecting the independent and collective actions of private citizens, organizations, and the private sector to develop housing and strengthen their own neighborhoods.

TITLE I—GENERAL PROVISIONS

SEC. 101. STATEMENT OF PURPOSE.

The purpose of this Act is to promote safe, clean, and healthy housing that is affordable to low-income families, and thereby contribute to the supply of affordable housing, by—

(1) deregulating and decontrolling public housing agencies, which in this Act are referred to as ''local housing and management authorities'', and thereby enable them to perform as property and asset managers;

(2) providing for more flexible use of Federal assistance to local housing and management authorities, allowing the authorities to leverage and combine assistance amounts with amounts obtained from other sources;

(3) facilitating mixed income communities;

(4) increasing accountability and rewarding effective management of local housing and management authorities;

(5) creating incentives and economic opportunities for residents of dwelling units assisted by local housing and management authorities to work, become self-sufficient, and transition out of public housing and federally assisted dwelling units;

(6) recreating the existing rental assistance voucher program so that the use of vouchers and relationships between landlords and tenants under the program operate in a manner that more closely resembles the private housing market; and

(7) remedying troubled local housing and management authorities and replacing or revitalizing severely distressed public housing developments.

SEC. 102. DEFINITIONS.

For purposes of this Act, the following definitions shall apply:

(1) DISABLED FAMILY.—The term ''disabled family'' means a family whose head (or his or her spouse), or whose sole member, is a person with disabilities. Such term includes 2 or more persons with disabilities living together, and 1 or more such persons living with 1 or more persons determined under the regulations of the Secretary to be essential to their care or well-being.

(2) DRUG-RELATED CRIMINAL ACTIVITY.—The term ''drug-related criminal activity'' means the illegal manufacture, sale, distribution, use, or possession with intent to manufacture, sell, distribute, or use, of a controlled substance (as such term is defined in section 102 of the Controlled Substances Act).

(3) ELDERLY FAMILIES AND NEAR ELDERLY FAMILIES.—The terms ''elderly family'' and ''near-elderly family'' mean a family whose head (or his or her spouse), or whose sole member, is an elderly person or a near-elderly person, respectively. Such terms include 2 or more elderly persons or near-elderly persons living together, and 1 or more such persons living with 1 or more persons determined under the regulations of the Secretary to be essential to their care or well-being.

(4) ELDERLY PERSON.—The term ''elderly person'' means a person who is at least 62 years of age.

(5) FAMILY.—The term ''family'' includes a family with or without children, an elderly family, a near-elderly family, a disabled family, and a single person.

(6) INCOME.—The term ''income'' means, with respect to a family, income from all sources of each member of the household, as determined in accordance with criteria prescribed by the applicable local housing and management authority and the Secretary, except that the following amounts shall be excluded:

(A) Any amounts not actually received by the family.

(B) Any amounts that would be eligible for exclusion under section 1613(a)(7) of the Social Security Act.

(7) LOCAL HOUSING AND MANAGEMENT AUTHORITY.—The term ''local housing and management authority'' is defined in section 103.

(8) LOCAL HOUSING MANAGEMENT PLAN.—The term ''local housing management plan'' means, with respect to any fiscal year, the plan under section 107 of a local housing and management authority for such fiscal year.

(9) LOW-INCOME FAMILY.—The term ''low-income family'' means a family whose income does not exceed 80 percent of the median income for the area, as determined by the Secretary with adjustments for smaller and larger families, except that the Secretary may, for purposes of this paragraph, establish income ceilings higher or lower than 80 percent of the median for the area on the basis of the authority's findings that such variations are necessary because of unusually high or low family incomes.

(10) LOW-INCOME HOUSING.—The term ''low-income housing'' means dwellings that comply with the requirements—

(A) under subtitle B of title II for assistance under such title for the dwellings; or

(B) under title III for rental assistance payments under such title for the dwellings.

(11) NEAR-ELDERLY PERSON.—The term ''near-elderly person'' means a person who is at least 55 years of age.

(12) PERSON WITH DISABILITIES.—The term ''person with disabilities'' means a person who—

(A) has a disability as defined in section 223 of the Social Security Act; or

(B) has a developmental disability as defined in section 102 of the Developmental Disabilities Assistance and Bill of Rights Act.

Such term shall not exclude persons who have the disease of acquired immunodeficiency syndrome or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome. Notwithstanding any other provision of law, no individual shall be considered a person with disabilities, for purposes of eligibility for public housing under title II of this Act, solely on the basis of any drug or alcohol dependence. The Secretary shall consult with other appropriate Federal agencies to implement the preceding sentence.

(13) PUBLIC HOUSING.—The term ''public housing'' means housing, and all necessary appurtenances thereto, that—

(A) is low-income housing or low-income dwelling units in mixed income housing (as provided in section 221(c)(2)); and

(B)(i) is subject to an annual block grant contract under title II; or

(ii) was subject to an annual block grant contract under title II (or an annual contributions contract under the United States Housing Act of 1937) which is not in effect, but for which occupancy is limited in accordance with the requirements under section 222(a).

(14) SECRETARY.—The term ''Secretary'' means the Secretary of Housing and Urban Development.

(15) STATE.—The term ''State'' means the States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, Guam, the Virgin Islands, American Samoa, and any other territory or possession of the United States and Indian tribes.

(16) VERY LOW-INCOME FAMILY.—The term ''very low-income family'' means a low-income family whose income does not exceed 50 percent of the median family income for the area, as determined by the Secretary with adjustments for smaller and larger families, except that the Secretary may, for purposes of this paragraph, establish income ceilings higher or lower than 50 percent of the median for the area on the basis of the authority's findings that such variations are necessary because of unusually high or low family incomes.

SEC. 103. ORGANIZATION OF LOCAL HOUSING AND MANAGEMENT AUTHORITIES.

(a) REQUIREMENTS.—For purposes of this Act, the terms ''local housing and management authority'' and ''authority'' mean any entity that—

(1) is—

(A) a public housing agency that was authorized under the United States Housing Act of 1937 to engage in or assist in the development or operation of low-income housing;

(B) authorized under this Act to engage in or assist in the development or operation of low-income housing by any State, county, municipality, or other governmental body or public entity;

(C) an entity authorized by State law to administer choice-based housing assistance under title III; or

(D) an entity selected by the Secretary, pursuant to subtitle B of title IV, to manage housing; and

(2) complies with the requirements under subsection (b).

The term does not include any entity that is Indian housing authority for purposes of the United States Housing Act of 1937 (as in effect before the enactment of this Act) or a tribally designated housing entity, as such term is defined in section 704.

(b) GOVERNANCE.—

(1) BOARD OF DIRECTORS.—Each local housing and management authority shall have a board of directors or other form of governance as prescribed in State or local law. No person may be barred from serving on such board or body because of such person's residency in a public housing development or status as an assisted family under title III.

(2) RESIDENT MEMBERSHIP.—

(A) IN GENERAL.—Except as provided in subparagraph (B), in localities in which a local housing and management authority is governed by a board of directors or other similar body, the board or body shall include not less than 1 member who is an elected public housing resident member (as such term is defined in paragraph (5)). If the board includes 2 or more resident members, at least 1 such member shall be a member of an assisted family under title III.

(B) EXCEPTIONS.—The requirement in subparagraph (A) with respect to elected public housing resident members and resident members shall not apply to—

(i) any State or local governing body that serves as a local housing and management authority for purposes of this Act and whose responsibilities include substantial activities other than acting as the local housing and management authority, except that such requirement shall apply to any advisory committee or organization that is established by such governing body and whose responsibilities relate only to the governing body's functions as a local housing and management authority for purposes of this Act;

(ii) any local housing and management authority that owns or operates less than 250 public housing dwelling units (including any authority that does not own or operate public housing);

(iii) any local housing and management authority in a State in which State law specifically precludes public housing residents or assisted families from serving on the board of directors or other similar body of an authority; or

(iv) any local housing and management authority in a State that requires the members of the board of directors or other similar body of a local housing and management authority to be salaried and to serve on a full-time basis.

(3) FULL PARTICIPATION.—No local housing and management authority may limit or restrict the capacity or offices in which a member of such board or body may serve on such board or body solely because of the member's status as a resident member.

(4) CONFLICTS OF INTEREST.—The Secretary shall establish guidelines to prevent conflicts of interest on the part of members of the board or directors or governing body of a local housing and management authority.

(5) DEFINITIONS.—For purposes of this subsection, the following definitions shall apply:

(A) ELECTED PUBLIC HOUSING RESIDENT MEMBER.—The term ''elected public housing resident member'' means, with respect to the local housing and management authority involved, an individual who is a resident member of the board of directors (or other similar governing body of the authority) by reason of election to such position pursuant to an election—

(i) in which eligibility for candidacy in such election is limited to individuals who—

(I) maintain their principal residence in a dwelling unit of public housing administered or assisted by the authority; and

(II) have not been convicted of a felony and do not reside in a household that includes an individual convicted of a felony;

(ii) in which only residents of dwelling units of public housing administered by the authority may vote; and

(iii) that is conducted in accordance with standards and procedures for such election, which shall be established by the Secretary.

(B) RESIDENT MEMBER.—The term ''resident member'' means a member of the board of directors or other similar governing body of a local housing and management authority who is a resident of a public housing dwelling unit owned, administered, or assisted by the authority or is a member of an assisted family (as such term is defined in section 371) assisted by the authority.

(c) ESTABLISHMENT OF POLICIES.—Any rules, regulations, policies, standards, and procedures necessary to implement policies required under section 107 to be included in the local housing management plan for a local housing and management authority shall be approved by the board of directors or similar governing body of the authority and shall be publicly available for review upon request.

SEC. 104. DETERMINATION OF ADJUSTED INCOME AND MEDIAN INCOME.

(a) ADJUSTED INCOME.—For purposes of this Act, the term ''adjusted income'' means, with respect to a family, the difference between the income of the members of the family residing in a dwelling unit or the persons on a lease and the amount of any income exclusions for the family under subsections (b) and (c), as determined by the local housing and management authority.

(b) MANDATORY EXCLUSIONS FROM INCOME.—In determining adjusted income, a local housing and management authority shall exclude from the annual income of a family the following amounts:

(1) ELDERLY AND DISABLED FAMILIES.—$400 for any elderly or disabled family.

(2) MEDICAL EXPENSES.—The amount by which 3 percent of the annual family income is exceeded by the sum of—

(A) unreimbursed medical expenses of any elderly family;

(B) unreimbursed medical expenses of any nonelderly family, except that this subparagraph shall apply only to the extent approved in appropriation Acts; and

(C) unreimbursed reasonable attendant care and auxiliary apparatus expenses for each handicapped member of the family, to the extent necessary to enable any member of such family (including such handicapped member) to be employed.

(3) CHILD CARE EXPENSES.—Any reasonable child care expenses necessary to enable a member of the family to be employed or to further his or her education.

(4) MINORS, STUDENTS, AND PERSONS WITH DISABILITIES.—$480 for each member of the family residing in the household (other than the head of the household or his or her spouse) who is under 18 years of age or is attending school or vocational training on a full-time basis, or who is 18 years of age or older and is a person with disabilities.

(5) CHILD SUPPORT PAYMENTS.—Any payment made by a member of the family for the support and maintenance of any child who does not reside in the household, except that the amount excluded under this paragraph may not exceed $480 for each child for whom such payment is made.

(c) PERMISSIVE EXCLUSIONS FROM INCOME.—In determining adjusted income, a local housing and management authority may, in the discretion of the authority, establish exclusions from the annual income of a family. Such exclusions may include the following amounts:

(1) EXCESSIVE TRAVEL EXPENSES.—Excessive travel expenses in an amount not to exceed $25 per family per week, for employment- or education-related travel.

(2) EARNED INCOME.—An amount of any earned income of the family, established at the discretion of the local housing and management authority, which may be based on—

(A) all earned income of the family,

(B) the amount earned by particular members of the family;

(C) the amount earned by families having certain characteristics; or

(D) the amount earned by families or members during certain periods or from certain sources.

(3) OTHERS.—Such other amounts for other purposes, as the local housing and management authority may establish.

(d) MEDIAN INCOME.—In determining median incomes (of persons, families, or households) for an area or establishing any ceilings or limits based on income under this Act, the Secretary shall determine or establish area median incomes and income ceilings and limits for Westchester and Rockland Counties, in the State of New York, as if each such county were an area not contained within the metropolitan statistical area in which it is located. In determining such area median incomes or establishing such income ceilings or limits for the portion of such metropolitan statistical area that does not include Westchester or Rockland Counties, the Secretary shall determine or establish area median incomes and income ceilings and limits as if such portion included Westchester and Rockland Counties.

SEC. 105. OCCUPANCY LIMITATIONS BASED ON ILLEGAL DRUG ACTIVITY AND ALCOHOL ABUSE.

(a) INELIGIBILITY BECAUSE OF EVICTION FOR DRUG-RELATED CRIMINAL ACTIVITY.—Any tenant evicted from housing assisted under title II or title III by reason of drug-related criminal activity (as such term is defined in section 102) shall not be eligible for any housing assistance under title II or title III during the 3-year period beginning on the date of such eviction, unless the evicted tenant successfully completes a rehabilitation program approved by the local housing and management authority (which shall include a waiver of this subsection if the circumstances leading to eviction no longer exist).

(b) INELIGIBILITY OF ILLEGAL DRUG USERS AND ALCOHOL ABUSERS.—

(1) IN GENERAL.—Notwithstanding any other provision of law, a local housing and management authority shall establish standards for occupancy in public housing dwelling units and housing assistance under title II—

(A) that prohibit occupancy in any public housing dwelling unit by, and housing assistance under title II for, any person—

(i) who the local housing and management authority determines is illegally using a controlled substance; or

(ii) if the local housing and management authority determines that it has reasonable cause to believe that such person's illegal use (or pattern of illegal use) of a controlled substance, or abuse (or pattern of abuse) of alcohol, may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents of the project; and

(B) that allow the local housing and management authority to terminate the tenancy in any public housing unit of, and the housing assistance under title II for, any person—

(i) who the local housing and management authority determines is illegally using a controlled substance; or

(ii) whose illegal use of a controlled substance, or whose abuse of alcohol, is determined by the local housing and management authority to interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents of the project.

(2) CONSIDERATION OF REHABILITATION.—In determining whether, pursuant to paragraph (1), to deny occupancy or assistance to any person based on a pattern of use of a controlled substance or a pattern of abuse of alcohol, a local housing and management authority may consider whether such person—

(A) has successfully completed a supervised drug or alcohol rehabilitation program (as applicable) and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable);

(B) has otherwise been rehabilitated successfully and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable); or

(C) is participating in a supervised drug or alcohol rehabilitation program (as applicable) and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable).

(c) OTHER SCREENING.—A local housing and management authority may deny occupancy as provided in section 642 of the Housing and Community Development Act of 1992.

(d) LIMITATION ON ADMISSION OF PERSONS CONVICTED OF DRUG-RELATED OFFENSES.—Notwithstanding any other provision of law, each local housing and management authority shall prohibit admission and occupancy to public housing dwelling units by, and assistance under title III to, any person who, after the date of the enactment of this Act, has been convicted of illegal possession with intent to sell any controlled substance (as such term is defined in the Controlled Substances Act). This subsection may not be construed to require the termination of tenancy or eviction of any member of a household residing in public housing, or the termination of assistance of any member of an assisted family, who is not a person described in the preceding sentence.

SEC. 106. COMMUNITY WORK AND FAMILY SELF-SUFFICIENCY REQUIREMENT.

(a) REQUIREMENT.—Except as provided in subsection (c), each local housing and management authority shall require, as a condition of occupancy of a public housing dwelling unit by a family and of providing housing assistance under title III on behalf of a family, that each adult

member of the family shall contribute not less than 8 hours of work per month within the community in which the family resides. The requirement under this subsection shall be incorporated in the terms of the tenant self-sufficiency contract under subsection (b).

(b) TENANT SELF-SUFFICIENCY CONTRACT.—

(1) REQUIREMENT.—Except as provided in subsection (c), each local housing and management authority shall require, as a condition of occupancy of a public housing dwelling unit by a family and of providing housing assistance under title III on behalf of a family, that each adult member of the family who has custody of, or is responsible for, a minor living in his or her care shall enter into a legally enforceable self-sufficiency contract under this section with the authority.

(2) CONTRACT TERMS.—The terms of a self-sufficiency contract under this subsection shall be established pursuant to consultation between the authority and the family and shall include a plan for the resident's or family's residency in housing assisted under this Act that provides—

(A) a date specific by which the resident or family will graduate from or terminate tenancy in such housing;

(B) specific interim and final performance targets and deadlines relating to self-sufficiency, which may relate to education, school participation, substance and alcohol abuse counseling, mental health support, jobs and skills training, and any other factors the authority considers appropriate; and

(C) any resources, services, and assistance relating to self-sufficiency to be made available to the resident or family.

(3) INCORPORATION INTO LEASE.—A self-sufficiency contract under this subsection shall be incorporated by reference into a lease under section 226 or 324, as applicable, and the terms of such contract shall be terms of the lease for which violation may result in—

(A) termination of tenancy, pursuant to section 226(4) or 325(a)(1), as applicable; or

(B) withholding of assistance under this Act.

The contract shall provide that the local housing and management authority or the resident who is a party to the contract may enforce the contract through an administrative grievance procedure under section 111.

(4) PARTNERSHIPS FOR SELF-SUFFICIENCY ACTIVITIES.—A local housing and management authority may enter into such agreements and form such partnerships as may be necessary, with State and local agencies, nonprofit organizations, academic institutions, and other entities who have experience or expertise in providing services, activities, training, and other assistance designed to facilitate low- and very-low income families achieving self-sufficiency.

(5) CHANGED CIRCUMSTANCES.—A self-sufficiency contract under this subsection shall provide for modification in writing and that the local housing and management authority may for good cause or changed circumstances waive conditions under the contract.

(6) MODEL CONTRACTS.—The Secretary shall, in consultation with organizations and groups representing resident councils and residents of housing assisted under this Act, develop a model self-sufficiency contract for use under this subsection. The Secretary shall provide local housing and management authorities with technical assistance and advice regarding such contracts.

(c) EXEMPTIONS.—A local housing and management authority shall provide for the exemption, from the applicability of the requirements under subsections (a) and (b)(1), of each individual who is—

(1) an elderly person and unable, as determined in accordance with guidelines established by the Secretary, to comply with the requirement;

(2) a person with disabilities and unable (as so determined) to comply with the requirement;

(3) working, attending school or vocational training, or otherwise complying with work requirements applicable under other public assistance programs, and unable (as so determined) to comply with the requirement; or

(4) otherwise physically impaired, as certified by a doctor, and is therefore unable to comply with the requirement.

SEC. 107. LOCAL HOUSING MANAGEMENT PLANS.

(a) IN GENERAL.—In accordance with this section, the Secretary shall provide for each local housing and management authority to submit to the Secretary a local housing management plan under this section for each fiscal year that describes the mission of the local housing and management authority and the goals, objectives, and policies of the authority to meet the housing needs of low-income families in the jurisdiction of the authority.

(b) PROCEDURES.—The Secretary shall establish requirements and procedures for submission and review of plans and for the contents of such plans. Such procedures shall provide for local housing and management authorities to, at the option of the authority, submit plans under this section together with, or as part of, the comprehensive housing affordability strategy under section 105 of the Cranston-Gonzalez National Affordable Housing Act (or any consolidated plan incorporating such strategy) for the relevant jurisdiction and for concomitant review of such plans.

(c) CONTENTS.—A local housing management plan under this section for a local housing and management authority shall contain the following information relating to the upcoming fiscal year for which the assistance under this Act is to be made available:

(1) FINANCIAL RESOURCES.—An operating budget for the authority that includes—

(A) a description of the financial resources available to the authority;

(B) the uses to which such resources will be committed, including eligible and required activities under section 203 to be assisted, housing assistance to be provided under title III, and administrative, management, maintenance, and capital improvement activities to be carried out; and

(C) an estimate of the market rent value of each public housing development of the authority.

(2) POPULATION SERVED.—A statement of the policies of the authority governing eligibility, admissions, and occupancy of families with respect to public housing dwelling units and housing assistance under title III, including—

(A) the requirements for eligibility for such units and assistance and the method by which eligibility will be determined and verified;

(B) the requirements for selection and admissions of eligible families for such units and assistance, including any preferences established under section 223 or 321(e) and the criteria for selection under section 222(b) and (c);

(C) the procedures for assignment of families admitted to dwelling units owned, operated, or assisted by the authority;

(D) any standards and requirements for occupancy of public housing dwelling units and units assisted under title III, including conditions for continued occupancy, termination of tenancy, eviction, and termination of housing assistance under section 321(g);

(E) the criteria under subsection (f) of section 321 for providing and denying housing assistance under title III to families moving into the jurisdiction of the authority;

(F) the fair housing policy of the authority; and

(G) the procedures for outreach efforts (including efforts that are planned and that have been executed) to homeless families and to entities providing assistance to homeless families, in the jurisdiction of the authority.

(3) RENT DETERMINATION.—A statement of the policies of the authority governing rents charged for public housing dwelling units and rental contributions of assisted families under title III, including—

(A) the methods by which such rents are determined under section 225 and such contributions are determined under section 322;

(B) an analysis of how such methods affect—

(i) the ability of the authority to provide housing assistance for families having a broad range of incomes;

(ii) the affordability of housing for families having incomes that do not exceed 30 percent of the median family income for the area; and

(iii) the availability of other financial resources to the authority.

(4) QUALITY STANDARDS FOR MAINTENANCE AND MANAGEMENT.—A statement of the standards and policies of the authority governing maintenance and management of housing owned and operated by the authority, and management of the local housing and management authority, including—

(A) housing quality standards in effect pursuant to sections 232 and 328 and any certifications required under such sections;

(B) routine and preventative maintenance policies for public housing;

(C) emergency and disaster plans for public housing;

(D) rent collection and security policies for public housing;

(E) priorities and improvements for management of public housing; and

(F) priorities and improvements for management of the authority, including improvement of electronic information systems to facilitate managerial capacity and efficiency.

(5) GRIEVANCE PROCEDURE.—A statement of the grievance procedures of the authority under section 111.

(6) CAPITAL IMPROVEMENTS.—With respect to public housing developments owned or operated by the authority, a plan describing—

(A) the capital improvements necessary to ensure long-term physical and social viability of the developments; and

(B) the priorities of the authority for capital improvements based on analysis of available financial resources, consultation with residents, and health and safety considerations.

(7) DEMOLITION AND DISPOSITION.—With respect to public housing developments owned or operated by the authority—

(A) a description of any such housing to be demolished or disposed of under subtitle E of title II;

(B) a timetable for such demolition or disposition; and

(C) any information required under section 261(h) with respect to such demolition or disposition.

(8) DESIGNATION OF HOUSING FOR ELDERLY AND DISABLED FAMILIES.—With respect to public housing developments owned or operated by the authority, a description of any developments (or portions thereof) that the authority has designated or will designate for occupancy by elderly and disabled families in accordance with section 227 and any information required under section 227(d) for such designated developments.

(9) CONVERSION OF PUBLIC HOUSING.—With respect to public housing owned or operated by the authority, a description of any building or buildings that the authority is required under section 203(b) to convert to housing assistance under title III, an analysis of such buildings showing that the buildings meet the requirements under such section for such conversion, and a statement of the amount of grant amounts under title II to be used for rental assistance under title III.

(10) HOMEOWNERSHIP ACTIVITIES.—A description of any homeownership programs of the authority under subtitle D of title II or section 329 for the authority and the requirements and assistance available under such programs.

(11) COORDINATION WITH WELFARE AND OTHER APPROPRIATE AGENCIES.—A description of how the authority will coordinate with State welfare agencies and other appropriate Federal, State, or local government agencies or nongovernment agencies or entities to ensure that public housing residents and assisted families will be provided with access to resources to assist in obtaining employment and achieving self-sufficiency.

(12) SAFETY AND CRIME PREVENTION.—A description of the policies established by the authority that increase or maintain the safety of public housing residents, facilitate the authority undertaking crime prevention measures (such as community policing, where appropriate), allow resident input and involvement, and allow for creative methods to increase public housing resident safety by coordinating crime prevention efforts between the authority and Federal, State, and local law enforcement officials. Furthermore, to assure the safety of public housing residents, the requirements will include use of trespass laws by the authority to keep evicted tenants or criminals out of public housing property.

(13) POLICIES FOR LOSS OF HOUSING ASSISTANCE.—A description of policies of the authority requiring the loss of housing assistance and tenancy under titles II and III, pursuant to sections 222(e) and 321(g).

(d) 5-YEAR PLAN.—Each local housing management plan under this section for a local housing and management authority shall contain, with respect to the 5-year period beginning with the fiscal year for which the plan is submitted, the following information:

(1) STATEMENT OF MISSION.—A statement of the mission of the authority for serving the needs of low-income families in the jurisdiction of authority during such period.

(2) GOALS AND OBJECTIVES.—A statement of the goals and objectives of the authority that will enable the authority to serve the needs identified pursuant to paragraph (1) during such period.

(3) CAPITAL IMPROVEMENT OVERVIEW.—If the authority will provide capital improvements for public housing developments during such period, an overview of such improvements, the rationale for such improvements, and an analysis of how such improvements will enable the authority to meet its goals, objectives, and mission.

(e) CITIZEN PARTICIPATION.—

(1) IN GENERAL.—Before submitting a plan under this section or an amendment under section 108(f) to a plan, a local housing and management authority shall make the plan or amendment publicly available in a manner that affords affected public housing residents and assisted families under title III, citizens, public agencies, entities providing assistance and services for homeless families, and other interested parties an opportunity, for a period not shorter than 60 days and ending at a time that reasonably provides for compliance with the requirements of paragraph (2), to examine its content and to submit comments to the authority.

(2) CONSIDERATION OF COMMENTS.—A local housing and management authority shall consider any comments or views provided pursuant to paragraph (1) in preparing a final plan or amendment for submission to the Secretary. A summary of such comments or views shall be attached to the plan, amendment, or report submitted. The submitted plan, amendment, or report shall be made publicly available upon submission.

(f) LOCAL REVIEW.—Before submitting a plan under this section to the Secretary, the local housing and management authority shall submit the plan to any local elected official or officials responsible for appointing the members of the board of directors (or other similar governing body) of the local housing and management authority for review and approval.

(g) PLANS FOR SMALL LHMA'S AND LHMA'S ADMINISTERING ONLY RENTAL ASSISTANCE.—The Secretary shall establish requirements for submission of plans under this section and the information to be included in such plans applicable to housing and management authorities that own or operate less than 250 public housing dwelling units and shall establish requirements for such submission and information applicable to authorities that only administer housing assistance under title III (and do not own or operate public housing). Such requirements shall waive any requirements under this section that the Secretary determines are burdensome or unnecessary for such agencies.

SEC. 108. REVIEW OF PLANS.

(a) REVIEW AND NOTICE.—

(1) REVIEW.—The Secretary shall conduct a limited review of each local housing management plan submitted to the Secretary to ensure that the plan is complete and complies with the requirements of section 107. The Secretary shall have the discretion to review a plan only to the extent that the Secretary considers review is necessary.

(2) NOTICE.—The Secretary shall notify each local housing and management authority submitting a plan whether the plan complies with such requirements not later than 75 days after receiving the plan. If the Secretary does not notify the local housing and management authority, as required under this subsection and subsection (b), the plan shall be considered, for purposes of this Act, to have been determined to comply with the requirements under section 107 and the authority shall be considered to have been notified of compliance upon the expiration of such 75-day period.

(b) NOTICE OF REASONS FOR DETERMINATION OF NONCOMPLIANCE.—If the Secretary determines that a plan, as submitted, does not comply with the requirements under section 107, the Secretary shall specify in the notice under subsection (a) the reasons for the noncompliance and any modifications necessary for the plan to meet the requirements under section 107.

(c) STANDARDS FOR DETERMINATION OF NONCOMPLIANCE.—The Secretary may determine that a plan does not comply with the requirements under section 107 only if—

(1) the plan is incomplete in significant matters required under such section;

(2) there is evidence available to the Secretary that challenges, in a substantial manner, any information provided in the plan;

(3) the Secretary determines that the plan does not comply with Federal law or violates the purposes of this Act because it fails to provide housing that will be viable on a long-term basis at a reasonable cost;

(4) the plan plainly fails to adequately identify the needs of low-income families for housing assistance in the jurisdiction of the authority;

(5) the plan plainly fails to adequately identify the capital improvement needs for public housing developments in the jurisdiction of the authority;

(6) the activities identified in the plan are plainly inappropriate to address the needs identified in the plan; or

(7) the plan is inconsistent with the requirements of this Act.

(d) TREATMENT OF EXISTING PLANS.—Notwithstanding any other provision of this title, a local housing and management authority shall be considered to have submitted a plan under this section if the authority has submitted to the Secretary a comprehensive plan under section 14(e) of the United States Housing Act of 1937 (as in effect immediately before the enactment of this Act) or under the comprehensive improvement assistance program under such section 14, and the Secretary has approved such plan, before January 1, 1994. The Secretary shall provide specific procedures and requirements for such authorities to amend such plans by submitting only such additional information as is necessary to comply with the requirements of section 107.

(e) ACTIONS TO CHANGE PLAN.—A local housing and management authority that has submitted a plan under section 107 may change actions or policies described in the plan before submission and review of the plan of the authority for the next fiscal year only if—

(1) in the case of costly or nonroutine changes, the authority submits to the Secretary an amendment to the plan under subsection (f) which is reviewed in accordance with such subsection; or

(2) in the case of inexpensive or routine changes, the authority describes such changes in such local housing management plan for the next fiscal year.

(f) AMENDMENTS TO PLAN.—

(1) IN GENERAL.—During the annual or 5-year period covered by the plan for a local housing and management authority, the authority may submit to the Secretary any amendments to the plan.

(2) REVIEW.—The Secretary shall conduct a limited review of each proposed amendment submitted under this subsection to determine whether the plan, as amended by the amendment, complies with the requirements of section 107 and notify each local housing and management authority submitting the amendment whether the plan, as amended, complies with such requirements not later than 30 days after receiving the amendment. If the Secretary determines that a plan, as amended, does not comply with the requirements under section 107, such notice shall indicate the reasons for the noncompliance and any modifications necessary for the plan to meet the requirements under section 107. If the Secretary does not notify the local housing and management authority as required under this paragraph, the plan, as amended, shall be considered, for purposes of this section, to comply with the requirements under section 107.

(3) STANDARDS FOR DETERMINATION OF NONCOMPLIANCE.—The Secretary may determine that a plan, as amended by a proposed amendment, does not comply with the requirements under section 107 only if—

(A) the plan, as amended, would be subject to a determination of noncompliance in accordance with the provisions of subsection (c); or

(B) the Secretary determines that—

(i) the proposed amendment is plainly inconsistent with the activities specified in the plan; or

(ii) there is evidence that challenges, in a substantial manner, any information contained in the amendment; or

(3) the Secretary determines that the plan, as amended, violates the purposes of this Act because it fails to provide housing that will be viable on a long-term basis at a reasonable cost;

(4) AMENDMENTS TO EXTEND TIME OF PERFORMANCE.—Notwithstanding any other provision of this subsection, the Secretary may not determine that any amendment to the plan of a local housing and management authority that extends the time for performance of activities assisted with amounts provided under this title fails to comply with the requirements under section 107 if the Secretary has not provided the amount of assistance set forth in the plan or has not provided the assistance in a timely manner.

SEC. 109. REPORTING REQUIREMENTS.

(a) PERFORMANCE AND EVALUATION REPORT.—Each local housing and management authority shall annually submit to the Accreditation Board established under section 401, on a date determined by such Board, a performance and evaluation report concerning the use of funds made available under this Act. The report of the local housing and management authority shall include an assessment by the authority of the relationship of such use of funds made available under this Act, as well as the use of other funds, to the needs identified in the local housing management plan and to the purposes of this Act. The local housing and management authority shall certify that the report was available for review and comment by affected tenants prior to its submission to the Board.

(b) REVIEW OF LHMA'S.—The Accreditation Board established under section 401 shall, at least on an annual basis, make such reviews as may be necessary or appropriate to determine whether each local housing and management authority receiving assistance under this section—

(1) has carried out its activities under this Act in a timely manner and in accordance with its local housing management plan;

(2) has a continuing capacity to carry out its local housing management plan in a timely manner; and

(3) has satisfied, or has made reasonable progress towards satisfying, such performance standards as shall be prescribed by the Board.

(c) RECORDS.—Each local housing and management authority shall collect, maintain, and submit to the Accreditation Board established under section 401 such data and other program records as the Board may require, in such form and in accordance with such schedule as the Board may establish.

SEC. 110. PET OWNERSHIP.

(a) IN GENERAL.—Except as provided in subsections (b) and (c), a resident of a public housing dwelling unit or an assisted dwelling unit (as such term is defined in section 371) may own common household pets or have common household pets present in the dwelling unit of such resident to the extent allowed by the local housing and management authority or the owner of the assisted dwelling unit, respectively.

(b) FEDERALLY ASSISTED RENTAL HOUSING FOR THE ELDERLY OR DISABLED.—Pet ownership in housing assisted under this Act that is federally assisted rental housing for the elderly or handicapped (as such term is defined in section 227 of the Housing and Urban-Rural Recovery Act of 1983) shall be governed by the provisions of section 227 of such Act.

(c) ELDERLY FAMILIES IN PUBLIC AND ASSISTED HOUSING.—Responsible ownership of common household pets shall not be denied any elderly or disabled family who resides in a dwelling unit in public housing or an assisted dwelling unit (as such term is defined in section 371), subject to the reasonable requirements of the local housing and management authority or the owner of the assisted dwelling unit, as applicable. This subsection shall not apply to units in public housing or assisted dwelling units that are located in federally assisted rental housing for the elderly or handicapped referred to in subsection (b).

SEC. 111. ADMINISTRATIVE GRIEVANCE PROCEDURE.

(a) REQUIREMENTS.—Each local housing and management authority receiving assistance under this Act shall establish and implement an administrative grievance procedure under which residents of public housing will—

(1) be advised of the specific grounds of any proposed adverse local housing and management authority action;

(2) have an opportunity for a hearing before an impartial party (including appropriate employees of the local housing and management authority) upon timely request within a reasonable period of time;

(3) have an opportunity to examine any documents or records or regulations related to the proposed action;

(4) be entitled to be represented by another person of their choice at any hearing;

(5) be entitled to ask questions of witnesses and have others make statements on their behalf; and

(6) be entitled to receive a written decision by the local housing and management authority on the proposed action.

(b) EXCLUSION FROM ADMINISTRATIVE PROCEDURE OF GRIEVANCES CONCERNING EVICTIONS FROM PUBLIC HOUSING.—A local housing and management authority shall exclude from its procedure established under subsection (a) any grievance concerning an eviction from or termination of tenancy in public housing in any State which requires that, prior to eviction, a resident be provided a hearing in court which the Secretary determines provides the basic elements of due process.

(c) INAPPLICABILITY TO CHOICE-BASED RENTAL HOUSING ASSISTANCE.—This section may not be construed to require any local housing and management authority to establish or implement an administrative grievance procedure with respect to assisted families under title III.

SEC. 112. HEADQUARTERS RESERVE FUND.

(a) ANNUAL RESERVATION OF AMOUNTS.—Notwithstanding any other provision of law, the Secretary may retain not more than 3 percent of the amounts appropriated to carry out title II for any fiscal year for use in accordance with this section.

(b) USE OF AMOUNTS.—Any amounts that are retained under subsection (a) or appropriated or otherwise made available for use under this section shall be available for subsequent allocation to specific areas and communities, and may only be used for the Department of Housing and Urban Development and—

(1) unforeseen housing needs resulting from natural and other disasters;

(2) housing needs resulting from emergencies, as certified by the Secretary, other than such disasters;

(3) housing needs related to a settlement of litigation, including settlement of fair housing litigation;

(4) providing technical assistance, training, and electronic information systems for the Department of Housing and Urban Development, local housing and management authorities, residents, resident councils, and resident management corporations to improve management of such authorities, except that the provision of assistance under this paragraph may not involve expenditure of amounts retained under subsection (a) for travel;

(5)(A) providing technical assistance, directly or indirectly, for local housing and management authorities, residents, resident councils, resident management corporations, and nonprofit and other entities in connection with implementation of a homeownership program under section 251, except that grants under this paragraph may not exceed $100,000; and (B) establishing a public housing homeownership program data base; and

(6) needs related to the Secretary's actions regarding troubled local housing and management authorities under this Act.

Housing needs under this subsection may be met through the provision of assistance in accordance with title II or title III, or both.

SEC. 113. LABOR STANDARDS.

(a) IN GENERAL.—Any contract for grants, sale, or lease pursuant to this Act relating to public housing shall contain the following provisions:

(1) OPERATION.—A provision requiring that not less than the wages prevailing in the locality, as determined or adopted (subsequent to a determination under applicable State or local law) by the Secretary, shall be paid to all contractors and persons employed in the operation of the low-income housing development involved.

(2) PRODUCTION.—A provision that not less than the wages prevailing in the locality, as predetermined by the Secretary of Labor pursuant to the Davis-Bacon Act (40 U.S.C. 276a–276a–5), shall be paid to all laborers and mechanics employed in the production of the development involved.

The Secretary shall require certification as to compliance with the provisions of this section before making any payment under such contract.

(b) EXCEPTIONS.—Subsection (a) and the provisions relating to wages (pursuant to subsection (a)) in any contract for grants, sale, or lease pursuant to this Act relating to public housing, shall not apply to any of the following individuals:

(1) VOLUNTEERS.—Any individual who—

(A) performs services for which the individual volunteered;

(B)(i) does not receive compensation for such services; or

(ii) is paid expenses, reasonable benefits, or a nominal fee for such services; and

(C) is not otherwise employed at any time in the construction work.

(2) RESIDENTS EMPLOYED BY LHMA.—Any resident of a public housing development who (A) is an employee of the local housing and management authority for the development, (B) performs services in connection with the operation

of a low-income housing project owned or managed by such authority, and (C) is not a member of a bargaining unit represented by a union that has a collective bargaining agreement with the local housing and management authority.

(3) RESIDENTS IN TRAINING PROGRAMS.—Any individuals participating in a job training program or other program designed to promote economic self-sufficiency.

(c) DEFINITION.—For purposes of this section, the terms ''operation'' and ''production'' have the meanings given the term in section 273.

SEC. 114. NONDISCRIMINATION.

(a) IN GENERAL.—No person in the United States shall on the grounds of race, color, national origin, religion, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with amounts made available under this Act. Any prohibition against discrimination on the basis of age under the Age Discrimination Act of 1975 or with respect to an otherwise qualified handicapped individual as provided in section 504 of the Rehabilitation Act of 1973 shall also apply to any such program or activity.

(b) CIVIL RIGHTS COMPLIANCE.—Each local housing and management authority that receives grant amounts under this Act shall use such amounts and carry out its local housing management plan approved under section 108 in conformity with title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, and the Americans With Disabilities Act of 1990, and shall affirmatively further fair housing.

SEC. 115. PROHIBITION ON USE OF FUNDS.

None of the funds made available to the Department of Housing and Urban Development to carry out this Act, which are obligated to State or local governments, local housing and management authorities, housing finance agencies, or other public or quasi-public housing agencies, shall be used to indemnify contractors or subcontractors of the government or agency against costs associated with judgments of infringement of intellectual property rights.

SEC. 116. INAPPLICABILITY TO INDIAN HOUSING.

Except as specifically provided by law, the provisions of this title, and titles II, III, and IV shall not apply to public housing developed or operated pursuant to a contract between the Secretary and an Indian housing authority or to housing assisted under the Native American Housing Assistance and Self-Determination Act of 1996.

SEC. 117. EFFECTIVE DATE AND REGULATIONS.

(a) EFFECTIVE DATE.—The provisions of this Act and the amendments made by this Act shall take effect and shall apply on the date of the enactment of this Act, unless such provisions or amendments specifically provide for effectiveness or applicability on another date certain.

(b) REGULATIONS.—The Secretary may issue any regulations necessary to carry out this Act.

(c) RULE OF CONSTRUCTION.—Any failure by the Secretary to issue any regulations authorized under subsection (b) shall not affect the effectiveness of any provision of this Act or any amendment made by this Act.

TITLE II—PUBLIC HOUSING

Subtitle A—Block Grants

SEC. 201. BLOCK GRANT CONTRACTS.

(a) IN GENERAL.—The Secretary shall enter into contracts with local housing and management authorities under which—

(1) the Secretary agrees to make a block grant under this title, in the amount provided under section 202(c), for assistance for low-income housing to the local housing and management authority for each fiscal year covered by the contract; and

(2) the authority agrees—

(A) to provide safe, clean, and healthy housing that is affordable to low-income families and services for families in such housing;

(B) to operate, or provide for the operation, of such housing in a financially sound manner;

(C) to use the block grant amounts in accordance with this title and the local housing management plan for the authority that complies with the requirements of section 107;

(D) to involve residents of housing assisted with block grant amounts in functions and decisions relating to management and the quality of life in such housing;

(E) that the management of the public housing of the authority shall be subject to actions authorized under subtitle B of title IV;

(F) that the Secretary may take actions under section 205 with respect to improper use of grant amounts provided under the contract; and

(G) to otherwise comply with the requirements under this title.

(b) MODIFICATION.—Contracts and agreements between the Secretary and a local housing and management authority may not be amended in a manner which would—

(1) impair the rights of—

(A) leaseholders for units assisted pursuant to a contract or agreement; or

(B) the holders of any outstanding obligations of the local housing and management authority involved for which annual contributions have been pledged; or

(2) provide for payment of block grant amounts under this title in an amount exceeding the allocation for the authority determined under section 204.

Any rule of law contrary to this subsection shall be deemed inapplicable.

(c) CONDITIONS ON RENEWAL.—Each block grant contract under this section shall provide, as a condition of renewal of the contract with the local housing and management authority, that the authority's accreditation be renewed by the Housing Foundation and Accreditation Board pursuant to review under section 433 by such Board.

SEC. 202. GRANT AUTHORITY, AMOUNT, AND ELIGIBILITY.

(a) AUTHORITY.—The Secretary shall make block grants under this title to eligible local housing and management authorities in accordance with block grant contracts under section 201.

(b) PERFORMANCE FUNDS.—

(1) IN GENERAL.—The Secretary shall establish 2 funds for the provision of grants to eligible local housing and management authorities under this title, as follows:

(A) CAPITAL FUND.—A capital fund to provide capital and management improvements to public housing developments.

(B) OPERATING FUND.—An operating fund for public housing operations.

(2) FLEXIBILITY OF FUNDING.—A local housing and management authority may use up to 10 percent of the amounts from a grant under this title that are allocated and provided from the capital fund for activities that are eligible under section 203(a)(2) to be funded with amounts from the operating fund.

(c) AMOUNT OF GRANTS.—The amount of the grant under this title for a local housing and management authority for a fiscal year shall be the amount of the allocation for the authority determined under section 204, except as otherwise provided in this title and subtitle B of title IV.

(d) ELIGIBILITY.—A local housing and management authority shall be an eligible local housing and management authority with respect to a fiscal year for purposes of this title only if—

(1) the Secretary has entered into a block grant contract with the authority;

(2) the authority has submitted a local housing management plan to the Secretary for such fiscal year;

(3) the plan has been determined to comply with the requirements under section 107 and the Secretary has not notified the authority that the plan fails to comply with such requirements;

(4) the authority is accredited under section 433 by the Housing Foundation and Accreditation Board;

(5) the authority is exempt from local taxes, as provided under subsection (e), or receives a contribution, as provided under such subsection;

(6) no member of the board of directors or other governing body of the authority, or the executive director, has been convicted of a felony;

(7) the authority has entered into an agreement providing for local cooperation in accordance with subsection (f); and

(8) the authority has not been disqualified for a grant pursuant to section 205(a) or subtitle B of title IV.

(e) PAYMENTS IN LIEU OF STATE AND LOCAL TAXATION OF PUBLIC HOUSING DEVELOPMENTS.—

(1) EXEMPTION FROM TAXATION.—A local housing and management authority may receive a block grant under this title only if—

(A)(i) the developments of the authority (exclusive of any portions not assisted with amounts provided under this title) are exempt from all real and personal property taxes levied or imposed by the State, city, county, or other political subdivision; and

(ii) the local housing and management authority makes payments in lieu of taxes to such taxing authority equal to 10 percent of the sum, for units charged in the developments of the authority, of the difference between the gross rent and the utility cost, or such lesser amount as is—

(I) prescribed by State law;

(II) agreed to by the local governing body in its agreement under subsection (e) for local cooperation with the local housing and management authority or under a waiver by the local governing body; or

(III) due to failure of a local public body or bodies other than the local housing and management authority to perform any obligation under such agreement; or

(B) the authority complies with the requirements under subparagraph (A) with respect to public housing developments (including public housing units in mixed-income developments), but the authority agrees that the units other than public housing units in any mixed-income developments (as such term is defined in section 221(c)(2)) shall be subject to any otherwise applicable real property taxes imposed by the State, city, county or other political subdivision.

(2) EFFECT OF FAILURE TO EXEMPT FROM TAXATION.—Notwithstanding paragraph (1), a local housing and management authority that does not comply with the requirements under such paragraph may receive a block grant under this title, but only if the State, city, county, or other political subdivision in which the development is situated contributes, in the form of cash or tax remission, the amount by which the taxes paid with respect to the development exceed 10 percent of the gross rent and utility cost charged in the development.

(f) LOCAL COOPERATION.—In recognition that there should be local determination of the need for low-income housing to meet needs not being adequately met by private enterprise, the Secretary may not make any grant under this title to a local housing and management authority unless the governing body of the locality involved has entered into an agreement with the authority providing for the local cooperation required by the Secretary pursuant to this title.

(g) EXCEPTION.—Notwithstanding subsection (a), the Secretary may make a grant under this title for a local housing and management authority that is not an eligible local housing and management authority but only for the period necessary to secure, in accordance with this title, an alternative local housing and management authority for the public housing of the ineligible authority.

SEC. 203. ELIGIBLE AND REQUIRED ACTIVITIES.

(a) ELIGIBLE ACTIVITIES.—Except as provided in subsection (b) and in section 202(b)(2), grant

amounts allocated and provided from the capital fund and grant amounts allocated and provided from the operating fund may be used only for the following activities:

(1) CAPITAL FUND ACTIVITIES.—Grant amounts from the capital fund may be used for—

(A) the production and modernization of public housing developments, including the redesign, reconstruction, and reconfiguration of public housing sites and buildings and the production of mixed-income developments;

(B) vacancy reduction;

(C) addressing deferred maintenance needs and the replacement of dwelling equipment;

(D) planned code compliance;

(E) management improvements;

(F) demolition and replacement under section 261;

(G) tenant relocation;

(H) capital expenditures to facilitate programs to improve the economic empowerment and self-sufficiency of public housing tenants; and

(I) capital expenditures to improve the security and safety of residents.

(2) OPERATING FUND ACTIVITIES.—Grant amounts from the operating fund may be used for—

(A) procedures and systems to maintain and ensure the efficient management and operation of public housing units;

(B) activities to ensure a program of routine preventative maintenance;

(C) anti-crime and anti-drug activities, including the costs of providing adequate security for public housing tenants;

(D) activities related to the provision of services, including service coordinators for elderly persons or persons with disabilities;

(E) activities to provide for management and participation in the management of public housing by public housing tenants;

(F) the costs associated with the operation and management of mixed-income developments;

(G) the costs of insurance;

(H) the energy costs associated with public housing units, with an emphasis on energy conservation;

(I) the costs of administering a public housing work program under section 106, including the costs of any related insurance needs; and

(J) activities in connection with a homeownership program for public housing residents under subtitle D, including providing financing or assistance for purchasing housing, or the provision of financial assistance to resident management corporations or resident councils to obtain training, technical assistance, and educational assistance to promote homeownership opportunities.

(b) REQUIRED CONVERSION OF ASSISTANCE FOR PUBLIC HOUSING TO RENTAL HOUSING ASSISTANCE.—

(1) REQUIREMENT.—A local housing and management authority that receives grant amounts under this title shall provide assistance in the form of rental housing assistance under title III, or appropriate site revitalization or other appropriate capital improvements approved by the Secretary, in lieu of assisting the operation and modernization of any building or buildings of public housing, if the authority provides sufficient evidence to the Secretary that the building or buildings—

(A) are on the same or contiguous sites;

(B) consist of more than 300 dwelling units;

(C) have a vacancy rate of at least 10 percent for dwelling units not in funded, on-schedule modernization programs;

(D) are identified as distressed housing for which the local housing and management authority cannot assure the long-term viability as public housing through reasonable revitalization, density reduction, or achievement of a broader range of household income; and

(E) have an estimate cost of continued operation and modernization as public housing that exceeds the cost of providing choice-based rental assistance under title III for all families in occupancy, based on appropriate indicators of cost (such as the percentage of the total development cost required for modernization).

Local housing and management agencies shall identify properties that meet the definition of subparagraphs (A) through (E).

(2) USE OF OTHER AMOUNTS.—In addition to grant amounts under this title attributable (pursuant to the formulas under section 204) to the building or buildings identified under paragraph (1), the Secretary may use amounts provided in appropriation Acts for choice-based housing assistance under title III for families residing in such building or buildings or for appropriate site revitalization or other appropriate capital improvements approved by the Secretary.

(3) ENFORCEMENT.—The Secretary shall take appropriate action to ensure conversion of any building or buildings identified under paragraph (1) and any other appropriate action under this subsection, if the local housing and management authority fails to take appropriate action under this subsection.

(4) FAILURE OF LHMA'S TO COMPLY WITH CONVERSION REQUIREMENT.—If the Secretary determines that—

(A) a local housing and management authority has failed under paragraph (1) to identify a building or buildings in a timely manner,

(B) a local housing and management authority has failed to identify one or more buildings which the Secretary determines should have been identified under paragraph (1), or

(C) one or more of the buildings identified by the local housing and management authority pursuant to paragraph (1) should not, in the determination of the Secretary, have been identified under that paragraph,

the Secretary may identify a building or buildings for conversion and take other appropriate action pursuant to this subsection.

(5) CESSATION OF UNNECESSARY SPENDING.—Notwithstanding any other provision of law, if, in the determination of the Secretary, a building or buildings meets or is likely to meet the criteria set forth in paragraph (1), the Secretary may direct the local housing and management authority to cease additional spending in connection with such building or buildings, except to the extent that additional spending is necessary to ensure safe, clean, and healthy housing until the Secretary determines or approves an appropriate course of action with respect to such building or buildings under this subsection.

(6) USE OF BUDGET AUTHORITY.—Notwithstanding any other provision of law, if a building or buildings are identified pursuant to paragraph (1), the Secretary may authorize or direct the transfer, to the choice-based or tenant-based assistance program of such authority or to appropriate site revitalization or other capital improvements approved by the Secretary, of—

(A) in the case of an authority receiving assistance under the comprehensive improvement assistance program, any amounts obligated by the Secretary for the modernization of such building or buildings pursuant to section 14 of the United States Housing Act of 1937, as in effect immediately before the date of enactment of this Act;

(B) in the case of an authority receiving public housing modernization assistance by formula pursuant to such section 14, any amounts provided to the authority which are attributable pursuant to the formula for allocating such assistance to such building or buildings;

(C) in the case of an authority receiving assistance for the major reconstruction of obsolete projects, any amounts obligated by the Secretary for the major reconstruction of such building or buildings pursuant to section 5(j)(2) of the United States Housing Act of 1937, as in effect immediately before the date of enactment of this Act; and

(D) in the case of an authority receiving assistance pursuant to the formulas under section 204, any amounts provided to the authority which are attributable pursuant to the formulas for allocating such assistance to such building or buildings.

(c) EXTENSION OF DEADLINES.—The Secretary may, for a local housing and management authority, extend any deadline established pursuant to this section or a local housing management plan for up to an additional 5 years if the Secretary makes a determination that the deadline is impracticable.

(d) COMPLIANCE WITH PLAN.—The local housing management plan submitted by a local housing and management authority (including any amendments to the plan), unless determined under section 108 not to comply with the requirements under section 107, shall be binding upon the Secretary and the local housing and management authority and the authority shall use any grant amounts provided under this title for eligible activities under subsection (a) in accordance with the plan. This subsection may not be construed to preclude changes or amendments to the plan, as authorized under section 108(e) or any actions authorized by this Act to be taken without regard to a local housing management plan.

SEC. 204. DETERMINATION OF GRANT ALLOCATION.

(a) IN GENERAL.—For each fiscal year, after reserving amounts under section 112 from the aggregate amount made available for the fiscal year for carrying out this title, the Secretary shall allocate any remaining amounts among eligible local housing and management authorities in accordance with this section, so that the sum of all of the allocations for all eligible authorities is equal to such remaining amount.

(b) ALLOCATION AMOUNT.—The Secretary shall determine the amount of the allocation for each eligible local housing and management authority, which shall be—

(1) for any fiscal year beginning after the enactment of a law containing the formulas described in paragraphs (1) and (2) of subsection (c), the amount determined under such formulas; or

(2) for any fiscal year beginning before the expiration of such period, the sum of—

(A) the operating allocation determined under subsection (d)(1) for the authority; and

(B) the capital improvement allocation determined under subsection (d)(2) for the authority.

(c) PERMANENT ALLOCATION FORMULAS FOR CAPITAL AND OPERATING FUNDS.—

(1) ESTABLISHMENT OF CAPITAL FUND FORMULA.—The formula under this paragraph shall provide for allocating assistance under the capital fund for a fiscal year. The formula may take into account such factors as—

(A) the number of public housing dwelling units owned or operated by the local housing and management authority, the characteristics and locations of the developments, and the characteristics of the families served and to be served (including the incomes of the families);

(B) the need of the local housing and management authority to carry out rehabilitation and modernization activities, and reconstruction, production, and demolition activities related to public housing dwelling units owned or operated by the local housing and management authority, including backlog and projected future needs of the authority;

(C) the cost of constructing and rehabilitating property in the area; and

(D) the need of the local housing and management authority to carry out activities that provide a safe and secure environment in public housing units owned or operated by the local housing and management authority.

(2) ESTABLISHMENT OF OPERATING FUND FORMULA.—The formula under this paragraph shall provide for allocating assistance under the operating fund for a fiscal year. The formula may take into account such factors as—

(A) standards for the costs of operating and reasonable projections of income, taking into account the characteristics and locations of the

public housing developments and characteristics of the families served and to be served (including the incomes of the families), or the costs of providing comparable services as determined in accordance with criteria or a formula representing the operations of a prototype well-managed public housing development;

(B) the number of public housing dwelling units owned or operated by the local housing and management authority; and

(C) the need of the local housing and management authority to carry out anti-crime and anti-drug activities, including providing adequate security for public housing residents.

(3) DEVELOPMENT UNDER NEGOTIATED RULEMAKING PROCEDURE.—The formulas under this subsection shall be developed according to procedures for issuance of regulations under the negotiated rulemaking procedure under subchapter III of chapter 5 of title 5, United States Code, except that the formulas shall not be contained in a regulation.

(4) REPORT.—Not later than the expiration of the 18-month period beginning upon the enactment of this Act, the Secretary shall submit a report to the Congress containing the proposed formulas established pursuant to paragraph (3) that meets the requirements of this subsection.

(d) INTERIM ALLOCATION REQUIREMENTS.—

(1) OPERATING ALLOCATION.—

(A) APPLICABILITY TO 50 PERCENT OF APPROPRIATED AMOUNTS.—Of any amounts available for allocation under this subsection for a fiscal year, 50 percent shall be used only to provide amounts for operating allocations under this paragraph for eligible local housing and management authorities.

(B) DETERMINATION.—The operating allocation under this subsection for a local housing and management authority for a fiscal year shall be an amount determined by applying, to the amount to be allocated under this paragraph, the formula used for determining the distribution of operating subsidies for fiscal year 1995 to public housing agencies (as modified under subparagraph (C)) under section 9 of the United States Housing Act of 1937, as in effect before the enactment of this Act.

(C) TREATMENT OF CHRONICALLY VACANT UNITS.—The Secretary shall revise the formula referred to in subparagraph (B) so that the formula does not provide any amounts, other than utility costs and other necessary costs (such as costs necessary for the protection of persons and property), attributable to any dwelling unit of a local housing and management authority that has been vacant continuously for 6 or more months. A unit shall not be considered vacant for purposes of this paragraph if the unit is unoccupied because of rehabilitation or renovation that is on-schedule.

(D) INCREASES IN INCOME.—The Secretary may revise the formula referred to in subparagraph (B) to provide an incentive to encourage local housing and management authorities to increase nonrental income and to increase rental income attributable to their units by encouraging occupancy by families with a broad range of incomes, including families whose incomes have increased while in occupancy and newly admitted families. Any such incentive shall provide that the local housing and management authority shall derive the full benefit of an increase in nonrental income, and such increase shall not directly result in a decrease in amounts provided to the authority under this title.

(2) CAPITAL IMPROVEMENT ALLOCATION.—

(A) APPLICABILITY TO 50 PERCENT OF APPROPRIATED AMOUNTS.—Of any amounts available for allocation under this subsection for a fiscal year, 50 percent shall be used only to provide amounts for capital improvement allocations under this paragraph for eligible local housing and management authorities.

(B) DETERMINATION.—The capital improvement allocation under this subsection for an eligible local housing and management authority for a fiscal year shall be determined by applying, to the amount to be allocated under this paragraph, the formula used for determining the distribution of modernization assistance for fiscal year 1995 to public housing agencies under section 14 of the United States Housing Act of 1937, as in effect before the enactment of this Act, except that Secretary shall establish a method for taking into consideration allocation of amounts under the comprehensive improvement assistance program.

(e) ELIGIBILITY OF UNITS ACQUIRED FROM PROCEEDS OF SALES UNDER DEMOLITION OR DISPOSITION PLAN.—If a local housing and management authority uses proceeds from the sale of units under a homeownership program in accordance with section 251 to acquire additional units to be sold to low-income families, the additional units shall be counted as public housing for purposes of determining the amount of the allocation to the authority under this section until sale by the authority, but in any case no longer than 5 years.

SEC. 205. SANCTIONS FOR IMPROPER USE OF AMOUNTS.

(a) IN GENERAL.—In addition to any other actions authorized under this title, if the Secretary finds pursuant to an annual financial and performance audit under section 432 that a local housing and management authority receiving grant amounts under this title has failed to comply substantially with any provision of this title, the Secretary may—

(1) terminate payments under this title to the authority;

(2) withhold from the authority amounts from the total allocation for the authority pursuant to section 204;

(3) reduce the amount of future grant payments under this title to the authority by an amount equal to the amount of such payments that were not expended in accordance with this title;

(4) limit the availability of grant amounts provided to the authority under this title to programs, projects, or activities not affected by such failure to comply;

(5) withhold from the authority amounts allocated for the authority under title III; or

(6) order other corrective action with respect to the authority.

(b) TERMINATION OF COMPLIANCE ACTION.—If the Secretary takes action under subsection (a) with respect to a local housing and management authority, the Secretary shall—

(1) in the case of action under subsection (a)(1), resume payments of grant amounts under this title to the authority in the full amount of the total allocation under section 204 for the authority at the time that the Secretary first determines that the authority will comply with the provisions of this title;

(2) in the case of action under paragraph (2), (5), or (6) of subsection (a), make withheld amounts available as the Secretary considers appropriate to ensure that the authority complies with the provisions of this title; or

(3) in the case of action under subsection (a)(4), release such restrictions at the time that the Secretary first determines that the authority will comply with the provisions of this title.

Subtitle B—Admissions and Occupancy Requirements

SEC. 221. LOW-INCOME HOUSING REQUIREMENT.

(a) PRODUCTION ASSISTANCE.—Any public housing produced using amounts provided under a grant under this title or under the United States Housing Act of 1937 shall be operated as public housing for the 40-year period beginning upon such production.

(b) OPERATING ASSISTANCE.—No portion of any public housing development operated with amounts from a grant under this title or operating assistance provided under the United States Housing Act of 1937 may be disposed of before the expiration of the 10-year period beginning upon the conclusion of the fiscal year for which the grant or such assistance was provided, except as provided in this Act.

(c) CAPITAL IMPROVEMENTS ASSISTANCE.—Amounts may be used for eligible activities under section 203(a)(2) only for the following housing developments:

(1) LOW-INCOME DEVELOPMENTS.—Amounts may be used for a low-income housing development that—

(A) is owned by local housing and management authorities;

(B) is operated as low-income rental housing and produced or operated with assistance provided under a grant under this title; and

(C) is consistent with the purposes of this title.

Any development, or portion thereof, referred to in this paragraph for which activities under section 203(a)(2) are conducted using amounts from a grant under this title shall be maintained and used as public housing for the 20-year period beginning upon the receipt of such grant. Any public housing development, or portion thereof, that received the benefit of a grant pursuant to section 14 of the United States Housing Act of 1937 shall be maintained and used as public housing for the 20-year period beginning upon receipt of such amounts.

(2) MIXED INCOME DEVELOPMENTS.—Amounts may be used for mixed-income developments, which shall be a housing development that—

(A) contains dwelling units that are available for occupancy by families other than low-income families;

(B) contains a number of dwelling units—

(i) which units are made available (by master contract or individual lease) for occupancy only by low- and very low-income families identified by the local housing and management authority;

(ii) which number is not less than a reasonable number of units, including related amenities, taking into account the amount of the assistance provided by the authority compared to the total investment (including costs of operation) in the development;

(iii) which units are subject to the statutory and regulatory requirements of the public housing program, except that the Secretary may grant appropriate waivers to such statutory and regulatory requirements if reductions in funding or other changes to the program make continued application of such requirements impracticable;

(iv) which units are specially designated as dwelling units under this subparagraph, except the equivalent units in the development may be substituted for designated units during the period the units are subject to the requirements of the public housing program; and

(v) which units shall be eligible for assistance under this title; and

(C) is owned by the local housing and management authority, an affiliate controlled by it, or another appropriate entity.

Notwithstanding any other provision of this title, to facilitate the establishment of socioeconomically mixed communities, a local housing and management authority that uses grant amounts under this title for a mixed income development under this paragraph may, to the extent that income from such a development reduces the amount of grant amounts used for operating or other costs relating to public housing, use such resulting savings to rent privately developed dwelling units in the neighborhood of the mixed income development. Such units shall be made available for occupancy only by low-income families eligible for residency in public housing.

SEC. 222. FAMILY ELIGIBILITY.

(a) IN GENERAL.—Dwelling units in public housing may be rented only to families who are low-income families at the time of their initial occupancy of such units.

(b) INCOME MIX WITHIN DEVELOPMENTS.—A local housing and management authority may establish and utilize income-mix criteria for the selection of residents for dwelling units in public housing developments that limit admission to a

development by selecting applicants having incomes appropriate so that the mix of incomes of families occupying the development is proportional to the income mix in the eligible population of the jurisdiction of the authority, as adjusted to take into consideration the severity of housing need. Any criteria established under this subsection shall be subject to the provisions of subsection (c).

(c) INCOME MIX.—

(1) LHMA INCOME MIX.—Of the public housing dwelling units of a local housing and management authority made available for occupancy after the date of the enactment of this Act not less than 35 percent shall be occupied by low-income families whose incomes do not exceed 30 percent of the area median income, as determined by the Secretary with adjustments for smaller and larger families, except that the Secretary, may for purposes of this subsection, establish income ceilings higher or lower than 30 percent of the median for the area on the basis of the Secretary's findings that such variations are necessary because of unusually high or low family incomes.

(2) PROHIBITION OF CONCENTRATION OF LOW-INCOME FAMILIES.—A local housing and management authority may not comply with the requirements under paragraph (1) by concentrating very low-income families (or other families with relatively low incomes) in public housing dwelling units in certain public housing developments or certain buildings within developments. The Secretary may review the income and occupancy characteristics of the public housing developments, and the buildings of such developments, of local housing and management authorities to ensure compliance with the provisions of this paragraph.

(d) WAIVER OF ELIGIBILITY REQUIREMENTS FOR OCCUPANCY BY POLICE OFFICERS.—

(1) AUTHORITY AND WAIVER.—To provide occupancy in public housing dwelling units to police officers and other law enforcement or security personnel (who are not otherwise eligible for residence in public housing) and to increase security for other public housing residents in developments where crime has been a problem, a local housing and management authority may, with respect to such units and subject to paragraph (2)—

(A) waive—

(i) the provisions of subsection (a) of this section and section 225(a);

(ii) the applicability of—

(I) any preferences for occupancy established under section 223;

(II) the minimum rental amount established pursuant to section 225(b) and any maximum monthly rental amount established pursuant to such section;

(III) any criteria relating to project income mix established under subsection (b);

(IV) the income mix requirements under subsection (c); and

(V) any other occupancy limitations or requirements; and

(B) establish special rent requirements and other terms and conditions of occupancy.

(2) CONDITIONS OF WAIVER.—A local housing and management authority may take the actions authorized in paragraph (1) only if authority determines that such actions will increase security in the public housing developments involved and will not result in a significant reduction of units available for residence by low-income families.

(e) LOSS OF ASSISTANCE FOR TERMINATION OF TENANCY.—A local housing and management authority shall, consistent with policies described in the local housing management plan of the authority, establish policies providing that a family residing in a public housing dwelling unit whose tenancy is terminated for serious violations of the terms or conditions of the lease shall—

(1) lose any right to continued occupancy in public housing under this title; and

(2) immediately become ineligible for admission to public housing under this title or for housing assistance under title III—

(A) in the case of a termination due to drug-related criminal activity, for a period of not less than 3 years from the date of the termination; or

(B) for other terminations, for a reasonable period of time as determined period of time as determined by the local housing and management authority.

SEC. 223. PREFERENCES FOR OCCUPANCY.

(a) AUTHORITY TO ESTABLISH.—Any local housing and management authority may establish a system for making dwelling units in public housing available for occupancy that provides preference for such occupancy to families having certain characteristics.

(b) CONTENT.—Each system of preferences established pursuant to this section shall be based upon local housing needs and priorities, as determined by the local housing and management authority using generally accepted data sources, including any information obtained pursuant to an opportunity for public comment as provided under section 107(e) or under the requirements applicable to comprehensive housing affordability strategy for the relevant jurisdiction.

SEC. 224. ADMISSION PROCEDURES.

(a) ADMISSION REQUIREMENTS.—A local housing and management authority shall ensure that each family residing in a public housing development owned or administered by the authority is admitted in accordance with the procedures established under this title by the authority and the income limits under section 222.

(b) AVAILABILITY OF CRIMINAL RECORDS.—A local housing and management authority may request and obtain records regarding the criminal convictions of applicants for, or tenants of, public housing as provided in section 646 of the Housing and Community Development Act of 1992.

(c) NOTIFICATION OF APPLICATION DECISIONS.—A local housing and management authority shall establish procedures designed to provide for notification to an applicant for admission to public housing of the determination with respect to such application, the basis for the determination, and, if the applicant is determined to be eligible for admission, the projected date of occupancy (to the extent such date can reasonably be determined). If an authority denies an applicant admission to public housing, the authority shall notify the applicant that the applicant may request an informal hearing on the denial within a reasonable time of such notification.

(d) CONFIDENTIALITY FOR VICTIMS OF DOMESTIC VIOLENCE.—A local housing and management authority shall be subject to the restrictions regarding release of information relating to the identity and new residence of any family in public housing that was a victim of domestic violence that are applicable to shelters pursuant to the Family Violence Prevention and Services Act. The authority shall work with the United States Postal Service to establish procedures consistent with the confidentiality provisions in the Violence Against Women Act of 1994.

(e) TRANSFERS.—A local housing and management authority may apply, to each public housing resident seeking to transfer from one development to another development owned or operated by the authority, the screening procedures applicable at such time to new applicants for public housing.

SEC. 225. FAMILY RENTAL PAYMENT.

(a) RENTAL CONTRIBUTION BY RESIDENT.—

(1) IN GENERAL.—A family shall pay as monthly rent for a dwelling unit in public housing the amount that the local housing and management authority determines is appropriate with respect to the family and the unit, which shall be—

(A) based upon factors determined by the authority, which may include the adjusted income of the resident, type and size of dwelling unit, operating and other expenses of the authority, or any other factors that the authority considers appropriate; and

(B) an amount that is not less than the minimum monthly rental amount under subsection (b)(1) nor more than any maximum monthly rental amount established for the dwelling unit pursuant to subsection (b)(2).

Notwithstanding any other provision of this subsection, the amount paid by an elderly family or a disabled family for monthly rent for a dwelling unit in public housing may not exceed 30 percent of the family's adjusted monthly income. Notwithstanding any other provision of this subsection, the amount paid by a family whose head (or whose spouse) is a veteran (as such term is defined in section 203(b) of the National Housing Act) for monthly rent for a dwelling unit in public housing may not exceed 30 percent of the family's adjusted monthly income. In determining the amount of the rent charged under this paragraph for a dwelling unit, a local housing and management authority shall take into consideration the characteristics of the population served by the authority, the goals of the local housing management plan for the authority, and the goals under the comprehensive housing affordability strategy under section 105 of the Cranston-Gonzalez National Affordable Housing Act (or any consolidated plan incorporating such strategy) for the applicable jurisdiction.

(2) EXCEPTIONS.—Notwithstanding any other provision of this section, the amount paid for monthly rent for a dwelling unit in public housing may not exceed 30 percent of the family's adjusted monthly income for any family who—

(A) upon the date of the enactment of this Act, is residing in any dwelling unit in public housing and—

(i) is an elderly family; or

(ii) is a disabled family; or

(B) has an income that does not exceed 30 percent of the median income for the area (as determined by the Secretary with adjustments for smaller and larger families).

(b) ALLOWABLE RENTS.—

(1) MINIMUM RENTAL.—Each local housing and management authority shall establish, for each dwelling unit in public housing owned or administered by the authority, a minimum monthly rental contribution toward the rent (which rent shall include any amount allowed for utilities), which—

(A) may not be less than $25, nor more than $50; and

(B) may be increased annually by the authority, except that no such annual increase may exceed 10 percent of the amount of the minimum monthly rental contribution in effect for the preceding year.

Notwithstanding the preceding sentence, a local housing and management authority may, in its sole discretion, grant an exemption in whole or in part from payment of the minimum monthly rental contribution established under this paragraph to any family unable to pay such amount because of severe financial hardships. Severe financial hardships may include situations where the family is awaiting an eligibility determination for a Federal, State, or local assistance program, where the family would be evicted as a result of imposition of the minimum rent, and other situations as may be determined by the authority.

(2) MAXIMUM RENTAL.—Each local housing and management authority may establish, for each dwelling unit in public housing owned or administered by the authority, a maximum monthly rental amount, which shall be an amount determined by the authority which is based on, but does not exceed—

(A) the average, for dwelling units of similar size in public housing developments owned and operated by such authority, of operating expenses attributable to such units;

(B) the reasonable rental value of the unit; or

(C) the local market rent for comparable units of similar size.

(c) INCOME REVIEWS.—If a local housing and management authority establishes the amount of rent paid by a family for a public housing dwelling unit based on the adjusted income of the family, the authority shall review the incomes of such family occupying dwelling units in public housing owned or administered by the authority not less than annually.

(d) REVIEW OF MAXIMUM AND MINIMUM RENTS.—

(1) RENTAL CHARGES.—If the Secretary determines, at any time, that a significant percentage of the public housing dwelling units owned or operated by a large local housing and management authority are occupied by households paying more than 30 percent of their adjusted incomes for rent, the Secretary shall review the maximum and minimum monthly rental amounts established by the authority.

(2) POPULATION SERVED.—If the Secretary determines, at any time, that less than 40 percent of the public housing dwelling units owned or operated by a large local housing and management authority are occupied by households whose incomes do not exceed 30 percent of the area median income, the Secretary shall review the maximum and minimum monthly rental amounts established by the authority.

(3) MODIFICATION OF MAXIMUM AND MINIMUM RENTAL AMOUNTS.—If, pursuant to review under this subsection, the Secretary determines that the maximum and minimum rental amounts for a large local housing and management authority are not appropriate to serve the needs of the low-income population of the jurisdiction served by the authority (taking into consideration the financial resources and costs of the authority), as identified in the approved local housing management plan of the authority, the Secretary may require the authority to modify the maximum and minimum monthly rental amounts.

(4) LARGE LHMA.—For purposes of this subsection, the term ''large local housing and management authority'' means a local housing and management authority that owns or operates 1250 or more public housing dwelling units.

(e) PHASE-IN OF RENT CONTRIBUTION INCREASES.—

(1) IN GENERAL.—Except as provided in paragraph (2), for any family residing in a dwelling unit in public housing upon the date of the enactment of this Act, if the monthly contribution for rental of an assisted dwelling unit to be paid by the family upon initial applicability of this title is greater than the amount paid by the family under the provisions of the United States Housing Act of 1937 immediately before such applicability, any such resulting increase in rent contribution shall be—

(A) phased in equally over a period of not less than 3 years, if such increase is 30 percent or more of such contribution before initial applicability; and

(B) limited to not more than 10 percent per year if such increase is more than 10 percent but less than 30 percent of such contribution before initial applicability.

(2) EXCEPTION.—The minimum rent contribution requirement under subsection (b)(1)(A) shall apply to each family described in paragraph (1) of this subsection, notwithstanding such paragraph.

SEC. 226. LEASE REQUIREMENTS.

In renting dwelling units in a public housing development, each local housing and management authority shall utilize leases that—

(1) do not contain unreasonable terms and conditions;

(2) obligate the local housing and management authority to maintain the development in compliance with the housing quality requirements under section 232;

(3) require the local housing and management authority to give adequate written notice of termination of the lease, which shall not be less than—

(A) the period provided under the applicable law of the jurisdiction or 14 days, whichever is less, in the case of nonpayment of rent;

(B) a reasonable period of time, but not to exceed 14 days, when the health or safety of other residents or local housing and management authority employees is threatened; and

(C) the period of time provided under the applicable law of the jurisdiction, in any other case;

(4) require that the local housing and management authority may not terminate the tenancy except for violation of the terms or conditions of the lease, violation of applicable Federal, State, or local law, or for other good cause;

(5) provide that the local housing and management authority may terminate the tenancy of a public housing resident for any activity, engaged in by a public housing resident, any member of the resident's household, or any guest or other person under the resident's control, that—

(A) threatens the health or safety of, or right to peaceful enjoyment of the premises by, other residents or employees of the local housing and management authority or other manager of the housing;

(B) threatens the health or safety of, or right to peaceful enjoyment of their premises by, persons residing in the immediate vicinity of the premises; or

(C) is criminal activity (including drug-related criminal activity) on or off such premises;

(6) provide that any occupancy in violation of the provisions of section 105 shall be cause for termination of tenancy; and

(7) specify that, with respect to any notice of eviction or termination, notwithstanding any State law, a public housing resident shall be informed of the opportunity, prior to any hearing or trial, to examine any relevant documents, records or regulations directly related to the eviction or termination.

SEC. 227. DESIGNATED HOUSING FOR ELDERLY AND DISABLED FAMILIES

(a) AUTHORITY TO PROVIDE DESIGNATED HOUSING.—

(1) IN GENERAL.—Subject only to provisions of this section and notwithstanding any other provision of law, a local housing and management authority for which the information required under subsection (d) is in effect may provide public housing developments (or portions of developments) designated for occupancy by (A) only elderly families, (B) only disabled families, or (C) elderly and disabled families.

(2) PRIORITY FOR OCCUPANCY.—In determining priority for admission to public housing developments (or portions of developments) that are designated for occupancy as provided in paragraph (1), the local housing and management authority may make units in such developments (or portions) available only to the types of families for whom the development is designated.

(3) ELIGIBILITY OF NEAR-ELDERLY FAMILIES.—If a local housing and management authority determines that there are insufficient numbers of elderly families to fill all the units in a development (or portion of a development) designated under paragraph (1) for occupancy by only elderly families, the authority may provide that near-elderly families may occupy dwelling units in the development (or portion).

(b) STANDARDS REGARDING EVICTIONS.—Except as provided in section 105(b)(1)(B), any tenant who is lawfully residing in a dwelling unit in a public housing development may not be evicted or otherwise required to vacate such unit because of the designation of the development (or portion of a development) pursuant to this section or because of any action taken by the Secretary or any local housing and management authority pursuant to this section.

(c) RELOCATION ASSISTANCE.—A local housing and management authority that designates any existing development or building, or portion thereof, for occupancy as provided under subsection (a)(1) shall provide, to each person and family who agrees to be relocated in connection with such designation—

(1) notice of the designation and an explanation of available relocation benefits, as soon as is practicable for the authority and the person or family;

(2) access to comparable housing (including appropriate services and design features), which may include choice-based rental housing assistance under title III, at a rental rate paid by the tenant that is comparable to that applicable to the unit from which the person or family has vacated; and

(3) payment of actual, reasonable moving expenses.

(d) REQUIRED INCLUSIONS IN LOCAL HOUSING MANAGEMENT PLAN.—A local housing and management authority may designate a development (or portion of a development) for occupancy under subsection (a)(1) only if the authority, as part of the authority's local housing management plan—

(1) establishes that the designation of the development is necessary—

(A) to achieve the housing goals for the jurisdiction under the comprehensive housing affordability strategy under section 105 of the Cranston-Gonzalez National Affordable Housing Act; and

(B) to meet the housing needs of the low-income population of the jurisdiction; and

(2) includes a description of—

(A) the development (or portion of a development) to be designated;

(B) the types of tenants for which the development is to be designated;

(C) any supportive services to be provided to tenants of the designated development (or portion);

(D) how the design and related facilities (as such term is defined in section 202(d)(8) of the Housing Act of 1959) of the development accommodate the special environmental needs of the intended occupants; and

(E) any plans to secure additional resources or housing assistance to provide assistance to families that may have been housed if occupancy in the development were not restricted pursuant to this section.

For purposes of this subsection, the term 'supportive services' means services designed to meet the special needs of residents. Notwithstanding section 108, the Secretary may approve a local housing management plan without approving the portion of the plan covering designation of a development pursuant to this section.

(e) EFFECTIVENESS.—

(1) Initial 5-year effectiveness.—The information required under subsection (d) shall be in effect for purposes of this section during the 5-year period that begins upon notification under section 108(a) of the local housing and management authority that the information complies with the requirements under section 107 and this section.

(2) RENEWAL.—Upon the expiration of the 5-year period under paragraph (1) or any 2-year period under this paragraph, an authority may extend the effectiveness of the designation and information for an additional 2-year period (that begins upon such expiration) by submitting to the Secretary any information needed to update the information. The Secretary may not limit the number of times a local housing and management authority extends the effectiveness of a designation and information under this paragraph.

(3) TREATMENT OF EXISTING PLANS.—Notwithstanding any other provision of this section, a local housing and management authority shall be considered to have submitted the information required under this section if the authority has submitted to the Secretary an application and allocation plan under section 7 of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act) that has not been approved or disapproved before such date of enactment.

(4) TRANSITION PROVISION.—Any application and allocation plan approved under section 7 of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act)

before such date of enactment shall be considered to be the information required to be submitted under this section and that is in effect for purposes of this section for the 5-year period beginning upon such approval.

(g) INAPPLICABILITY OF UNIFORM RELOCATION ASSISTANCE AND REAL PROPERTY ACQUISITIONS POLICY ACT OF 1970.—No resident of a public housing development shall be considered to be displaced for purposes of the Uniform Relocation Assistance and Real Property Acquisitions Policy Act of 1970 because of the designation of any existing development or building, or portion thereof, for occupancy as provided under subsection (a) of this section.

(h) USE OF AMOUNTS.—Any amounts appropriated pursuant to section 10(b) of the Housing Opportunity Program Extension Act of 1996 (Public Law 104–120) may also be used for choice-based rental housing assistance under title III for local housing and management authorities to implement this section.

Subtitle C—Management

SEC. 231. MANAGEMENT PROCEDURES.

(a) SOUND MANAGEMENT.—A local housing and management authority that receives grant amounts under this title shall establish and comply with procedures and practices sufficient to ensure that the public housing developments owned or administered by the authority are operated in a sound manner.

(b) ACCOUNTING SYSTEM FOR RENTAL COLLECTIONS AND COSTS.—

(1) ESTABLISHMENT.—Each local housing and management authority that receives grant amounts under this title shall establish and maintain a system of accounting for rental collections and costs (including administrative, utility, maintenance, repair, and other operating costs) for each project and operating cost center (as determined by the Secretary).

(2) ACCESS TO RECORDS.—Each local housing and management authority shall make available to the general public the information required pursuant to paragraph (1) regarding collections and costs.

(3) EXEMPTION.—The Secretary may permit authorities owning or operating fewer than 500 dwelling units to comply with the requirements of this subsection by accounting on an authority-wide basis.

(c) MANAGEMENT BY OTHER ENTITIES.—Except as otherwise provided under this Act, a local housing and management authority may contract with any other entity to perform any of the management functions for public housing owned or operated by the local housing and management authority.

SEC. 232. HOUSING QUALITY REQUIREMENTS.

(a) IN GENERAL.—Each local housing and management authority that receives grant amounts under this Act shall maintain its public housing in a condition that complies—

(1) in the case of public housing located in a jurisdiction which has in effect laws, regulations, standards, or codes regarding habitability of residential dwellings, with such applicable laws, regulations, standards, or codes; or

(2) in the case of public housing located in a jurisdiction which does not have in effect laws, regulations, standards, or codes described in paragraph (1), with the housing quality standards established under subsection (b).

(b) FEDERAL HOUSING QUALITY STANDARDS.—The Secretary shall establish housing quality standards under this subsection that ensure that public housing dwelling units are safe, clean, and healthy. Such standards shall include requirements relating to habitability, including maintenance, health and sanitation factors, condition, and construction of dwellings, and shall, to the greatest extent practicable, be consistent with the standards established under section 328(b). The Secretary shall differentiate between major and minor violations of such standards.

(c) DETERMINATIONS.—Each local housing and management authority providing housing assistance shall identify, in the local housing management plan of the authority, whether the authority is utilizing the standard under paragraph (1) or (2) of subsection (a).

(d) ANNUAL INSPECTIONS.—Each local housing and management authority that owns or operates public housing shall make an annual inspection of each public housing development to determine whether units in the development are maintained in accordance with the requirements under subsection (a). The authority shall submit the results of such inspections to the Secretary and the Inspector General for the Department of Housing and Urban Development and such results shall be available to the Housing Foundation and Accreditation Board established under title IV and any auditor conducting an audit under section 432.

SEC. 233. EMPLOYMENT OF RESIDENTS.

Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) is amended—

(1) in subsection (c)(1)—

(A) in subparagraph (A)—

(i) by striking ''public and Indian housing agencies'' and inserting ''local housing and management authorities and recipients of grants under the Native American Housing Assistance and Self-Determination Act of 1996''; and

(ii) by striking ''development assistance'' and all that follows through the end and inserting ''assistance provided under title II of the United States Housing Act of 1996 and used for the housing production, operation, or capital needs.''; and

(B) in subparagraph (B)(ii), by striking ''managed by the public or Indian housing agency'' and inserting ''assisted by the local housing and management authority or the recipient of a grant under the Native American Housing Assistance and Self-Determination Act of 1996''; and

(2) in subsection (d)(1)—

(A) in subparagraph (A)—

(i) by striking ''public and Indian housing agencies'' and inserting ''local housing and management authorities and recipients of grants under the Native American Housing Assistance and Self-Determination Act of 1996''; and

(ii) by striking ''development assistance'' and all that follows through ''section 14 of that Act'' and inserting ''assistance provided under title II of the United States Housing Act of 1996 and used for the housing production, operation, or capital needs''; and

(B) in subparagraph (B)(ii), by striking ''operated by the public or Indian housing agency'' and inserting ''assisted by the local housing and management authority or the recipient of a grant under the Native American Housing Assistance and Self-Determination Act of 1996''.

SEC. 234. RESIDENT COUNCILS AND RESIDENT MANAGEMENT CORPORATIONS.

(a) RESIDENT COUNCILS.—The residents of a public housing development may establish a resident council for the development for purposes of consideration of issues relating to residents, representation of resident interests, and coordination and consultation with a local housing and management authority. A resident council shall be an organization or association that—

(1) is nonprofit in character;

(2) is representative of the residents of the eligible housing;

(3) adopts written procedures providing for the election of officers on a regular basis; and

(4) has a democratically elected governing board, which is elected by the residents of the eligible housing on a regular basis.

(b) RESIDENT MANAGEMENT CORPORATIONS.—

(1) ESTABLISHMENT.—The residents of a public housing development may establish a resident management corporation for the purpose of assuming the responsibility for the management of the development under section 235 or purchasing a development.

(2) REQUIREMENTS.—A resident management corporation shall be a corporation that—

(A) is nonprofit in character;

(B) is organized under the laws of the State in which the development is located;

(C) has as its sole voting members the residents of the development; and

(D) is established by the resident council for the development or, if there is not a resident council, by a majority of the households of the development.

SEC. 235. MANAGEMENT BY RESIDENT MANAGEMENT CORPORATION.

(a) AUTHORITY.—A local housing and management authority may enter into a contract under this section with a resident management corporation to provide for the management of public housing developments by the corporation.

(b) CONTRACT.—A contract under this section for management of public housing developments by a resident management corporation shall establish the respective management rights and responsibilities of the corporation and the local housing and management authority. The contract shall be consistent with the requirements of this Act applicable to public housing development and may include specific terms governing management personnel and compensation, access to public housing records, submission of and adherence to budgets, rent collection procedures, resident income verification, resident eligibility determinations, resident eviction, the acquisition of supplies and materials and such other matters as may be appropriate. The contract shall be treated as a contracting out of services.

(c) BONDING AND INSURANCE.—Before assuming any management responsibility for a public housing development, the resident management corporation shall provide fidelity bonding and insurance, or equivalent protection. Such bonding and insurance, or its equivalent, shall be adequate to protect the Secretary and the local housing and management authority against loss, theft, embezzlement, or fraudulent acts on the part of the resident management corporation or its employees.

(d) BLOCK GRANT ASSISTANCE AND INCOME.—A contract under this section shall provide for—

(1) the local housing and management authority to provide a portion of the block grant assistance under this title to the resident management corporation for purposes of operating the public housing development covered by the contract and performing such other eligible activities with respect to the development as may be provided under the contract;

(2) the amount of income expected to be derived from the development itself (from sources such as rents and charges);

(3) the amount of income to be provided to the development from the other sources of income of the local housing and management authority (such as interest income, administrative fees, and rents); and

(4) any income generated by a resident management corporation of a public housing development that exceeds the income estimated under the contract shall be used for eligible activities under section 203(a).

(e) CALCULATION OF TOTAL INCOME.—

(1) MAINTENANCE OF SUPPORT.—Subject to paragraph (2), the amount of assistance provided by a local housing and management authority to a public housing development managed by a resident management corporation may not be reduced during the 3-year period beginning on the date on which the resident management corporation is first established for the development.

(2) REDUCTIONS AND INCREASES IN SUPPORT.—If the total income of a local housing and management authority is reduced or increased, the income provided by the local housing and management authority to a public housing development managed by a resident management corporation shall be reduced or increased in proportion to the reduction or increase in the total income of the authority, except that any reduction in block grant amounts under this title to

the authority that occurs as a result of fraud, waste, or mismanagement by the authority shall not affect the amount provided to the resident management corporation.

SEC. 236. TRANSFER OF MANAGEMENT OF CERTAIN HOUSING TO INDEPENDENT MANAGER AT REQUEST OF RESIDENTS.

(a) AUTHORITY.—The Secretary may transfer the responsibility and authority for management of specified housing (as such term is defined in subsection (h)) from a local housing and management authority to an eligible management entity, in accordance with the requirements of this section, if—

(1) such housing is owned or operated by a local housing and management authority that is—

(A) not accredited under section 433 by the Housing Foundation and Accreditation Board; or

(B) designated as a troubled authority under section 431(a)(2); and

(2) the Secretary determines that—

(A) such housing has deferred maintenance, physical deterioration, or obsolescence of major systems and other deficiencies in the physical plant of the project;

(B) such housing is occupied predominantly by families with children who are in a severe state of distress, characterized by such factors as high rates of unemployment, teenage pregnancy, single-parent households, long-term dependency on public assistance and minimal educational achievement;

(C) such housing is located in an area such that the housing is subject to recurrent vandalism and criminal activity (including drug-related criminal activity); and

(D) the residents can demonstrate that the elements of distress for such housing specified in subparagraphs (A) through (C) can be remedied by an entity that has a demonstrated capacity to manage, with reasonable expenses for modernization.

Such a transfer may be made only as provided in this section, pursuant to the approval by the Secretary of a request for the transfer made by a majority vote of the residents for the specified housing, after consultation with the local housing and management authority for the specified housing.

(b) BLOCK GRANT ASSISTANCE.—Pursuant to a contract under subsection (c), the Secretary shall require the local housing and management authority for specified housing to provide to the manager for the housing, from any block grant amounts under this title for the authority, fair and reasonable amounts for operating costs for the housing. The amount made available under this subsection to a manager shall be determined by the Secretary based on the share for the specified housing of the total block grant amounts for the local housing and management authority transferring the housing, taking into consideration the operating and capital improvement needs of the specified housing, the operating and capital improvement needs of the remaining public housing units managed by the local housing and management authority, and the local housing management plan of such authority.

(c) CONTRACT BETWEEN SECRETARY AND MANAGER.—

(1) REQUIREMENTS.—Pursuant to the approval of a request under this section for transfer of the management of specified housing, the Secretary shall enter into a contract with the eligible management entity.

(2) TERMS.— A contract under this subsection shall contain provisions establishing the rights and responsibilities of the manager with respect to the specified housing and the Secretary and shall be consistent with the requirements of this Act applicable to public housing developments.

(d) COMPLIANCE WITH LOCAL HOUSING MANAGEMENT PLAN.—A manager of specified housing under this section shall comply with the approved local housing management plan applicable to the housing and shall submit such information to the local housing and management authority from which management was transferred as may be necessary for such authority to prepare and update its local housing management plan.

(e) DEMOLITION AND DISPOSITION BY MANAGER.—A manager under this section may demolish or dispose of specified housing only if, and in the manner, provided for in the local housing management plan for the authority transferring management of the housing.

(f) LIMITATION ON LHMA LIABILITY.—A local housing and management authority that is not a manager for specified housing shall not be liable for any act or failure to act by a manager or resident council for the specified housing.

(g) TREATMENT OF MANAGER.—To the extent not inconsistent with this section and to the extent the Secretary determines not inconsistent with the purposes of this Act, a manager of specified housing under this section shall be considered to be a local housing and management authority for purposes of this title.

(h) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

(1) ELIGIBLE MANAGEMENT ENTITY.—The term ''eligible management entity'' means, with respect to any public housing development, any of the following entities that has been accredited in accordance with section 433:

(A) NONPROFIT ORGANIZATION.—A public or private nonprofit organization, which shall—

(i) include a resident management corporation or resident management organization and, as determined by the Secretary, a public or private nonprofit organization sponsored by the local housing and management authority that owns the development; and

(ii) not include the local housing and management authority that owns the development.

(B) FOR-PROFIT ENTITY.—A for-profit entity that has demonstrated experience in providing low-income housing.

(C) STATE OR LOCAL GOVERNMENT.—A State or local government, including an agency or instrumentality thereof.

(D) LOCAL HOUSING AND MANAGEMENT AUTHORITY.—A local housing and management authority (other than the local housing and management authority that owns the development). The term does not include a resident council.

(2) MANAGER.—The term ''manager'' means any eligible management entity that has entered into a contract under this section with the Secretary for the management of specified housing.

(3) NONPROFIT.—The term ''nonprofit'' means, with respect to an organization, association, corporation, or other entity, that no part of the net earnings of the entity inures to the benefit of any member, founder, contributor, or individual.

(4) PRIVATE NONPROFIT ORGANIZATION.—The term ''private nonprofit organization'' means any private organization (including a State or locally chartered organization) that—

(A) is incorporated under State or local law;

(B) is nonprofit in character;

(C) complies with standards of financial accountability acceptable to the Secretary; and

(D) has among its purposes significant activities related to the provision of decent housing that is affordable to low-income families.

(5) LOCAL HOUSING AND MANAGEMENT AUTHORITY.—The term ''local housing and management authority'' has the meaning given such term in section 103(a).

(6) PUBLIC NONPROFIT ORGANIZATION.—The term ''public nonprofit organization'' means any public entity that is nonprofit in character.

(7) SPECIFIED HOUSING.—The term ''specified housing'' means a public housing development or developments, or a portion of a development or developments, for which the transfer of management is requested under this section. The term includes one or more contiguous buildings and an area of contiguous row houses, but in the case of a single building, the building shall be sufficiently separable from the remainder of the development of which it is part to make transfer of the management of the building feasible for purposes of this section.

SEC. 237. RESIDENT OPPORTUNITY PROGRAM.

(a) PURPOSE.—The purpose of this section is to encourage increased resident management of public housing developments, as a means of improving existing living conditions in public housing developments, by providing increased flexibility for public housing developments that are managed by residents by—

(1) permitting the retention, and use for certain purposes, of any revenues exceeding operating and project costs; and

(2) providing funding, from amounts otherwise available, for technical assistance to promote formation and development of resident management entities.

For purposes of this section, the term ''public housing development'' includes one or more contiguous buildings or an area of contiguous row houses the elected resident councils of which approve the establishment of a resident management corporation and otherwise meet the requirements of this section.

(b) PROGRAM REQUIREMENTS.—

(1) RESIDENT COUNCIL.—As a condition of entering into a resident opportunity program, the elected resident council of a public housing development shall approve the establishment of a resident management corporation that complies with the requirements of section 234(b)(2). When such approval is made by the elected resident council of a building or row house area, the resident opportunity program shall not interfere with the rights of other families residing in the development or harm the efficient operation of the development. The resident management corporation and the resident council may be the same organization, if the organization complies with the requirements applicable to both the corporation and council.

(2) PUBLIC HOUSING MANAGEMENT SPECIALIST.—The resident council of a public housing development, in cooperation with the local housing and management authority, shall select a qualified public housing management specialist to assist in determining the feasibility of, and to help establish, a resident management corporation and to provide training and other duties agreed to in the daily operations of the development.

(3) MANAGEMENT RESPONSIBILITIES.—A resident management corporation that qualifies under this section, and that supplies insurance and bonding or equivalent protection sufficient to the Secretary and the local housing and management authority, shall enter into a contract with the authority establishing the respective management rights and responsibilities of the corporation and the authority. The contract shall be treated as a contracting out of services and shall be subject to the requirements under section 234 for such contracts.

(4) ANNUAL AUDIT.—The books and records of a resident management corporation operating a public housing development shall be audited annually by a certified public accountant. A written report of each such audit shall be forwarded to the local housing and management authority and the Secretary.

(c) COMPREHENSIVE IMPROVEMENT ASSISTANCE.—Public housing developments managed by resident management corporations may be provided with modernization assistance from grant amounts under this title for purposes of renovating such developments. If such renovation activities (including the planning and architectural design of the rehabilitation) are administered by a resident management corporation, the local housing and management authority involved may not retain, for any administrative or other reason, any portion of the assistance provided pursuant to this subsection unless otherwise provided by contract.

(d) WAIVER OF FEDERAL REQUIREMENTS.—

(1) WAIVER OF REGULATORY REQUIREMENTS.—Upon the request of any resident management corporation and local housing and management authority, and after notice and an opportunity to comment is afforded to the affected residents, the Secretary may waive (for both the resident management corporation and the local housing and management authority) any requirement established by the Secretary (and not specified in any statute) that the Secretary determines to unnecessarily increase the costs or restrict the income of a public housing development.

(2) WAIVER TO PERMIT EMPLOYMENT.—Upon the request of any resident management corporation, the Secretary may, subject to applicable collective bargaining agreements, permit residents of such development to volunteer a portion of their labor.

(3) EXCEPTIONS.—The Secretary may not waive under this subsection any requirement with respect to income eligibility for purposes of section 222, rental payments under section 225, tenant or applicant protections, employee organizing rights, or rights of employees under collective bargaining agreements.

(e) OPERATING ASSISTANCE AND DEVELOPMENT INCOME.—

(1) CALCULATION OF OPERATING SUBSIDY.—Subject only to the exception provided in paragraph (3), the grant amounts received under this title by a local housing and management authority used for operating costs under section 203(a)(2) that are allocated to a public housing development managed by a resident management corporation shall not be less than per unit monthly amount of such assistance used by the local housing and management authority in the previous year, as determined on an individual development basis.

(2) CONTRACT REQUIREMENTS.—Any contract for management of a public housing development entered into by a local housing and management authority and a resident management corporation shall specify the amount of income expected to be derived from the development itself (from sources such as rents and charges) and the amount of income funds to be provided to the development from the other sources of income of the authority (such as operating assistance under section 203(a), interest income, administrative fees, and rents).

(f) RESIDENT MANAGEMENT TECHNICAL ASSISTANCE AND TRAINING.—

(1) FINANCIAL ASSISTANCE.—To the extent budget authority is available under this title, the Secretary shall provide financial assistance to resident management corporations or resident councils that obtain, by contract or otherwise, technical assistance for the development of resident management entities, including the formation of such entities, the development of the management capability of newly formed or existing entities, the identification of the social support needs of residents of public housing developments, and the securing of such support. In addition, the Secretary may provide financial assistance to resident management corporations or resident councils for activities sponsored by resident organizations for economic uplift, such as job training, economic development, security, and other self-sufficiency activities beyond those related to the management of public housing. The Secretary may require resident councils or resident management corporations to utilize local housing and management authorities or other qualified organizations as contract administrators with respect to financial assistance provided under this paragraph.

(2) LIMITATION ON ASSISTANCE.—The financial assistance provided under this subsection with respect to any public housing development may not exceed $100,000.

(3) PROHIBITION.—A resident management corporation or resident council may not, before the award to the corporation or council of a grant amount under this subsection, enter into any contract or other agreement with any entity to provide such entity with amounts from the grant for providing technical assistance or carrying out other activities eligible for assistance with amounts under this subsection. Any such agreement entered into in violation of this paragraph shall be void and unenforceable.

(4) FUNDING.—Of any amounts made available for financial assistance under this title, the Secretary may use to carry out this subsection $15,000,000 for fiscal year 1996.

(5) LIMITATION REGARDING ASSISTANCE UNDER HOPE GRANT PROGRAM.—The Secretary may not provide financial assistance under this subsection to any resident management corporation or resident council with respect to which assistance for the development or formation of such entity is provided under title III of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act).

(6) TECHNICAL ASSISTANCE AND CLEARINGHOUSE.—The Secretary may use up to 10 percent of the amount made available pursuant to paragraph (4)—

(A) to provide technical assistance, directly or by grant or contract, and

(B) to receive, collect, process, assemble, and disseminate information,

in connection with activities under this subsection.

(g) ASSESSMENT AND REPORT BY SECRETARY.—Not later than 3 years after the date of the enactment of the United States Housing Act of 1996, the Secretary shall—

(1) conduct an evaluation and assessment of resident management, and particularly of the effect of resident management on living conditions in public housing; and

(2) submit to the Congress a report setting forth the findings of the Secretary as a result of the evaluation and assessment and including any recommendations the Secretary determines to be appropriate.

(h) APPLICABILITY.—Any management contract between a local housing and management authority and a resident management corporation that is entered into after the date of the enactment of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988 shall be subject to this section and any regulations issued to carry out this section.

Subtitle D—Homeownership

SEC. 251. RESIDENT HOMEOWNERSHIP PROGRAMS.

(a) IN GENERAL.—A local housing and management authority may carry out a homeownership program in accordance with this section and the local housing management plan of the authority to make public housing dwelling units, public housing developments, and other housing projects available for purchase by low-income families. An authority may transfer a unit only pursuant to a homeownership program approved by the Secretary. Notwithstanding section 108, the Secretary may approve a local housing management plan without approving the portion of the plan regarding a homeownership program pursuant to this section.

(b) PARTICIPATING UNITS.—A program under this section may cover any existing public housing dwelling units or projects, and may include other dwelling units and housing owned, operated, or assisted, or otherwise acquired for use under such program, by the local housing and management authority.

(c) ELIGIBLE PURCHASERS.—

(1) LOW-INCOME REQUIREMENT.—Only low-income families assisted by a local housing and management authority, other low-income families, and entities formed to facilitate such sales by purchasing units for resale to low-income families shall be eligible to purchase housing under a homeownership program under this section.

(2) OTHER REQUIREMENTS.—A local housing and management authority may establish other requirements or limitations for families to purchase housing under a homeownership program under this section, including requirements or limitations regarding employment or participation in employment counseling or training activities, criminal activity, participation in homeownership counseling programs, evidence of regular income, and other requirements. In the case of purchase by an entity for resale to low-income families, the entity shall sell the units to low-income families within 5 years from the date of its acquisition of the units. The entity shall use any net proceeds from the resale and from managing the units, as determined in accordance with guidelines of the Secretary, for housing purposes, such as funding resident organizations and reserves for capital replacements.

(d) FINANCING AND ASSISTANCE.—A homeownership program under this section may provide financing for acquisition of housing by families purchasing under the program or by the local housing and management authority for sale under this program in any manner considered appropriate by the authority (including sale to a resident management corporation).

(e) DOWNPAYMENT REQUIREMENT.—

(1) IN GENERAL.—Each family purchasing housing under a homeownership program under this section shall be required to provide from its own resources a downpayment in connection with any loan for acquisition of the housing, in an amount determined by the local housing and management authority. Except as provided in paragraph (2), the authority shall permit the family to use grant amounts, gifts from relatives, contributions from private sources, and similar amounts as downpayment amounts in such purchase,

(2) DIRECT FAMILY CONTRIBUTION.—In purchasing housing pursuant to this section, each family shall contribute an amount of the downpayment, from resources of the family other than grants, gifts, contributions, or other similar amounts referred to in paragraph (1), that is not less than 1 percent of the purchase price.

(f) OWNERSHIP INTERESTS.—A homeownership program under this section may provide for sale to the purchasing family of any ownership interest that the local housing and management authority considers appropriate under the program, including ownership in fee simple, a condominium interest, an interest in a limited dividend cooperative, a shared appreciation interest with a local housing and management authority providing financing.

(g) RESALE.—

(1) AUTHORITY AND LIMITATION.—A homeownership program under this section shall permit the resale of a dwelling unit purchased under the program by an eligible family, but shall provide such limitations on resale as the authority considers appropriate (whether the family purchases directly from the authority or from another entity) for the authority to recapture—

(A) from any economic gain derived from any such resale occurring during the 5-year period beginning upon purchase of the dwelling unit by the eligible family, a portion of the amount of any financial assistance provided under the program by the authority to the eligible family; and

(B) after the expiration of such 5-year period, only such amounts as are equivalent to the assistance provided under this section by the authority to the purchaser.

(2) CONSIDERATIONS.—The limitations referred to in paragraph (1) may provide for consideration of the aggregate amount of assistance provided under the program to the family, the contribution to equity provided by the purchasing eligible family, the period of time elapsed between purchase under the homeownership program and resale, the reason for resale, any improvements to the property made by the eligible family, any appreciation in the value of the property, and any other factors that the authority considers appropriate.

(h) INAPPLICABILITY OF DISPOSITION REQUIREMENTS.—The provisions of section 261 shall not

apply to disposition of public housing dwelling units under a homeownership program under this section, except that any dwelling units sold under such a program shall be treated as public housing dwelling units for purposes of subsections (e) and (f) of section 261.

Subtitle E—Disposition, Demolition, and Revitalization of Developments

SEC. 261. REQUIREMENTS FOR DEMOLITION AND DISPOSITION OF DEVELOPMENTS.

(a) AUTHORITY AND FLEXIBILITY.—A local housing and management authority may demolish, dispose of, or demolish and dispose of nonviable or nonmarketable public housing developments of the authority in accordance with this section.

(b) LOCAL HOUSING MANAGEMENT PLAN REQUIREMENT.—A local housing and management authority may take any action to demolish or dispose of a public housing development (or a portion of a development) only if such demolition or disposition complies with the provisions of this section and is in accordance with the local housing management plan for the authority. Notwithstanding section 108, the Secretary may approve a local housing management plan without approving the portion of the plan covering demolition or disposition pursuant to this section.

(c) PURPOSE OF DEMOLITION OR DISPOSITION.—A local housing and management authority may demolish or dispose of a public housing development (or portion of a development) only if the authority provides sufficient evidence to the Secretary that—

(1) the development (or portion thereof) is severely distressed or obsolete;

(2) the development (or portion thereof) is in a location making it unsuitable for housing purposes;

(3) the development (or portion thereof) has design or construction deficiencies that make cost-effective rehabilitation infeasible;

(4) assuming that reasonable rehabilitation and management intervention for the development has been completed and paid for, the anticipated revenue that would be derived from charging market-based rents for units in the development (or portion thereof) would not cover the anticipated operating costs and replacement reserves of the development (or portion) at full occupancy and the development (or portion) would constitute a substantial burden on the resources of the local housing and management authority;

(5) retention of the development (or portion thereof) is not in the best interests of the residents of the local housing and management authority because—

(A) developmental changes in the area surrounding the development adversely affect the health or safety of the residents or the feasible operation of the development by the local housing and management authority;

(B) demolition or disposition will allow the acquisition, development, or rehabilitation of other properties which will be more efficiently or effectively operated as low-income housing; or

(C) other factors exist that the authority determines are consistent with the best interests of the residents and the authority and not inconsistent with other provisions of this Act;

(6) in the case only of demolition or disposition of a portion of a development, the demolition or disposition will help to ensure the remaining useful life of the remainder of the development; or

(7) in the case only of property other than dwelling units—

(A) the property is excess to the needs of a development; or

(B) the demolition or disposition is incidental to, or does not interfere with, continued operation of a development.

(d) CONSULTATION.—A local housing and management authority may demolish or dispose of a public housing development (or portion of a development) only if the authority notifies and confers regarding the demolition or disposition with—

(1) the residents of the development (or portion); and

(2) appropriate local government officials.

(e) USE OF PROCEEDS.—Any net proceeds from the disposition of a public housing development (or portion of a development) shall be used for—

(1) housing assistance for low-income families that is consistent with the low-income housing needs of the community, through acquisition, development, or rehabilitation of, or homeownership programs for, other low-income housing or the provision of choice-based assistance under title III for such families;

(2) supportive services relating to job training or child care for residents of a development or developments; or

(3) leveraging amounts for securing commercial enterprises, on-site in public housing developments of the local housing and management authority, appropriate to serve the needs of the residents.

(f) RELOCATION.—A local housing and management authority that demolishes or disposes of a public housing development (or portion of a development thereof) shall ensure that—

(1) each family that is a resident of the development (or portion) that is demolished or disposed of is relocated to other safe, clean, healthy, and affordable housing, which is, to the maximum extent practicable, housing of the family's choice or is provided with choice-based assistance under title III;

(2) the local housing and management authority does not take any action to dispose of any unit until any resident to be displaced is relocated in accordance with paragraph (1); and

(3) each resident family to be displaced is paid relocation expenses, and the rent to be paid initially by the resident following relocation does not exceed the amount permitted under section 225(a).

(g) RIGHT OF FIRST REFUSAL FOR RESIDENT ORGANIZATIONS AND RESIDENT MANAGEMENT CORPORATIONS.—

(1) IN GENERAL.—A local housing and management authority may not dispose of a public housing development (or portion of a development) unless the authority has, before such disposition, offered to sell the property, as provided in this subsection, to each resident organization and resident management corporation operating at the development for continued use as low-income housing, and no such organization or corporation purchases the property pursuant to such offer. A resident organization may act, for purposes of this subsection, through an entity formed to facilitate homeownership under subtitle D.

(2) TIMING.—Disposition of a development (or portion thereof) under this section may not take place—

(A) before the expiration of the period during which any such organization or corporation may notify the authority of interest in purchasing the property, which shall be the 30-day period beginning on the date that the authority first provides notice of the proposed disposition of the property to such resident organizations and resident management corporations;

(B) if an organization or corporation submits notice of interest in accordance with subparagraph (A), before the expiration of the period during which such organization or corporation may obtain a commitment for financing to purchase the property, which shall be the 60-day period beginning upon the submission to the authority of the notice of interest; or

(C) if, during the period under subparagraph (B), an organization or corporation obtains such financing commitment and makes a bona fide offer to the authority to purchase the property for a price equal to or exceeding the applicable offer price under paragraph (3).

The authority shall sell the property pursuant to any purchase offer described in subparagraph (C).

(3) TERMS OF OFFER.—An offer by a local housing and management authority to sell a property in accordance with this subsection shall involve a purchase price that reflects the market value of the property, the reason for the sale, the impact of the sale on the surrounding community, and any other factors that the authority considers appropriate.

(h) INFORMATION FOR LOCAL HOUSING MANAGEMENT PLAN.—A local housing and management authority may demolish or dispose of a public housing development (or portion thereof) only if it includes in the applicable local housing management plan information sufficient to describe—

(1) the housing to be demolished or disposed of;

(2) the purpose of the demolition or disposition under subsection (c) and why the demolition or disposition complies with the requirements under subsection (c);

(3) how the consultations required under subsection (d) will be made;

(4) how the net proceeds of the disposition will be used in accordance with subsection (e);

(5) how the authority will relocate residents, if necessary, as required under subsection (f); and

(6) that the authority has offered the property for acquisition by resident organizations and resident management corporations in accordance with subsection (g).

(i) SITE AND NEIGHBORHOOD STANDARDS EXEMPTION.—Notwithstanding any other provision of law, a local housing and management authority may provide for development of public housing dwelling units on the same site or in the same neighborhood as any dwelling units demolished, pursuant to a plan under this section, but only if such development provides for significantly fewer dwelling units.

(j) TREATMENT OF REPLACEMENT UNITS.—In connection with any demolition or disposition of public housing under this section, a local housing and management authority may provide for other housing assistance for low-income families that is consistent with the low-income housing needs of the community, including—

(1) the provision of choice-based assistance under title III; and

(2) the development, acquisition, or lease by the authority of dwelling units, which dwelling units shall—

(A) be eligible to receive assistance with grant amounts provided under this title; and

(B) be made available for occupancy, operated, and managed in the manner required for public housing, and subject to the other requirements applicable to public housing dwelling units.

(k) PERMISSIBLE RELOCATION WITHOUT PLAN.—If a local housing and management authority determines that public housing dwelling units are not clean, safe, and healthy or cannot be maintained cost-effectively in a clean, safe, and healthy condition, the local housing and management authority may relocate residents of such dwelling units before the submission of a local housing management plan providing for demolition or disposition of such units.

(l) CONSOLIDATION OF OCCUPANCY WITHIN OR AMONG BUILDINGS.—Nothing in this section may be construed to prevent a local housing and management authority from consolidating occupancy within or among buildings of a public housing development, or among developments, or with other housing for the purpose of improving living conditions of, or providing more efficient services to, residents.

(m) DE MINIMIS EXCEPTION TO DEMOLITION REQUIREMENTS.—Notwithstanding any other provision of this section, in any 5-year period a local housing and management authority may demolish not more than the lesser of 5 dwelling units or 5 percent of the total dwelling units owned and operated by the local housing and management authority, without providing for such demolition in a local housing management

plan, but only if the space occupied by the demolished unit is used for meeting the service or other needs of public housing residents or the demolished unit was beyond repair.

SEC. 262. DEMOLITION, SITE REVITALIZATION, REPLACEMENT HOUSING, AND CHOICE-BASED ASSISTANCE GRANTS FOR DEVELOPMENTS.

(a) PURPOSES.—The purpose of this section is to provide assistance to local housing and management authorities for the purposes of—

(1) reducing the density and improving the living environment for public housing residents of severely distressed public housing developments through the demolition of obsolete public housing developments (or portions thereof);

(2) revitalizing sites (including remaining public housing dwelling units) on which such public housing developments are located and contributing to the improvement of the surrounding neighborhood; and

(3) providing housing that will avoid or decrease the concentration of very low-income families; and

(4) providing choice-based assistance in accordance with title III for the purpose of providing replacement housing and assisting residents to be displaced by the demolition.

(b) GRANT AUTHORITY.—The Secretary may make grants available to local housing and management authorities as provided in this section.

(c) CONTRIBUTION REQUIREMENT.—The Secretary may not make any grant under this section to any applicant unless the applicant certifies to the Secretary that the applicant will supplement the amount of assistance provided under this section with an amount of funds from sources other than this section equal to not less than 5 percent of the amount provided under this section, including amounts from other Federal sources, any State or local government sources, any private contributions, and the value of any in-kind services or administrative costs provided.

(d) ELIGIBLE ACTIVITIES.—Grants under this section may be used for activities to carry out revitalization programs for severely distressed public housing, including—

(1) architectural and engineering work, including the redesign, reconstruction, or redevelopment of a severely distressed public housing development, including the site on which the development is located;

(2) the demolition, sale, or lease of the site, in whole or in part;

(3) covering the administrative costs of the applicant, which may not exceed such portion of the assistance provided under this section as the Secretary may prescribe;

(4) payment of reasonable legal fees;

(5) providing reasonable moving expenses for residents displaced as a result of the revitalization of the development;

(6) economic development activities that promote the economic self-sufficiency of residents under the revitalization program;

(7) necessary management improvements;

(8) leveraging other resources, including additional housing resources, retail supportive services, jobs, and other economic development uses on or near the development that will benefit future residents of the site;

(9) replacement housing and housing assistance under title III;

(10) transitional security activities; and

(11) necessary supportive services, except that not more than 10 percent of the amount of any grant may be used for activities under this paragraph.

(e) APPLICATION AND SELECTION.—

(1) APPLICATION.—An application for a grant under this section shall contain such information and shall be submitted at such time and in accordance with such procedures, as the Secretary shall prescribe.

(2) SELECTION CRITERIA.—The Secretary shall establish selection criteria for the award of grants under this section, which shall include—

(A) the relationship of the grant to the local housing management plan for the local housing and management authority and how the grant will result in a revitalized site that will enhance the neighborhood in which the development is located;

(B) the capability and record of the applicant local housing and management authority, or any alternative management agency for the authority, for managing large-scale redevelopment or modernization projects, meeting construction timetables, and obligating amounts in a timely manner;

(C) the extent to which the local housing and management authority could undertake such activities without a grant under this section;

(D) the extent of involvement of residents, State and local governments, private service providers, financing entities, and developers, in the development of a revitalization program for the development; and

(E) the amount of funds and other resources to be leveraged by the grant.

The Secretary shall give preference in selection to any local housing and management authority that has been awarded a planning grant under section 24(c) of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act).

(f) COST LIMITS.—Subject to the provisions of this section, the Secretary—

(1) shall establish cost limits on eligible activities under this section sufficient to provide for effective revitalization programs; and

(2) may establish other cost limits on eligible activities under this section.

(h) DEMOLITION AND REPLACEMENT.—Any severely distressed public housing demolished or disposed of pursuant to a revitalization plan and any public housing produced in lieu of such severely distressed housing, shall be subject to the provisions of section 261.

(i) ADMINISTRATION BY OTHER ENTITIES.—The Secretary may require a grantee under this section to make arrangements satisfactory to the Secretary for use of an entity other than the local housing and management authority to carry out activities assisted under the revitalization plan, if the Secretary determines that such action will help to effectuate the purposes of this section.

(j) WITHDRAWAL OF FUNDING.—If a grantee under this section does not proceed expeditiously, in the determination of the Secretary, the Secretary shall withdraw any grant amounts under this section that have not been obligated by the local housing and management authority. The Secretary shall redistribute any withdrawn amounts to one or more local housing and management authorities eligible for assistance under this section or to one or more other entities capable of proceeding expeditiously in the same locality in carrying out the revitalization plan of the original grantee.

(k) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

(1) APPLICANT.—The term ''applicant'' means—

(A) any local housing and management authority that is not designated as troubled or dysfunctional pursuant to section 431(a)(2);

(B) any local housing and management authority or private housing management agent selected, or receiver appointed pursuant, to section 438; and

(C) any local housing and management authority that is designated as troubled pursuant to section 431(a)(2)(D) that—

(i) is so designated principally for reasons that will not affect the capacity of the authority to carry out a revitalization program;

(ii) is making substantial progress toward eliminating the deficiencies of the authority; or

(iii) is otherwise determined by the Secretary to be capable of carrying out a revitalization program.

(2) PRIVATE NONPROFIT CORPORATION.—The term ''private nonprofit organization'' means any private nonprofit organization (including a State or locally chartered nonprofit organization) that—

(A) is incorporated under State or local law;

(B) has no part of its net earnings inuring to the benefit of any member, founder, contributor, or individual;

(C) complies with standards of financial accountability acceptable to the Secretary; and

(D) has among its purposes significant activities related to the provision of decent housing that is affordable to very low-income families.

(3) SEVERELY DISTRESSED PUBLIC HOUSING.—The term ''severely distressed public housing'' means a public housing development (or building in a development)—

(A) that requires major redesign, reconstruction or redevelopment, or partial or total demolition, to correct serious deficiencies in the original design (including inappropriately high population density), deferred maintenance, physical deterioration or obsolescence of major systems and other deficiencies in the physical plant of the development;

(B) is a significant contributing factor to the physical decline of and disinvestment by public and private entities in the surrounding neighborhood;

(C)(i) is occupied predominantly by families who are very low-income families with children, are unemployed, and dependent on various forms of public assistance; and

(ii) has high rates of vandalism and criminal activity (including drug-related criminal activity) in comparison to other housing in the area;

(D) cannot be revitalized through assistance under other programs, such as the public housing block grant program under this title, or the programs under sections 9 and 14 of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act), because of cost constraints and inadequacy of available amounts; and

(E) in the case of individual buildings, the building is, in the Secretary's determination, sufficiently separable from the remainder of the development of which the building is part to make use of the building feasible for purposes of this section.

(4) SUPPORTIVE SERVICES.—The term ''supportive services'' includes all activities that will promote upward mobility, self-sufficiency, and improved quality of life for the residents of the public housing development involved, including literacy training, job training, day care, and economic development activities.

(l) ANNUAL REPORT.—The Secretary shall submit to the Congress an annual report setting forth—

(1) the number, type, and cost of public housing units revitalized pursuant to this section;

(2) the status of developments identified as severely distressed public housing;

(3) the amount and type of financial assistance provided under and in conjunction with this section; and

(4) the recommendations of the Secretary for statutory and regulatory improvements to the program established by this section.

(m) FUNDING.—

(1) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for grants under this section $480,000,000 for each of fiscal years 1996, 1997, and 1998.

(2) TECHNICAL ASSISTANCE.—Of the amount appropriated pursuant to paragraph (1) for any fiscal year, the Secretary may use not more than 0.50 percent for technical assistance. Such assistance may be provided directly or indirectly by grants, contracts, or cooperative agreements, and shall include training, and the cost of necessary travel for participants in such training, by or to officials of the Department of Housing and Urban Development, of local housing and management authorities, and of residents.

(n) SUNSET.—No assistance may be provided under this section after September 30, 1998.

SEC. 263. VOLUNTARY VOUCHER SYSTEM FOR PUBLIC HOUSING.

(a) IN GENERAL.—A local housing and management authority may convert any public housing development (or portion thereof) owned and operated by the authority to a system of choice-based rental housing assistance under title III, in accordance with this section.

(b) ASSESSMENT AND PLAN REQUIREMENT.—In converting under this section to a choice-based rental housing assistance system, the local housing and management authority shall develop a conversion assessment and plan under this subsection, in consultation with the appropriate public officials and with significant participation by the residents of the development (or portion thereof), which assessment and plan shall—

(1) be consistent with and part of the local housing management plan for the authority;

(2) describe the conversion and future use or disposition of the public housing development, including an impact analysis on the affected community;

(3) include a cost analysis that demonstrates whether or not the cost (both on a net present value basis and in terms of new budget authority requirements) of providing choice-based rental housing assistance under title III for the same families in substantially similar dwellings over the same period of time is less expensive than continuing public housing assistance in the public housing development proposed for conversion for the remaining useful life of the development; and

(4) identify the actions, if any, that the local housing and management authority will take with regard to converting any public housing development or developments (or portions thereof) of the authority to a system of choice-based rental housing assistance under title III.

(c) STREAMLINED ASSESSMENT AND PLAN.—At the discretion of the Secretary or at the request of a local housing and management authority, the Secretary may waive any or all of the requirements of subsection (b) or otherwise require a streamlined assessment with respect to any public housing development or class of public housing developments.

(d) IMPLEMENTATION OF CONVERSION PLAN.—

(1) IN GENERAL.—A local housing and management authority may implement a conversion plan only if the conversion assessment under this section demonstrates that the conversion—

(A) will not be more expensive than continuing to operate the public housing development (or portion thereof) as public housing; and

(B) will principally benefit the residents of the public housing development (or portion thereof) to be converted, the local housing and management authority, and the community.

(2) DISAPPROVAL.—The Secretary shall disapprove a conversion plan only if the plan is plainly inconsistent with the conversion assessment under subsection (b) or there is reliable information and data available to the Secretary that contradicts that conversion assessment.

(e) OTHER REQUIREMENTS.—To the extent approved by the Secretary, the funds used by the local housing and management authority to provide choice-based rental housing assistance under title III shall be added to the housing assistance payment contract administered by the local housing and management authority or any entity administering the contract on behalf of the local housing and management authority.

(f) SAVINGS PROVISION.—This section does not affect any contract or other agreement entered into under section 22 of the United States Housing Act of 1937 (as such section existed immediately before the enactment of this Act).

Subtitle F—General Provisions

SEC. 271. CONVERSION TO BLOCK GRANT ASSISTANCE.

(a) SAVINGS PROVISIONS.—Any amounts made available to a public housing agency for assistance for public housing pursuant to the United States Housing Act of 1937 (or any other provision of law relating to assistance for public housing) under an appropriation for fiscal year 1996 or any previous fiscal year shall be subject to the provisions of such Act as in effect before the enactment of this Act, notwithstanding the repeals made by this Act, except to the extent the Secretary provides otherwise to provide for the conversion of public housing and public housing assistance to the system provided under this Act.

(b) MODIFICATIONS.—Notwithstanding any provision of this Act or any annual contributions contract or other agreement entered into by the Secretary and a public housing agency pursuant to the provisions of the United States Housing Act of 1937 (as in effect before the enactment of this Act), the Secretary and the agency may by mutual consent amend, supersede, modify any such agreement as appropriate to provide for assistance under this title, except that the Secretary and the agency may not consent to any such amendment, supersession, or modification that substantially alters any outstanding obligations requiring continued maintenance of the low-income character of any public housing development and any such amendment, supersession, or modification shall not be given effect.

SEC. 272. PAYMENT OF NON-FEDERAL SHARE.

Rental or use-value of buildings or facilities paid for, in whole or in part, from production, modernization, or operation costs financed under this title may be used as the non-Federal share required in connection with activities undertaken under Federal grant-in-aid programs which provide social, educational, employment, and other services to the residents in a project assisted under this title.

SEC. 273. DEFINITIONS.

For purposes of this title, the following definitions shall apply:

(1) ACQUISITION COST.—The term ''acquisition cost'' means the amount prudently expended by a local housing and management authority in acquiring property for a public housing development.

(2) DEVELOPMENT.—The terms ''public housing development'' and ''development'' mean—

(A) public housing; and

(B) the improvement of any such housing.

(3) ELIGIBLE LOCAL HOUSING AND MANAGEMENT AUTHORITY.—The term ''eligible local housing and management authority'' means, with respect to a fiscal year, a local housing and management authority that is eligible under section 202(d) for a grant under this title.

(4) GROUP HOME AND INDEPENDENT LIVING FACILITY.—The terms ''group home'' and ''independent living facility'' have the meanings given such terms in section 811(k) of the Cranston-Gonzalez National Affordable Housing Act.

(5) OPERATION.—The term ''operation'' means any or all undertakings appropriate for management, operation, services, maintenance, security (including the cost of security personnel), or financing in connection with a public housing development, including the financing of resident programs and services.

(6) PRODUCTION.—The term ''production'' means any or all undertakings necessary for planning, land acquisition, financing, demolition, construction, or equipment, in connection with the construction, acquisition, or rehabilitation of a property for use as a public housing development, including activity in connection with a public housing development that is confined to the reconstruction, remodeling, or repair of existing buildings.

(7) PRODUCTION COST.—The term ''production cost'' means the costs incurred by a local housing and management authority for production of public housing and the necessary financing for production (including the payment of carrying charges and acquisition costs).

(8) RESIDENT COUNCIL.—The term ''resident council'' means an organization or association that meets the requirements of section 234(a).

(9) RESIDENT MANAGEMENT CORPORATION.—The term ''resident management corporation'' means a corporation that meets the requirements of section 234(b).

(10) RESIDENT PROGRAM.—The term ''resident programs and services'' means programs and services for families residing in public housing developments. Such term includes (A) the development and maintenance of resident organizations which participate in the management of public housing developments, (B) the training of residents to manage and operate the public housing development and the utilization of their services in management and operation of the development, (C) counseling on household management, housekeeping, budgeting, money management, homeownership issues, child care, and similar matters, (D) advice regarding resources for job training and placement, education, welfare, health, and other community services, (E) services that are directly related to meeting resident needs and providing a wholesome living environment; and (F) referral to appropriate agencies in the community when necessary for the provision of such services. To the maximum extent available and appropriate, existing public and private agencies in the community shall be used for the provision of such services.

SEC. 274. AUTHORIZATION OF APPROPRIATIONS FOR BLOCK GRANTS.

There are authorized to be appropriated for grants under this title, the following amounts:

(1) CAPITAL FUND.—For the allocations from the capital fund for grants, $2,500,000,000 for each of fiscal years 1997, 1998, 1999, and 2000; and

(2) OPERATING FUND.—For the allocations from the operating fund for grants, $2,800,000,000 for each of fiscal years 1997, 1998, 1999, and 2000.

SEC. 275. AUTHORIZATION OF APPROPRIATIONS FOR OPERATION SAFE HOME.

There is authorized to be appropriated, for assistance for relocating residents of public housing under the operation safe home program of the Department of Housing and Urban Development (including assistance for costs of relocation and housing assistance under title III), $700,000 for each of fiscal years 1996, 1997, 1998, 1999, and 2000. The Secretary shall provide that families who are residing in public housing, who have been subject to domestic violence, and for whom provision of assistance is likely to reduce or eliminate the threat of subsequent violence to the members of the family, shall be eligible for assistance under the operation safe home program.

TITLE III—CHOICE-BASED RENTAL HOUSING AND HOMEOWNERSHIP ASSISTANCE FOR LOW-INCOME FAMILIES

Subtitle A—Allocation

SEC. 301. AUTHORITY TO PROVIDE HOUSING ASSISTANCE AMOUNTS.

To the extent that amounts to carry out this title are made available, the Secretary may enter into contracts with local housing and management authorities for each fiscal year to provide housing assistance under this title.

SEC. 302. CONTRACTS WITH LHMA'S.

(a) CONDITION OF ASSISTANCE.—The Secretary may provide amounts under this title to a local housing and management authority for a fiscal year only if the Secretary has entered into a contract under this section with the local housing and management authority, under which the Secretary shall provide such authority with amounts (in the amount of the allocation for the authority determined pursuant to section 304) for housing assistance under this title for low-income families.

(b) USE FOR HOUSING ASSISTANCE.—A contract under this section shall require a local housing and management authority to use amounts provided under this title to provide housing assistance in any manner authorized under this title.

(c) ANNUAL OBLIGATION OF AUTHORITY.—A contract under this title shall provide amounts

for housing assistance for 1 fiscal year covered by the contract.

(d) ENFORCEMENT OF HOUSING QUALITY REQUIREMENTS.—Each contract under this section shall require the local housing and management authority administering assistance provided under the contract—

(1) to ensure compliance, under each housing assistance payments contract entered into pursuant to the contract under this section, with the provisions of the housing assistance payments contract included pursuant to section 351(c)(4); and

(2) to establish procedures for assisted families to notify the authority of any noncompliance with such provisions.

SEC. 303. ELIGIBILITY OF LHMA'S FOR ASSISTANCE AMOUNTS.

The Secretary may provide amounts available for housing assistance under this title pursuant to the formula established under section 304(a) to a local housing and management authority only if—

(1) the authority has submitted a local housing management plan to the Secretary for such fiscal year and applied to the Secretary for such assistance;

(2) the plan has been determined to comply with the requirements under section 107 and the Secretary has not notified the authority that the plan fails to comply with such requirements;

(3) the authority is accredited under section 433 by the Housing Foundation and Accreditation Board;

(4) no member of the board of directors or other governing body of the authority, or the executive director, has been convicted of a felony; and

(5) the authority has not been disqualified for assistance pursuant to subtitle B of title IV.

SEC. 304. ALLOCATION OF AMOUNTS.

(a) FORMULA ALLOCATION.—

(1) IN GENERAL.—When amounts for assistance under this title are first made available for reservation, after reserving amounts in accordance with subsections (b)(3) and (c), and section 112, the Secretary shall allocate such amounts, only among local housing and management authorities meeting the requirements under this title to receive such assistance, on the basis of a formula that is established in accordance with paragraph (2) and based upon appropriate criteria to reflect the needs of different States, areas, and communities, using the most recent data available from the Bureau of the Census of the Department of Commerce and the comprehensive housing affordability strategy under section 105 of the Cranston-Gonzalez National Affordable Housing Act (or any consolidated plan incorporating such strategy) for the applicable jurisdiction. The Secretary may establish a minimum allocation amount, in which case only the local housing and management authorities that, pursuant to the formula, are provided an amount equal to or greater than the minimum allocation amount, shall receive an allocation.

(2) REGULATIONS.—The formula under this subsection shall be established by regulation issued by the Secretary. Notwithstanding sections 563(a) and 565(a) of title 5, United States Code, any proposed regulation containing such formula shall be issued pursuant to a negotiated rulemaking procedure under subchapter of chapter 5 of such title and the Secretary shall establish a negotiated rulemaking committee for development of any such proposed regulations.

(b) ALLOCATION CONSIDERATIONS.—

(1) LIMITATION ON REALLOCATION FOR ANOTHER STATE.—Any amounts allocated for a State or areas or communities within a State that are not likely to be used within the fiscal year for which the amounts are provided shall not be reallocated for use in another State, unless the Secretary determines that other areas or communities within the same State (that are eligible for amounts under this title) cannot use the amounts within the same fiscal year.

(2) EFFECT OF RECEIPT OF TENANT-BASED ASSISTANCE FOR DISABLED FAMILIES.—The Secretary may not consider the receipt by a local housing and management authority of assistance under section 811(b)(1) of the Cranston-Gonzalez National Affordable Housing Act, or the amount received, in approving amounts under this title for the authority or in determining the amount of such assistance to be provided to the authority.

(3) EXEMPTION FROM FORMULA ALLOCATION.—The formula allocation requirements of subsection (a) shall not apply to any assistance under this title that is approved in appropriation Acts for uses that the Secretary determines are incapable of geographic allocation, including funding for the headquarters reserve fund under section 112, amendments of existing housing assistance payments contracts, renewal of such contracts, assistance to families that would otherwise lose assistance due to the decision of the project owner to prepay the project mortgage or not to renew the housing assistance payments contract, assistance to prevent displacement from public or assisted housing or to provide replacement housing in connection with the demolition or disposition of public housing, assistance for relocation from public housing, assistance in connection with protection of crime witnesses, assistance for conversion from leased housing contracts under section 23 of the United States Housing Act of 1937 (as in effect before the enactment of the Housing and Community Development Act of 1974), and assistance in support of the property disposition and portfolio management functions of the Secretary.

(c) RECAPTURE OF AMOUNTS.—

(1) AUTHORITY.—In each fiscal year, from any budget authority made available for assistance under this title or section 8 of the United States Housing Act of 1937 (as in effect before the enactment of this Act) that is obligated to a local housing and management authority but remains unobligated by the authority upon the expiration of the 8-month period beginning upon the initial availability of such amounts for obligation by the authority, the Secretary may deobligate an amount, as determined by the Secretary, not exceeding 50 percent of such unobligated amount.

(2) USE.—The Secretary may reallocate and transfer any amounts deobligated under paragraph (1) only to local housing and management authorities in areas that the Secretary determines have received less funding than other areas, based on the relative needs of all areas.

SEC. 305. ADMINISTRATIVE FEES.

(a) FEE FOR ONGOING COSTS OF ADMINISTRATION.—

(1) IN GENERAL.—The Secretary shall establish fees for the costs of administering the choice-based housing assistance program under this title.

(2) FISCAL YEAR 1996.—

(A) CALCULATION.—For fiscal year 1996, the fee for each month for which a dwelling unit is covered by a contract for assistance under this title shall be—

(i) in the case of a local housing and management authority that, on an annual basis, is administering a program for not more than 600 dwelling units, 7.65 percent of the base amount; and

(ii) in the case of an authority that, on an annual basis, is administering a program for more than 600 dwelling units—

(I) for the first 600 units, 7.65 percent of the base amount; and

(II) for any additional dwelling units under the program, 7.0 percent of the base amount.

(B) BASE AMOUNT.—For purposes of this paragraph, the base amount shall be the higher of—

(i) the fair market rental established under section 8(c) of the United States Housing Act of 1937 (as in effect immediately before the date of the enactment of this Act) for fiscal year 1993 for a 2-bedroom existing rental dwelling unit in the market area of the authority, and

(ii) the amount that is the lesser of (I) such fair market rental for fiscal year 1994 or (II) 103.5 percent of the amount determined under clause (i),

adjusted based on changes in wage data or other objectively measurable data that reflect the costs of administering the program, as determined by the Secretary. The Secretary may require that the base amount be not less than a minimum amount and not more than a maximum amount.

(3) SUBSEQUENT FISCAL YEARS.—For subsequent fiscal years, the Secretary shall publish a notice in the Federal Register, for each geographic area, establishing the amount of the fee that would apply for local housing and management authorities administering the program, based on changes in wage data or other objectively measurable data that reflect the costs of administering the program, as determined by the Secretary.

(4) INCREASE.—The Secretary may increase the fee if necessary to reflect the higher costs of administering small programs and programs operating over large geographic areas.

(b) FEE FOR PRELIMINARY EXPENSES.—The Secretary shall also establish reasonable fees (as determined by the Secretary) for—

(1) the costs of preliminary expenses, in the amount of $500, for a local housing and management authority, but only in the first year that the authority administers a choice-based housing assistance program under this title, and only if, immediately before the date of the enactment of this Act, the authority was not administering a tenant-based rental assistance program under the United States Housing Act of 1937 (as in effect immediately before such date of enactment), in connection with its initial increment of assistance received;

(2) the costs incurred in assisting families who experience difficulty (as determined by the Secretary) in obtaining appropriate housing under the programs; and

(3) extraordinary costs approved by the Secretary.

(c) TRANSFER OF FEES IN CASES OF CONCURRENT GEOGRAPHICAL JURISDICTION.—

(1) IN GENERAL.—In each fiscal year, if any local housing and management authority provides tenant-based rental assistance under section 8 of the United States Housing Act of 1937 or housing assistance under this title on behalf of a family who uses such assistance for a dwelling unit that is located within the jurisdiction of such authority but is also within the jurisdiction of another local housing and management authority, the Secretary shall take such steps as may be necessary to ensure that the local housing and management authority that provides the services for a family receives all or part of the administrative fee under this section (as appropriate).

SEC. 306. AUTHORIZATIONS OF APPROPRIATIONS.

(a) IN GENERAL.—There is authorized to be appropriated for providing local housing and management authorities with housing assistance under this title, $1,861,668,000 for each of fiscal years 1996, 1997, 1998, 1999, and 2000.

(b) ASSISTANCE FOR DISABLED FAMILIES.—

(1) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated, for choice-based housing assistance under this title to be used in accordance with paragraph (2), $50,000,000 for fiscal year 1997, and such sums as may be necessary for each subsequent fiscal year.

(2) USE.—The Secretary shall provide amounts made available under paragraph (1) to local housing and management authorities only for use to provide housing assistance under this title for nonelderly disabled families (including such families relocating pursuant to designation of a public housing development under section 227 and other nonelderly disabled families who have applied to the authority for housing assistance under this title).

(3) ALLOCATION OF AMOUNTS.—The Secretary shall allocate and provide amounts made available under paragraph (1) to local housing and management authorities as the Secretary determines appropriate based on the relative levels of need among the authorities for assistance for families described in paragraph (1).

SEC. 307. CONVERSION OF SECTION 8 ASSISTANCE.

(a) IN GENERAL.—Any amounts made available to a local housing and management authority under a contract for annual contributions for assistance under section 8 of the United States Housing Act of 1937 (as in effect before the enactment of this Act) that have not been obligated for such assistance by such authority before such enactment shall be used to provide assistance under this title, except to the extent the Secretary determines such use is inconsistent with existing commitments.

(b) EXCEPTION.—Subsection (a) shall not apply to any amounts made available under a contract for housing constructed or substantially rehabilitated pursuant to section 8(b)(2) of the United States Housing Act of 1937, as in effect before October 1, 1983.

Subtitle B—Choice-Based Housing Assistance for Eligible Families

SEC. 321. ELIGIBLE FAMILIES AND PREFERENCES FOR ASSISTANCE.

(a) LOW-INCOME REQUIREMENT.—Housing assistance under this title may be provided only on behalf of a family that—

(1) at the time that such assistance is initially provided on behalf of the family, is determined by the local housing and management authority to be a low-income family; or

(2) qualifies to receive such assistance under any other provision of Federal law.

(b) INCOME TARGETING.—Of the families initially assisted under this title by a local housing and management authority in any year, not less than 50 percent shall be families whose incomes do not exceed 60 percent of the area median income, as determined by the Secretary with adjustments for smaller and larger families. The Secretary may establish income ceiling higher or lower than 30 percent of the area median income on the basis of the Secretary's findings that such variations are necessary because of unusually high or low family incomes.

(c) INCOME TARGETING.—Of the families initially assisted under this title by a local housing and management authority in any year, not less than 40 percent shall be families whose incomes do not exceed 30 percent of the area median income, as determined by the Secretary with adjustments for smaller and larger families. The Secretary may establish income ceiling higher or lower than 30 percent of the area median income on the basis of the Secretary's findings that such variations are necessary because of unusually high or low family incomes.

(d) REVIEWS OF FAMILY INCOMES.—

(1) IN GENERAL.—Reviews of family incomes for purposes of this title shall be subject to the provisions of section 904 of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988 and shall be conducted upon the initial provision of housing assistance for the family and thereafter not less than annually.

(2) PROCEDURES.—Each local housing and management authority administering housing assistance under this title shall establish procedures that are appropriate and necessary to ensure that income data provided to the authority and owners by families applying for or receiving housing assistance from the authority is complete and accurate.

(e) PREFERENCES FOR ASSISTANCE.—

(1) AUTHORITY TO ESTABLISH.—Any local housing and management authority that receives amounts under this title may establish a system for making housing assistance available on behalf of eligible families that provides preference for such assistance to eligible families having certain characteristics.

(2) CONTENT.—Each system of preferences established pursuant to this subsection shall be based upon local housing needs and priorities, as determined by the local housing and management authority using generally accepted data sources, including any information obtained pursuant to an opportunity for public comment as provided under section 107(e) or under the requirements applicable to comprehensive housing affordability strategy for the relevant jurisdiction.

(f) PORTABILITY OF HOUSING ASSISTANCE.—

(1) NATIONAL PORTABILITY.—An eligible family that is selected to receive or is receiving assistance under this title may rent any eligible dwelling unit in any area where a program is being administered under this title. Notwithstanding the preceding sentence, a local housing and management authority may require that any family not living within the jurisdiction of the local housing and management authority at the time the family applies for assistance from the authority shall, during the 12-month period beginning on the date of initial receipt of housing assistance made available on behalf of the family from that authority, lease and occupy an eligible dwelling unit located within the jurisdiction served by the authority. The authority for the jurisdiction into which the family moves shall have the responsibility for administering assistance for the family.

(2) SOURCE OF FUNDING FOR A FAMILY THAT MOVES.—For a family that has moved into the jurisdiction of a local housing and management authority and that, at the time of the move, has been selected to receive, or is receiving, assistance provided by another authority, the authority for the jurisdiction into which the family has moved may, in its discretion, cover the cost of assisting the family under its contract with the Secretary or through reimbursement from the other authority under that authority's contract.

(3) AUTHORITY TO DENY ASSISTANCE TO CERTAIN FAMILIES WHO MOVE.—A family may not receive housing assistance as provided under this subsection if the family has moved from a dwelling unit in violation of the lease for the dwelling unit.

(4) FUNDING ALLOCATIONS.—In providing assistance amounts under this title for local housing and management authorities for any fiscal year, the Secretary may give consideration to any reduction or increase in the number of resident families under the program of an authority in the preceding fiscal year as a result of this subsection.

(g) LOSS OF ASSISTANCE UPON TERMINATION OF TENANCY.—A local housing and management authority shall, consistent with the policies described in the local housing management plan of the authority, establish policies providing that an assisted family whose tenancy is terminated for serious violations of the terms or conditions of the lease shall—

(1) lose any right to continued housing assistance; and

(2) immediately become ineligible for housing assistance under this title or for admission to public housing under title II—

(A) in the case of a termination due to drug-related criminal activity, for a period of not less than 3 years from the date of the termination; and

(B) for other terminations, for a reasonable period of time as determined by the local housing and management authority.

(h) CONFIDENTIALITY FOR VICTIMS OF DOMESTIC VIOLENCE.—A local housing and management authority shall be subject to the restrictions regarding release of information relating to the identity and new residence of any family receiving housing assistance who was a victim of domestic violence that are applicable to shelters pursuant to the Family Violence Prevention and Services Act. The authority shall work with the United States Postal Service to establish procedures consistent with the confidentiality provisions in the Violence Against Women Act of 1994.

(i) DENIAL OF ASSISTANCE TO CRIMINAL OFFENDERS.—In making assistance under this title available on behalf of eligible families, a local housing and management authority may deny the provision of such assistance in the same manner, for the same period, and subject to the same conditions that an owner of federally assisted housing may deny occupancy in such housing under subsections (b) and (c) of section 642 of the Housing and Community Development Act of 1992.

(j) AVAILABILITY OF CRIMINAL RECORDS.—A local housing and management authority may request and obtain records regarding the criminal convictions of applicants for housing assistance under this title and assisted families under this title to the same extent an owner of federally assisted housing may obtain such records regarding an applicant for or tenant of federally assisted housing under section 646 of the Housing and Community Development Act of 1992.

SEC. 322. RESIDENT CONTRIBUTION.

(a) AMOUNT.—

(1) IN GENERAL.—An assisted family shall contribute on a monthly basis for the rental of an assisted dwelling unit an amount that the local housing and management authority determines is appropriate with respect to the family and the unit, but shall not be less than the minimum monthly rental contribution determined under subsection (d).

(2) EXCEPTIONS FOR CERTAIN CURRENT RESIDENTS.—Notwithstanding paragraph (1), the amount paid by an assisted family for monthly rent for an assisted dwelling unit, may not exceed 30 percent of the family's adjusted monthly income for any family who—

(A) upon the date of the enactment of this Act, is an assisted family and—

(i) is an elderly family; or

(ii) is a disabled family; or

(B) has an income that does not exceed 30 percent of the median income for the area (as determined by the Secretary with adjustments for smaller and larger families).

Any amount payable under paragraph (3) shall be in addition to the amount payable under this paragraph.

(3) EXCESS RENTAL AMOUNT.—In any case in which the monthly rent charged for a dwelling unit pursuant to the housing assistance payments contract exceeds the applicable payment standard (established under section 353) for the dwelling unit, the assisted family residing in the unit shall contribute (in addition to the amount of the monthly rent contribution otherwise determined under paragraph (1) or (2) of this subsection for such family) such entire excess rental amount.

(b) LIMITATION.—Notwithstanding any other provision of this section, the amount paid by an assisted family that is an elderly family or a disabled family, for monthly rent for an assisted dwelling unit bearing a gross rent that does not exceed the payment standard established under section 353 for a dwelling unit of the applicable size and located in the market area in which such assisted dwelling unit is located, may not exceed 30 percent of the family's adjusted monthly income.

(c) LIMITATION.—Notwithstanding any other provision of this section, the amount paid by an assisted family whose head (or whose spouse) is a veteran (as such term is defined in section 203(b) of the National Housing Act) for monthly rent for an assisted dwelling unit bearing a gross rent that does not exceed the payment standard established under section 353 for a dwelling unit of the applicable size and located in the market area in which such assisted dwelling unit is located may not exceed 30 percent of the family's adjusted monthly income.

(d) MINIMUM MONTHLY RENTAL CONTRIBUTION.—

(1) IN GENERAL.—The local housing and management authority shall determine the amount of the minimum monthly rental contribution of

an assisted family (which rent shall include any amount allowed for utilities), which—

(A) shall be based upon factors including the adjusted income of the family and any other factors that the authority considers appropriate;

(B) shall be not less than $25, nor more than $50; and

(C) may be increased annually by the authority, except that no such annual increase may exceed 10 percent of the amount of the minimum monthly contribution in effect for the preceding year.

(2) HARDSHIP EXCEPTION.—Notwithstanding paragraph (1), a local housing and management authority may, in its sole discretion, grant an exemption in whole or in part from payment of the minimum monthly rental contribution established under this paragraph to any assisted family unable to pay such amount because of severe financial hardships. Severe financial hardships may include situations where the family is awaiting an eligibility determination for a Federal, State, or local assistance program, where the family would be evicted as a result of imposition of the minimum rent, and other situations as may be determined by the authority.

(e) TREATMENT OF CHANGES IN RENTAL CONTRIBUTION.—

(1) NOTIFICATION OF CHANGES.—A local housing and management authority shall promptly notify the owner of an assisted dwelling unit of any change in the resident contribution by the assisted family residing in the unit that takes effect immediately or at a later date.

(2) COLLECTION OF RETROACTIVE CHANGES.—In the case of any change in the rental contribution of an assisted family that affects rental payments previously made, the local housing and management authority shall collect any additional amounts required to be paid by the family under such change directly from the family and shall refund any excess rental contribution paid by the family directly to the family.

(f) PHASE-IN OF RENT CONTRIBUTION INCREASES.—

(1) IN GENERAL.—Except as provided in paragraph (2), for any family that is receiving tenant-based rental assistance under section 8 of the United States Housing Act of 1937 upon the initial applicability of the provisions of this title to such family, if the monthly contribution for rental of an assisted dwelling unit to be paid by the family upon such initial applicability is greater than the amount paid by the family under the provisions of the United States Housing Act of 1937 immediately before such applicability, any such resulting increase in rent contribution shall be—

(A) phased in equally over a period of not less than 3 years, if such increase is 30 percent or more of such contribution before initial applicability; and

(B) limited to not more than 10 percent per year if such increase is more than 10 percent but less than 30 percent of such contribution before initial applicability.

(2) EXCEPTION.—The minimum rent contribution requirement under subsection (d)(1)(B) shall apply to each family described in paragraph (1) of this subsection, notwithstanding such paragraph.

SEC. 323. RENTAL INDICATORS.

(a) IN GENERAL.—The Secretary shall establish and issue rental indicators under this section periodically, but not less than annually, for existing rental dwelling units that are eligible dwelling units. The Secretary shall establish and issue the rental indicators by housing market area (as the Secretary shall establish) for various sizes and types of dwelling units.

(b) AMOUNT.—For a market area, the rental indicator established under subsection (a) for a dwelling unit of a particular size and type in the market area shall be a dollar amount that reflects the rental amount for a standard quality rental unit of such size and type in the market area that is an eligible dwelling unit.

(c) EFFECTIVE DATE.—The Secretary shall cause the proposed rental indicators established under subsection (a) for each market area to be published in the Federal Register with reasonable time for public comment, and such rental indicators shall become effective upon the date of publication in final form in the Federal Register.

(d) ANNUAL ADJUSTMENT.—Each rental indicator in effect under this section shall be adjusted to be effective on October 1 of each year to reflect changes, based on the most recent available data trended so that the indicators will be current for the year to which they apply, in rents for existing rental dwelling units of various sizes and types in the market area suitable for occupancy by families assisted under this title.

SEC. 324. LEASE TERMS.

Rental assistance may be provided for an eligible dwelling unit only if the assisted family and the owner of the dwelling unit enter into a lease for the unit that—

(1) provides for a single lease term of 12 months and continued tenancy after such term under a periodic tenancy on a month-to-month basis;

(2) contains terms and conditions specifying that termination of tenancy during the term of a lease shall be subject to the provisions set forth in section 325; and

(3) is set forth in the standard form, which is used in the local housing market area by the owner and applies generally to any other tenants in the property who are not assisted families, together with any addendum necessary to include the many terms required under this section.

A lease may include any addenda appropriate to set forth the provisions under this title.

SEC. 325. TERMINATION OF TENANCY.

(a) GENERAL GROUNDS FOR TERMINATION OF TENANCY.—Each housing assistance payments contract under section 351 shall provide that the owner of any assisted dwelling unit assisted under the contract may, before expiration of a lease for a unit, terminate the tenancy of any tenant of the unit, but only for—

(1) violation of the terms and conditions of the lease, violation of applicable Federal, State, or local law, or other good cause; or

(2) any activity, engaged in by the tenant, any member of the tenant's household, or any guest or other person under the tenant's control, that—

(A) threatens the health or safety of, or right to peaceful enjoyment of the premises by, other tenants or employees of the owner or manager of the housing;

(B) threatens the health or safety of, or right to peaceful enjoyment of their residences by, persons residing in the immediate vicinity of the premises; or

(C) is criminal activity (including drug-related criminal activity) on or off such premises.

(b) MANNER OF TERMINATION.—Each housing assistance payments contract shall provide that the owner shall conduct the termination of tenancy of any tenant of an assisted dwelling unit under the contract in accordance with applicable State or local laws, including providing any notice of termination required under such laws.

SEC. 326. ELIGIBLE OWNERS.

(a) OWNERSHIP ENTITY.—Rental assistance under this title may be provided for any eligible dwelling unit for which the owner is any public agency, private person or entity (including a cooperative), nonprofit organization, agency of the Federal Government, or local housing and management authority.

(b) INELIGIBLE OWNERS.—

(1) IN GENERAL.—Notwithstanding subsection (a), a local housing and management authority—

(A) may not enter into a housing assistance payments contract (or renew an existing contract) covering a dwelling unit that is owned by an owner who is debarred, suspended, or subject to limited denial of participation under part 24 of title 24, Code of Federal Regulations;

(B) may prohibit, or authorize the termination or suspension of, payment of housing assistance under a housing assistance payments contract in effect at the time such debarment, suspension, or limited denial of participation takes effect.

If the local housing and management authority takes action under subparagraph (B), the authority shall take such actions as may be necessary to protect assisted families who are affected by the action, which may include the provision of additional assistance under this title to such families.

(2) PROHIBITION OF SALE TO RELATED PARTIES.—The Secretary shall establish guidelines to prevent housing assistance payments for a dwelling unit that is owned by any spouse, child, or other party who allows an owner described in paragraph (1) to maintain control of the unit.

SEC. 327. SELECTION OF DWELLING UNITS.

(a) FAMILY CHOICE.—The determination of the dwelling unit in which an assisted family resides and for which housing assistance is provided under this title shall be made solely by the assisted family, subject to the provisions of this title and any applicable law.

(b) DEED RESTRICTIONS.—Housing assistance may not be used in any manner that abrogates any local deed restriction that applies to any housing consisting of 1 to 4 dwelling units. Nothing in this section may be construed to affect the provisions or applicability of the Fair Housing Act.

SEC. 328. ELIGIBLE DWELLING UNITS.

(a) IN GENERAL.—A dwelling unit shall be an eligible dwelling unit for purposes of this title only if the local housing and management authority to provide housing assistance for the dwelling unit determines that the dwelling unit—

(1) is an existing dwelling unit that is not located within a nursing home or the grounds of any penal, reformatory, medical, mental, or similar public or private institution; and

(2) complies—

(A) with applicable State or local laws, regulations, standards, or codes regarding habitability of residential dwellings that—

(i) are in effect for the jurisdiction in which the dwelling unit is located;

(ii) provide protection to residents of the dwellings that is equal to or greater than the protection provided under the housing quality standards established under subsection (b); and

(iii) that do not severely restrict housing choice; or

(B) in the case of a dwelling unit located in a jurisdiction which does not have in effect laws, regulations, standards, or codes described in subparagraph (A), with the housing quality standards established under subsection (c).

Each local housing and management authority providing housing assistance shall identify, in the local housing management plan for the authority, whether the authority is utilizing the standard under subparagraph (A) or (B) of paragraph (2) and, if the authority utilizes the standard under subparagraph (A), shall certify in such plan that the applicable State or local laws, regulations, standards, or codes comply with the requirements under such subparagraph.

(b) DETERMINATIONS.—

(1) IN GENERAL.—A local housing and management authority shall make the determinations required under subsection (a) pursuant to an inspection of the dwelling unit conducted before any assistance payment is made for the unit.

(2) EXPEDITIOUS INSPECTION.—Inspections of dwelling units under this subsection shall be made before the expiration of the 15-day period beginning upon a request by the resident or

landlord to the local housing and management authority. The performance of the authority in meeting the 15-day inspection deadline shall be taken into account in assessing the performance of the authority.

(c) FEDERAL HOUSING QUALITY STANDARDS.—The Secretary shall establish housing quality standards under this subsection that ensure that assisted dwelling units are safe, clean, and healthy. Such standards shall include requirements relating to habitability, including maintenance, health and sanitation factors, condition, and construction of dwellings, and shall, to the greatest extent practicable, be consistent with the standards established under section 232(b). The Secretary shall differentiate between major and minor violations of such standards.

(d) ANNUAL INSPECTIONS.—Each local housing and management authority providing housing assistance shall make an annual inspection of each assisted dwelling unit during the term of the housing assistance payments contracts for the unit to determine whether the unit is maintained in accordance with the requirements under subsection (a)(2). The authority shall retain the records of the inspection for a reasonable time and shall make the records available upon request to the Secretary and the Inspector General for the Department of Housing and Urban Development, the Housing Foundation and Accreditation Board established under title IV, and any auditor conducting an audit under section 432.

(e) INSPECTION GUIDELINES.—The Secretary shall establish procedural guidelines and performance standards to facilitate inspections of dwelling units and conform such inspections with practices utilized in the private housing market. Such guidelines and standards shall take into consideration variations in local laws and practices of local housing and management authorities and shall provide flexibility to authorities appropriate to facilitate efficient provision of assistance under this title.

(f) RULE OF CONSTRUCTION.—This section may not be construed to prevent the provision of housing assistance in connection with supportive services for elderly or disabled families.

SEC. 329. HOMEOWNERSHIP OPTION.

(a) IN GENERAL.—A local housing and management authority providing housing assistance under this title may provide homeownership assistance to assist eligible families to purchase a dwelling unit (including purchase under lease-purchase homeownership plans).

(b) REQUIREMENTS.—A local housing and management authority providing homeownership assistance under this section shall, as a condition of an eligible family receiving such assistance, require the family to—

(1) demonstrate that the family has sufficient income from employment or other sources (other than public assistance), as determined in accordance with requirements established by the authority; and

(2) meet any other initial or continuing requirements established by the local housing and management authority.

(c) DOWNPAYMENT REQUIREMENT.—

(1) IN GENERAL.—A local housing and management authority may establish minimum downpayment requirements, if appropriate, in connection with loans made for the purchase of dwelling units for which homeownership assistance is provided under this section. If the authority establishes a minimum downpayment requirement, except as provided in paragraph (2) the authority shall permit the family to use grant amounts, gifts from relatives, contributions from private sources, and similar amounts as downpayment amounts in such purchase.

(2) DIRECT FAMILY CONTRIBUTION.—In purchasing housing pursuant to this section subject to a downpayment requirement, each family shall contribute an amount of the downpayment, from resources of the family other than grants, gifts, contributions, or other similar amounts referred to in paragraph (1), that is not less than 1 percent of the purchase price.

(d) INELIGIBILITY UNDER OTHER PROGRAMS.—A family may not receive homeownership assistance pursuant to this section during any period when assistance is being provided for the family under other Federal homeownership assistance programs, as determined by the Secretary, including assistance under the HOME Investment Partnerships Act, the Homeownership and Opportunity Through HOPE Act, title II of the Housing and Community Development Act of 1987, and section 502 of the Housing Act of 1949.

SEC. 330. ASSISTANCE FOR RENTAL OF MANUFACTURED HOMES.

(a) AUTHORITY.—Nothing in this title may be construed to prevent a local housing and management authority from providing housing assistance under this title on behalf of a low-income family for the rental of—

(1) a manufactured home that is the principal residence of the family and the real property on which the home is located; or

(2) the real property on which is located a manufactured home, which is owned by the family and is the principal residence of the family.

(b) ASSISTANCE FOR CERTAIN FAMILIES OWNING MANUFACTURED HOMES.—

(1) AUTHORITY.—Notwithstanding section 351 or any other provision of this title, a local housing and management authority that receives amounts under a contract under section 302 may enter into a housing assistance payment contract to make assistance payments under this title to a family that owns a manufactured home, but only as provided in paragraph (2).

(2) LIMITATIONS.—In the case only of a low-income family that owns a manufactured home, rents the real property on which it is located, and to whom housing assistance under this title has been made available for the rental of such property, the local housing and management authority making such assistance available shall enter into a contract to make housing assistance payments under this title directly to the family (rather than to the owner of such real property) if—

(1) the owner of the real property refuses to enter into a contract to receive housing assistance payments pursuant to section 351(a);

(2) the family was residing in such manufactured home on such real property at the time such housing assistance was initially made available on behalf of the family;

(3) the family provides such assurances to the agency, as the Secretary may require, to ensure that amounts from the housing assistance payments are used for rental of the real property; and

(4) the rental of the real property otherwise complies with the requirements for assistance under this title.

A contract pursuant to this subsection shall be subject to the provisions of section 351 and any other provisions applicable to housing assistance payments contracts under this title, except that the Secretary may provide such exceptions as the Secretary considers appropriate to facilitate the provision of assistance under this subsection.

Subtitle C—Payment of Housing Assistance on Behalf of Assisted Families

SEC. 351. HOUSING ASSISTANCE PAYMENTS CONTRACTS.

(a) IN GENERAL.—Each local housing and management authority that receives amounts under a contract under section 302 may enter into housing assistance payments contracts with owners of existing dwelling units to make housing assistance payments to such owners in accordance with this title.

(b) LHMA ACTING AS OWNER.—A local housing and management authority may enter into a housing assistance payments contract to make housing assistance payments under this title to itself (or any agency or instrumentality thereof) as the owner of dwelling units (other than public housing), and the authority shall be subject to the same requirements that are applicable to other owners, except that the determinations under section 328(a) and 354(b) shall be made by a competent party not affiliated with the authority, and the authority shall be responsible for any expenses of such determinations.

(c) PROVISIONS.—Each housing assistance payments contract shall—

(1) have a term of not more than 12 months;

(2) require that the assisted dwelling unit may be rented only pursuant to a lease that complies with the requirements of section 324;

(3) comply with the requirements of section 325 (relating to termination of tenancy);

(4) require the owner to maintain the dwelling unit in accordance with the applicable standards under section 328(a)(2); and

(5) provide that the screening and selection of eligible families for assisted dwelling units shall be the function of the owner.

SEC. 352. AMOUNT OF MONTHLY ASSISTANCE PAYMENT.

(a) UNITS HAVING GROSS RENT EXCEEDING PAYMENT STANDARD.—In the case of a dwelling unit bearing a gross rent that exceeds the payment standard established under section 353 for a dwelling unit of the applicable size and located in the market area in which such assisted dwelling unit is located—

(1) the amount by which such payment standard exceeds the amount of the resident contribution determined in accordance with section 322(a)(1);

(2) in the case only of families described in paragraph (2) of section 322(a), the amount by which such payment standard exceeds the lesser of the resident contribution determined in accordance with section 322(a)(1) or 30 percent of the family's adjusted monthly income;

(3) in the case of an assisted family that is an elderly family or a disabled family, the amount of the monthly assistance payment shall be the amount by which such payment standard exceeds the lesser of the amount of the resident contribution determined in accordance with section 322 or 30 percent of the family's adjusted monthly income; or

(4) in the case of a family whose head (or whose spouse) is a veteran (as such term is defined in section 203(b) of the National Housing Act), the lesser of the amount of such resident contribution or 30 percent of the family's adjusted monthly income.

(b) SHOPPING INCENTIVE FOR UNITS HAVING GROSS RENT NOT EXCEEDING PAYMENT STANDARD.—In the case of an assisted family renting an eligible dwelling unit bearing a gross rent that does not exceed the payment standard established under section 353 for a dwelling unit of the applicable size and located in the market area in which such assisted dwelling unit is located, the following requirements shall apply:

(1) AMOUNT OF MONTHLY ASSISTANCE PAYMENT.—The amount of the monthly assistance payment for housing assistance under this title on behalf of the assisted family shall be the amount by which the gross rent for the dwelling unit exceeds the amount of the resident contribution.

(2) ESCROW OF SHOPPING INCENTIVE SAVINGS.—An amount equal to 50 percent of the difference between payment standard and the gross rent for the dwelling unit shall be placed in an interest bearing escrow account on behalf of such family on a monthly basis by the local housing and management authority. Amounts in the escrow account shall be made available to the assisted family on an annual basis.

(3) DEFICIT REDUCTION.—The local housing and management authority making housing assistance payments on behalf of such assisted family in a fiscal year shall reserve from amounts made available to the authority for assistance payments for such fiscal year an amount equal to the amount described in paragraph (2). At the end of each fiscal year, the

Secretary shall recapture any such amounts reserved by local housing and management authorities and such amounts shall be covered into the General Fund of the Treasury of the United States.

For purposes of this section, in the case of a family receiving homeownership assistance under section 329, the term ''gross rent'' shall mean the homeownership costs to the family as determined in accordance with guidelines of the Secretary.

SEC. 353. PAYMENT STANDARDS.

(a) ESTABLISHMENT.—Each local housing and management authority providing housing assistance under this title shall establish payment standards under this section for various areas, and sizes and types of dwelling units, for use in determining the amount of monthly housing assistance payment to be provided on behalf of assisted families.

(b) USE OF RENTAL INDICATORS.—The payment standard for each size and type of housing for each market area shall be an amount that is not less than 80 percent, and not greater than 120 percent, of the rental indicator established under section 323 for such size and type for such area.

(c) REVIEW.—If the Secretary determines, at any time, that a significant percentage of the assisted families who are assisted by a local housing and management authority and are occupying dwelling units of a particular size are paying more than 30 percent of their adjusted incomes for rent, the Secretary shall review the payment standard established by the authority for such size dwellings. If, pursuant to the review, the Secretary determines that such payment standard is not appropriate to serve the needs of the low-income population of the jurisdiction served by the authority (taking into consideration rental costs in the area), as identified in the approved community improvement plan of the authority, the Secretary may require the local housing and management authority to modify the payment standard.

SEC. 354. REASONABLE RENTS.

(a) ESTABLISHMENT.—The rent charged for a dwelling unit for which rental assistance is provided under this title shall be established pursuant to negotiation and agreement between the assisted family and the owner of the dwelling unit.

(b) REASONABLENESS.—

(1) DETERMINATION.—A local housing and management authority providing rental assistance under this title for a dwelling unit shall, before commencing assistance payments for a unit (with respect to initial contract rents and any rent revisions), determine whether the rent charged for the unit exceeds the rents charged for comparable units in the applicable private unassisted market.

(2) UNREASONABLE RENTS.—If the authority determines that the rent charged for a dwelling unit exceeds such comparable rents, the authority shall—

(A) inform the assisted family renting the unit that such rent exceeds the rents for comparable unassisted units in the market; and

(B) refuse to provide housing assistance payments for such unit.

SEC. 355. PROHIBITION OF ASSISTANCE FOR VACANT RENTAL UNITS.

If an assisted family vacates a dwelling unit for which rental assistance is provided under a housing assistance payments contract before the expiration of the term of the lease for the unit, rental assistance pursuant to such contract may not be provided for the unit after the month during which the unit was vacated.

Subtitle D—General and Miscellaneous Provisions

SEC. 371. DEFINITIONS.

For purposes of this title:

(1) ASSISTED DWELLING UNIT.—The term ''assisted dwelling unit'' means a dwelling unit in which an assisted family resides and for which housing assistance payments are made under this title.

(2) ASSISTED FAMILY.—The term ''assisted family'' means an eligible family on whose behalf housing assistance payments are made under this title or who has been selected and approved for housing assistance.

(3) CHOICE-BASED.—The term ''choice-based'' means, with respect to housing assistance, that the assistance is not attached to a dwelling unit but can be used for any eligible dwelling unit selected by the eligible family.

(4) ELIGIBLE DWELLING UNIT.—The term ''eligible dwelling unit'' means a dwelling unit that complies with the requirements under section 328 for consideration as an eligible dwelling unit.

(5) ELIGIBLE FAMILY.—The term ''eligible family'' means a family that meets the requirements under section 321(a) for assistance under this title.

(6) HOMEOWNERSHIP ASSISTANCE.—The term ''homeownership assistance'' means housing assistance provided under section 329 for the ownership of a dwelling unit.

(7) HOUSING ASSISTANCE.—The term ''housing assistance'' means assistance provided under this title on behalf of low-income families for the rental or ownership of an eligible dwelling unit.

(8) HOUSING ASSISTANCE PAYMENTS CONTRACT.—The term ''housing assistance payments contract'' means a contract under section 351 between a local housing and management authority (or the Secretary) and an owner to make housing assistance payments under this title to the owner on behalf of an assisted family.

(9) LOCAL HOUSING AND MANAGEMENT AUTHORITY.—The terms ''local housing and management authority'' and ''authority'' have the meaning given such terms in section 103, except that the terms include—

(A) a consortia of local housing and management authorities that the Secretary determines has the capacity and capability to administer a program for housing assistance under this title in an efficient manner;

(B) any other entity that, upon the date of the enactment of this Act, was administering any program for tenant-based rental assistance under section 8 of the United States Housing Act of 1937 (as in effect before the enactment of this Act), pursuant to a contract with the Secretary or a public housing agency; and

(C) with respect to any area in which no local housing and management authority has been organized or where the Secretary determines that a local housing and management authority is unwilling or unable to implement this title, or is not performing effectively—

(i) the Secretary or another entity that by contract agrees to receive assistance amounts under this title and enter into housing assistance payments contracts with owners and perform the other functions of local housing and management authority under this title; or

(ii) notwithstanding any provision of State or local law, a local housing and management authority for another area that contracts with the Secretary to administer a program for housing assistance under this title, without regard to any otherwise applicable limitations on its area of operation.

(10) OWNER.—The term ''owner'' means the person or entity having the legal right to lease or sublease dwelling units. Such term includes any principals, general partners, primary shareholders, and other similar participants in any entity owning a multifamily housing project, as well as the entity itself.

(11) RENT.—The terms ''rent'' and ''rental'' include, with respect to members of a cooperative, the charges under the occupancy agreements between such members and the cooperative.

(12) RENTAL ASSISTANCE.—The term ''rental assistance'' means housing assistance provided under this title for the rental of a dwelling unit.

SEC. 372. RENTAL ASSISTANCE FRAUD RECOVERIES.

(a) AUTHORITY TO RETAIN RECOVERED AMOUNTS.—The Secretary shall permit local housing and management authorities administering housing assistance under this title to retain, out of amounts obtained by the authorities from tenants that are due as a result of fraud and abuse, an amount (determined in accordance with regulations issued by the Secretary) equal to the greater of—

(1) 50 percent of the amount actually collected; or

(2) the actual, reasonable, and necessary expenses related to the collection, including costs of investigation, legal fees, and collection agency fees.

(b) USE.—Amounts retained by an authority shall be made available for use in support of the affected program or project, in accordance with regulations issued by the Secretary. If the Secretary is the principal party initiating or sustaining an action to recover amounts from families or owners, the provisions of this section shall not apply.

(c) RECOVERY.—Amounts may be recovered under this section—

(1) by an authority through a lawsuit (including settlement of the lawsuit) brought by the authority or through court-ordered restitution pursuant to a criminal proceeding resulting from an authority's investigation where the authority seeks prosecution of a family or where an authority seeks prosecution of an owner;

(2) through administrative repayment agreements with a family or owner entered into as a result of an administrative grievance procedure conducted by an impartial decisionmaker in accordance with section 111; or

(3) through an agreement between the parties.

SEC. 373. STUDY REGARDING GEOGRAPHIC CONCENTRATION OF ASSISTED FAMILIES.

(a) IN GENERAL.—The Secretary shall conduct a study of the geographic areas in the State of Illinois served by the Housing Authority of Cook County and the Chicago Housing Authority and submit to the Congress a report and a specific proposal, which addresses and resolves the issues of—

(1) the adverse impact on local communities due to geographic concentration of assisted households under the tenant-based housing programs under section 8 of the United States Housing Act of 1937 (as in effect immediately before the enactment of this Act) and under this title; and

(2) facilitating the deconcentration of such assisted households by providing broader housing choices to such households.

The study shall be completed, and the report shall be submitted, not later than 90 days after the date of the enactment of this Act.

(b) CONCENTRATION.—For purposes of this section, the term ''concentration'' means, with respect to any area within a census tract, that—

(1) 15 percent or more of the households residing within such area have incomes which do not exceed the poverty level; or

(2) 15 percent or more of the total affordable housing stock located within such area is assisted housing.

TITLE IV—ACCREDITATION AND OVERSIGHT OF LOCAL HOUSING AND MANAGEMENT AUTHORITIES

Subtitle A—Housing Foundation and Accreditation Board

SEC. 401. ESTABLISHMENT.

There is established an independent agency in the executive branch of the Government to be known as the Housing Foundation and Accreditation Board (in this title referred to as the ''Board'').

SEC. 402. MEMBERSHIP.

(a) IN GENERAL.—The Board shall be composed of 12 members appointed by the President

not later than 180 days after the date of the enactment of this Act, as follows:

(1) 4 members shall be appointed from among 10 individuals recommended by the Secretary of Housing and Urban Development.

(2) 4 members shall be appointed from among 10 individuals recommended by the Chairman and Ranking Minority Member of the Committee on Banking, Housing, and Urban Affairs of the Senate.

(3) 4 members appointed from among 10 individuals recommended by the Chairman and Ranking Minority Member of the Committee on Banking and Financial Services of the House of Representatives.

(b) QUALIFICATIONS.—

(1) REQUIRED REPRESENTATION.—The Board shall at all times have the following members:

(A) 2 members who are residents of public housing or dwelling units assisted under title III of this Act or the provisions of section 8 of the United States Housing Act of 1937 (as in effect before the enactment of this Act).

(B) at least 2, but not more than 4 members who are executive directors of local housing and management authorities.

(C) 1 member who is a member of the Institute of Real Estate Managers.

(D) 1 member who is the owner of a multifamily housing project assisted under a program administered by the Secretary of Housing and Urban Development.

(2) REQUIRED EXPERIENCE.—The Board shall at all times have as members individuals with the following experience:

(A) At least 1 individual who has extensive experience in the residential real estate finance business.

(B) At least 1 individual who has extensive experience in operating a nonprofit organization that provides affordable housing.

(C) At least 1 individual who has extensive experience in construction of multifamily housing.

(D) At least 1 individual who has extensive experience in the management of a community development corporation.

(E) At least 1 individual who has extensive experience in auditing participants in government programs.

A single member of the board with the appropriate experience may satisfy the requirements of more than 1 subparagraph of this paragraph. A single member of the board with the appropriate qualifications and experience may satisfy the requirements of a subparagraph of paragraph (1) and a subparagraph of this paragraph.

(c) POLITICAL AFFILIATION.—Not more than 6 members of the Board may be of the same political party.

(d) TERMS.—

(1) IN GENERAL.—Each member of the Board shall be appointed for a term of 4 years, except as provided in paragraphs (2) and (3).

(2) TERMS OF INITIAL APPOINTEES.—As designated by the President at the time of appointment, of the members first appointed—

(A) 3 shall be appointed for terms of 1 year;

(B) 3 shall be appointed for terms of 2 years;

(C) 3 shall be appointed for terms of 3 years; and

(D) 3 shall be appointed for terms of 4 years;

(3) VACANCIES.—Any member appointed to fill a vacancy occurring before the expiration of the term for which the member's predecessor was appointed shall be appointed only for the remainder of that term. A member may serve after the expiration of that member's term until a successor has taken office. A vacancy in the Board shall be filled in the manner in which the original appointment was made.

(e) CHAIRPERSON.—The Board shall elect a chairperson from among members of the Board.

(f) QUORUM.—A majority of the members of the Board shall constitute a quorum for the transaction of business.

(g) VOTING.—Each member of the Board shall be entitled to 1 vote, which shall be equal to the vote of every other member of the Board.

(h) PROHIBITION ON ADDITIONAL PAY.—Members of the Board shall serve without compensation, but shall be reimbursed for travel, subsistence, and other necessary expenses incurred in the performance of their duties as members of the Board.

SEC. 403. FUNCTIONS.

The purpose of this subtitle is to establish the Board as a nonpolitical entity to carry out the following functions:

(1) EVALUATION OF DEEP SUBSIDY PROGRAMS.—Measuring the performance and efficiency of all ''deep subsidy'' programs for housing assistance administered by the Secretary of Housing and Urban Development, including the public housing program under title II and the programs for tenant- and project-based rental assistance under title III and section 8 of the United States Housing Act of 1937 (as in effect before the enactment of this Act).

(2) ESTABLISHMENT OF LHMA PERFORMANCE BENCHMARKS.—Establishing standards and guidelines under section 431 for use by the Secretary in measuring the performance and efficiency of local housing and management authorities and other owners and providers of federally assisted housing in carrying out operational and financial functions.

(3) IMPROVEMENT OF INDEPENDENT AUDITS.—Providing for the development of effective means for conducting comprehensive financial and performance audits of local housing and management authorities under section 432 and, to the extent provided in such section, providing for the conducting of such audits.

(4) ACCREDITATION OF LHMA'S.—Establishing a procedure under section 431(b) for accrediting local housing and management authorities to receive block grants under title II for the operation, maintenance, and production of public housing and amounts for housing assistance under title III, ensuring that financial and performance audits under section 432 are conducted annually for each local housing and management authority, and reviewing such audits for purposes of accreditation.

(5) CLASSIFICATION OF LHMA'S.—Classifying local housing and management authorities, under to section 434, according to the performance categories under section 431(a)(2).

SEC. 404. INITIAL ESTABLISHMENT OF STANDARDS AND PROCEDURES FOR LHMA COMPLIANCE.

(a) DEADLINE.—Not later than the expiration of the 12-month period beginning upon the completion of the appointment, under section 402, of the initial members of the Board, the Board shall organize its structure and operations, establish the standards, guidelines, and procedures under sections 431, and establish any fees under section 406. Before issuing such standards, guidelines, and procedures in final form, the Board shall submit a copy to the Congress.

(b) PRIORITY OF INITIAL EVALUATIONS.—After organization of the Board and establishment of standards, guidelines, and procedures under sections 431, the Board shall commence evaluations under section 433(b) for the purpose of accrediting local housing and management authorities and shall give priority to conducting evaluations of local housing and management authorities that are designated as troubled public housing agencies under section 6(j) of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act) pursuant to section 431(d).

(c) ASSISTANCE FROM NATIONAL CENTER FOR HOUSING MANAGEMENT.—

(1) IN GENERAL.—During the period referred to in subsection (a), the National Center for Housing Management established by Executive Order 11668 (42 U.S.C. 3531 note) shall, to the extent agreed to by the Center, provide the Board with ongoing assistance and advice relating to the following matters:

(A) Organizing the structure of the Board and its operations.

(B) Establishing performance standards and guidelines under section 431(a).

Such Center may, at the request of the Board, provide assistance and advice with respect to matters not described in paragraphs (1) and (2) and after the expiration of the period referred to in subsection (a).

(2) ASSISTANCE.—The assistance provided by such Center shall include staff and logistical support for the Board and such operational and managerial activities as are necessary to assist the Board to carry out its functions during the period referred to in subsection (a).

SEC. 405. POWERS.

(a) HEARINGS.—The Board may, for the purpose of carrying out this subtitle, hold such hearings and sit and act at such times and places as the Board determines appropriate.

(b) RULES AND REGULATIONS.—The Board may adopt such rules and regulations as may be necessary to establish its procedures and to govern the manner of its operations, organization, and personnel.

(c) ASSISTANCE FROM FEDERAL AGENCIES.—

(1) INFORMATION.—The Board may secure directly from any department or agency of the Federal Government such information as the Board may require for carrying out its functions, including local housing management plans submitted to the Secretary by local housing and management authorities under title II. Upon request of the Board, any such department or agency shall furnish such information. The Board may acquire information directly from local housing and management authorities to the same extent the Secretary may acquire such information.

(2) GENERAL SERVICES ADMINISTRATION.—The Administrator of General Services shall provide to the Board, on a reimbursable basis, such administrative support services as the Board may request.

(3) DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.—Upon the request of the chairperson of the Board, the Secretary of Housing and Urban Development shall, to the extent possible and subject to the discretion of the Secretary, detail any of the personnel of the Department of Housing and Urban Development, on a nonreimbursable basis, to assist the Board in carrying out its functions under this subtitle.

(4) HUD INSPECTOR GENERAL.—The Inspector General of the Department of Housing and Urban Development shall serve the Board as a principal adviser with respect to all aspects of annual financial and performance audits of local housing and management authorities under section 432. The Inspector General may advise the Board with respect to other activities and functions of the Board.

(d) MAILS.—The Board may use the United States mails in the same manner and under the same conditions as other Federal agencies.

(e) CONTRACTING.—The Board may, to such extent and in such amounts as are provided in appropriation Acts, enter into contracts with private firms, institutions, and individuals for the purpose of conducting evaluations under section 404(b), audits of local housing and management authorities as provided under section 432, research, and surveys necessary to enable the Board to discharge its functions under this subtitle, and may enter into contracts with the National Center for Housing Management to conduct the functions assigned to the Center under this title.

(f) STAFF.—

(1) EXECUTIVE DIRECTOR.—The Board shall appoint an executive director of the Board, who shall be compensated at a rate fixed by the Board, but which shall not exceed the rate established for level V of the Executive Schedule under title 5, United States Code.

(2) OTHER PERSONNEL.—In addition to the executive director, the Board may appoint and fix the compensation of such personnel as the Board considers necessary, in accordance with

the provisions of title 5, United States Code, governing appointments to the competitive service, and the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates. Such personnel may include personnel for assessment teams under section 431(b).

SEC. 406. FEES.

(a) ACCREDITATION FEES.—The Board may establish and charge fees for the accreditation of local housing and management authorities as the Board considers necessary to cover the costs of the operations of the Board relating to establishing standards, guidelines, and procedures for evaluating the performance of local housing and management authorities, performing comprehensive reviews relating to the accreditation of such authorities, and conducting audits of authorities under section 432.

(b) FUND.—Any fees collected under this section shall be deposited in an operations fund for the Board, which is hereby established in the Treasury of the United States. Amounts in such fund shall be available, to the extent provided in appropriation Acts, for the expenses of the Board in carrying out its functions under this subtitle.

SEC. 407. REPORTS.

(a) REPORT ON COORDINATION WITH HUD FUNCTIONS.—Not later than the expiration of the 12-month period beginning upon the date of the enactment of this Act, the Board shall submit a report to the Congress that—

(1) identifies and describes the processes, procedures, and activities of the Department of Housing and Urban Development which may duplicate functions of the Board, and makes recommendations regarding activities of the Department that may no longer be necessary as a result of improved auditing of authorities pursuant to this title;

(2) makes recommendations for any changes to Federal law necessary to improve auditing of local housing and management authorities; and

(3) makes recommendations regarding the review and evaluation functions currently performed by the Department of Housing and Urban Development that may be more efficiently performed by the Board and should be performed by the Board, and those that should continue to be performed by the Department.

(b) ANNUAL REPORTS.—The Board shall submit a report to the Congress annually describing, for the year for which the report is made—

(1) any modifications made by the Board to the standards, guidelines, and procedures issued under section 431 by the Board;

(2) the results of the assessments, reviews, and evaluations conducted by the Board under subtitle B;

(3) the types and extent of assistance, information, and products provided by the Board; and

(4) any other activities of the Board.

SEC. 408. GAO AUDIT.

The activities and transactions of the Board shall be subject to audit by the Comptroller General of the United States under such rules and regulations as may be prescribed by the Comptroller General. The representatives of the General Accounting Office shall have access for the purpose of audit and examination to any books, documents, papers, and records of the Board that are necessary to facilitate an audit.

Subtitle B—Accreditation and Oversight Standards and Procedures

SEC. 431. ESTABLISHMENT OF PERFORMANCE BENCHMARKS AND ACCREDITATION PROCEDURES.

(a) PERFORMANCE BENCHMARKS.—

(1) PERFORMANCE AREAS.—The Housing Foundation and Accreditation Board established under section 401 (in this subtitle referred to as the ''Board'') shall establish standards and guidelines, for use under section 434, to measure the performance of local housing and management authorities in all aspects relating to—

(A) operational and financial functions;

(B) providing, maintaining, and assisting low-income housing—

(i) that is safe, clean, and healthy, as required under sections 232 and 328;

(ii) in a manner consistent with the comprehensive housing affordability strategy under section 105 of the Cranston-Gonzalez National Affordable Housing Act, if appropriate;

(iii) that is occupied by eligible families; and

(iv) that is affordable to eligible families;

(C) producing low-income housing and executing capital projects, if applicable;

(D) administering the provision of housing assistance under title III;

(E) accomplishing the goals and plans set forth in the local housing management plan for the authority;

(F) promoting responsibility and self-sufficiency among residents of public housing developments of the authority and assisted families under title III; and

(G) complying with the other requirements of the authority under block grant contracts under title II, grant agreements under title III, and the provisions of this Act.

(2) PERFORMANCE CATEGORIES.—In establishing standards and guidelines under this section, the Board shall define various levels of performance, which shall include the following levels:

(A) EXCEPTIONALLY WELL-MANAGED.—A minimum acceptable level of performance in the areas specified in paragraph (1) for classification of a local housing and management authority as exceptionally well-managed, which shall indicate that the authority functions exceptionally.

(B) WELL-MANAGED.—A minimum acceptable level of performance in the areas specified in paragraph (1) for classification of a local housing and management authority as well-managed, which shall indicate that the authority functions satisfactorily.

(C) AT RISK OF BECOMING TROUBLED.—A minimum acceptable level of performance in the areas specified in paragraph (1) for classification of a local housing and management authority as at risk of becoming troubled, which shall indicate that there are elements in the operations, management, or functioning of the authority that must be addressed before they result in serious and complicated deficiencies.

(D) TROUBLED.—A minimum level of performance in the areas specified in paragraph (1) for classification of a local housing and management authority as a troubled authority, which shall indicate that the authority functions unsatisfactorily with respect to certain areas under paragraph (1), but such deficiencies are not irreparable.

(E) DYSFUNCTIONAL.—A maximum level of performance in the areas specified in paragraph (1) for classification of a local housing and management authority as dysfunctional, which shall indicate that the authority suffers such deficiencies that the authority should not be allowed to continue to manage low-income housing or administer housing assistance.

(3) ACCREDITATION STANDARD.—In establishing standards and guidelines under this section, the Board shall establish a minimum acceptable level of performance for accrediting a local housing and management authority for purposes of authorizing the authority to enter into a new block grant contract under title II or a new grant agreement under title III.

(b) ACCREDITATION PROCEDURE.—The Accreditation Board shall establish procedures for—

(1) reviewing the performance of a local housing and management authority over the term of the expiring accreditation, which review shall be conducted during the 12-month period that ends upon the conclusion of the term of the expiring accreditation;

(2) evaluating the capability of a local housing and management authority that proposes to enter into an initial block grant contract under title II or an initial grant agreement under title III; and

(3) determining whether the authority complies with the standards and guidelines for accreditation established under subsection (a)(3).

The procedures for a review or evaluation under this subsection shall provide for the review or evaluation to be conducted by an assessment team established by the Board, which shall review annual financial and performance audits conducted under section 432 and obtain such information as the Board may require.

(c) IDENTIFICATION OF POTENTIAL PROBLEMS.—The standards and guidelines under subsection (a) and the procedure under subsection (b) shall be established in a manner designed to identify potential problems in the operations, management, functioning of local housing and management authorities at a time before such problems result in serious and complicated deficiencies.

(d) INTERIM APPLICABILITY OF PHMAP.—Notwithstanding any other provision of this subtitle, during the period that begins on the date of the enactment of this Act and ends upon the date of the effectiveness of final regulations establishing the standards, guidelines, and procedures required under this section and section 432, the Secretary shall assess the management performance of local housing and management authorities in the same manner provided for public housing agencies pursuant to section 6(j) of the United States Housing Act of 1937 (as in effect immediately before the enactment of this Act) and may take actions with respect to local housing and management authorities that are authorized under such section with respect to public housing agencies.

SEC. 432. FINANCIAL AND PERFORMANCE AUDITS.

(a) REQUIREMENT.—A financial and performance audit under this section shall be conducted for each local housing and management authority for each fiscal year that the authority receives grant amounts under this Act, as provided under one of the following paragraphs:

(1) LHMA PROVIDES FOR AUDIT.—If neither the Secretary nor the Board takes action under paragraph (2) or (3), the Secretary shall require the local housing and management authority to have the audit conducted. The Secretary may prescribe that such audits be conducted pursuant to guidelines set forth by the Department.

(2) SECRETARY REQUESTS BOARD TO PROVIDE FOR AUDIT.—The Secretary may request the Board to contract directly with an auditor to have the audit conducted for the authority.

(3) BOARD PROVIDES FOR AUDIT.—The Board may notify the Secretary that it will contract directly with an auditor to have the audit conducted for the authority.

(b) OTHER AUDITS.—Pursuant to risk assessment strategies designed to ensure the integrity of the programs for assistance under this Act, which shall be established by the Inspector General for the Department of Housing and Urban Development in consultation with the Board, the Inspector General may request the Board to conduct audits under this subsection of local housing and management authorities. Such audits may be in addition to, or in place of, audits under subsection (a), as the Board shall provide.

(c) SUBMISSION OF RESULTS.—

(1) SUBMISSION TO SECRETARY AND BOARD.—The results of any audit conducted under this subsection shall be submitted to the local housing and management authority, the Secretary, and the Board.

(2) SUBMISSION TO LOCAL OFFICIALS.—

(A) REQUIREMENT.—A local housing and management authority shall submit each audit conducted under this section to any local elected official or officials responsible for appointing the members of the board of directors (or other similar governing body) of the local housing and management authority for review and comment. Any such comments shall be submitted, together with the audit, to the Secretary and the Board and the Secretary and the Board shall consider such comments in reviewing the audit.

(B) TIMING.—An audit shall be submitted to local officials as provided in subparagraph (A)—

(i) in the case of an audit conducted under subsection (a)(1), not later than 60 days before the local housing and management authority submits the audit to the Secretary and the Board; or

(ii) in the case of an audit under paragraph (2) or (3) of subsection (a) or under subsection (b), not later than 60 days after the authority receives the audit.

(d) PROCEDURES.— The requirements for financial and performance audits under this section shall—

(1) be established by the Board, in consultation with the Inspector General of the Department of Housing and Urban Development;

(2) provide for the audit to be conducted by an independent auditor selected—

(A) in the case of an audit under subsection (a)(1), by the authority; and

(B) in the case of an audit under paragraph (2) or (3) of subsection (a) or under subsection (b), by the Board;

(3) authorize the auditor to obtain information from a local housing and management authority, to access any books, documents, papers, and records of an authority that are pertinent to this Act and assistance received pursuant to this Act, and to review any reports of an authority to the Secretary;

(4) impose sufficient requirements for obtaining information so that the audits are useful to the Board in evaluating local housing and management authorities; and

(5) include procedures for testing the reliability of internal financial controls of local housing and management authorities.

(e) PURPOSE.—Audits under this section shall be designed to—

(1) evaluate the financial performance and soundness and management performance of the local housing and management authority board of directors (or other similar governing body) and the authority management officials and staff;

(2) assess the compliance of an authority with all aspects of the standards and guidelines established under section 431(a)(1);

(3) provide information to the Secretary and the Board regarding the financial performance and management of the authority and to determine whether a review under section 225(d) or 353(c) is required; and

(4) identify potential problems in the operations, management, functioning of a local housing and management authority at a time before such problems result in serious and complicated deficiencies.

(f) INAPPLICABILITY OF SINGLE AUDIT ACT.—Notwithstanding the first sentence of section 7503(a) of title 31, United States Code, an audit conducted in accordance with chapter 75 of such title shall not exempt any local housing and management authority from conducting an audit under this section. Audits under this section shall not be subject to the requirements for audits under such chapter. An audit under this section for a local housing and management authority for a fiscal year shall be considered to satisfy any requirements under such chapter for such fiscal year.

(g) WITHHOLDING OF AMOUNTS FOR COSTS OF AUDIT.—

(1) LHMA RESPONSIBLE FOR AUDIT.—If the Secretary requires a local housing and management authority to have an audit under this section conducted pursuant to subsection (a)(1) and determines that the authority has failed to take the actions required to submit an audit under this section for a fiscal year, the Secretary may—

(A) arrange for, and pay the costs of, the audit and withhold, from the total allocation for any fiscal year otherwise payable to the authority under this Act, amounts sufficient to pay for the reasonable costs of conducting an acceptable audit (including, if appropriate, the reasonable costs of accounting services necessary to place the authority's books and records in condition that permits an audit); or

(B) request the Board to conduct the audit pursuant to subsection (a)(2) and withhold amounts pursuant to paragraph (2) of this subsection.

(2) BOARD RESPONSIBLE FOR AUDIT.—If the Board is responsible for an audit for a local housing and management authority pursuant to paragraph (2) or (3) of subsection (a), subsection (b), or paragraph (1)(B) of this subsection, the Secretary shall—

(A) withhold, from the total allocation for any fiscal year otherwise payable to the authority under this Act, amounts sufficient to pay for the audit, but in no case more than the reasonable cost of conducting an acceptable audit (including, if appropriate, the reasonable costs of accounting services necessary to place the authority's books and records in condition that permits an audit); and

(B) transfer such amounts to the Board.

SEC. 433. ACCREDITATION.

(a) REVIEW UPON EXPIRATION OF PREVIOUS ACCREDITATION.—The Accreditation Board shall perform a comprehensive review of the performance of a local housing and management authority, in accordance with the procedures established under section 431(b), before the expiration of the term for which a previous accreditation was granted under this subtitle.

(b) INITIAL EVALUATION.—

(1) IN GENERAL.—Before entering into an initial block grant contract under title II or an initial contract pursuant to section 302 for assistance under title III with any local housing and management authority, the Board shall conduct a comprehensive evaluation of the capabilities of the local housing and management authority.

(2) EXCEPTION.—Paragraph (1) shall not apply to an initial block grant contract or grant agreement entered into during the period beginning upon the date of the enactment of this Act and ending upon the date of the effectiveness of final regulations establishing the standards, guidelines, and procedures required under section 431 with any public housing agency that received amounts under the United States Housing Act of 1937 during fiscal year 1995.

(c) DETERMINATION AND REPORT.—Pursuant to a review or evaluation under this section, the Board shall determine whether the authority meets the requirements for accreditation under section 431(a)(3), shall accredit the authority if it meets such requirements, and shall submit a report on the results of the review or evaluation and such determination to the Secretary and the authority.

(d) ACCREDITATION.—An accreditation under this section shall expire at the end the term established by the Board in granting the accreditation, which may not exceed 5 years. The Board may qualify an accreditation placing conditions on the accreditation based on the future performance of the authority.

SEC. 434. CLASSIFICATION BY PERFORMANCE CATEGORY.

Upon completing the accreditation process under section 433 with respect to a local housing and management authority, the Housing Finance and Accreditation Board shall designate the authority according to the performance categories under section 431(a)(2). In determining the classification of an authority, the Board shall consider the most recent financial and performance audit under section 432 of the authority and accreditation reports under section 433(c) for the authority.

SEC. 435. PERFORMANCE AGREEMENTS FOR AUTHORITIES AT RISK OF BECOMING TROUBLED.

(a) IN GENERAL.—Upon designation of a local housing and management authority as at risk of becoming troubled under section 431(a)(2)(C), the Secretary shall seek to enter into an agreement with the authority providing for improvement of the elements of the authority that have been identified. An agreement under this section shall contain such terms and conditions as the Secretary determines are appropriate for addressing the elements identified, which may include an on-site, independent assessment of the management of the authority.

(b) POWERS OF SECRETARY.—If the Secretary determines that such action is necessary to prevent the local housing and management authority from becoming a troubled authority, the Secretary may—

(1) solicit competitive proposals from other local housing and management authorities and private housing management agents (which may be selected by existing tenants through administrative procedures established by the Secretary), for any case in which such agents may be needed for managing all, or part, of the housing or functions administered by the authority; or

(2) solicit competitive proposals from other local housing and management authorities and private entities with experience in construction management, for any case in which such authorities or firms may be needed to oversee implementation of assistance made available for capital improvement for public housing of the authority.

SEC. 436. PERFORMANCE AGREEMENTS AND CDBG SANCTIONS FOR TROUBLED LHMA'S.

(a) IN GENERAL.—Upon designation of a local housing and management authority as a troubled authority under section 431(a)(2)(D), the Secretary shall seek to enter into an agreement with the authority providing for improving the management performance of the authority.

(b) CONTENTS.—An agreement under this section between the Secretary and a local housing and management authority shall set forth—

(1) targets for improving performance, as measured by the guidelines and standards established under section 431(a)(1) and other requirements within a specified period of time, which shall include targets to be met upon the expiration of the 12-month period beginning upon entering into the agreement;

(2) strategies for meeting such targets;

(3) sanctions for failure to implement such strategies; and

(4) to the extent the Secretary deems appropriate, a plan for enhancing resident involvement in the management of the local housing and management authority.

(c) LOCAL ASSISTANCE IN IMPLEMENTATION.—The Secretary and the local housing and management authority shall, to the maximum extent practicable, seek the assistance of local public and private entities in carrying out an agreement under this section.

(d) DEFAULT UNDER PERFORMANCE AGREEMENT.—Upon the expiration of the 12-month period beginning upon entering into an agreement under this section with a local housing and management authority, the Secretary shall review the performance of the authority in relation to the performance targets and strategies under the agreement. If the Secretary determines that the authority has failed to comply with the performance targets established for such period, the Secretary shall take the action authorized under subsection (b)(2) or (b)(5) of section 438.

(e) CDBG SANCTION AGAINST LOCAL GOVERNMENT CONTRIBUTING TO TROUBLED STATUS OF LHMA.—If the Secretary determines that the actions or inaction of any unit of general local government within which any portion of the jurisdiction of a local housing and management authority is located has substantially contributed to the conditions resulting in the authority being designated under section 431(a)(2)(D) as a troubled authority, the Secretary may redirect or withhold, from such unit of general local government any amounts allocated for such unit under section 106 of such Act.

SEC. 437. OPTION TO DEMAND CONVEYANCE OF TITLE TO OR POSSESSION OF PUBLIC HOUSING.

(a) AUTHORITY FOR CONVEYANCE.—A contract under section 201 for block grants under title II (including contracts which amend or supersede contracts previously made (including contracts for contributions)) may provide that upon the occurrence of a substantial default with respect to the covenants or conditions to which the local housing and management authority is subject (as such substantial default shall be defined in such contract) or upon designation of the authority as dysfunctional pursuant to section 431(a)(2)(E), the local housing and management authority shall be obligated, at the option of the Secretary, to—

(1) convey title in any case where, in the determination of the Secretary (which determination shall be final and conclusive), such conveyance of title is necessary to achieve the purposes of this Act; or

(2) deliver to the Secretary possession of the development, as then constituted, to which such contract relates.

(b) OBLIGATION TO RECONVEY.—Any block grant contract under title II containing the provisions authorized in subsection (a) shall also provide that the Secretary shall be obligated to reconvey or redeliver possession of the development, as constituted at the time of reconveyance or redelivery, to such local housing and management authority or to its successor (if such local housing and management authority or a successor exists) upon such terms as shall be prescribed in such contract, and as soon as practicable after—

(1) the Secretary is satisfied that all defaults with respect to the development have been cured, and that the development will, in order to fulfill the purposes of this Act, thereafter be operated in accordance with the terms of such contract; or

(2) the termination of the obligation to make annual block grants to the authority, unless there are any obligations or covenants of the authority to the Secretary which are then in default.

Any prior conveyances and reconveyances or deliveries and redeliveries of possession shall not exhaust the right to require a conveyance or delivery of possession of the development to the Secretary pursuant to subsection (a) upon the subsequent occurrence of a substantial default.

(c) CONTINUED GRANTS FOR REPAYMENT OF BONDS AND NOTES UNDER 1937 ACT.—If—

(1) a contract for block grants under title II for an authority includes provisions that expressly state that the provisions are included pursuant to this subsection, and

(2) the portion of the block grant payable for debt service requirements pursuant to the contract has been pledged by the local housing and management authority as security for the payment of the principal and interest on any of its obligations, then—

(A) the Secretary shall (notwithstanding any other provisions of this Act), continue to make the block grant payments for the authority so long as any of such obligations remain outstanding; and

(B) the Secretary may covenant in such a contract that in any event such block grant amounts shall in each year be at least equal to an amount which, together with such income or other funds as are actually available from the development for the purpose at the time such block grant payments are made, will suffice for the payment of all installments of principal and interest on the obligations for which the amounts provided for in the contract shall have been pledged as security that fall due within the next succeeding 12 months.

In no case shall such block grant amounts be in excess of the maximum sum specified in the contract involved, nor for longer than the remainder of the maximum period fixed by the contract.

SEC. 438. REMOVAL OF INEFFECTIVE LHMA'S.

(a) CONDITIONS OF REMOVAL.—The actions specified in subsection (b) may be taken only upon—

(1) the occurrence of events or conditions that constitute a substantial default by a local housing and management authority with respect to (A) the covenants or conditions to which the local housing and management authority is subject, or (B) an agreement entered into under section 436;

(2) designation of the authority as dysfunctional pursuant to section 431(a)(2)(E);

(3) in the case only of action under subsection (b)(1), failure of a local housing and management authority to obtain reaccreditation upon the expiration of the term of a previous accreditation granted under this subtitle; or

(4) submission to the Secretary of a petition by the residents of the public housing owned or operated by a local housing and management authority that is designated as troubled or dysfunctional pursuant to section 431(a)(2).

(b) REMOVAL ACTIONS.—Notwithstanding any other provision of law or of any block grant contract under title II or any grant agreement under title III, in accordance with subsection (a), the Secretary may—

(1) solicit competitive proposals from other local housing and management authorities and private housing management agents (which, in the discretion of the Secretary, may be selected by existing public housing residents through administrative procedures established by the Secretary) and, if appropriate, provide for such agents to manage all, or part, of the housing administered by the local housing and management authority or all or part of the other functions of the authority;

(2) take possession of the local housing and management authority, including any developments or functions of the authority under any section of this Act;

(3) solicit competitive proposals from other local housing and management authorities and private entities with experience in construction management and, if appropriate, provide for such authorities or firms to oversee implementation of assistance made available for capital improvements for public housing;

(4) require the authority to make other arrangements acceptable to the Secretary and in the best interests of the public housing residents and assisted families under title III for managing all, or part of, the public housing administered by the authority or the functions of the authority; or

(5) petition for the appointment of a receiver for the local housing and management authority to any district court of the United States or to any court of the State in which any portion of the jurisdiction of the local housing and management authority is located, that is authorized to appoint a receiver for the purposes and having the powers prescribed in this section.

(c) EMERGENCY ASSISTANCE.—The Secretary may make available to receivers and other entities selected or appointed pursuant to this section such assistance as is fair and reasonable to remedy the substantial deterioration of living conditions in individual public housing developments or other related emergencies that endanger the health, safety and welfare of public housing residents or assisted families under title III.

(d) POWERS OF SECRETARY.—If the Secretary takes possession of an authority, or any developments or functions of an authority, pursuant to subsection (b)(2), the Secretary—

(1) may abrogate contracts that substantially impede correction of the substantial default or improvement of the classification, but only after efforts to renegotiate such contracts have failed;

(2) may demolish and dispose of assets of the authority in accordance with subtitle E of title II;

(3) where determined appropriate by the Secretary, may require the establishment of one or more new local housing and management authorities;

(4) may consolidate the authority into other well-managed local housing and management authorities with the consent of such well-managed authorities;

(5) shall not be subject to any State or local laws relating to civil service requirements, employee rights, procurement, or financial or administrative controls that, in the determination of the Secretary, substantially impede correction of the substantial default or improvement of the classification; and

(6) shall have such additional authority as a district court of the United States has the authority to confer under like circumstances upon a receiver to achieve the purposes of the receivership.

The Secretary may appoint, on a competitive or noncompetitive basis, an individual or entity as an administrative receiver to assume the Secretary's responsibility under this paragraph for the administration of a local housing and management authority. The Secretary may delegate to the administrative receiver any or all of the powers of the Secretary under this subsection. Regardless of any delegation under this subsection, an administrative receiver may not require the establishment of one or more new local housing and management authorities pursuant to paragraph (3) unless the Secretary first approves such establishment. For purposes of this subsection, the term ''local housing and management authority'' includes any developments or functions of a local housing and management authority under any section of this title.

(e) RECEIVERSHIP.—

(1) REQUIRED APPOINTMENT.—In any proceeding under subsection (b)(5), upon a determination that a substantial default has occurred, and without regard to the availability of alternative remedies, the court shall appoint a receiver to conduct the affairs of the local housing and management authority in a manner consistent with this Act and in accordance with such further terms and conditions as the court may provide. The receiver appointed may be another local housing and management authority, a private management corporation, the Secretary, or any other appropriate entity. The court shall have power to grant appropriate temporary or preliminary relief pending final disposition of the petition by the Secretary.

(2) POWERS OF RECEIVER.—If a receiver is appointed for a local housing and management authority pursuant to subsection (b)(5), in addition to the powers accorded by the court appointing the receiver, the receiver—

(A) may abrogate contracts that substantially impede correction of the substantial default or improvement of the classification;

(B) may demolish and dispose of assets of the authority in accordance with subtitle E of title II;

(C) where determined appropriate by the Secretary, may require the establishment of one or more new local housing and management authorities, to the extent permitted by State and local law; and

(D) except as provided in subparagraph (C), shall not be subject to any State or local laws relating to civil service requirements, employee rights, procurement, or financial or administrative controls that, in the determination of the receiver, substantially impede correction of the substantial default or improvement of the classification.

For purposes of this paragraph, the term ''local housing and management authority'' includes any developments or functions of a local housing and management authority under any section of this title.

(3) TERMINATION.—The appointment of a receiver pursuant to this subsection may be terminated, upon the petition of any party, when the court determines that all defaults have been cured or the local housing and management authority will be able to make the same amount of

progress in correcting the management of the housing as the receiver.

(f) LIABILITY.—If the Secretary takes possession of an authority pursuant to subsection (b)(2) or a receiver is appointed pursuant to subsection (b)(5) for a local housing and management authority, the Secretary or the receiver shall be deemed to be acting in the capacity of the local housing and management authority (and not in the official capacity as Secretary or other official) and any liability incurred shall be a liability of the local housing and management authority.

(g) EFFECTIVENESS.—The provisions of this section shall apply with respect to actions taken before, on, or after the effective date of this Act and shall apply to any receivers appointed for a public housing agency before the date of enactment of this Act.

SEC. 439. MANDATORY TAKEOVER OF CHRONICALLY TROUBLED PHA'S.

(a) REMOVAL OF AGENCY.—Notwithstanding any other provision of this Act, not later than the expiration of the 180-day period beginning on the date of the enactment of this Act, the Secretary shall take one of the following actions with respect to each chronically troubled public housing agency:

(1) CONTRACTING FOR MANAGEMENT.—Solicit competitive proposals for the management of the agency pursuant to section 437(b)(1) and replace the management of the agency pursuant to selection of such a proposal.

(2) TAKEOVER.—Take possession of the agency pursuant to section 437(b)(2) of such Act.

(b) DEFINITION.—For purposes of this section, the term ''chronically troubled public housing agency'' means a public housing agency that, as of the date of the enactment of this Act, is designated under section 6(j)(2) of the United States Housing Act of 1937 (as in effect immediately before the enactment of this Act) as a troubled public housing agency and has been so designated continuously for the 3-year period ending upon such date of enactment; except that such term does not include any agency that owns or operates less than 1250 public housing dwelling units and that the Secretary determines can, with a reasonable amount of effort, make such improvements or remedies as may be necessary to remove its designation as troubled within 12 months.

SEC. 440. TREATMENT OF TROUBLED PHA'S.

(a) EFFECT OF TROUBLED STATUS ON CHAS.—The comprehensive housing affordability strategy (or any consolidated plan incorporating such strategy) for the State or unit of general local government in which any troubled public housing agency is located shall not be considered to comply with the requirements under section 105 of the Cranston-Gonzalez National Affordable Housing Act unless such plan includes a description of the manner in which the State or unit will assist such troubled agency in improving its operations to remove such designation.

(b) DEFINITION.—For purposes of this section, the term ''troubled public housing agency'' means a public housing agency that—

(1) upon the date of the enactment of this Act, is designated under section 6(j)(2) of the United States Housing Act of 1937 (as in effect immediately before the enactment of this Act) as a troubled public housing agency; and

(2) is not a chronically troubled public housing agency, as such term is defined in section 439(b) of this Act.

SEC. 441. MAINTENANCE OF AND ACCESS TO RECORDS.

(a) KEEPING OF RECORDS.—Each local housing and management authority shall keep such records as may be reasonably necessary to disclose the amount and the disposition by the authority of the proceeds of assistance received pursuant to this Act and to ensure compliance with the requirements of this Act.

(b) ACCESS TO DOCUMENTS.—The Secretary, the Inspector General for the Department of Housing and Urban Development, and the Comptroller General of the United States shall each have access for the purpose of audit and examination to any books, documents, papers, and records of a local housing and management authority that are pertinent to this Act and assistance received pursuant to this Act.

SEC. 442. ANNUAL REPORTS REGARDING TROUBLED LHMA'S.

The Secretary shall submit a report to the Congress annually, as a part of the report of the Secretary under section 8 of the Department of Housing and Urban Development Act, that—

(1) identifies the local housing and management authorities that are designated as troubled or dysfunctional under section 431(a)(2) and the reasons for such designation;

(2) identifies the local housing and management authorities that have lost accreditation pursuant to section 433; and

(3) describes any actions that have been taken in accordance with sections 433, 434, 435, 436, and 438.

SEC. 443. APPLICABILITY TO RESIDENT MANAGEMENT CORPORATIONS.

The Secretary shall apply the provisions of this subtitle to resident management corporations in the same manner as applied to local housing and management authorities.

TITLE V—REPEALS AND CONFORMING AMENDMENTS

SEC. 501. REPEALS.

(a) IN GENERAL.—The following provisions of law are hereby repealed:

(1) UNITED STATES HOUSING ACT OF 1937.—The United States Housing Act of 1937 (42 U.S.C. 1437 et seq.).

(2) ASSISTED HOUSING ALLOCATION.—Section 213 of the Housing and Community Development Act of 1974 (42 U.S.C. 1439).

(3) PUBLIC HOUSING RENT WAIVERS FOR POLICE.—Section 519 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437a–1).

(4) OCCUPANCY PREFERENCES AND INCOME MIX FOR NEW CONSTRUCTION AND SUBSTANTIAL REHABILITATION PROJECTS.—Subsection (c) of section 545, and section 555, of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437f note).

(5) TREATMENT OF CERTIFICATE AND VOUCHER HOLDERS.—Subsection (c) of section 183 of the Housing and Community Development Act of 1987 (42 U.S.C. 1437f note).

(6) EXCESSIVE RENT BURDEN DATA.—Subsection (b) of section 550 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437f note).

(7) SECTION 8 DISASTER RELIEF.—Sections 931 and 932 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437c note).

(8) MOVING TO OPPORTUNITY FOR FAIR HOUSING.—Section 152 of the Housing and Community Development Act of 1992 (42 U.S.C. 1437f note).

(9) REPORT REGARDING FAIR HOUSING OBJECTIVES.—Section 153 of the Housing and Community Development Act of 1992 (42 U.S.C. 1437f note).

(10) SECTION 8 COMMUNITY INVESTMENT DEMONSTRATION.—Section 6 of the HUD Demonstration Act of 1993 (42 U.S.C. 1437f note).

(11) SPECIAL PROJECTS FOR ELDERLY OR HANDICAPPED FAMILIES.—Section 209 of the Housing and Community Development Act of 1974 (42 U.S.C. 1438).

(12) ACCESS TO PHA BOOKS.—Section 816 of the Housing Act of 1954 (42 U.S.C. 1435).

(13) MISCELLANEOUS PROVISIONS.—Subsections (b)(1), (c), and (d) of section 326 of the Housing and Community Development Amendments of 1981 (Public Law 97–35, 95 Stat. 406; 42 U.S.C. 1437f note).

(14) PAYMENT FOR DEVELOPMENT MANAGERS.—Section 329A of the Housing and Community Development Amendments of 1981 (42 U.S.C. 1437j–1).

(15) PURCHASE OF PHA OBLIGATIONS.—Section 329E of the Housing and Community Development Amendments of 1981 (12 U.S.C. 2294a).

(16) PROCUREMENT OF INSURANCE BY PHA'S.—

(A) In the item relating to ''ADMINISTRATIVE PROVISIONS'' under the heading ''MANAGEMENT AND ADMINISTRATION'' in title II of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1991, the penultimate undesignated paragraph of such item (Public Law 101–507; 104 Stat. 1369).

(B) In the item relating to ''ADMINISTRATIVE PROVISIONS'' under the heading ''MANAGEMENT AND ADMINISTRATION'' in title II of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1992, the 19th through 23d undesignated paragraphs of such item (Public Law 102–139; 105 Stat. 758).

(17) PUBLIC HOUSING CHILDHOOD DEVELOPMENT.—Section 222 of the Housing and Urban-Rural Recovery Act of 1983 (12 U.S.C. 1701z–6 note).

(18) INDIAN HOUSING CHILDHOOD DEVELOPMENT.—Section 518 of the Cranston-Gonzalez National Affordable Housing Act (12 U.S.C. 1701z–6 note).

(19) PUBLIC HOUSING COMPREHENSIVE TRANSITION DEMONSTRATION.—Section 126 of the Housing and Community Development Act of 1987 (42 U.S.C. 1437f note).

(20) PUBLIC HOUSING ONE-STOP PERINATAL SERVICES DEMONSTRATION.—Section 521 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437t note).

(21) PUBLIC HOUSING MINCS DEMONSTRATION.—Section 522 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437f note).

(22) PUBLIC HOUSING ENERGY EFFICIENCY DEMONSTRATION.—Section 523 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437g note).

(23) OMAHA HOMEOWNERSHIP DEMONSTRATION.—Section 132 of the Housing and Community Development Act of 1992 (Public Law 102–550; 106 stat. 3712).

(24) PUBLIC AND ASSISTED HOUSING YOUTH SPORTS PROGRAMS.—Section 520 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 11903a).

(b) SAVINGS PROVISION.—The repeals made by subsection (a) shall not affect any legally binding obligations entered into before the date of the enactment of this Act. Any funds or activities subject to a provision of law repealed by subsection (a) shall continue to be governed by the provision as in effect immediately before such repeal.

SEC. 502. CONFORMING AND TECHNICAL PROVISIONS.

(a) ALLOCATION OF ELDERLY HOUSING AMOUNTS.—Section 202(l) of the Housing Act of 1959 (12 U.S.C. 1701q(l)) is amended by adding at the end the following new paragraph:

''(4) CONSIDERATION IN ALLOCATING ASSISTANCE.—Assistance under this section shall be allocated in a manner that ensures that the awards of the assistance are made for projects of sufficient size to accommodate facilities for supportive services appropriate to the needs of frail elderly residents.''.

(b) ELIGIBILITY FOR ASSISTED HOUSING.—

(1) GENERAL.—Notwithstanding any other provision of law, for purposes of determining eligibility for admission to assisted housing, a person shall not be considered to have a disability or a handicap solely because of the prior or current illegal use of a controlled substance (as defined in section 102 of the Controlled Substances Act) or solely by reason of the prior or current use of alcohol.

(2) DEFINITION.—For purposes of this subsection, the term ''assisted housing'' means housing designed primarily for occupancy by elderly persons or persons with disabilities that is assisted pursuant to this Act, the United States Housing Act of 1937, section 221(d)(3) or 236 of

the National Housing Act, section 202 of the Housing Act of 1959, section 101 of the Housing and Urban Development Act of 1965, or section 811 of the Cranston-Gonzalez National Affordable Housing Act.

(3) CONTINUED OCCUPANCY.—This subsection may not be construed to prohibit the continued occupancy of any person who is a resident in assisted housing on the date of enactment of this Act.

(c) AMENDMENT TO HOUSING AND URBAN-RURAL RECOVERY ACT OF 1983.—Section 227(d)(2) of the Housing and Urban-Rural Recovery Act of 1983 (12 U.S.C. 1701r–1(d)(2)) is amended by inserting ''the United States Housing Act of 1996,'' after ''the United States Housing Act of 1937,''.

(d) REVIEW OF DRUG ELIMINATION PROGRAM CONTRACTS.—

(1) REQUIREMENT.—Notwithstanding the repeal under section 501(a)(26), the Secretary of Housing and Urban Development shall investigate all security contracts awarded by grantees under the Public and Assisted Housing Drug Elimination Act of 1990 (42 U.S.C. 11901 et seq.) that are public housing agencies that own or operate more than 4,500 public housing dwelling units—

(A) to determine whether the contractors under such contracts have complied with all laws and regulations regarding prohibition of discrimination in hiring practices;

(B) to determine whether such contracts were awarded in accordance with the applicable laws and regulations regarding the award of such contracts;

(C) to determine how many such contracts were awarded under emergency contracting procedures;

(D) to evaluate the effectiveness of the contracts; and

(E) to provide a full accounting of all expenses under the contracts.

(2) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall complete the investigation required under paragraph (1) and submit a report to the Congress regarding the findings under the investigation. With respect to each such contract, the report shall (A) state whether the contract was made and is operating, or was not made or is not operating, in full compliance with applicable laws and regulations, and (B) for each contract that the Secretary determines is in such compliance in a personal certification of such compliance by the Secretary of Housing and Urban Development.

(3) ACTIONS.—For each contract that is described in the report under paragraph (2) as not made or not operating in full compliance with applicable laws and regulation, the Secretary of Housing and Urban Development shall promptly take any actions available under law or regulation that are necessary—

(A) to bring such contract into compliance; or

(B) to terminate the contract.

(e) REFERENCES.—Except as provided in section 271 and 501(b), any reference in any other Federal law, Executive order, rule, regulation, or delegation of authority, or any document of or pertaining to—

(1) public housing or housing assisted under the United States Housing Act of 1937 is deemed to refer to public housing assisted under title II of this Act;

(2) to assistance under section 8 of the United States Housing Act of 1937 is deemed to refer to assistance under title III of this Act; and

(3) to assistance under the United States Housing Act of 1937 is deemed to refer to assistance under this Act.

(f) CONVERSION OF PROJECT-BASED ASSISTANCE TO CHOICE-BASED RENTAL ASSISTANCE.—

(1) SECTION 8 PROJECT-BASED CONTRACTS.—Upon the request of the owner of a multifamily housing project for which project-based assistance is provided under a contract entered into under section 8 of the United States Housing Act of 1937 (as in effect before the enactment of this Act), notwithstanding the termination date of such contract the Secretary shall provide for a reduction in the number of dwelling units assisted under the contract, which may not exceed 40 percent of the units in the project and shall be subject to the requirements in paragraphs (3) and (4) of this subsection.

(2) SECTION 236 CONTRACTS.—Upon the request of the owner of a multifamily housing project for which assistance is provided under a contract for interest reduction payments under section 236 of the National Housing Act, notwithstanding the termination date of such contract the Secretary shall provide for a reduction in the number of dwelling units assisted under the contract, which may not exceed 40 percent of the units in the project. The amount of the interest reduction payments made on behalf of the owner shall be reduced by a fraction for which the numerator is the aggregate basic rent for the units which are no longer assisted under the contract for interest reduction payments and the denominator is the aggregate basic rents for all units in the project. The requirements of section 236(g) of the National Housing Act shall not apply to rental charges collected with respect to dwelling units for which assistance in terminated under this paragraph. Such reduction shall be subject to the requirements in paragraphs (3) and (4) of this subsection.

(3) ELIGIBLE UNITS.—A unit may be removed from coverage by a contract pursuant to paragraph (1) or (2) only—

(A) upon the vacancy of the unit; and

(B) in the case of—

(i) units assisted under section 8 of the United States Housing Act of 1937, if the contract rent for the unit is not less than the applicable fair market rental established pursuant to section 8(c) of such Act for the area in which the unit is located; or

(ii) units assisted under an interest reduction contract under section 236 of the National Housing Act, if the reduction in the amount of interest reduction payments on a monthly basis is less than the aggregate amount of fair market rents established pursuant to section 8(c) of such Act for the number and type of units which are removed from coverage by the contract.

(4) RECAPTURE.—Any budget authority that becomes available to a local housing and management authority or the Secretary pursuant to this section shall be used to provide choice-based rental assistance under title III, during the term covered by such contract.

SEC. 503. AMENDMENTS TO PUBLIC AND ASSISTED HOUSING DRUG ELIMINATION ACT OF 1990.

(a) SHORT TITLE, PURPOSES, AND AUTHORITY TO MAKE GRANTS.—Chapter 2 of subtitle C of title V of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11901 et seq.) is amended by striking the chapter heading and all that follows through section 5123 and inserting the following:

''CHAPTER 2—COMMUNITY PARTNERSHIPS AGAINST CRIME

''SEC. 5121. SHORT TITLE.

''This chapter may be cited as the 'Community Partnerships Against Crime Act of 1996'.

''SEC. 5122. PURPOSES.

''The purposes of this chapter are to—

''(1) improve the quality of life for the vast majority of law-abiding public housing residents by reducing the levels of fear, violence, and crime in their communities;

''(2) broaden the scope of the Public and Assisted Housing Drug Elimination Act of 1990 to apply to all types of crime, and not simply crime that is drug-related; and

''(3) reduce crime and disorder in and around public housing through the expansion of community-oriented policing activities and problem solving.

''SEC. 5123. AUTHORITY TO MAKE GRANTS.

''The Secretary of Housing and Urban Development may make grants in accordance with the provisions of this chapter for use in eliminating crime in and around public housing and other federally assisted low-income housing projects to (1) local housing and management authorities, and (2) private, for-profit and nonprofit owners of federally assisted low-income housing.''.

(b) ELIGIBLE ACTIVITIES.—

(1) IN GENERAL.—Section 5124(a) of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11903(a)) is amended—

(A) in the matter preceding paragraph (1), by inserting ''and around'' after ''used in'';

(B) in paragraph (3), by inserting before the semicolon the following: '', including fencing, lighting, locking, and surveillance systems'';

(C) in paragraph (4), by striking subparagraph (A) and inserting the following new subparagraph:

''(A) to investigate crime; and'';

(D) in paragraph (6)—

(i) by striking ''in and around public or other federally assisted low-income housing projects''; and

(ii) by striking ''and'' after the semicolon; and

(E) by striking paragraph (7) and inserting the following new paragraphs:

''(7) providing funding to nonprofit public housing resident management corporations and resident councils to develop security and crime prevention programs involving site residents;

''(8) the employment or utilization of one or more individuals, including law enforcement officers, made available by contract or other cooperative arrangement with State or local law enforcement agencies, to engage in community- and problem-oriented policing involving interaction with members of the community in proactive crime control and prevention activities;

''(9) programs and activities for or involving youth, including training, education, recreation and sports, career planning, and entrepreneurship and employment activities and after school and cultural programs; and

''(10) service programs for residents that address the contributing factors of crime, including programs for job training, education, drug and alcohol treatment, and other appropriate social services.''.

(2) OTHER LHMA-OWNED HOUSING.—Section 5124(b) of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11903(b)) is amended—

(A) in the matter preceding paragraph (1)—

(i) by striking ''drug-related crime in housing owned by public housing agencies'' and inserting ''crime in and around housing owned by local housing and management authorities''; and

(ii) by striking ''paragraphs (1) through (7)'' and inserting ''paragraphs (1) through (10)''; and

(B) in paragraph (2)—

(i) by striking ''public housing agency'' and inserting ''local housing and management authority''; and

(ii) by striking ''drug-related'' and inserting ''criminal''.

(c) GRANT PROCEDURES.—Section 5125 of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11904) is amended to read as follows:

''SEC. 5125. GRANT PROCEDURES.

''(a) LHMA'S WITH 250 OR MORE UNITS.—

''(1) GRANTS.—In each fiscal year, the Secretary shall make a grant under this chapter from any amounts available under section 5131(b)(1) for the fiscal year to each of the following local housing and management authorities:

''(A) NEW APPLICANTS.—Each local housing and management authority that owns or operates 250 or more public housing dwelling units and has—

''(i) submitted an application to the Secretary for a grant for such fiscal year, which includes a 5-year crime deterrence and reduction plan under paragraph (2); and

''(ii) had such application and plan approved by the Secretary.

''(B) RENEWALS.—Each local housing and management authority that owns or operates 250 or more public housing dwelling units and for which—

''(i) a grant was made under this chapter for the preceding Federal fiscal year;

''(ii) the term of the 5-year crime deterrence and reduction plan applicable to such grant includes the fiscal year for which the grant under this subsection is to be made; and

''(iii) the Secretary has determined, pursuant to a performance review under paragraph (4), that during the preceding fiscal year the agency has substantially fulfilled the requirements under subparagraphs (A) and (B) of paragraph (4).

''(2) 5-YEAR CRIME DETERRENCE AND REDUCTION PLAN.—Each application for a grant under this subsection shall contain a 5-year crime deterrence and reduction plan. The plan shall be developed with the participation of residents and appropriate law enforcement officials. The plan shall describe, for the local housing and management authority submitting the plan—

''(A) the nature of the crime problem in public housing owned or operated by the local housing and management authority;

''(B) the building or buildings of the local housing and management authority affected by the crime problem;

''(C) the impact of the crime problem on residents of such building or buildings; and

''(D) the actions to be taken during the term of the plan to reduce and deter such crime, which shall include actions involving residents, law enforcement, and service providers.

The term of a plan shall be the period consisting of 5 consecutive fiscal years, which begins with the first fiscal year for which funding under this chapter is provided to carry out the plan.

''(3) AMOUNT.—In any fiscal year, the amount of the grant for a local housing and management authority receiving a grant pursuant to paragraph (1) shall be the amount that bears the same ratio to the total amount made available under section 5131(b)(1) as the total number of public dwelling units owned or operated by such authority bears to the total number of dwelling units owned or operated by all local housing and management authorities that own or operate 250 or more public housing dwelling units that are approved for such fiscal year.

''(4) PERFORMANCE REVIEW.—For each fiscal year, the Secretary shall conduct a performance review of the activities carried out by each local housing and management authority receiving a grant pursuant to this subsection to determine whether the agency—

''(A) has carried out such activities in a timely manner and in accordance with its 5-year crime deterrence and reduction plan; and

''(B) has a continuing capacity to carry out such plan in a timely manner.

''(5) SUBMISSION OF APPLICATIONS.—The Secretary shall establish such deadlines and requirements for submission of applications under this subsection.

''(6) REVIEW AND DETERMINATION.—The Secretary shall review each application submitted under this subsection upon submission and shall approve the application unless the application and the 5-year crime deterrence and reduction plan are inconsistent with the purposes of this chapter or any requirements established by the Secretary or the information in the application or plan is not substantially complete. Upon approving or determining not to approve an application and plan submitted under this subsection, the Secretary shall notify the local housing and management authority submitting the application and plan of such approval or disapproval.

''(7) DISAPPROVAL OF APPLICATIONS.—If the Secretary notifies an authority that the application and plan of the authority is not approved, not later than the expiration of the 15-day period beginning upon such notice of disapproval, the Secretary shall also notify the authority, in writing, of the reasons for the disapproval, the actions that the authority could take to comply with the criteria for approval, and the deadlines for such actions.

''(8) FAILURE TO APPROVE OR DISAPPROVE.—If the Secretary fails to notify an authority of approval or disapproval of an application and plan submitted under this subsection before the expiration of the 60-day period beginning upon the submission of the plan or fails to provide notice under paragraph (7) within the 15-day period under such paragraph to an authority whose application has been disapproved, the application and plan shall be considered to have been approved for purposes of this section.

''(b) LHMA'S WITH FEWER THAN 250 UNITS AND OWNERS OF FEDERALLY ASSISTED LOW-INCOME HOUSING.—

''(1) APPLICATIONS AND PLANS.—To be eligible to receive a grant under this chapter, a local housing and management authority that owns or operates fewer than 250 public housing dwelling units or an owner of federally assisted low-income housing shall submit an application to the Secretary at such time, in such manner, and accompanied by such additional information as the Secretary may require. The application shall include a plan for addressing the problem of crime in and around the housing for which the application is submitted, describing in detail activities to be conducted during the fiscal year for which the grant is requested.

''(2) GRANTS FOR LHMA'S WITH FEWER THAN 250 UNITS.—In each fiscal year the Secretary may, to the extent amounts are available under section 5131(b)(2), make grants under this chapter to local housing and management authorities that own or operate fewer than 250 public housing dwelling units and have submitted applications under paragraph (1) that the Secretary has approved pursuant to the criteria under paragraph (4).

''(3) GRANTS FOR FEDERALLY ASSISTED LOW-INCOME HOUSING.—In each fiscal year the Secretary may, to the extent amounts are available under section 5131(b)(3), make grants under this chapter to owners of federally assisted low-income housing that have submitted applications under paragraph (1) that the Secretary has approved pursuant to the criteria under paragraphs (4) and (5).

''(4) CRITERIA FOR APPROVAL OF APPLICATIONS.—The Secretary shall determine whether to approve each application under this subsection on the basis of—

''(A) the extent of the crime problem in and around the housing for which the application is made;

''(B) the quality of the plan to address the crime problem in the housing for which the application is made;

''(C) the capability of the applicant to carry out the plan; and

''(D) the extent to which the tenants of the housing, the local government, local community-based nonprofit organizations, local tenant organizations representing residents of neighboring projects that are owned or assisted by the Secretary, and the local community support and participate in the design and implementation of the activities proposed to be funded under the application.

In each fiscal year, the Secretary may give preference to applications under this subsection for housing made by applicants who received a grant for such housing for the preceding fiscal year under this subsection or under the provisions of this chapter as in effect immediately before the date of the enactment of the United States Housing Act of 1996.

''(5) ADDITIONAL CRITERIA FOR FEDERALLY ASSISTED LOW-INCOME HOUSING.—In addition to the selection criteria under paragraph (4), the Secretary may establish other criteria for evaluating applications submitted by owners of federally assisted low-income housing, except that such additional criteria shall be designed only to reflect—

''(A) relevant differences between the financial resources and other characteristics of local housing and management authorities and owners of federally assisted low-income housing; or

''(B) relevant differences between the problem of crime in public housing administered by such authorities and the problem of crime in federally assisted low-income housing.''.

(d) DEFINITIONS.—Section 5126 of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11905) is amended—

(1) by striking paragraphs (1) and (2);

(2) in paragraph (4)(A), by striking ''section'' before ''221(d)(4)'';

(3) by redesignating paragraphs (3) and (4) (as so amended) as paragraphs (1) and (2), respectively; and

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

''(3) LOCAL HOUSING AND MANAGEMENT AUTHORITY.—The term 'local housing and management authority' has the meaning given the term in title I of the United States Housing Act of 1996.''.

(e) IMPLEMENTATION.—Section 5127 of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11906) is amended by striking ''Cranston-Gonzalez National Affordable Housing Act'' and inserting ''United States Housing Act of 1996''.

(f) REPORTS.—Section 5128 of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11907) is amended—

(1) by striking ''drug-related crime in'' and inserting ''crime in and around''; and

(2) by striking ''described in section 5125(a)'' and inserting ''for the grantee submitted under subsection (a) or (b) of section 5125, as applicable''.

(g) FUNDING AND PROGRAM SUNSET.—Chapter 2 of subtitle C of title V of the Anti-Drug Abuse Act of 1988 is amended by striking section 5130 (42 U.S.C. 11909) and inserting the following new sections:

''SEC. 5130. FUNDING.

''(a) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this chapter such sums as may be necessary for fiscal years 1997 and 1998.

''(b) ALLOCATION.—Of any amounts available, or that the Secretary is authorized to use, to carry out this chapter in any fiscal year—

''(1) 85 percent shall be available only for assistance pursuant to section 5125(a) to local housing and management authorities that own or operate 250 or more public housing dwelling units;

''(2) 10 percent shall be available only for assistance pursuant to section 5125(b)(2) to local housing and management authorities that own or operate fewer than 250 public housing dwelling units; and

''(3) 5 percent shall be available only for assistance to federally assisted low-income housing pursuant to section 5125(b)(3).''.

(h) CONFORMING AMENDMENTS.—The table of contents in section 5001 of the Anti-Drug Abuse Act of 1988 (Public Law 100–690; 102 Stat. 4295) is amended—

(1) by striking the item relating to the heading for chapter 2 of subtitle C of title V and inserting the following:

''CHAPTER 2—COMMUNITY PARTNERSHIPS AGAINST CRIME'';

(2) by striking the item relating to section 5122 and inserting the following new item:

''Sec. 5122. Purposes.'';

(3) by striking the item relating to section 5125 and inserting the following new item:

''Sec. 5125. Grant procedures.'';

and

(4) by striking the item relating to section 5130 and inserting the following new item:

''Sec. 5130. Funding.''.

(i) TREATMENT OF NOFA.—The cap limiting assistance under the Notice of Funding Availability issued by the Department of Housing and

Urban Development in the Federal Register of April 8, 1996, shall not apply to a local housing and management authority within an area designated as a high intensity drug trafficking area under section 1005(c) of the Anti-Drug Abuse Act of 1988 (21 U.S.C. 1504(c).

SEC. 504. TREATMENT OF CERTAIN PROJECTS.

Rehabilitation activities undertaken by Pennrose Properties in connection with 40 dwelling units for senior citizens in the Providence Square development located in New Brunswick, New Jersey, are hereby deemed to have been conducted pursuant to the approval of and an agreement with the Secretary of Housing and Urban Development under clauses (i) and (ii) of the third sentence of section 8(d)(2)(A) of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act).

SEC. 505. AMENDMENTS RELATING TO COMMUNITY DEVELOPMENT ASSISTANCE.

(a) ELIGIBILITY OF METROPOLITAN CITIES.—Section 102(a)(4) of the Housing and Community Development Act of 1974 (42 U.S.C. 5302(a)(4)) is amended—

(1) by striking the second sentence and inserting the following new sentence: ''Any city that was classified as a metropolitan city for at least 1 year after September 30, 1989, pursuant to the first sentence of this paragraph, shall remain classified as a metropolitan city by reason of this sentence until the first year for which data from the 2000 Decennial Census is available for use for purposes of allocating amounts this title.''; and

(2) by striking the fifth sentence and inserting the following new sentence: ''Notwithstanding that the population of a unit of general local government was included, after September 30, 1989, with the population of an urban county for purposes of qualifying for assistance under section 106, the unit of general local government may apply for assistance under section 106 as a metropolitan city if the unit meets the requirements of the second sentence of this paragraph.''.

(b) PUBLIC SERVICES LIMITATION.—Section 105(a)(8) of the Housing and Community Development Act of 1974 (42 U.S.C. 5305(a)(8)) is amended by striking ''through 1997'' and inserting ''through 1998''.

SEC. 506. AUTHORITY TO TRANSFER SURPLUS REAL PROPERTY FOR HOUSING USE.

Section 203 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484) is amended by adding at the end the following new subsection:

''(r)(1) Under such regulations as the Administrator may prescribe, and with the written consent of appropriate local governmental authorities, the Administrator may transfer to any nonprofit organization which exists for the primary purpose of providing housing or housing assistance for homeless individuals or families, such surplus real property, including buildings, fixtures, and equipment situated thereon, as is needed for housing use.

''(2) Under such regulations as the Administrator may prescribe, and with the written consent of appropriate local governmental authorities, the Administrator may transfer to any nonprofit organization which exists for the primary purpose of providing housing or housing assistance for low-income individuals or families such surplus real property, including buildings, fixtures, and equipment situated thereon, as is needed for housing use.

''(3) In making transfers under this subsection, the Administrator shall take such action, which shall include grant agreements with an organization receiving a grant, as may be necessary to ensure that—

''(A) assistance provided under this subsection is used to facilitate and encourage homeownership opportunities through the construction of self-help housing, under terms which require that the person receiving the assistance contribute a significant amount of labor toward the construction; and

''(B) the dwellings constructed with property transferred under this subsection shall be quality dwellings that comply with local building and safety codes and standards and shall be available at prices below the prevailing market prices.

''(4)(A) Where the Administrator has transferred a significant portion of a surplus real property, including buildings, fixtures, and equipment situated thereon, under paragraph (1) or (2) of this subsection, the transfer of the entire property shall be deemed to be in compliance with title V of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11411 et seq.).

''(B) For the purpose of this paragraph, the term 'a significant portion of a surplus real property' means a portion of surplus real property—

''(i) which constitutes at least 5 acres of total acreage;

''(ii) whose fair market value exceeds $100,000; or

''(iii) whose fair market value exceeds 15 percent of the surplus property's fair market value.

''(5) The provisions of this section shall not apply to buildings and property at military installations that are approved for closure under the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note) and shall not supersede the provisions of section 2(e) of the Base Closure Community Redevelopment and Homeless Assistance Act of 1994 (10 U.S.C. 2687 note).''.

SEC. 507. RURAL HOUSING ASSISTANCE.

The last sentence of section 520 of the Housing Act of 1949 (42 U.S.C. 1490) is amended by inserting before the period the following: '', and the city of Altus, Oklahoma, shall be considered a rural area for purposes of this title until the receipt of data from the decennial census in the year 2000''.

SEC. 508. TREATMENT OF OCCUPANCY STANDARDS.

(a) NATIONAL STANDARD PROHIBITED.—The Secretary of Housing and Urban Development shall not directly or indirectly establish a national occupancy standard.

(b) STATE STANDARD.—If a State establishes an occupancy standard—

(1) such standard shall be presumed reasonable for purposes of any laws administered by the Secretary; and

(2) the Secretary shall not suspend, withdraw, or deny certification of any State or local public agency based in whole or in part on that State occupancy standard or its operation.

(c) ABSENCE OF STATE STANDARD.—If a State fails to establish an occupancy standard, an occupancy standard of 2 persons per bedroom established by a housing provider shall be presumed reasonable for the purposes of any laws administered by the Secretary.

(d) DEFINITION.—

(1) GENERAL RULE.—Except as provided in paragraph (2), the term ''occupancy standard'' means a law, regulation, or housing provider policy that establishes a limit on the number of residents a housing provider can properly manage in a dwelling for any 1 or more of the following purposes—

(A) providing a decent home and services for each resident;

(B) enhancing the livability of a dwelling for all residents, including the dwelling for each particular resident; and

(C) avoiding undue physical deterioration of the dwelling and property.

(2) EXCEPTION.—The term ''occupancy standard'' does not include a Federal, State, or local restriction regarding the maximum number of persons permitted to occupy a dwelling for the sole purpose of protecting the health and safety of the residents of a dwelling, including building and housing code provisions.

(e) EFFECTIVE DATE.—This section shall take effect January 1, 1996.

SEC. 509. IMPLEMENTATION OF PLAN.

(a) IMPLEMENTATION.—Within 120 days after the enactment of this Act, the Secretary of Housing and Urban Development shall implement the Ida Barbour Revitalization Plan of the City of Portsmouth, Virginia, in a manner consistent with existing limitations under law. The Secretary shall consider and make any waivers to existing regulations consistent with such plan to enable timely implementation of such plan.

(b) REPORT.—Such city shall submit a report to the Secretary on progress in implementing the plan not later than 1 year after the date of the enactment of this Act and annually thereafter through the year 2000. The report shall include quantifiable measures revealing the increase in homeowners, employment, tax base, voucher allocation, leverage ratio of funds, impact on and compliance with the city's consolidated plan, identification of regulatory and statutory obstacles which have or are causing unnecessary delays in the plan's successful implementation or are contributing to unnecessary costs associated with the revitalization, and any other information as the Secretary considers appropriate.

SEC. 510. INCOME ELIGIBILITY FOR HOME AND CDBG PROGRAMS.

(a) HOME INVESTMENT PARTNERSHIPS.—The Cranston-Gonzalez National Affordable Housing Act is amended as follows:

(1) DEFINITIONS.—In section 104(10) (42 U.S.C. 12704(10))—

(A) by striking ''income ceilings higher or lower'' and inserting ''an income ceiling higher'';

(B) by striking ''variations are'' and inserting ''variation is''; and

(C) by striking ''high or''.

(2) INCOME TARGETING.—In section 214(1)(A) (42 U.S.C. 12744(1)(A))—

(A) by striking ''income ceilings higher or lower'' and inserting ''an income ceiling higher'';

(B) by striking ''variations are'' and inserting ''variation is''; and

(C) by striking ''high or''.

(3) RENT LIMITS.—In section 215(a)(1)(A) (42 U.S.C. 12745(a)(1)(A))—

(A) by striking ''income ceilings higher or lower'' and inserting ''an income ceiling higher'';

(B) by striking ''variations are'' and inserting ''variation is''; and

(C) by striking ''high or''.

(b) CDBG.—Section 102(a)(20) of the Housing and Community Development Act of 1974 (42 U.S.C. 5302(a)(20)) is amended by striking subparagraph (B) and inserting the following new subparagraph:

''(B) The Secretary may—

''(i) with respect to any reference in subparagraph (A) to 50 percent of the median income of the area involved, establish percentages of median income for any area that are higher or lower than 50 percent if the Secretary finds such variations to be necessary because of unusually high or low family incomes in such area; and

''(ii) with respect to any reference in subparagraph (A) to 80 percent of the median income of the area involved, establish a percentage of median income for any area that is higher than 80 percent if the Secretary finds such variation to be necessary because of unusually low family incomes in such area.''.

SEC. 511. AMENDMENTS RELATING TO SECTION 236 PROGRAM.

Section 236(f)(1) of the National Housing Act (12 U.S.C. 1715z–1) (as amended by section 405(d)(1) of The Balanced Budget Downpayment Act, I, and by section 228(a) of The Balanced Budget Downpayment Act, II) is amended—

(1) in the second sentence, by striking ''the lower of (i)'';

(2) in the second sentence, by striking ''(ii) the fair market rental established under section 8(c)

of the United States Housing Act of 1937 for the market area in which the housing is located, or (iii) the actual rent (as determined by the Secretary) paid for a comparable unit in comparable unassisted housing in the market area in which the housing assisted under this section is located,''; and

(3) by inserting after the second sentence the following: ''However, in the case of a project which contains more than 5,000 units, is subject to an interest reduction payments contract, and is financed under a State or local program, the Secretary may reduce the rental charge ceiling, but in no case shall the rent be below basic rent. For plans of action approved for capital grants under the Low-Income Housing Preservation and Resident Homeownership Act of 1990 or the provisions of the Emergency Low Income Housing Preservation Act of 1987, the rental charge for each dwelling unit shall be at the basic rental charge or such greater amount, not exceeding the lower of (i) the fair market rental charge determined pursuant to this paragraph, or (ii) the actual rent paid for a comparable unit in comparable unassisted housing in the market area in which the housing is located, as represents 30 percent of the tenant's adjusted income, but in no case shall the rent be below basic rent.''.

SEC. 512. PROSPECTIVE APPLICATION OF GOLD CLAUSES.

Section 5118(d)(2) of title 31, United States Code, is amended by adding at the end the following new sentence: ''This paragraph shall continue to apply to any obligations issued on or before October 27, 1977, notwithstanding any assignment and/or novation of such obligations after such date, unless all parties to the assignment and/or novation specifically agree to include a gold clause in the new agreement.''.

SEC. 513. MOVING TO WORK DEMONSTRATION FOR THE 21ST CENTURY.

(a) PURPOSE.—The purpose of this demonstration under this section is to give local housing and management authorities and the Secretary of Housing and Urban Development the flexibility to design and test various approaches for providing and administering housing assistance that—

(1) reduce cost and achieve greater cost effectiveness in Federal expenditures;

(2) give incentives to families with children where the head of household is working, seeking work, or preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient; and

(3) increase housing choices for low-income families.

(b) PROGRAM AUTHORITY.—

(1) SELECTION OF PARTICIPANTS.—The Secretary of Housing and Urban Development shall conduct a demonstration program under this section beginning in fiscal year 1997 under which local housing and management authorities (including Indian housing authorities) administering the public or Indian housing program and the choice-based rental assistance program under title III of this Act shall be selected by the Secretary to participate. In the first year of the demonstration, the Secretary shall select 100 local housing and management authorities to participate. In each of the next 2 years of the demonstration, the Secretary shall select 100 additional local housing and management authorities per year to participate. During the first year of the demonstration, the Secretary shall select for participation any authority that complies with the requirement under subsection (d) and owns or administers more than 99,999 dwelling units of public housing.

(2) TRAINING.—The Secretary, in consultation with representatives of public housing interests, shall provide training and technical assistance during the demonstration and conduct detailed evaluations of up to 30 such agencies in an effort to identify replicable program models promoting the purpose of the demonstration.

(3) USE OF HOUSING ASSISTANCE.—Under the demonstration, notwithstanding any provision of this Act, an authority may combine operating assistance provided under section 9 of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act), modernization assistance provided under section 14 of such Act, assistance provided under section 8 of such Act for the certificate and voucher programs, assistance for pubic housing provided under title II of this Act, and choice-based rental assistance provided under title III of this Act, to provide housing assistance for low-income families and services to facilitate the transition to work on such terms and conditions as the authority may propose.

(c) APPLICATION.—An application to participate in the demonstration—

(1) shall request authority to combine assistance refereed to in subsection (b)(3);

(2) shall be submitted only after the local housing and management authority provides for citizen participation through a public hearing and, if appropriate, other means;

(3) shall include a plan developed by the authority that takes into account comments from the public hearing and any other public comments on the proposed program, and comments from current and prospective residents who would be affected, and that includes criteria for—

(A) establishing a reasonable rent policy, which shall be designed to encourage employment and self-sufficiency by participating families, consistent with the purpose of this demonstration, such as by excluding some or all of a family's earned income for purposes of determining rent; and

(B) assuring that housing assisted under the demonstration program meets housing quality standards established or approved by the Secretary; and

(4) may request assistance for training and technical assistance to assist with design of the demonstration and to participate in a detailed evaluation.

(d) SELECTION CRITERIA.—In selecting among applications, the Secretary shall take into account the potential of each authority to plan and carry out a program under the demonstration and other appropriate factors as reasonably determined by the Secretary. An authority shall be eligible to participate in any fiscal year only if the most recent score for the authority under the public housing management assessment program under section 6(j) of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act) is 90 or greater.

(e) APPLICABILITY OF CERTAIN PROVISIONS.—

(1) Section 261 of this Act shall continue to apply to public housing notwithstanding any use of the housing under this demonstration.

(2) Section 113 of this Act shall apply to housing assisted under the demonstration, other than housing assisted solely due to occupancy by families receiving tenant-based assistance.

(f) EFFECT ON PROGRAM ALLOCATIONS.—The amount of assistance received under titles II and III by a local housing and management authority participating in the demonstration under this section shall not be diminished by its participation.

(g) RECORDS, REPORTS, AND AUDITS.—

(1) KEEPING OF RECORDS.—Each authority shall keep such records as the Secretary may prescribe as reasonably necessary to disclose the amounts and the disposition of amounts under this demonstration, to ensure compliance with the requirements of this section, and to measure performance.

(2) REPORTS.—Each authority shall submit to the Secretary a report, or series of reports, in a form and at a time specified by the Secretary. Each report shall—

(A) document the use of funds made available under this section;

(B) provide such data as the Secretary may request to assist the Secretary in assessing the demonstration; and

(C) describe and analyze the effect of assisted activities in addressing the objectives of this part.

(3) ACCESS TO DOCUMENTS BY THE SECRETARY.—The Secretary shall have access for the purpose of audit and examination to any books, documents, papers, and records that are pertinent to assistance in connection with, and the requirements of, this section.

(4) ACCESS TO DOCUMENTS BY THE COMPTROLLER GENERAL.—The Comptroller General of the United States, or any of the duly authorized representatives of the Comptroller General, shall have access for the purpose of audit and examination to any books, documents, papers, and records that are pertinent to assistance in connection with, and the requirements of, this section.

(h) EVALUATION AND REPORT.—

(1) CONSULTATION WITH LHMA AND FAMILY REPRESENTATIVES.—In making assessments throughout the demonstration, the Secretary shall consult with representatives of local housing and management authorities and residents.

(2) REPORT TO CONGRESS.—Not later than 180 days after the end of the third year of the demonstration, the Secretary shall submit to the Congress a report evaluating the programs carried out under the emonstration. The report shall also include findings and recommendations for any appropriate legislative action.

SEC. 514. OCCUPANCY SCREENING AND EVICTIONS FROM FEDERALLY ASSISTED HOUSING.

(a) OCCUPANCY SCREENING.—Section 642 of the Housing and Community Development Act of 1992 (42 U.S.C. 13602)—

(1) by inserting ''(a) GENERAL CRITERIA.—'' before ''In''; and

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

''(b) AUTHORITY TO DENY OCCUPANCY FOR CRIMINAL OFFENDERS.—In selecting tenants for occupancy of dwelling units in federally assisted housing, if the owner of such housing determines that an applicant for occupancy in the housing or any member of the applicant's household is or was, during the preceding 3 years, engaged in any activity described in paragraph (2)(C) of section 645, the owner may—

''(1) deny such applicant occupancy and consider the applicant (for purposes of any waiting list) as not having applied for such occupancy ; and

''(2) after the expiration of the 3-year period beginning upon such activity, require the applicant, as a condition of occupancy in the housing or application for occupancy in the housing, to submit to the owner evidence sufficient (as the Secretary shall by regulation provide) to ensure that the individual or individuals in the applicant's household who engaged in criminal activity for which denial was made under paragraph (1) have not engaged in any criminal activity during such 3-year period.

''(c) AUTHORITY TO REQUIRE ACCESS TO CRIMINAL RECORDS.—An owner of federally assisted housing may require, as a condition of providing occupancy in a dwelling unit in such housing to an applicant for occupancy and the members of the applicant's household, that each adult member of the household provide the owner with a signed, written authorization for the owner to obtain records described in section 646(a) regarding such member of the household from the National Crime Information Center, police departments, and other law enforcement agencies.

''(d) DEFINITION.—For purposes of subsections (b) and (c), the term 'federally assisted housing' has the meaning given the term by this title, except that the term does not include housing that only meets the requirements of section 683(2)(E).''.

(b) TERMINATION OF TENANCY.—Subtitle C of title VI of the Housing and Community Development Act of 1992 (42 U.S.C. 13601 et seq.) is

amended by adding at the end the following new section:

"SEC. 645. TERMINATION OF TENANCY.

''Each lease for a dwelling unit in federally assisted housing (as such term is defined in section 642(d)) shall provide that—

''(1) the owner may not terminate the tenancy except for violation of the terms and conditions of the lease, violation of applicable Federal, State, or local law, or other good cause; and

''(2) any activity, engaged in by the tenant, any member of the tenant's household, or any guest or other person under the tenant's control, that—

''(A) threatens the health or safety of, or right to peaceful enjoyment of the premises by, other tenants or employees of the owner or other manager of the housing,

''(B) threatens the health or safety of, or right to peaceful enjoyment of their residences by, persons residing in the immediate vicinity of the premises, or

''(C) is criminal activity (including drug-related criminal activity) on or off the premises,

shall be cause for termination of tenancy.''.

(c) AVAILABILITY OF CRIMINAL RECORDS FOR TENANT SCREENING AND EVICTION.—Subtitle C of title VI of the Housing and Community Development Act of 1992 (42 U.S.C. 13601 et seq.) is amended adding after section 645 (as added by subsection (b) of this section) the following new section:

"SEC. 646. AVAILABILITY OF RECORDS.

''(a) IN GENERAL.—

''(1) PROVISION OF INFORMATION.—Notwithstanding any other provision of law other than paragraph (2), upon the request of an owner of federally assisted housing, the National Crime Information Center, a police department, and any other law enforcement agency shall provide to the owner of federally assisted housing information regarding the criminal conviction records of an adult applicant for, or tenants of, the federally assisted housing for purposes of applicant screening, lease enforcement, and eviction, but only if the owner requests such information and presents to such Center, department, or agency with a written authorization, signed by such applicant, for the release of such information to such owner.

''(2) EXCEPTION.—The information provided under paragraph (1) may not include any information regarding any criminal conviction of an applicant or resident for any act (or failure to act) for which the applicant or resident was not treated as an adult under the laws of the convicting jurisdiction.

''(b) CONFIDENTIALITY.—An owner receiving information under this section may use such information only for the purposes provided in this section and such information may not be disclosed to any person who is not an officer or employee of the owner. The Secretary shall, by regulation, establish procedures necessary to ensure that information provided under this section to an owner is used, and confidentiality of such information is maintained, as required under this section.

''(c) OPPORTUNITY TO DISPUTE.—Before an adverse action is taken with regard to assistance for federally assisted housing on the basis of a criminal record, the owner shall provide the tenant or applicant with a copy of the criminal record and an opportunity to dispute the accuracy and relevance of that record.

''(d) FEE.—An owner of federally assisted housing may be charged a reasonable fee for information provided under subsection (a).

''(e) RECORDS MANAGEMENT.—Each owner of federally assisted housing that receives criminal record information under this section shall establish and implement a system of records management that ensures that any criminal record received by the owner is—

''(1) maintained confidentially;

''(2) not misused or improperly disseminated; and

''(3) destroyed, once the purpose for which the record was requested has been accomplished.

''(f) PENALTY.—Any person who knowingly and willfully requests or obtains any information concerning an applicant for, or resident of, federally assisted housing pursuant to the authority under this section under false pretenses, or any person who knowingly and willfully discloses any such information in any manner to any individual not entitled under any law to receive it, shall be guilty of a misdemeanor and fined not more than $5,000. The term 'person' as used in this subsection shall include an officer or employee of any local housing and management authority.

''(g) CIVIL ACTION.—Any applicant for, or resident of, federally assisted housing affected by (1) a negligent or knowing disclosure of information referred to in this section about such person by an officer or employee of any owner, which disclosure is not authorized by this section, or (2) any other negligent or knowing action that is inconsistent with this section, may bring a civil action for damages and such other relief as may be appropriate against any owner responsible for such unauthorized action. The district court of the United States in the district in which the affected applicant or resident resides, in which such unauthorized action occurred, or in which the officer or employee alleged to be responsible for any such unauthorized action resides, shall have jurisdiction in such matters. Appropriate relief that may be ordered by such district courts shall include reasonable attorney's fees and other litigation costs.

''(h) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

''(1) ADULT.—The term 'adult' means a person who is 18 years of age or older, or who has been convicted of a crime as an adult under any Federal, State, or tribal law.

''(2) FEDERALLY ASSISTED HOUSING.—The term 'federally assisted housing' has the meaning given the term by this title, except that the term does not include housing that only meets the requirements of section 683(2)(E).''.

(d) DEFINITIONS.—Section 683 of the Housing and Community Development Act of 1992 (42 U.S.C. 13643) is amended—

(1) in paragraph (2)—

(A) in subparagraph (A), by striking ''section 3(b) of the United States Housing Act of 1937'' and inserting ''section 102 of the United States Housing Act of 1996'';

(B) in subparagraph (B), by inserting before the semicolon at the end the following; ''(as in effect before the enactment of the United States Housing Act of 1996)'';

(C) in subparagraph (F), by striking ''and'' at the end;

(D) in subparagraph (G), by striking the period at the end and inserting ''; and''; and

(E) by adding at the end the following new subparagraph:

''(H) for purposes only of subsections (b) and (c) of sections 642, and section 645 and 646, housing assisted under section 515 of the Housing Act of 1949.'';

(2) in paragraph (4), by striking ''public housing agency'' and inserting ''local housing and management authority''; and

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

''(6) DRUG-RELATED CRIMINAL ACTIVITY.—The term 'drug-related criminal activity' means the illegal manufacture, sale, distribution, use, or possession with intent to manufacture, sell, distribute, or use, of a controlled substance (as defined in section 102 of the Controlled Substances Act).''.

SEC. 515. USE OF AMERICAN PRODUCTS.

(a) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available in this Act should be American made.

(b) NOTICE REQUIREMENT.—In providing financial assistance to, or entering into any contract with, any entity using funds made available in this Act, the head of each Federal agency, to the greatest extent practicable, shall provide to such entity a notice describing the statement made in subsection (a) by the Congress.

SEC. 516. LIMITATION ON EXTENT OF USE OF LOAN GUARANTEES FOR HOUSING PURPOSES.

Section 108 of the Housing and Community Development Act of 1974 (42 U.S.C. 5308) is amended by inserting after subsection (h) the following new section:

''(i) LIMITATION ON USE.—Of any amounts obtained from notes or other obligations issued by an eligible public entity or public agency designated by an eligible public entity and guaranteed under this section pursuant to an application for a guarantee submitted after the date of the enactment of the Housing and Community Development Act of 1992, the aggregate amount used for the purposes described in clauses (2) and (4) of subsection (a), and for other housing activities under the purposes described in clauses (1) and (3) of subsection (a), may not exceed 50 percent of such amounts obtained by the eligible public entity or agency.''.

SEC. 517. CONSULTATION WITH AFFECTED AREAS IN SETTLEMENT OF LITIGATION.

In negotiating any settlement of, or consent decree for, any litigation regarding public housing or rental assistance (under title III of this Act or the United States Housing Act of 1937, as in effect before the enactment of this Act) that involves the Secretary and any local housing and management authority or any unit of general local government, the Secretary shall consult with any units of general local government and local housing and management authorities having jurisdictions that are adjacent to the jurisdiction of the local housing and management authority involved.

TITLE VI—NATIONAL COMMISSION ON HOUSING ASSISTANCE PROGRAMS COST

SEC. 601. ESTABLISHMENT.

There is established a commission to be known as the National Commission on Housing Assistance Programs Cost (in this title referred to as the ''Commission'').

SEC. 602. MEMBERSHIP.

(a) APPOINTMENT.—The Commission shall be composed of 9 members, who shall be appointed not later than 90 days after the date of the enactment of this Act. The members shall be as follows:

(1) 3 members to be appointed by the Secretary of Housing and Urban Development;

(2) 3 members appointed by the Chairman and Ranking Minority Member of the Subcommittee on Housing Opportunity and Community Development of the Committee on Banking, Housing, and Urban Affairs of the Senate and the Chairman and Ranking Minority Member of the Subcommittee on VA, HUD, and Independent Agencies of the Committee on Appropriations of the Senate; and

(3) 3 members appointed by the Chairman and Ranking Minority Member of the Subcommittee on Housing and Community Opportunity of the Committee on Banking and Financial Services of the House of Representatives and the Chairman and Ranking Minority Member of the Subcommittee on VA, HUD, and Independent Agencies of the Committee on Appropriations of the House of Representatives.

(b) QUALIFICATIONS.—The 3 members of the Commission appointed under each of paragraphs (1), (2), and (3) of subsection (a)—

(1) shall all be experts in the field of accounting, economics, cost analysis, finance, or management; and

(2) shall include—

(A) 1 individual who is an elected public official at the State or local level;

(B) 1 individual who is a distinguished academic engaged in teaching or research;

(C) 1 individual who is a business leader, financial officer, management or accounting expert.

In selecting members of the Commission for appointment, the individuals appointing shall ensure that the members selected can analyze the Federal assisted housing programs (as such term is defined in section 604(a)) on an objective basis and that no member of the Commission has a personal financial or business interest in any such program.

SEC. 603. ORGANIZATION.

(a) CHAIRPERSON.—The Commission shall elect a chairperson from among members of the Commission.

(b) QUORUM.—A majority of the members of the Commission shall constitute a quorum for the transaction of business, but a lesser number may hold hearings.

(c) VOTING.—Each member of the Commission shall be entitled to 1 vote, which shall be equal to the vote of every other member of the Commission.

(d) VACANCIES.—Any vacancy on the Commission shall not affect its powers, but shall be filled in the manner in which the original appointment was made.

(e) PROHIBITION ON ADDITIONAL PAY.—Members of the Commission shall serve without compensation.

(f) TRAVEL EXPENSES.—Each member shall receive travel expenses, including per diem in lieu of subsistence, in accordance with sections 5702 and 5703 of title 5, United States Code.

SEC. 604. FUNCTIONS.

(a) IN GENERAL.—The Commission shall —

(1) analyze the full cost to the Federal Government, public housing agencies, State and local governments, and other parties, per assisted household, of the Federal assisted housing programs, and shall conduct the analysis on a nationwide and regional basis and in a manner such that accurate per unit cost comparisons may be made between Federal assisted housing programs; and

(2) estimate the future liability that will be borne by taxpayers as a result of activities under the Federal assisted housing programs before the date of the enactment of this Act.

(b) DEFINITION.—For purposes of this section, the term ''Federal assisted housing programs'' means—

(1) the public housing program under the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act);

(2) the public housing program under title II of this Act;

(3) the certificate program for rental assistance under section 8(b)(1) of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act);

(4) the voucher program for rental assistance under section 8(o) of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act);

(5) the programs for project-based assistance under section 8 of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act);

(6) the rental assistance payments program under section 521(a)(2)(A) of the Housing Act of 1949;

(7) the program for housing for the elderly under section 202 of the Housing Act of 1959;

(8) the program for housing for persons with disabilities under section 811 of the Cranston-Gonzalez National Affordable Housing Act;

(9) the program for financing housing by a loan or mortgage insured under section 221(d)(3) of the National Housing Act that bears interest at a rate determined under the proviso of section 221(d)(5) of such Act;

(10) the program under section 236 of the National Housing Act;

(11) the program for constructed or substantial rehabilitation under section 8(b)(2) of the United States Housing Act of 1937, as in effect before October 1, 1983; and

(12) any other program for housing assistance administered by the Secretary of Housing and Urban Development or the Secretary of Agriculture, under which occupancy in the housing assisted or housing assistance provided is based on income, as the Commission may determine.

(c) FINAL REPORT.—Not later than 18 months after the Commission is established pursuant to section 602(a), the Commission shall submit to the Secretary and to the Congress a final report which shall contain the results of the analysis and estimates required under subsection (a).

(d) LIMITATION.—The Commission may not make any recommendations regarding Federal housing policy.

SEC. 605. POWERS.

(a) HEARINGS.—The Commission may, for the purpose of carrying out this title, hold such hearings and sit and act at such times and places as the Commission may find advisable.

(b) RULES AND REGULATIONS.—The Commission may adopt such rules and regulations as may be necessary to establish its procedures and to govern the manner of its operations, organization and personnel.

(c) ASSISTANCE FROM FEDERAL AGENCIES.—

(1) INFORMATION.—The Commission may request from any department or agency of the United States, and such department or agency shall provide to the Commission in a timely fashion, such data and information as the Commission may require for carrying out this title, including—

(A) local housing management plans submitted to the Secretary of Housing and Urban Development under section 107;

(B) block grant contracts under title II;

(C) contracts under section 302 for assistance amounts under title III; and

(D) audits submitted to the Secretary of Housing and Urban Development under section 432.

(2) ADMINISTRATIVE SUPPORT.—The General Services Administration shall provide to the Commission, on a reimbursable basis, such administrative support services as the Commission may request.

(3) PERSONNEL DETAILS AND TECHNICAL ASSISTANCE.—Upon the request of the chairperson of the Commission, the Secretary of Housing and Urban Development shall, to the extent possible and subject to the discretion of the Secretary—

(A) detail any of the personnel of the Department of Housing and Urban Development, on a nonreimbursable basis, to assist the Commission in carrying out its duties under this title; and

(B) provide the Commission with technical assistance in carrying out its duties under this title.

(d) INFORMATION FROM LOCAL HOUSING AND MANAGEMENT AUTHORITIES.—The Commission shall have access, for the purpose of carrying out its functions under this title, to any books, documents, papers, and records of a local housing and management authority that are pertinent to this Act and assistance received pursuant to this Act.

(e) MAILS.—The Commission may use the United States mails in the same manner and under the same conditions as other Federal agencies.

(f) CONTRACTING.—The Commission may, to the extent and in such amounts as are provided in appropriations Acts, enter into contracts necessary to carry out its duties under this title.

(g) STAFF.—

(1) EXECUTIVE DIRECTOR.—The Commission shall appoint an executive director of the Commission who shall be compensated at a rate fixed by the Commission, but which shall not exceed the rate established for level V of the Executive Schedule under title 5, United States Code.

(2) PERSONNEL.—In addition to the executive director, the Commission may appoint and fix the compensation of such personnel as it deems advisable, in accordance with the provisions of title 5, United States Code, governing appointments to the competitive service, and the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates.

(3) LIMITATION.—Paragraphs (1) and (2) shall be effective only to the extent and in such amounts as are provided in appropriations Acts.

(4) SELECTION CRITERIA.—In appointing an executive director and staff, the Commission shall ensure that the individuals appointed can conduct any functions they may have regarding the Federal assisted housing programs (as such term is defined in section 604(a)) on an objective basis and that no such individual has a personal financial or business interest in any such program.

(h) ADVISORY COMMITTEE.—The Commission shall be considered an advisory committee within the meaning of the Federal Advisory Committee Act (5 U.S.C. App.).

SEC. 606. FUNDING.

Of any amounts made available for policy, research, and development activities of the Department of Housing and Urban Development, there shall be available for carrying out this title $750,000, for fiscal year 1997. Any such amounts so appropriated shall remain available until expended.

SEC. 607. SUNSET.

The Commission shall terminate upon the expiration of the 18-month period beginning upon the date that the Commission is established pursuant to section 602(a).

TITLE VII—NATIVE AMERICAN HOUSING ASSISTANCE

SECTION 701. SHORT TITLE.

This title may be cited as the ''Native American Housing Assistance and Self-Determination Act of 1996''.

SEC. 702. CONGRESSIONAL FINDINGS.

The Congress hereby finds that—

(1) the Federal Government has a responsibility to promote the general welfare of the Nation—

(A) by using Federal resources to aid families and individuals seeking affordable homes that are safe, clean, and healthy and, in particular, assisting responsible, deserving citizens who cannot provide fully for themselves because of temporary circumstances or factors beyond their control;

(B) by working to ensure a thriving national economy and a strong private housing market; and

(C) by developing effective partnerships among the Federal Government, State and local governments, and private entities that allow government to accept responsibility for fostering the development of a healthy marketplace and allow families to prosper without government involvement in their day-to-day activities;

(2) there exists a unique relationship between the Government of the United States and the governments of Indian tribes and a unique Federal responsibility to Indian people;

(3) the Constitution of the United States invests the Congress with plenary power over the field of Indian affairs, and through treaties, statutes, and historical relations with Indian tribes, the United States has undertaken a trust responsibility to protect Indian tribes;

(4) the Congress, through treaties, statutes, and the general course of dealing with Indian tribes, has assumed the responsibility for the protection and preservation of Indian tribes and for working with tribes and their members to improve their socio-economic status so that they are able to take greater responsibility for their own economic condition;

(5) providing affordable and healthy homes is an essential element in the special role of the United States in helping tribes and their members to achieve a socio-economic status comparable to their non-Indian neighbors;

(6) the need for affordable and healthy homes on Indian reservations, in Indian communities, and in Native Alaskan villages is acute and the

Federal Government should work not only to provide housing assistance, but also, to the extent practicable, to assist in the development of private housing finance mechanisms on Indian lands to achieve the goals of economic self-sufficiency and self-determination for tribes and their members; and

(7) Federal assistance to meet these responsibilities should be provided in a manner that recognizes the right of tribal self-governance by making such assistance available directly to the tribes or tribally designated entities.

SEC. 703. ADMINISTRATION THROUGH OFFICE OF NATIVE AMERICAN PROGRAMS.

The Secretary of Housing and Urban Development shall carry out this title through the Office of Native American Programs of the Department of Housing and Urban Development.

SEC. 704. DEFINITIONS.

For purposes of this title, the following definitions shall apply:

(1) AFFORDABLE HOUSING.—The term ''affordable housing'' means housing that complies with the requirements for affordable housing under subtitle B. The term includes permanent housing for homeless persons who are persons with disabilities, transitional housing, and single room occupancy housing.

(2) FAMILIES AND PERSONS.—

(A) SINGLE PERSONS.—The term ''families'' includes families consisting of a single person in the case of (i) an elderly person, (ii) a disabled person, (iii) a displaced person, (iv) the remaining members of a tenant family, and (v) any other single persons.

(B) FAMILIES.—The term ''families'' includes families with children and, in the cases of elderly families, near-elderly families, and disabled families, means families whose heads (or their spouses), or whose sole members, are elderly, near-elderly, or persons with disabilities, respectively. The term includes, in the cases of elderly families, near-elderly families, and disabled families, 2 or more elderly persons, near-elderly persons, or persons with disabilities living together, and 1 or more such persons living with 1 or more persons determined under the regulations of the Secretary to be essential to their care or well-being.

(C) ABSENCE OF CHILDREN.—The temporary absence of a child from the home due to placement in foster care shall not be considered in determining family composition and family size for purposes of this title.

(D) ELDERLY PERSON.—The term ''elderly person'' means a person who is at least 62 years of age.

(E) PERSON WITH DISABILITIES.—The term ''person with disabilities'' means a person who—

(i) has a disability as defined in section 223 of the Social Security Act,

(ii) is determined, pursuant to regulations issued by the Secretary, to have a physical, mental, or emotional impairment which (I) is expected to be of long-continued and indefinite duration, (II) substantially impedes his or her ability to live independently, and (III) is of such a nature that such ability could be improved by more suitable housing conditions, or

(iii) has a developmental disability as defined in section 102 of the Developmental Disabilities Assistance and Bill of Rights Act.

Such term shall not exclude persons who have the disease of acquired immunodeficiency syndrome or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome.

(F) DISPLACED PERSON.—The term ''displaced person'' means a person displaced by governmental action, or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal disaster relief laws.

(G) NEAR-ELDERLY PERSON.—The term ''near-elderly person'' means a person who is at least 50 years of age but below the age of 62.

(3) GRANT BENEFICIARY.—The term ''grant beneficiary'' means the Indian tribe or tribes on behalf of which a grant is made under this title to a recipient.

(4) INDIAN.—The term ''Indian'' means any person who is a member of an Indian tribe.

(5) INDIAN AREA.—The term ''Indian area'' means the area within which a tribally designated housing entity is authorized to provide assistance under this title for affordable housing.

(6) INDIAN TRIBE.—The term ''Indian tribe'' means—

(A) any Indian tribe, band, nation, or other organized group or community of Indians, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act, which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians pursuant to the Indian Self-Determination and Education Assistance Act of 1975; and

(B) any tribe, band, nation, pueblo, village, or community that—

(i) has been recognized as an Indian tribe by any State; and

(ii) for which an Indian housing authority is eligible, on the date of the enactment of this title, to enter into a contract with the Secretary pursuant to the United States Housing Act of 1937.

(7) LOCAL HOUSING PLAN.—The term ''local housing plan'' means a plan under section 712.

(8) LOW-INCOME FAMILY.—The term ''low-income family'' means a family whose income does not exceed 80 percent of the median income for the area, except that the Secretary may, for purposes of this paragraph, establish income ceilings higher or lower than 80 percent of the median for the area on the basis of the authority's findings that such variations are necessary because of unusually high or low family incomes.

(9) MEDIAN INCOME.—The term ''median income'' means, with respect to an area that is an Indian area, the greater of—

(A) the median income for the Indian area, which the Secretary shall determine; or

(B) the median income for the United States.

(10) RECIPIENT.—The term ''recipient'' means the entity for an Indian tribe that is authorized to receive grant amounts under this title on behalf of the tribe, which may only be the tribe or the tribally designated housing entity for the tribe.

(11) TRIBALLY DESIGNATED HOUSING ENTITY.—The terms ''tribally designated housing entity'' and ''housing entity'' have the following meaning:

(A) EXISTING IHA'S.—For any Indian tribe that has not taken action under subparagraph (B) and for which an Indian housing authority—

(i) was established for purposes of the United States Housing Act of 1937 before the date of the enactment of this title that meets the requirements under the United States Housing Act of 1937,

(ii) is acting upon such date of enactment as the Indian housing authority for the tribe, and

(iii) is not an Indian tribe for purposes of this title,

the terms mean such Indian housing authority.

(B) OTHER ENTITIES.—For any Indian tribe that, pursuant to this Act, authorizes an entity other than the tribal government to receive grant amounts and provide assistance under this title for affordable housing for Indians, which entity is established—

(i) by exercise of the power of self-government of an Indian tribe independent of State law, or

(ii) by operation of State law providing specifically for housing authorities or housing entities for Indians, including regional housing authorities in the State of Alaska,

the terms mean such entity.

A tribally designated housing entity may be authorized or established by one or more Indian tribes to act on behalf of each such tribe authorizing or establishing the housing entity. Nothing in this title may be construed to affect the existence, or the ability to operate, of any Indian housing authority established before the date of the enactment of this title by a State-recognized tribe, band, nation, pueblo, village, or community of Indian or Alaska Natives that is not an Indian tribe for purposes of this title.

(12) SECRETARY.—The term ''Secretary'' means the Secretary of Housing and Urban Development, except as otherwise specified in this title.

Subtitle A—Block Grants and Grant Requirements

SEC. 711. BLOCK GRANTS.

(a) AUTHORITY.—For each fiscal year, the Secretary shall (to the extent amounts are made available to carry out this title) make grants under this section on behalf of Indian tribes to carry out affordable housing activities. Under such a grant on behalf of an Indian tribe, the Secretary shall provide the grant amounts for the tribe directly to the recipient for the tribe.

(b) CONDITION OF GRANT.—

(1) IN GENERAL.—The Secretary may make a grant under this title on behalf of an Indian tribe for a fiscal year only if—

(A) the Indian tribe has submitted to the Secretary a local housing plan for such fiscal year under section 712; and

(B) the plan has been determined under section 713 to comply with the requirements of section 712.

(2) WAIVER.—The Secretary may waive the applicability of the requirements under paragraph (1), in whole or in part, if the Secretary finds that an Indian tribe has not complied or can not complied with such requirements because of circumstances beyond the control of the tribe.

(c) AMOUNT.—Except as otherwise provided under subtitle B, the amount of a grant under this section to a recipient for a fiscal year shall be—

(1) in the case of a recipient whose grant beneficiary is a single Indian tribe, the amount of the allocation under section 741 for the Indian tribe; and

(2) in the case of a recipient whose grant beneficiary is more than 1 Indian tribe, the sum of the amounts of the allocations under section 741 for each such Indian tribe.

(d) USE FOR AFFORDABLE HOUSING ACTIVITIES.—Except as provided in subsection (f), amounts provided under a grant under this section may be used only for affordable housing activities under subtitle B.

(e) EFFECTUATION OF LHP.—Except as provided in subsection (f), amounts provided under a grant under this section may be used only for affordable housing activities that are consistent with the approved local housing plan under section 713 for the grant beneficiary on whose behalf the grant is made.

(f) ADMINISTRATIVE EXPENSES.—

(1) IN GENERAL.—The Secretary shall, by regulation, authorize each recipient to use a percentage of any grant amounts received under this title for any administrative and planning expenses of the recipient relating to carrying out this title and activities assisted with such amounts, which may include costs for salaries of individuals engaged in administering and managing affordable housing activities assisted with grant amounts provided under this title and expenses of preparing a local housing plan under section 712.

(2) CONTENTS OF REGULATIONS.—The regulations referred to in paragraph (1) shall provide that—

(A) the Secretary shall, for each recipient, establish a percentage referred to in paragraph (1) based on the specific circumstances of the recipient and the tribes served by the recipient; and

(B) the Secretary may review the percentage for a recipient upon the written request of the recipient specifying the need for such review or

the initiative of the Secretary and, pursuant to such review, may revise the percentage established for the recipient.

(g) PUBLIC-PRIVATE PARTNERSHIPS.—Each recipient shall make all reasonable efforts, consistent with the purposes of this title, to maximize participation by the private sector, including nonprofit organizations and for-profit entities, in implementing the approved local housing plan for the tribe that is the grant beneficiary.

SEC. 712. LOCAL HOUSING PLANS.

(a) IN GENERAL.—

(1) SUBMISSION.—The Secretary shall provide for an Indian tribe to submit to the Secretary, for each fiscal year, a local housing plan under this section for the tribe (or for the tribally designated housing entity for a tribe to submit the plan under subsection (e) for the tribe) and for the review of such plans.

(2) LOCALLY DRIVEN NATIONAL OBJECTIVES.—A local housing plan shall describe—

(A) the mission of the tribe with respect to affordable housing or, in the case of a recipient that is a tribally designated housing entity, the mission of the housing entity;

(B) the goals, objectives, and policies of the recipient to meet the housing needs of low-income families in the jurisdiction of the housing entity, which shall be designed to achieve the national objectives under section 721(a); and

(C) how the locally established mission and policies of the recipient are designed to achieve, and are consistent with, the national objectives under section 721(a).

(b) 5-YEAR PLAN.—Each local housing plan under this section for an Indian tribe shall contain, with respect to the 5-year period beginning with the fiscal year for which the plan is submitted, the following information:

(1) LOCALLY DRIVEN NATIONAL OBJECTIVES.—The information described in subsection (a)(2).

(2) CAPITAL IMPROVEMENT OVERVIEW.—If the recipient will provide capital improvements for housing described in subsection (c)(3) during such period, an overview of such improvements, the rationale for such improvements, and an analysis of how such improvements will enable the recipient to meet its goals, objectives, and mission.

(c) 1-YEAR PLAN.—A local housing plan under this section for an Indian tribe shall contain the following information relating to the upcoming fiscal year for which the assistance under this title is to be made available:

(1) FINANCIAL RESOURCES.—An operating budget for the recipient for the tribe that includes—

(A) identification and a description of the financial resources reasonably available to the recipient to carry out the purposes of this title, including an explanation of how amounts made available will leverage such additional resources; and

(B) the uses to which such resources will be committed, including eligible and required affordable housing activities under subtitle B to be assisted and administrative expenses.

(2) AFFORDABLE HOUSING.—For the jurisdiction within which the recipient is authorized to use assistance under this title—

(A) a description of the estimated housing needs and the need for assistance for very low-income and moderate-income families;

(B) a description of the significant characteristics of the housing market, indicating how such characteristics will influence the use of amounts made available under this title for rental assistance, production of new units, rehabilitation of old units, or acquisition of existing units;

(C) an description of the structure, means of cooperation, and coordination between the recipient and any units of general local government in the development, submission, and implementation of their housing plans, including a description of the involvement of any private industries, nonprofit organizations, and public institutions;

(D) a description of how the plan will address the housing needs identified pursuant to subparagraph (A), describing the reasons for allocation priorities, and identify any obstacles to addressing underserved needs;

(E) a description of any homeownership programs of the recipient to be carried out with respect to affordable housing assisted under this title and the requirements and assistance available under such programs;

(F) a certification that the recipient will maintain written records of the standards and procedures under which the recipient will monitor activities assisted under this title and ensure long-term compliance with the provisions of this title;

(G) a certification that the recipient will comply with title II of the Civil Rights Act of 1968 in carrying out this title, to the extent that such title is applicable;

(H) a statement of the number of families for whom the recipient will provide affordable housing using grant amounts provided under this title;

(I) a statement of how the goals, programs, and policies for producing and preserving affordable housing will be coordinated with other programs and services for which the recipient is responsible and the extent to which they will reduce (or assist in reducing) the number of households with incomes below the poverty line; and

(J) a certification that the recipient has obtain insurance coverage for any housing units that are owned or operated by the tribe or the tribally designated housing entity for the tribe and assisted with amounts provided under this Act, in compliance with such requirements as the Secretary may establish.

(3) INDIAN HOUSING DEVELOPED UNDER UNITED STATES HOUSING ACT OF 1937.—A plan describing how the recipient for the tribe will comply with the requirements under section 723 relating to low-income housing owned or operated by the housing entity that was developed pursuant to a contract between the Secretary and an Indian housing authority pursuant to the United States Housing Act of 1937, which shall include—

(A) a certification that the recipient will maintain a written record of the policies of the recipient governing eligibility, admissions, and occupancy of families with respect to dwelling units in such housing;

(B) a certification that the recipient will maintain a written record of policies of the recipient governing rents charged for dwelling units in such housing, including—

(i) the methods by which such rents are determined; and

(ii) an analysis of how such methods affect—

(I) the ability of the recipient to provide affordable housing for low-income families having a broad range of incomes;

(II) the affordability of housing for families having incomes that do not exceed 30 percent of the median family income for the area; and

(III) the availability of other financial resources to the recipient for use for such housing;

(C) a certification that the recipient will maintain a written record of the standards and policies of the recipient governing maintenance and management of such housing, and management of the recipient with respect to administration of such housing, including—

(i) housing quality standards;

(ii) routine and preventative maintenance policies;

(iii) emergency and disaster plans;

(iv) rent collection and security policies;

(v) priorities and improvements for management of the housing; and

(vi) priorities and improvements for management of the recipient, including improvement of electronic information systems to facilitate managerial capacity and efficiency;

(D) a plan describing—

(i) the capital improvements necessary to ensure long-term physical and social viability of such housing; and

(ii) the priorities of the recipient for capital improvements of such housing based on analysis of available financial resources, consultation with residents, and health and safety considerations;

(E) a description of any such housing to be demolished or disposed of, a timetable for such demolition or disposition, and any information required under law with respect to such demolition or disposition;

(F) a description of how the recipient will coordinate with tribal and State welfare agencies to ensure that residents of such housing will be provided with access to resources to assist in obtaining employment and achieving self-sufficiency; and

(G) a description of the requirements established by the recipient that promote the safety of residents of such housing, facilitate the housing entity undertaking crime prevention measures (such as community policing, where appropriate), allow resident input and involvement, and allow for creative methods to increase resident safety by coordinating crime prevention efforts between the recipient and tribal or local law enforcement officials.

(4) INDIAN HOUSING LOAN GUARANTEES AND OTHER HOUSING ASSISTANCE.—A description of how loan guarantees under section 184 of the Housing and Community Development Act of 1992, and other housing assistance provided by the Federal Government for Indian tribes (including grants, loans, and mortgage insurance) will be used to help in meeting the needs for affordable housing in the jurisdiction of the recipient.

(5) DISTRIBUTION OF ASSISTANCE.—A certification that the recipient for the tribe will maintain a written record of—

(A) the geographical distribution (within the jurisdiction of the recipient) of the use of grant amounts and how such geographical distribution is consistent with the geographical distribution of housing need (within such jurisdiction); and

(B) the distribution of the use of such assistance for various categories of housing and how use for such various categories is consistent with the priorities of housing need (within the jurisdiction of the recipient).

(d) PARTICIPATION OF TRIBALLY DESIGNATED HOUSING ENTITY.—A plan under this section for an Indian tribe may be prepared and submitted on behalf of the tribe by the tribally designated housing entity for the tribe, but only if such plan contains a certification by the recognized tribal government of the grant beneficiary that such tribe has had an opportunity to review the plan and has authorized the submission of the plan by the housing entity.

(e) COORDINATION OF PLANS.—A plan under this section may cover more than 1 Indian tribe, but only if the certification requirements under subsection (d) are complied with by each such grant beneficiary covered.

(f) PLANS FOR SMALL TRIBES.—

(1) SEPARATE REQUIREMENTS.—The Secretary shall establish requirements for submission of plans under this section and the information to be included in such plans applicable to small Indian tribes and small tribally designated housing entities. Such requirements shall waive any requirements under this section that the Secretary determines are burdensome or unnecessary for such tribes and housing entities.

(2) SMALL TRIBES.—The Secretary shall define small Indian tribes and small tribally designated housing entities based on the number of dwelling units assisted under this subtitle by the tribe or housing entity or owned or operated pursuant to a contract under the United States Housing Act of 1937 between the Secretary and the Indian housing authority for the tribe.

(g) REGULATIONS.—The requirements relating to the contents of plans under this section shall be established by regulation, pursuant to section 716.

SEC. 713. REVIEW OF PLANS.

(a) REVIEW AND NOTICE.—

(1) REVIEW.—The Secretary shall conduct a limited review of each local housing plan submitted to the Secretary to ensure that the plan complies with the requirements of section 712. The Secretary shall have the discretion to review a plan only to the extent that the Secretary considers review is necessary.

(2) NOTICE.—The Secretary shall notify each Indian tribe for which a plan is submitted and any tribally designated housing entity for the tribe whether the plan complies with such requirements not later than 45 days after receiving the plan. If the Secretary does not notify the Indian tribe, as required under this subsection and subsection (b), the plan shall be considered, for purposes of this title, to have been determined to comply with the requirements under section 712 and the tribe shall be considered to have been notified of compliance upon the expiration of such 45-day period.

(b) NOTICE OF REASONS FOR DETERMINATION OF NONCOMPLIANCE.—If the Secretary determines that a plan, as submitted, does not comply with the requirements under section 712, the Secretary shall specify in the notice under subsection (a) the reasons for the noncompliance and any modifications necessary for the plan to meet the requirements under section 712.

(c) STANDARDS FOR DETERMINATION OF NONCOMPLIANCE.—The Secretary may determine that a plan does not comply with the requirements under section 712 only if—

(1) the plan is not consistent with the national objectives under section 721(a);

(2) the plan is incomplete in significant matters required under such section;

(3) there is evidence available to the Secretary that challenges, in a substantial manner, any information provided in the plan;

(4) the Secretary determines that the plan violates the purposes of this title because it fails to provide affordable housing that will be viable on a long-term basis at a reasonable cost; or

(5) the plan fails to adequately identify the capital improvement needs for low-income housing owned or operated by the Indian tribe that was developed pursuant to a contract between the Secretary and an Indian housing authority pursuant to the United States Housing Act of 1937.

(d) TREATMENT OF EXISTING PLANS.—Notwithstanding any other provision of this title, a plan shall be considered to have been submitted for an Indian tribe if the appropriate Indian housing authority has submitted to the Secretary a comprehensive plan under section 14(e) of the United States Housing Act of 1937 (as in effect immediately before the enactment of this title) or under the comprehensive improvement assistance program under such section 14, and the Secretary has approved such plan, before January 1, 1997. The Secretary shall provide specific procedures and requirements for such tribes to amend such plans by submitting only such additional information as is necessary to comply with the requirements of section 712.

(e) UPDATES TO PLAN.—After a plan under section 712 has been submitted for an Indian tribe for any fiscal year, the tribe may comply with the provisions of such section for any succeeding fiscal year (with respect to information included for the 5-year period under section 712(b) or the 1-year period under section 712(c)) by submitting only such information regarding such changes as may be necessary to update the plan previously submitted.

SEC. 714. TREATMENT OF PROGRAM INCOME AND LABOR STANDARDS.

(a) PROGRAM INCOME.—

(1) AUTHORITY TO RETAIN.—Notwithstanding any other provision of law, a recipient may retain any program income that is realized from any grant amounts under this title if—

(A) such income was realized after the initial disbursement of the grant amounts received by the recipient; and

(B) the recipient has agreed that it will utilize the program income for affordable housing activities in accordance with the provisions of this title.

(2) PROHIBITION OF REDUCTION OF GRANT.—The Secretary may not reduce the grant amount for any Indian tribe based solely on (1) whether the recipient for the tribe retains program income under paragraph (1), or (2) the amount of any such program income retained.

(3) EXCLUSION OF AMOUNTS.—The Secretary may, by regulation, exclude from consideration as program income any amounts determined to be so small that compliance with the requirements of this subsection would create an unreasonable administrative burden on the recipient.

(b)(1) IN GENERAL.—Any contract for the construction of affordable housing with 12 or more units assisted with grant amounts made available under this Act shall contain a provision requiring that not less than the wages prevailing in the locality, as predetermined by the Secretary of Labor pursuant to the Davis-Bacon Act (40 U.S.C. 276a—276a–5), shall be paid to all laborers and mechanics employed in the development of affordable housing involved, and recipients shall require certification as to the compliance with the provisions of this section prior to making any payment under such contract.

(2) EXCEPTIONS.—Subsection (a) shall not apply if the individual receives no compensation or is paid expenses, reasonable benefits, or a nominal fee to perform the services for which the individual volunteered and such persons are not otherwise employed at any time in the construction work.

(3) WAIVER.—The Secretary may waive the provisions of this subsection.

SEC. 715. ENVIRONMENTAL REVIEW.

(a) IN GENERAL.—In order to ensure that the policies of the National Environmental Policy Act of 1969 and other provisions of law which further the purposes of such Act (as specified in regulations issued by the Secretary) are most effectively implemented in connection with the expenditure of grant amounts provided under this title, and to ensure to the public undiminished protection of the environment, the Secretary, in lieu of the environmental protection procedures otherwise applicable, may under regulations provide for the release of amounts for particular projects to recipients of assistance under this title who assume all of the responsibilities for environmental review, decisionmaking, and action pursuant to such Act, and such other provisions of law as the regulations of the Secretary specify, that would apply to the Secretary were the Secretary to undertake such projects as Federal projects. The Secretary shall issue regulations to carry out this section only after consultation with the Council on Environmental Quality. The regulations shall provide—

(1) for the monitoring of the environmental reviews performed under this section;

(2) in the discretion of the Secretary, to facilitate training for the performance of such reviews; and

(3) for the suspension or termination of the assumption of responsibilities under this section.

The Secretary's duty under the preceding sentence shall not be construed to limit or reduce any responsibility assumed by a recipient of grant amounts with respect to any particular release of funds.

(b) PROCEDURE.—The Secretary shall approve the release of funds subject to the procedures authorized by this section only if, at least 15 days prior to such approval and prior to any commitment of funds to such projects the recipient of grant amounts has submitted to the Secretary a request for such release accompanied by a certification which meets the requirements of subsection (c). The Secretary's approval of any such certification shall be deemed to satisfy the Secretary's responsibilities under the National Environmental Policy Act of 1969 and such other provisions of law as the regulations of the Secretary specify insofar as those responsibilities relate to the releases of funds for projects to be carried out pursuant thereto which are covered by such certification.

(c) CERTIFICATION.—A certification under the procedures authorized by this section shall—

(1) be in a form acceptable to the Secretary,

(2) be executed by the chief executive officer or other officer of the recipient of assistance under this title qualified under regulations of the Secretary,

(3) specify that the recipient has fully carried out its responsibilities as described under subsection (a), and

(4) specify that the certifying officer (A) consents to assume the status of a responsible Federal official under the National Environmental Policy Act of 1969 and each provision of law specified in regulations issued by the Secretary insofar as the provisions of such Act or such other provisions of law apply pursuant to subsection (a), and (B) is authorized and consents on behalf of the recipient of assistance and such officer to accept the jurisdiction of the Federal courts for the purpose of enforcement of the certifying officer's responsibilities as such an official.

SEC. 716. REGULATIONS.

(a) INTERIM REQUIREMENTS.—Not later than 90 days after the date of the enactment of this title, the Secretary shall, by notice issued in the Federal Register, establish any requirements necessary to carry out this title in the manner provided in section 717(b), which shall be effective only for fiscal year 1997. The notice shall invite public comments regarding such interim requirements and final regulations to carry out this title and shall include general notice of proposed rulemaking (for purposes of section 564(a) of title 5, United States Code) of the final regulations under paragraph (2).

(b) FINAL REGULATIONS.—

(1) TIMING.—The Secretary shall issue final regulations necessary to carry out this title not later than September 1, 1997, and such regulations shall take effect not later than the effective date under section 717(a).

(2) NEGOTIATED RULEMAKING.—Notwithstanding sections 563(a) and 565(a) of title 5, United States Code, the final regulations required under paragraph (1) shall be issued according to a negotiated rulemaking procedure under subchapter III of chapter 5 of title 5, United States Code. The Secretary shall establish a negotiated rulemaking committee for development of any such proposed regulations, which shall include representatives of Indian tribes.

SEC. 717. EFFECTIVE DATE.

(a) IN GENERAL.—Except as provided in subsection (b) and as otherwise specifically provided in this title, this title shall take effect on October 1, 1997.

(b) INTERIM APPLICABILITY.—For fiscal year 1997, this title shall apply to any Indian tribe that requests the Secretary to apply this title to such tribe, subject to the provisions of this subsection, but only if the Secretary determines that the tribe has the capacity to carry out the responsibilities under this title during such fiscal year. For fiscal year 1997, this title shall apply to any such tribe subject to the following limitations:

(1) USE OF ASSISTANCE AMOUNTS AS BLOCK GRANT.—Amounts shall not be made available pursuant to this title for grants under this title for such fiscal year, but any amounts made available for the tribe under the United States Housing Act of 1937, title II or subtitle D of title IV of the Cranston-Gonzalez National Affordable Housing Act, title IV of the Stewart B. McKinney Homeless Assistance Act, or section 2 of the HUD Demonstration Act of 1993 shall be considered grant amounts under this title and shall be used subject to the provisions of this title relating to such grant amounts.

(2) LOCAL HOUSING PLAN.—Notwithstanding section 713 of this title, a local housing plan shall be considered to have been submitted for the tribe for fiscal year 1997 for purposes of this title only if—

(A) the appropriate Indian housing authority has submitted to the Secretary a comprehensive plan under section 14(e) of the United States Housing Act of 1937 or under the comprehensive improvement assistance program under such section 14;

(B) the Secretary has approved such plan before January 1, 1996; and

(C) the tribe complies with specific procedures and requirements for amending such plan as the Secretary may establish to carry out this subsection.

(c) ASSISTANCE UNDER EXISTING PROGRAM DURING FISCAL YEAR 1997.—Notwithstanding the repeal of any provision of law under section 501(a) and with respect only to Indian tribes not provided assistance pursuant to subsection (b), during fiscal year 1997—

(1) the Secretary shall carry out programs to provide low-income housing assistance on Indian reservations and other Indian areas in accordance with the provisions of title II of the United States Housing Act of 1937 and related provisions of law, as in effect immediately before the enactment of this Act;

(2) except to the extent otherwise provided in the provisions of such title II (as so in effect), the provisions of title I of such Act (as so in effect) and such related provisions of law shall apply to low-income housing developed or operated pursuant to a contract between the Secretary and an Indian housing authority; and

(3) none of the provisions of title I, II, III, or IV, or of any other law specifically modifying the public housing program that is enacted after the date of the enactment of this Act, shall apply to public housing operated pursuant to a contract between the Secretary and an Indian housing authority, unless the provision explicitly provides for such applicability.

SEC. 718. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated for grants under subtitle A $650,000,000, for each of fiscal years 1998, 1999, 2000, and 2001.

Subtitle B—Affordable Housing Activities

SEC. 721. NATIONAL OBJECTIVES AND ELIGIBLE FAMILIES.

(a) PRIMARY OBJECTIVE.—The national objectives of this title are—

(1) to assist and promote affordable housing activities to develop, maintain, and operate safe, clean, and healthy affordable housing on Indian reservations and in other Indian areas for occupancy by low-income Indian families;

(2) to ensure better access to private mortgage markets for Indian tribes and their members and to promote self-sufficiency of Indian tribes and their members;

(3) to coordinate activities to provide housing for Indian tribes and their members with Federal, State, and local activities to further economic and community development for Indian tribes and their members;

(4) to plan for and integrate infrastructure resources for Indian tribes with housing development for tribes; and

(5) to promote the development of private capital markets in Indian country and to allow such markets to operate and grow, thereby benefiting Indian communities.

(b) ELIGIBLE FAMILIES.—

(1) IN GENERAL.—Except as provided under paragraph (2), assistance under eligible housing activities under this title shall be limited to low-income Indian families on Indian reservations and other Indian areas.

(2) EXCEPTION TO LOW-INCOME REQUIREMENT.—A recipient may provide assistance for model activities under section 722(6) to families who are not low-income families, if the Secretary approves the activities pursuant to such subsection because there is a need for housing for such families that cannot reasonably be met without such assistance. The Secretary shall establish limits on the amount of assistance that may be provided under this title for activities for families who are not low-income families.

(3) NON-INDIAN FAMILIES.—A recipient may provide housing or housing assistance provided through affordable housing activities assisted with grant amounts under this title for a non-Indian family on an Indian reservation or other Indian area if the recipient determines that the presence of the family on the Indian reservation or other Indian area is essential to the well-being of Indian families and the need for housing for the family cannot reasonably be met without such assistance.

(4) PREFERENCE FOR INDIAN FAMILIES.—The local housing plan for an Indian tribe may require preference, for housing or housing assistance provided through affordable housing activities assisted with grant amounts provided under this title on behalf of such tribe, to be given (to the extent practicable) to Indian families who are members of such tribe, or to other Indian families. In any case in which the applicable local housing plan for an Indian tribe provides for preference under this subsection, the recipient for the tribe shall ensure that housing activities that are assisted with grant amounts under this title for such tribe are subject to such preference.

(5) EXEMPTION.—Title VI of the Civil Rights Act of 1964 and title VIII of the Civil Rights Act of 1968 shall not apply to actions by Indian tribes under this subsection.

SEC. 722. ELIGIBLE AFFORDABLE HOUSING ACTIVITIES.

Affordable housing activities under this subtitle are activities, in accordance with the requirements of this subtitle, to develop or to support affordable housing for rental or homeownership, or to provide housing services with respect to affordable housing, through the following activities:

(1) INDIAN HOUSING ASSISTANCE.—The provision of modernization or operating assistance for housing previously developed or operated pursuant to a contract between the Secretary and an Indian housing authority.

(2) DEVELOPMENT.—The acquisition, new construction, reconstruction, or moderate or substantial rehabilitation of affordable housing, which may include real property acquisition, site improvement, development of utilities and utility services, conversion, demolition, financing, administration and planning, and other related activities.

(3) HOUSING SERVICES.—The provision of housing-related services for affordable housing, such as housing counseling in connection with rental or homeownership assistance, energy auditing, and other services related to assisting owners, tenants, contractors, and other entities, participating or seeking to participate in other housing activities assisted pursuant to this section.

(4) HOUSING MANAGEMENT SERVICES.—The provision of management services for affordable housing, including preparation of work specifications, loan processing, inspections, tenant selection, management of tenant-based rental assistance, and management of affordable housing projects.

(5) CRIME PREVENTION AND SAFETY ACTIVITIES.—The provision of safety, security, and law enforcement measures and activities appropriate to protect residents of affordable housing from crime.

(6) MODEL ACTIVITIES.—Housing activities under model programs that are designed to carry out the purposes of this title and are specifically approved by the Secretary as appropriate for such purpose.

SEC. 723. REQUIRED AFFORDABLE HOUSING ACTIVITIES.

(a) MAINTENANCE OF OPERATING ASSISTANCE FOR INDIAN HOUSING.—Any recipient who owns or operates (or is responsible for funding any entity that owns or operates) housing developed or operated pursuant to a contract between the Secretary and an Indian housing authority pursuant to the United States Housing Act of 1937 shall, using amounts of any grants received under this title, reserve and use for operating assistance under section 722(1) such amounts as may be necessary to provide for the continued maintenance and efficient operation of such housing.

(b) DEMOLITION AND DISPOSITION.—This title may not be construed to prevent any recipient (or entity funded by a recipient) from demolishing or disposing of Indian housing referred to in such subsection. Notwithstanding section 116, section 261 shall apply to the demolition or disposition of Indian housing referred to in subsection (a).

SEC. 724. TYPES OF INVESTMENTS.

(a) IN GENERAL.—Subject to section 723 and the local housing plan for an Indian tribe, the recipient for such tribe shall have—

(1) the discretion to use grant amounts for affordable housing activities through equity investments, interest-bearing loans or advances, noninterest-bearing loans or advances, interest subsidies, leveraging of private investments under subsection (b), or any other form of assistance that the Secretary has determined to be consistent with the purposes of this title; and

(2) the right to establish the terms of assistance.

(b) LEVERAGING PRIVATE INVESTMENT.—A recipient may leverage private investments in affordable housing activities by pledging existing or future grant amounts to assure the repayment of notes and other obligations of the recipient issued for purposes of carrying out affordable housing activities.

SEC. 725. LOW-INCOME REQUIREMENT AND INCOME TARGETING.

Housing shall qualify as affordable housing for purposes of this title only if—

(1) each dwelling unit in the housing—

(A) in the case of rental housing, is made available for occupancy only by a family that is a low-income family at the time of their initial occupancy of such unit; and

(B) in the case of housing for homeownership, is made available for purchase only by a family that is a low-income family at the time of purchase; and

(2) except for housing assisted under section 202 of the United States Housing Act of 1937 (as in effect before the enactment of this Act), each dwelling unit in the housing will remain affordable, according to binding commitments satisfactory to the Secretary, for the remaining useful life of the property (as determined by the Secretary) without regard to the term of the mortgage or to transfer of ownership, or for such other period that the Secretary determines is the longest feasible period of time consistent with sound economics and the purposes of this title, except upon a foreclosure by a lender (or upon other transfer in lieu of foreclosure) if such action (A) recognizes any contractual or legal rights of public agencies, nonprofit sponsors, or others to take actions that would avoid termination of low-income affordability in the case of foreclosure or transfer in lieu of foreclosure, and (B) is not for the purpose of avoiding low-income affordability restrictions, as determined by the Secretary.

SEC. 726. CERTIFICATION OF COMPLIANCE WITH SUBSIDY LAYERING REQUIREMENTS.

With respect to housing assisted with grant amounts provided under this title, the requirements of section 102(d) of the Department of Housing and Urban Development Reform Act of 1989 shall be considered to be satisfied upon certification by the recipient of the assistance to the Secretary that the combination of Federal assistance provided to any housing project is not any more than is necessary to provide affordable housing.

SEC. 727. LEASE REQUIREMENTS AND TENANT SELECTION.

(a) LEASES.—Except to the extent otherwise provided by or inconsistent with tribal law, in renting dwelling units in affordable housing assisted with grant amounts provided under this

title, the owner or manager of the housing shall utilize leases that—

(1) do not contain unreasonable terms and conditions;

(2) require the owner or manager to maintain the housing in compliance with applicable housing codes and quality standards;

(3) require the owner or manager to give adequate written notice of termination of the lease, which shall not be less than—

(A) the period provided under the applicable law of the jurisdiction or 14 days, whichever is less, in the case of nonpayment of rent;

(B) a reasonable period of time, but not to exceed 14 days, when the health or safety of other residents or employees of the owner or manager is threatened; and

(C) the period of time provided under the applicable law of the jurisdiction, in any other case;

(4) require that the owner or manager may not terminate the tenancy except for violation of the terms or conditions of the lease, violation of applicable Federal, tribal, State, or local law, or for other good cause; and

(5) provide that the owner or manager may terminate the tenancy of a resident for any activity, engaged in by the resident, any member of the resident's household, or any guest or other person under the resident's control, that—

(A) threatens the health or safety of, or right to peaceful enjoyment of the premises by, other residents or employees of the owner or manager of the housing;

(B) threatens the health or safety of, or right to peaceful enjoyment of their premises by, persons residing in the immediate vicinity of the premises; or

(C) is criminal activity (including drug-related criminal activity).

(b) TENANT SELECTION.—The owner or manager of affordable rental housing assisted under with grant amounts provided under this title shall adopt and utilize written tenant selection policies and criteria that—

(1) are consistent with the purpose of providing housing for low-income families;

(2) are reasonably related to program eligibility and the applicant's ability to perform the obligations of the lease; and

(3) provide for (A) the selection of tenants from a written waiting list in accordance with the policies and goals set forth in the local housing plan for the tribe that is the grant beneficiary of such grant amounts, and (B) the prompt notification in writing of any rejected applicant of the grounds for any rejection.

SEC. 728. REPAYMENT.

If a recipient uses grant amounts to provide affordable housing under activities under this subtitle and, at any time during the useful life of the housing the housing does not comply with the requirement under section 725(a)(2), the Secretary shall reduce future grant payments on behalf of the grant beneficiary by an amount equal to the grant amounts used for such housing (under the authority under section 751(a)(2)) or require repayment to the Secretary of an amount equal to such grant amounts.

SEC. 729. CONTINUED USE OF AMOUNTS FOR AFFORDABLE HOUSING.

Any funds for programs for low-income housing under the United States Housing Act of 1937 that, on the date of the applicability of this title to an Indian tribe, are owned by, or in the possession or under the control of, the Indian housing authority for the tribe, including all reserves not otherwise obligated, shall be considered assistance under this title and subject to the provisions of this title relating to use of such assistance.

Subtitle C—Allocation of Grant Amounts

SEC. 741. ANNUAL ALLOCATION.

For each fiscal year, the Secretary shall allocate any amounts made available for assistance under this title for the fiscal year, in accordance with the formula established pursuant to section 742, among Indian tribes that comply with the requirements under this title for a grant under this title.

SEC. 742. ALLOCATION FORMULA.

The Secretary shall, by regulations issued in the manner provided under section 716, establish a formula to provide for allocating amounts available for a fiscal year for block grants under this title among Indian tribes. The formula shall be based on factors that reflect the need of the Indian tribes and the Indian areas of the tribes for assistance for affordable housing activities, including the following factors:

(1) The number of low-income housing dwelling units owned or operated at the time pursuant to a contract between an Indian housing authority for the tribe and the Secretary.

(2) The extent of poverty and economic distress within Indian areas of the tribe.

(3) Other objectively measurable conditions as the Secretary may specify.

The regulations establishing the formula shall be issued not later than the expiration of the 12-month period beginning on the date of the enactment of this title.

Subtitle D—Compliance, Audits, and Reports

SEC. 751. REMEDIES FOR NONCOMPLIANCE.

(a) ACTIONS BY SECRETARY AFFECTING GRANT AMOUNTS.—Except as provided in subsection (b), if the Secretary finds after reasonable notice and opportunity for hearing that a recipient of assistance under this title has failed to comply substantially with any provision of this title, the Secretary shall—

(1) terminate payments under this title to the recipient;

(2) reduce payments under this title to the recipient by an amount equal to the amount of such payments which were not expended in accordance with this title;

(3) limit the availability of payments under this title to programs, projects, or activities not affected by such failure to comply; or

(4) in the case of noncompliance described in section 752(b), provide a replacement tribally designated housing entity for the recipient, under section 752.

If the Secretary takes an action under paragraph (1), (2), or (3), the Secretary shall continue such action until the Secretary determines that the failure to comply has ceased.

(b) NONCOMPLIANCE BECAUSE OF TECHNICAL INCAPACITY.—If the Secretary makes a finding under subsection (a), but determines that the failure to comply substantially with the provisions of this title—

(1) is not a pattern or practice of activities constituting willful noncompliance, and

(2) is a result of the limited capability or capacity of the recipient,

the Secretary may provide technical assistance for the recipient (directly or indirectly) that is designed to increase the capability and capacity of the recipient to administer assistance provided under this title in compliance with the requirements under this title.

(c) REFERRAL FOR CIVIL ACTION.—

(1) AUTHORITY.—In lieu of, or in addition to, any action authorized by subsection (a), the Secretary may, if the Secretary has reason to believe that a recipient has failed to comply substantially with any provision of this title, refer the matter to the Attorney General of the United States with a recommendation that an appropriate civil action be instituted.

(2) CIVIL ACTION.—Upon such a referral, the Attorney General may bring a civil action in any United States district court having venue thereof for such relief as may be appropriate, including an action to recover the amount of the assistance furnished under this title which was not expended in accordance with it, or for mandatory or injunctive relief.

(d) REVIEW.—

(1) IN GENERAL.—Any recipient who receives notice under subsection (a) of the termination, reduction, or limitation of payments under this title may, within 60 days after receiving such notice, file with the United States Court of Appeals for the circuit in which such State is located, or in the United States Court of Appeals for the District of Columbia, a petition for review of the Secretary's action. The petitioner shall forthwith transmit copies of the petition to the Secretary and the Attorney General of the United States, who shall represent the Secretary in the litigation.

(2) PROCEDURE.—The Secretary shall file in the court record of the proceeding on which the Secretary based the action, as provided in section 2112 of title 28, United States Code. No objection to the action of the Secretary shall be considered by the court unless such objection has been urged before the Secretary.

(3) DISPOSITION.—The court shall have jurisdiction to affirm or modify the action of the Secretary or to set it aside in whole or in part. The findings of fact by the Secretary, if supported by substantial evidence on the record considered as a whole, shall be conclusive. The court may order additional evidence to be taken by the Secretary, and to be made part of the record. The Secretary may modify the Secretary's findings of fact, or make new findings, by reason of the new evidence so taken and filed with the court, and the Secretary shall also file such modified or new findings, which findings with respect to questions of fact shall be conclusive if supported by substantial evidence on the record considered as a whole, and shall also file the Secretary's recommendation, if any, for the modification or setting aside of the Secretary's original action.

(4) FINALITY.—Upon the filing of the record with the court, the jurisdiction of the court shall be exclusive and its judgment shall be final, except that such judgment shall be subject to review by the Supreme Court of the United States upon writ of certiorari or certification as provided in section 1254 of title 28, United State Code.

SEC. 752. REPLACEMENT OF RECIPIENT.

(a) AUTHORITY.—As a condition of the Secretary making a grant under this title on behalf of an Indian tribe, the tribe shall agree that, notwithstanding any other provision of law, the Secretary may, only in the circumstances set forth in subsection (b), require that a replacement tribally designated housing entity serve as the recipient for the tribe, in accordance with subsection (c).

(b) CONDITIONS OF REMOVAL.—The Secretary may require such replacement tribally designated housing entity for a tribe only upon a determination by the Secretary on the record after opportunity for a hearing that the recipient for the tribe has engaged in a pattern or practice of activities that constitutes substantial or willful noncompliance with the requirements under this title.

(c) CHOICE AND TERM OF REPLACEMENT.—If the Secretary requires that a replacement tribally designated housing entity serve as the recipient for a tribe (or tribes)—

(1) the replacement entity shall be an entity mutually agreed upon by the Secretary and the tribe (or tribes) for which the recipient was authorized to act, except that if no such entity is agreed upon before the expiration of the 60-day period beginning upon the date that the Secretary makes the determination under subsection (b), the Secretary shall act as the replacement entity until agreement is reached upon a replacement entity; and

(2) the replacement entity (or the Secretary, as provided in paragraph (1)) shall act as the tribally designated housing entity for the tribe (or tribes) for a period that expires upon—

(A) a date certain, which shall be specified by the Secretary upon making the determination under subsection (b); or

(B) the occurrence of specific conditions, which conditions shall be specified in written

notice provided by the Secretary to the tribe upon making the determination under subsection (b).

SEC. 753. MONITORING OF COMPLIANCE.

(a) ENFORCEABLE AGREEMENTS.—Each recipient, through binding contractual agreements with owners and otherwise, shall ensure long-term compliance with the provisions of this title. Such measures shall provide for (1) enforcement of the provisions of this title by the grant beneficiary or by recipients and other intended beneficiaries, and (2) remedies for the breach of such provisions.

(b) PERIODIC MONITORING.—Not less frequently than annually, each recipient shall review the activities conducted and housing assisted under this title to assess compliance with the requirements of this title. Such review shall include on-site inspection of housing to determine compliance with applicable requirements. The results of each review shall be included in the performance report of the recipient submitted to the Secretary under section 754 and made available to the public.

SEC. 754. PERFORMANCE REPORTS.

(a) REQUIREMENT.—For each fiscal year, each recipient shall—

(1) review the progress it has made during such fiscal year in carrying out the local housing plan (or plans) for the Indian tribes for which it administers grant amounts; and

(2) submit a report to the Secretary (in a form acceptable to the Secretary) describing the conclusions of the review.

(b) CONTENT.—Each report under this section for a fiscal year shall—

(1) describe the use of grant amounts provided to the recipient for such fiscal year;

(2) assess the relationship of such use to the goals identified in the local housing plan of the grant beneficiary;

(3) indicate the recipient's programmatic accomplishments; and

(4) describe how the recipient would change its programs as a result of its experiences.

(c) SUBMISSION.—The Secretary shall establish dates for submission of reports under this section, and review such reports and make such recommendations as the Secretary considers appropriate to carry out the purposes of this title.

(d) PUBLIC AVAILABILITY.—A recipient preparing a report under this section shall make the report publicly available to the citizens in the recipient's jurisdiction in sufficient time to permit such citizens to comment on such report prior to its submission to the Secretary, and in such manner and at such times as the recipient may determine. The report shall include a summary of any comments received by the grant beneficiary or recipient from citizens in its jurisdiction regarding its program.

SEC. 755. REVIEW AND AUDIT BY SECRETARY.

(a) ANNUAL REVIEW.—The Secretary shall, at least on an annual basis, make such reviews and audits as may be necessary or appropriate to determine—

(1) whether the recipient has carried out its eligible activities in a timely manner, has carried out its eligible activities and certifications in accordance with the requirements and the primary objectives of this title and with other applicable laws, and has a continuing capacity to carry out those activities in a timely manner;

(2) whether the recipient has complied with the local housing plan of the grant beneficiary; and

(3) whether the performance reports under section 754 of the recipient are accurate.

Reviews under this section shall include, insofar as practicable, on-site visits by employees of the Department of Housing and Urban Development.

(b) REPORT BY SECRETARY.—The Secretary shall submit a written report to the Congress regarding each review under subsection (a). The Secretary shall give a recipient not less than 30 days to review and comment on a report under this subsection. After taking into consideration the comments of the recipient, the Secretary may revise the report and shall make the recipient's comments and the report, with any revisions, readily available to the public not later than 30 days after receipt of the recipient's comments.

(c) EFFECT OF REVIEWS.—The Secretary may make appropriate adjustments in the amount of the annual grants under this title in accordance with the Secretary's findings pursuant to reviews and audits under this section. The Secretary may adjust, reduce, or withdraw grant amounts, or take other action as appropriate in accordance with the Secretary's reviews and audits under this section, except that grant amounts already expended on affordable housing activities may not be recaptured or deducted from future assistance provided on behalf of an Indian tribe.

SEC. 756. GAO AUDITS.

To the extent that the financial transactions of Indian tribes and recipients of grant amounts under this title relate to amounts provided under this title, such transactions may be audited by the Comptroller General of the United States under such rules and regulations as may be prescribed by the Comptroller General. The representatives of the General Accounting Office shall have access to all books, accounts, records, reports, files, and other papers, things, or property belonging to or in use by such tribes and recipients pertaining to such financial transactions and necessary to facilitate the audit.

SEC. 757. REPORTS TO CONGRESS.

(a) IN GENERAL.—Not later than 90 days after the conclusion of each fiscal year in which assistance under this title is made available, the Secretary shall submit to the Congress a report that contains—

(1) a description of the progress made in accomplishing the objectives of this title; and

(2) a summary of the use of such funds during the preceding fiscal year.

(b) RELATED REPORTS.—The Secretary may require recipients of grant amounts under this title to submit to the Secretary such reports and other information as may be necessary in order for the Secretary to make the report required by subsection (a).

Subtitle E—Termination of Assistance for Indian Tribes under Incorporated Programs

SEC. 761. TERMINATION OF INDIAN PUBLIC HOUSING ASSISTANCE UNDER UNITED STATES HOUSING ACT OF 1937.

(a) IN GENERAL.—After September 30, 1997, financial assistance may not be provided under the United States Housing Act of 1937 or pursuant to any commitment entered into under such Act, for Indian housing developed or operated pursuant to a contract between the Secretary and an Indian housing authority, unless such assistance is provided from amounts made available for fiscal year 1997 and pursuant to a commitment entered into before September 30, 1997.

(b) TERMINATION OF RESTRICTIONS ON USE OF INDIAN HOUSING.—Except as provided in section 723(b) of this title, any housing developed or operated pursuant to a contract between the Secretary and an Indian housing authority pursuant to the United States Housing Act of 1937 shall not be subject to any provision of such Act or any annual contributions contract or other agreement pursuant to such Act, but shall be considered and maintained as affordable housing for purposes of this title.

SEC. 762. TERMINATION OF NEW COMMITMENTS FOR RENTAL ASSISTANCE.

After September 30, 1997, financial assistance for rental housing assistance under the United States Housing Act of 1937 may not be provided to any Indian housing authority or tribally designated housing entity, unless such assistance is provided pursuant to a contract for such assistance entered into by the Secretary and the Indian housing authority before such date.

SEC. 763. TERMINATION OF YOUTHBUILD PROGRAM ASSISTANCE.

(a) IN GENERAL.—Subtitle D of title IV of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12899 et seq.) is amended—

(1) by redesignating section 460 as section 461; and

(2) by inserting after section 459 the following new section:

"SEC. 460. INELIGIBILITY OF INDIAN TRIBES.

''Indian tribes, Indian housing authorities, and other agencies primarily serving Indians or Indian areas shall not be eligible applicants for amounts made available for assistance under this subtitle for fiscal year 1997 and fiscal years thereafter.''.

(b) EFFECTIVE DATE AND APPLICABILITY.—The amendments under subsection (a) shall be made on October 1, 1997, and shall apply with respect to amounts made available for assistance under subtitle D of title II of the Cranston-Gonzalez National Affordable Housing Act for fiscal year 1998 and fiscal years thereafter.

SEC. 764. TERMINATION OF HOME PROGRAM ASSISTANCE.

(a) IN GENERAL.—Title II of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12721 et seq.) is amended—

(1) in section 217(a)—

(A) in paragraph (1), by striking ''reserving amounts under paragraph (2) for Indian tribes and after''; and

(B) by striking paragraph (2); and

(2) in section 288—

(A) in subsection (a), by striking '', Indian tribes,'';

(B) in subsection (b), by striking '', Indian tribe,''; and

(C) in subsection (c)(4), by striking '', Indian tribe,''.

(b) EFFECTIVE DATE AND APPLICABILITY.—The amendments under subsection (a) shall be made on October 1, 1997, and shall apply with respect to amounts made available for assistance under title II of the Cranston-Gonzalez National Affordable Housing Act for fiscal year 1998 and fiscal years thereafter.

SEC. 765. TERMINATION OF HOUSING ASSISTANCE FOR THE HOMELESS.

(a) MCKINNEY ACT PROGRAMS.—Title IV of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11361 et seq.) is amended—

(1) in section 411, by striking paragraph (10);

(2) in section 412, by striking '', and for Indian tribes,'';

(3) in section 413—

(A) in subsection (a)—

(i) by striking '', and to Indian tribes,''; and

(ii) by striking '', or for Indian tribes'' each place it appears;

(B) in subsection (c), by striking ''or Indian tribe''; and

(C) in subsection (d)(3)—

(i) by striking '', or Indian tribe'' each place it appears; and

(ii) by striking '', or other Indian tribes,'';

(4) in section 414(a)—

(A) by striking 'or Indian tribe'' each place it appears; and

(B) by striking '', local government,'' each place it appears and inserting ''or local government'';

(5) in section 415(c)(4), by striking ''Indian tribes,'';

(6) in section 416(b), by striking ''Indian tribe,'';

(7) in section 422—

(A) in by striking ''Indian tribe,''; and

(B) by striking paragraph (3);

(8) in section 441—

(A) by striking subsection (g);

(B) in subsection (h), by striking ''or Indian housing authority''; and

(C) in subsection (j)(1), by striking '', Indian housing authority'';

(9) in section 462—

(A) in paragraph (2), by striking '', Indian tribe,''; and

(B) by striking paragraph (4); and

(10) in section 491(e), by striking '', Indian tribes (as such term is defined in section 102(a) of the Housing and Community Development Act of 1974),''.

(b) INNOVATIVE HOMELESS DEMONSTRATION.—Section 2(b) of the HUD Demonstration Act of 1993 (42 U.S.C. 11301 note) is amended—

(1) in paragraph (3), by striking '' 'unit of general local government', and 'Indian tribe' '' and inserting ''and 'unit of general local government' ''; and

(2) in paragraph (4), by striking ''unit of general local government (including units in rural areas), or Indian tribe'' and inserting ''or unit of general local government''.

(c) EFFECTIVE DATE AND APPLICABILITY.—The amendments under subsections (a) and (b) shall be made on October 1, 1997, and shall apply with respect to amounts made available for assistance under title IV of the Stewart B. McKinney Homeless Assistance Act and section 2 of the HUD Demonstration Act of 1993, respectively, for fiscal year 1998 and fiscal years thereafter.

SEC. 766. SAVINGS PROVISION.

Except as provided in sections 761 and 762, this title may not be construed to affect the validity of any right, duty, or obligation of the United States or other person arising under or pursuant to any commitment or agreement lawfully entered into before October 1, 1997, under the United States Housing Act of 1937, subtitle D of title IV of the Cranston-Gonzalez National Affordable Housing Act, title II of the Cranston-Gonzalez National Affordable Housing Act, title IV of the Stewart B. McKinney Homeless Assistance Act, or section 2 of the HUD Demonstration Act of 1993.

SEC. 767. EFFECTIVE DATE.

Sections 761, 762, and 766 shall take effect on the date of the enactment of this title.

Subtitle F—Loan Guarantees for Affordable Housing Activities

SEC. 771. AUTHORITY AND REQUIREMENTS.

(a) AUTHORITY.—To such extent or in such amounts as provided in appropriation Acts, the Secretary may, subject to the limitations of this subtitle and upon such terms and conditions as the Secretary may prescribe, guarantee and make commitments to guarantee, the notes or other obligations issued by Indian tribes or tribally designated housing entities, for the purposes of financing affordable housing activities described in section 722.

(b) LACK OF FINANCING ELSEWHERE.—A guarantee under this subtitle may be used to assist an Indian tribe or housing entity in obtaining financing only if the Indian tribe or housing entity has made efforts to obtain such financing without the use of such guarantee and cannot complete such financing consistent with the timely execution of the program plans without such guarantee.

(c) TERMS OF LOANS.—Notes or other obligations guaranteed pursuant to this subtitle shall be in such form and denominations, have such maturities, and be subject to such conditions as may be prescribed by regulations issued by the Secretary. The Secretary may not deny a guarantee under this subtitle on the basis of the proposed repayment period for the note or other obligation, unless the period is more than 20 years or the Secretary determines that the period causes the guarantee to constitute an unacceptable financial risk.

(d) LIMITATION ON OUTSTANDING GUARANTEES.—No guarantee or commitment to guarantee shall be made with respect to any note or other obligation if the issuer's total outstanding notes or obligations guaranteed under this subtitle (excluding any amount defeased under the contract entered into under section 772(a)(1)) would thereby exceed an amount equal to 5 times the amount of the grant approval for the issuer pursuant to title III.

(e) PROHIBITION OF PURCHASE BY FFB.—Notes or other obligations guaranteed under this subtitle may not be purchased by the Federal Financing Bank.

(f) PROHIBITION OF GUARANTEE FEES.—No fee or charge may be imposed by the Secretary or any other Federal agency on or with respect to a guarantee made by the Secretary under this subtitle.

SEC. 772. SECURITY AND REPAYMENT.

(a) REQUIREMENTS ON ISSUER.—To assure the repayment of notes or other obligations and charges incurred under this subtitle and as a condition for receiving such guarantees, the Secretary shall require the Indian tribe or housing entity issuing such notes or obligations to—

(1) enter into a contract, in a form acceptable to the Secretary, for repayment of notes or other obligations guaranteed under this subtitle;

(2) pledge any grant for which the issuer may become eligible under this title;

(3) demonstrate that the extent of such issuance and guarantee under this title is within the financial capacity of the tribe and is not likely to impairment the ability to use of grant amounts under subtitle A, taking into consideration the requirements under section 723(a); and

(4) furnish, at the discretion of the Secretary, such other security as may be deemed appropriate by the Secretary in making such guarantees, including increments in local tax receipts generated by the activities assisted under this title or dispositions proceeds from the sale of land or rehabilitated property.

(b) REPAYMENT FROM GRANT AMOUNTS.—Notwithstanding any other provision of this title—

(1) the Secretary may apply grants pledged pursuant to subsection (a)(2) to any repayments due the United States as a result of such guarantees; and

(2) grants allocated under this title for an Indian tribe or housing entity (including program income derived therefrom) may be used to pay principal and interest due (including such servicing, underwriting, and other costs as may be specified in regulations issued by the Secretary) on notes or other obligations guaranteed pursuant to this subtitle.

(c) FULL FAITH AND CREDIT.—The full faith and credit of the United States is pledged to the payment of all guarantees made under this subtitle. Any such guarantee made by the Secretary shall be conclusive evidence of the eligibility of the obligations for such guarantee with respect to principal and interest, and the validity of any such guarantee so made shall be incontestable in the hands of a holder of the guaranteed obligations.

SEC. 773. PAYMENT OF INTEREST.

The Secretary may make, and contract to make, grants, in such amounts as may be approved in appropriations Acts, to or on behalf of an Indian tribe or housing entity issuing notes or other obligations guaranteed under this subtitle, to cover not to exceed 30 percent of the net interest cost (including such servicing, underwriting, or other costs as may be specified in regulations of the Secretary) to the borrowing entity or agency of such obligations. The Secretary may also, to the extent approved in appropriation Acts, assist the issuer of a note or other obligation guaranteed under this subtitle in the payment of all or a portion of the principal and interest amount due under the note or other obligation, if the Secretary determines that the issuer is unable to pay the amount because of circumstances of extreme hardship beyond the control of the issuer.

SEC. 774. TREASURY BORROWING.

The Secretary may issue obligations to the Secretary of the Treasury in an amount outstanding at any one time sufficient to enable the Secretary to carry out the obligations of the Secretary under guarantees authorized by this subtitle. The obligations issued under this section shall have such maturities and bear such rate or rates of interest as shall be determined by the Secretary of the Treasury. The Secretary of the Treasury is authorized and directed to purchase any obligations of the Secretary issued under this section, and for such purposes may use as a public debt transaction the proceeds from the sale of any securities issued under chapter 31 of title 31, United States Code, and the purposes for which such securities may be issued under such chapter are extended to include the purchases of the Secretary's obligations hereunder.

SEC. 775. TRAINING AND INFORMATION.

The Secretary, in cooperation with eligible public entities, shall carry out training and information activities with respect to the guarantee program under this subtitle.

SEC. 776. LIMITATIONS ON AMOUNT OF GUARANTEES.

(a) AGGREGATE FISCAL YEAR LIMITATION.—Notwithstanding any other provision of law and subject only to the absence of qualified applicants or proposed activities and to the authority provided in this subtitle, to the extent approved or provided in appropriation Acts, the Secretary shall enter into commitments to guarantee notes and obligations under this subtitle with an aggregate principal amount of $400,000,000 for each of fiscal years 1997, 1998, 1999, 2000, and 2001.

(b) AUTHORIZATION OF APPROPRIATIONS FOR CREDIT SUBSIDY.—There is authorized to be appropriated to cover the costs (as such term is defined in section 502 of the Congressional Budget Act of 1974) of guarantees under this subtitle, $40,000,000 for each of fiscal years 1997, 1998, 1999, 2000, and 2001.

(c) AGGREGATE OUTSTANDING LIMITATION.—The total amount of outstanding obligations guaranteed on a cumulative basis by the Secretary pursuant to this subtitle shall not at any time exceed $2,000,000,000 or such higher amount as may be authorized to be appropriated for this subtitle for any fiscal year.

(d) FISCAL YEAR LIMITATIONS ON TRIBES.—The Secretary shall monitor the use of guarantees under this subtitle by Indian tribes. If the Secretary finds that 50 percent of the aggregate guarantee authority under subsection (c) has been committed, the Secretary may—

(1) impose limitations on the amount of guarantees any one Indian tribe may receive in any fiscal year of $50,000,000; or

(2) request the enactment of legislation increasing the aggregate limitation on guarantees under this subtitle.

SEC. 777. EFFECTIVE DATE.

This subtitle shall take effect upon the enactment of this title.

Subtitle G—Other Housing Assistance for Native Americans

SEC. 781. LOAN GUARANTEES FOR INDIAN HOUSING.

(a) DEFINITION OF ELIGIBLE BORROWERS TO INCLUDE INDIAN TRIBES.—Section 184 of the Housing and Community Development Act of 1992 (12 U.S.C. 1515z–13a) is amended—

(1) in subsection (a)—

(A) by striking ''and Indian housing authorities'' and inserting '', Indian housing authorities, and Indian tribes,''; and

(B) by striking ''or Indian housing authority'' and inserting '', Indian housing authority, or Indian tribe''; and

(2) in subsection (b)(1), by striking ''or Indian housing authorities'' and inserting '', Indian housing authorities, or Indian tribes''.

(b) NEED FOR LOAN GUARANTEE.—Section 184(a) of the Housing and Community Development Act of 1992 is amended by striking ''trust land'' and inserting ''lands or as a result of a lack of access to private financial markets''.

(c) LHP REQUIREMENT.—Section 184(b)(2) of the Housing and Community Development Act of 1992 is amended by inserting before the period at the end the following: ''that is under the jurisdiction of an Indian tribe for which a local housing plan has been submitted and approved pursuant to sections 712 and 713 of the Native American Housing Assistance and Self-Determination Act of 1996 that provides for the use of

loan guarantees under this section to provide affordable homeownership housing in such areas''.

(d) LENDER OPTION TO OBTAIN PAYMENT UPON DEFAULT WITHOUT FORECLOSURE.—Section 184(h) of the Housing and Community Development Act of 1992 is amended—

(1) in paragraph (1)(A)—

(A) in the first sentence of clause (i), by striking ''in a court of competent jurisdiction''; and

(B) by striking clause (ii) and inserting the following new clause:

''(ii) NO FORECLOSURE.—Without seeking foreclosure (or in any case in which a foreclosure proceeding initiated under clause (i) continues for a period in excess of 1 year), the holder of the guarantee may submit to the Secretary a request to assign the obligation and security interest to the Secretary in return for payment of the claim under the guarantee. The Secretary may accept assignment of the loan if the Secretary determines that the assignment is in the best interests of the United States. Upon assignment, the Secretary shall pay to the holder of the guarantee the pro rata portion of the amount guaranteed (as determined under subsection (e)). The Secretary shall be subrogated to the rights of the holder of the guarantee and the holder shall assign the obligation and security to the Secretary.'';

(2) by striking paragraph (2); and

(3) by redesignating paragraph (3) as paragraph (2).

(e) LIMITATION OF MORTGAGEE AUTHORITY.—Section 184(h)(2) of the Housing and Community Development Act of 1992, as so redesignated by subsection (e)(3) of this section, is amended—

(1) in the first sentence, by striking ''tribal allotted or trust land,'' and inserting ''restricted Indian land, the mortgagee or''; and

(B) in the second sentence, by striking ''Secretary'' each place it appears, and inserting ''mortgagee or the Secretary''.

(f) LIMITATION ON OUTSTANDING AGGREGATE PRINCIPAL AMOUNT.—Section 184(i)(5)(C) of the Housing and Community Development Act of 1992 is amended by striking ''1993'' and all that follows through ''such year'' and inserting ''1997, 1998, 1999, 2000, and 2001 with an aggregate outstanding principal amount note exceeding $400,000,000 for each such fiscal year''.

(g) AUTHORIZATION OF APPROPRIATIONS FOR GUARANTEE FUND.—Section 184(i)(7) of the Housing and Community Development Act of 1992 is amended by striking ''such sums'' and all that follows through ''1994'' and inserting ''$30,000,000 for each of fiscal years 1997, 1998, 1999, 2000, and 2001''.

(h) DEFINITIONS.—Section 184(k) of the Housing and Community Development Act of 1992 is amended—

(1) in paragraph (4), by inserting after ''authority'' the following: ''or Indian tribe'';

(2) in paragraph (5)—

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

''(A) is authorized to engage in or assist in the development or operation of—

''(i) low-income housing for Indians; or

''(ii) housing subject to the provisions of this section; and''; and

(B) by adding at the end the following:

''The term includes tribally designated housing entities under the Native American Housing Assistance and Self-Determination Act of 1996.''; and

(3) by striking paragraph (8) and inserting the following new paragraph:

''(8) The term 'tribe' or 'Indian tribe' means any Indian tribe, band, notation, or other organized group or community of Indians, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act, which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians pursuant to the Indian Self-Determination and Education Assistance Act of 1975.

(i) PRINCIPAL OBLIGATION AMOUNTS.—Section 184(b)(5)(C) of the Housing and Community Development Act of 1992 is amended by striking clause (i) and inserting the following new clause:

''(i) 97.75 percent of the appraised value of the property as of the date the loan is accepted for guarantee (or 98.75 percent if the value of the property is $50,000 or less); and''.

(j) AVAILABILITY OF AMOUNTS.—

(1) REQUIREMENT OF APPROPRIATIONS.—Section 184(i)(5) of the Housing and Community Development Act of 1992 is amended by striking subparagraph (A) and inserting the following new subparagraph:

''(A) REQUIREMENT OF APPROPRIATIONS.—The authority of the Secretary to enter into commitments to guarantee loans under this section shall be effective for any fiscal year to the extent or in such amounts as are or have been provided in appropriations Acts, without regard to the fiscal year for which such amounts were appropriated.''.

(2) COSTS.—Section 184(i)(5)(B) of the Housing and Community Development Act of 1992 is amended by adding at the end the following new sentence: ''Any amounts appropriated pursuant to this subparagraph shall remain available until expended.''.

(k) GNMA AUTHORITY.—The first sentence of section 306(g)(1) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1721(g)(1)) is amended by inserting before the period at the end the following: ''; or guaranteed under section 184 of the Housing and Community Development Act of 1992''.

SEC. 782. 50-YEAR LEASEHOLD INTEREST IN TRUST OR RESTRICTED LANDS FOR HOUSING PURPOSES.

(a) AUTHORITY TO LEASE.—Notwithstanding any other provision of law, any restricted Indian lands, whether tribally or individually owned, may be leased by the Indian owners, with the approval of the Secretary of the Interior, for residential purposes.

(b) TERM.—Each lease pursuant to subsection (a) shall be for a term not exceeding 50 years.

(c) OTHER CONDITIONS.—Each lease pursuant to subsection (a) and each renewal of such a lease shall be made under such terms and regulations as may be prescribed by the Secretary of the Interior.

(d) RULE OF CONSTRUCTION.—This section may not be construed to repeal, limit, or affect any authority to lease any restricted Indian lands that—

(1) is conferred by or pursuant to any other provision of law; or

(2) provides for leases for any period exceeding 50 years.

SEC. 783. TRAINING AND TECHNICAL ASSISTANCE.

There is authorized to be appropriated for assistance for the a national organization representing Native American housing interests for providing training and technical assistance to Indian housing authorities and tribally designated housing entities $2,000,000, for each of fiscal years 1997, 1998, 1999, 2000, and 2001.

SEC. 784. EFFECTIVE DATE.

This subtitle and the amendments made by this subtitle shall take effect upon the enactment of this title.

TITLE VIII—NATIONAL MANUFACTURED HOUSING CONSTRUCTION AND SAFETY STANDARDS CONSENSUS COMMITTEE

SEC. 801. SHORT TITLE; REFERENCE.

(a) SHORT TITLE.—This title may be cited as the ''National Manufactured Housing Construction and Safety Standards Act of 1996''.

(b) REFERENCE.—Whenever in this title an amendment 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 other provision of the Housing and Community Development Act of 1974.

SEC. 802. STATEMENT OF PURPOSE.

Section 602 (42 U.S.C. 5401) is amended by striking the first sentence and inserting the following: ''The Congress declares that the purposes of this title are to reduce the number of personal injuries and deaths and property damage resulting from manufactured home accidents and to establish a balanced consensus process for the development, revision, and interpretation of Federal construction and safety standards for manufactured homes.''.

SEC. 803. DEFINITIONS.

(a) IN GENERAL.—Section 703 (42 U.S.C. 5402) is amended—

(1) in paragraph (2), by striking ''dealer'' and inserting ''retailer'';

(2) in paragraph (12), by striking ''and'' at the end;

(3) in paragraph (13), by striking the period at the end and inserting a semicolon; and

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

''(14) 'consensus committee' means the committee established under section 604(a)(7); and

''(15) 'consensus standards development process' means the process by which additions and revisions to the Federal manufactured home construction and safety standards shall be developed and recommended to the Secretary by the consensus committee.''.

(b) CONFORMING AMENDMENTS.—

(1) OCCURRENCES OF ''DEALER''.—The Act (42 U.S.C. 5401 et seq.) is amended by striking ''dealer'' and inserting ''retailer'' in each of the following provisions:

(A) In section 613, each place such term appears.

(B) In section 614(f), each place such term appears.

(C) In section 615(b)(1).

(D) In section 616.

(2) OTHER AMENDMENTS.—The Act (42 U.S.C. 5401 et seq.) is amended—

(A) in section 615(b)(3), by striking ''dealer or dealers'' and inserting ''retailer or retailers''; and

(B) by striking ''dealers'' and inserting ''retailers'' each place such term appears—

(i) in section 615(d);

(ii) in section 615(f); and

(iii) in section 623(c)(9).

SEC. 804. FEDERAL MANUFACTURED HOME CONSTRUCTION AND SAFETY STANDARDS.

Section 604 (42 U.S.C. 5403) is amended—

(1) by striking subsections (a) and (b) and inserting the following new subsections:

''(a) ESTABLISHMENT.—

''(1) AUTHORITY.—The Secretary shall establish, by order, appropriate Federal manufactured home construction and safety standards. Each such Federal manufactured home standard shall be reasonable and shall meet the highest standards of protection, taking into account existing State and local laws relating to manufactured home safety and construction. The Secretary shall issue all such orders pursuant to the consensus standards development process under this subsection. The Secretary may issue orders which are not part of the consensus standards development process only in accordance with subsection (b).

''(2) CONSENSUS STANDARDS DEVELOPMENT PROCESS.—Not later than 180 days after the date of enactment of the National Manufactured Housing Construction and Safety Standards Act of 1996, the Secretary shall enter into a cooperative agreement or establish a relationship with a qualified technical or building code organization to administer the consensus standards development process and establish a consensus committee under paragraph (7). Periodically, the Secretary shall review such organization's performance and may replace the organization upon a finding of need.

''(3) REVISIONS.—The consensus committee established under paragraph (7) shall consider revisions to the Federal manufactured home construction and safety standards and shall submit revised standards to the Secretary at least once during every 2-year period, the first such 2-year period beginning upon the appointment of the consensus committee under paragraph (7). Before submitting proposed revised standards to the Secretary, the consensus committee shall cause the proposed revised standards to be published in the Federal Register, together with a description of the consensus committee's considerations and decisions under subsection (e), and shall provide an opportunity for public comment. Public views and objections shall be presented to the consensus committee in accordance with American National Standards Institute procedures. After such notice and opportunity public comment, the consensus committee shall cause the recommended revisions to the standards and notice of its submission to the Secretary to be published in the Federal Register. Such notice shall describe the circumstances under which the proposed revised standards could become effective.

''(4) REVIEW BY SECRETARY.—The Secretary shall either adopt, modify, or reject the standards submitted by the consensus committee. A final order adopting the standards shall be issued by the Secretary not later than 12 months after the date the standards are submitted to the Secretary by the consensus committee, and shall be published in the Federal Register and become effective pursuant to subsection (c). If the Secretary—

''(A) adopts the standards recommended by the consensus committee, the Secretary may issue a final order directly without further rulemaking;

''(B) determines that any portion of the standards should be rejected because it would jeopardize health or safety or is inconsistent with the purposes of this title, a notice to that effect, together with this reason for rejecting the proposed standard, shall be published in the Federal Register no later than 12 months after the date the standards are submitted to the Secretary by the consensus committee;

''(C) determines that any portion of the standard should be modified because it would jeopardize health or safety or is inconsistent with the purposes of this title—

''(i) such determination shall be made no later that 12 months after the date the standards are submitted to the Secretary by the consensus committee;

''(ii) within such 12-month period, the Secretary shall cause the proposed modified standard to be published in the Federal Register, together with an explanation of the reason for the Secretary's determination that the consensus committee recommendation needs to be modified, and shall provide an opportunity for public comment in accordance with the provisions of section 553 of title 5, United States Code; and

''(iii) the final standard shall become effective pursuant to subsection (c).

''(5) FAILURE TO ACT.—If the Secretary fails to take final action under paragraph (4) and publish notice of the action in the Federal Register within the 12-month period under such paragraph, the recommendations of the consensus committee shall be considered to have been adopted by the Secretary and shall take effect upon the expiration of the 180-day period that begins upon the conclusion of the 12-month period. Within 10 days after the expiration of the 12-month period, the Secretary shall cause to be published in the Federal Register notice of the Secretary's failure to act, the revised standards, and the effective date of the revised standards. Such notice shall be deemed an order of the Secretary approving the revised standards proposed by the consensus committee.

''(6) INTERPRETIVE BULLETINS.—The Secretary may issue interpretive bulletins to clarify the meaning of any Federal manufactured home construction and safety standards, subject to the following requirements:

''(A) REVIEW BY CONSENSUS COMMITTEE.—Before issuing an interpretive bulletin, the Secretary shall submit the proposed bulletin to the consensus committee and the consensus committee shall have 90 days to provide written comments thereon to the Secretary. If the consensus committee fails to act or if the Secretary rejects any significant views recommended by the consensus committee, the Secretary shall explain in writing to the consensus committee, before the bulletin becomes effective, the reasons for such rejection.

''(B) PROPOSALS.—The consensus committee may, from time to time, submit to the Secretary proposals for interpretive bulletins under this subsection. If the Secretary fails to issue or rejects a proposed bulletin within 90 days of its receipt, the Secretary shall be considered to have approved the proposed bulletin and shall immediately issue the bulletin.

''(C) EFFECT.—Interpretative bulletins issued under this paragraph shall become binding without rulemaking.

''(7) CONSENSUS COMMITTEE.—

''(A) PURPOSE.—The consensus committee referred to in paragraph (2) shall have as its purpose providing periodic recommendations to the Secretary to revise and interpret the Federal manufactured home construction and safety standards and carrying out such other functions assigned to the committee under this title. The committee shall be organized and carry out its business in a manner that guarantees a fair opportunity for the expression and consideration of various positions.

''(B) MEMBERSHIP.—The consensus committee shall be composed of 25 members who shall be appointed as follows:

''(i) APPOINTMENT BY PROCESS ADMINISTRATOR.—Members shall be appointed by the qualified technical or building code organization that administers the consensus standards development process pursuant to paragraph (2), subject to the approval of the Secretary.

''(ii) BALANCED MEMBERSHIP.—Members shall be appointed in a manner designed to include all interested parties without domination by any single interest category.

''(iii) SELECTION PROCEDURES AND REQUIREMENTS.—Members shall be appointed in accordance with selection procedures for consensus committees promulgated by the American National Standards Institute, except that the American National Standards Institute interest categories shall be modified to ensure representation on the committee by individuals representing the following fields, in equal numbers under each of the following subclauses:

''(I) Manufacturers.

''(II) Retailers, insurers, suppliers, lenders, community owners and private inspection agencies which have a financial interest in the industry.

''(III) Homeowners and consumer representatives.

''(IV) Public officials, such as those from State or local building code enforcement and inspection agencies.

''(V) General interest, including academicians, researchers, architects, engineers, private inspection agencies, and others.

Members of the consensus committee shall be qualified by background and experience to participate in the work of the committee, but members by reason of subclauses (III), (IV), and (V), except the private inspection agencies, may not have a financial interest in the manufactured home industry, unless such bar to participation is waived by the Secretary. The number of members by reason of subclause (V) who represent private inspection agencies may not constitute more than 20 percent of the total number of members by reason of subclause (V). Notwithstanding any other provision of this paragraph, the Secretary shall appoint a member of the consensus committee, who shall not have voting privileges.

''(C) MEETINGS.—The consensus committee shall cause advance notice of all meetings to be published in the Federal Register and all meetings of the committee shall be open to the public.

''(D) AUTHORITY.—Sections 203, 205, 207, and 208 of title 18, United States Code, shall not apply to the members of the consensus committee. Members shall not be considered to be special government employees for purposes of part 2634 of title 5, Code of Federal Regulations. The consensus committee shall not be considered an advisory committee for purposes of the Federal Advisory Committee Act.

''(E) ADMINISTRATION.—The consensus committee and the administering organization shall operate in conformance with American National Standards Institute procedures for the development and coordination of American National Standards and shall apply to such Institute to obtain accreditation.

''(F) STAFF.—The consensus committee shall be provided reasonable staff resources by the administering organization. Upon a showing of need and subject to the approval of the Secretary, the administering organization shall furnish technical support to any of the various interest categories on the consensus committee.

''(b) OTHER ORDERS.—The Secretary may issue orders that are not developed under the procedures set forth in subsection (a) in order to respond to an emergency health or safety issue, or to address issues on which the Secretary determines the consensus committee will not make timely recommendations, but only if the proposed order is first submitted by the Secretary to the consensus committee for review and the committee is afforded 90 days to provide its views on the proposed order to the Secretary. If the consensus committee fails to act within such period or if the Secretary rejects any significant change recommended by the consensus committee, the public notice of the order shall include an explanation of the reasons for the Secretary's action. The Secretary may issue such orders only in accordance with the provisions of section 553 of title 5, United States Code.'';

(2) by striking subsection (e);

(3) in subsection (f), by striking the matter preceding paragraph (1) and inserting the following:

''(e) CONSIDERATIONS IN ESTABLISHING AND INTERPRETING STANDARDS.—The consensus committee, in recommending standards and interpretations, and the Secretary, in establishing standards or issuing interpretations under this section, shall—'';

(4) by striking subsection (g);

(5) in the first sentence of subsection (j), by striking ''subsection (f)'' and inserting ''subsection (e)''; and

(6) by redesignating subsections (h), (i), and (j) as subsections (f), (g), and (h), respectively.

SEC. 805. ABOLISHMENT OF NATIONAL MANUFACTURED HOME ADVISORY COUNCIL.

Section 605 (42 U.S.C. 5404) is hereby repealed.

SEC. 806. PUBLIC INFORMATION.

Section 607 (42 U.S.C. 5406) is amended—

(1) in subsection (a)—

(A) by inserting ''to the Secretary'' after ''submit''; and

(B) by adding at the end the following new sentence: ''Such cost and other information shall be submitted to the consensus committee by the Secretary for its evaluation.'';

(2) in subsection (d), by inserting '', the consensus committee,'' after ''public,''; and

(3) by striking subsection (c) and redesignating subsections (d) and (e) as subsections (c) and (d), respectively.

SEC. 807. INSPECTION FEES.

Section 620 (42 U.S.C. 5419) is amended to read as follows:

''SEC. 620. (a) AUTHORITY TO ESTABLISH FEES.—In carrying out the inspections required under this title and in developing standards

pursuant to section 604, the Secretary may establish and impose on manufactured home manufacturers, distributors, and retailers such reasonable fees as may be necessary to offset the expenses incurred by the Secretary in conducting such inspections and administering the consensus standards development process and for developing standards pursuant to section 604(b), and the Secretary may use any fees so collected to pay expenses incurred in connection therewith. Such fees shall only be modified pursuant to rulemaking in accordance with the provisions of section 553 of title 5, United States Code.

''(b) DEPOSIT OF FEES.—Fees collected pursuant to this title shall be deposited in a fund, which is hereby established in the Treasury for deposit of such fees. Amounts in the fund are hereby available for use by the Secretary pursuant to subsection (a). The use of these fees by the Secretary shall not be subject to general or specific limitations on appropriated funds unless use of these fees is specifically addressed in any future appropriations legislation. The Secretary shall provide an annual report to Congress indicating expenditures under this section. The Secretary shall also make available to the public, in accordance with all applicable disclosure laws, regulations, orders, and directives, information pertaining to such funds, including information pertaining to amounts collected, amounts disbursed, and the fund balance.''.

SEC. 808. ELIMINATION OF ANNUAL REPORT REQUIREMENT.

Section 626 (42 U.S.C. 5425) is hereby repealed.

SEC. 809. EFFECTIVE DATE.

The amendments made by this title shall take effect on the date of enactment of this Act, except that the amendments shall have no effect on any order or interpretative bulletin that is published as a proposed rule pursuant to the provisions of section 553 of title 5, United States Code, on or before that date.

Mr. GRASSLEY. Mr. President, I ask unanimous consent the Senate disagree to the amendments of the House, the Senate agree to the request for a conference, and the Chair be authorized to appoint conferees on the part of the Senate.

There being no objection, the Presiding Officer appointed Mr. D'AMATO, Mr. MACK, Mr. FAIRCLOTH, Mr. BOND, Mr. SARBANES, Mr. KERRY and Ms. MOSELEY-BRAUN conferees on the part of the Senate.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. GRASSLEY. Mr. President, I ask unanimous consent the Senate immediately proceed to executive session to consider the following nomination on the Executive Calendar: No. 586. I further ask unanimous consent the nomination be confirmed, the motion to reconsider be laid upon the table, the President be immediately notified of the Senate's action, and that the Senate then return to legislative session.

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

The nomination considered and confirmed is as follows:

THE JUDICIARY

Nina Gershon, of New York, to be United States District Judge for the Eastern District of New York.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will resume legislative session.

DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY ACT OF 1996

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 3663, just received from the House.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

A bill (H.R. 3663) to amend the District of Columbia Self-Government and Governmental Reorganization Act to permit the Council of the District of Columbia to authorize the issuance of revenue bonds with respect to water and sewer facilities, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the bill be deemed 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 the appropriate place in the RECORD.

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

The bill (H.R. 3663) was deemed read the third time and passed.

ORDERS FOR WEDNESDAY, JULY 31, 1996

Mr. GRASSLEY. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 9 a.m. on Wednesday, July 31; further, that immediately following the prayer, the Journal of proceedings be deemed approved to date, the morning hour be deemed to have expired, and the time for the two leaders be reserved for their use later in the day, and the Senate immediately proceed to the consideration of S. 1936, the Nuclear Waste Policy Act.

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

PROGRAM

Mr. GRASSLEY. Mr. President, S. 1936 will be considered under the parameters of a unanimous consent agreement that limits the number of first-degree amendments in order to the bill to eight, with each limited to 1 hour of debate equally divided. Following disposition of S. 1936, the Senate will resume consideration of the transportation appropriations bill. Therefore, rollcall votes can be expected to occur throughout the day and into the evening on Wednesday to complete action on the Nuclear Waste Policy Act and the transportation appropriations bill.

Upon completion of those items just mentioned, the Senate may also be asked to turn to consideration of the VA-HUD appropriations bill. Therefore, a late night session is expected on Wednesday.

ADJOURNMENT UNTIL 9 A.M. TOMORROW

Mr. GRASSLEY. Mr. President, if there is no further business to come before the Senate tonight, I now ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 9:29 p.m., adjourned until Wednesday, July 31, 1996, at 9 a.m.

CONFIRMATION

Executive Nomination Confirmed by the Senate July 30, 1996:

THE JUDICIARY

NINA GERSHON, OF NEW YORK, TO BE UNITED STATES DISTRICT JUDGE FOR THE EASTERN DISTRICT OF NEW YORK.

EXTENSIONS OF REMARKS

TRIBUTE AND FAREWELL TO HIS EXCELLENCY ITAMAR RABINOVICH, AMBASSADOR OF ISRAEL

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. LANTOS. Mr. Speaker, today with a number of our distinguished colleagues from both Chambers of the Congress, I am hosting a farewell reception to honor and bid goodbye to the distinguished Ambassador of the State of Israel, my dear friend Itamar Rabinovich. The Ambassador will return to Israel before the Congress returns from its August recess, and this is our last opportunity to bid him farewell while we are all still here in Washington.

Mr. Speaker, joining me in hosting this reception are our colleagues from the other body, Senators MITCH MCCONNELL of Kentucky and JOSEPH BIDEN of Delaware. From the House, the hosts are Congressmen HOWARD BERMAN of California, BENJAMIN A. GILMAN of New York, and BILL PAXON of New York.

Ambassador Rabinovich was named Ambassador of Israel to the United States in November 1992, and he has served with great distinction during this past 4 years—a particularly significant time in United States-Israel relations. He was on hand for the transition in U.S. administrations when President Clinton replaced President Bush in January 1993. Later in September of that year on the South Lawn of the White House, President Clinton hosted the signing ceremony of the agreement between the State of Israel and the PLO which led to the major breakthrough in the peace process. He continued to play an important role coordinating efforts between the United States and Israel as the peace process moved forward with the signature of the treaty of peace with Jordan and a number of other important steps toward regional accommodation.

Mr. Speaker, we in the Congress have had ample opportunity to judge the quality of his representational skills. He has been a frequent visitor to my office and to the offices of a great many of us here on Capitol Hill. He has been a forceful advocate and a skilled representative. He has played a critical role in further strengthening the already strong ties between our two countries, and all of us owe him a debt of gratitude for his dedicated conscientious and intelligent service.

In addition to his critical role as the principal point of contact with our own Government, however, Itamar served simultaneously as chief negotiator with Syria, a position to which he was appointed in August 1992, just a few months before his appointment as Ambassador to the United States. As a highly regarded academic specialist on Syria, Ambassador Rabinovich played a key role in the extended series of negotiations with the Damascus government. Either position—as Ambassador to the United States or as chief negotiator with Syria—is a full time position. Not only did Itamar handle then both, he handled them with great skill and he did an excellent job in giving justice to both positions.

Itamar Rabinovich is a distinguished scholar with an international reputation. Before his appointment as Ambassador to the United States, he was rector of Tel Aviv University. He was also a professor of Middle Eastern studies and the former head of the Dayan Center for Middle Eastern and African Studies at the university. As an academic specialist on Syria, he is the author of Syria Under the Baath, 1963–66, The War for Lebanon, 1970–82, and The Road Not Taken: Early Arab-Israeli Negotiation.

Mr. Speaker, I invite my colleagues in the Congress to join me in paying tribute and expressing our gratitude for the distinguished diplomatic service of our friend, Ambassador Itamar Rabinovich, and in wishing a successful and happy future to Itamar and his lovely wife, Efrat, and their family.

IN SUPPORT OF PRESIDENT CLINTON'S VETO OF H.R. 1833

HON. NITA M. LOWEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mrs. LOWEY. Mr. Speaker, I would like to refer you to this moving letter from Diane Reiner in support of President Clinton's veto of H.R. 1833. Mrs. Reiner, like so many of the women we have heard from, discovered late in her wanted pregnancy that the fetus she was carrying was terribly deformed and would not survive. After carefully weighing all of the options, Mrs. Reiner and her husband decided to have an abortion. As I, and others, have stated throughout the debate on this bill—this tragic decision must belong to the woman, her husband, her doctor, her clergy and the friends and family that she chooses to consult. The one group of people it clearly does not belong to is the Congress.

JULY 25, 1990.

Hon. NITA LOWEY,
U.S. House of Representatives,
Washington, DC.

DEAR REPRESENTATIVE LOWEY: I am writing to let you know that I have tremendous respect for your efforts in standing up for women and our right to choose. I thought you would be interested in seeing this letter that I sent to President Clinton to thank him for his brave and compassionate veto of H.R. 1833.

Thank you for your courage and hard work.

Sincerely,

DIANE REINER.

DEAR PRESIDENT CLINTON: Thank you for vetoing H.R. 1833, the Canady/Smith bill.

I am a 43-year-old woman who had a late abortion in 1988. I was married and pregnant with a wanted child, but my husband and I discovered at a routine sonogram that our child was fatally deformed—that it had no proper brain, no proper lungs, that its organs were not properly inside its body cavity, that its spine was bent at a 45-degree angle, and that its extremities were also deformed. The only reason it was alive inside of me was because it was dependent upon my body as its life support system—through the umbilical cord. It would not have been able to live on its own for more than a few seconds, if that, after birth since its own lungs and brain could never function. (I use the pronoun ''it'' because we never were able to discover the gender of our unborn child.)

This was a total tragedy, of course. We are very loving people who wanted children very much. We had been trying for several years to have a child. We were devastated. We took a week to decide whether or not we could stand to have an abortion, or whether we should carry the doomed child to full term (it would very possibly have made it to full term and then died at birth, we were told). I decided that to save my sanity I would take the very grave step of aborting. I didn't think I could stand to carry my baby 3 more months, waiting for it to die. This decision filled me with a certain type of grief, and it felt like it was almost too much to have to make this choice, but my husband and I actually prayed about this (we are not members of any one particular religion, but we are spiritual people) and were led to our ultimate decision.

The abortion method used in my case was a bit different than the one at issue in H.R. 1833, but it was similar. The whole thing was infinitely sad and torturous to go through, but I thanked the doctor who was willing and able to perform such a difficult (emotionally difficult) procedure. He was my angel of mercy, Mr. Clinton!

It is people in situations such as the one I and my husband went through who need these rare late-term abortion procedures. We are not murderers. We are grief-stricken, would-be parents who are in a horrible crisis and are trying to take the best course possible. If we did not have the technology which allows us to see inside a pregnant woman in her 6th month then perhaps we wouldn't be discussing late-term abortion procedures. But we do have this technology, for better or worse, and if we can discover at 6 months that our baby will die at birth, how can it be a sin to terminate the life at that point rather than waiting a few more agonizing months for the same outcome?

I particularly commend you on vetoing H.R. 1833 since I realize that it is a risky business for you politically at this point, it being an election year during which certain conservative forces are making their presence clearly known. So thank you again. . . . on behalf of me, my husband, and the other women and couples who have had and will have need for this merciful procedure.

Sincerely,

DIANE REINER.

P.S. I now have a wonderful 6-year-old daughter.

● This ''bullet'' symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

COMMEMORATING ROGER TORY PETERSON

HON. SAM GEJDENSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. GEJDENSON. Mr. Speaker, I rise today in memory of Mr. Roger Tory Peterson, a long-time resident of Old Lyme, CT., who passed away on July 28 at the age of 87. Mr. Peterson, often referred to as the modern Audubon, produced the first Wildlife-related field guide designed for ordinary Americans. In so doing, he revolutionized how citizens across this country experience, view, and appreciate our bountiful natural resources.

Mr. Peterson was born in Jamestown, NY, in 1908. He explained years later how a personal experience with an injured bird and encouragement from his seventh-grade science teacher led him to begin drawing birds. He recalled that soon thereafter he was drawing and photographing virtually every bird in sight. His big break came in 1934 when William Vogt, the first editor of Audubon Magazine, approached him about illustrating a pocket-sized guide to North American birds. This request resulted in the first Peterson Field Guide, which catalogued birds of the eastern United States. Initially, publishers showed little interest in the publication. In the end, Houghton Mifflin agreed in Mr. Peterson's words ''to take a chance on me'' and printed 2,000 copies. Book stores sold each and every volume in about a week and were soon clamoring for additional copies.

The ''Peterson Field Guide'' was not the first publication providing detailed descriptions of birds and other wildlife. We are all familiar with the pioneering works of John James Audubon. What set Peterson's work apart from previous publications was how it blended intricate detail, demanded by biologists, ornithologists, and other scientists, with easy to understand narrative and arrows identifying the distinguishing features of particular species. Mr. Peterson remarked the use of arrows seemed so simple, but no one had used them before. The first field guide evolved into a series of 48 volumes spanning a host of topics, including wildflowers, bird songs, shells, butterflies, mammals, rocks and minerals, animal tracks, fish, and stars and planets. Mr. Peterson illustrated, wrote or edited each and every volume. Every new ''Field Guide'' followed the original format combining detailed illustrations with easy to understand explanations and commonsense hints to assist nonscientists in identifying particular species. To date, more than 8 million copies of the ''Peterson Field Guide'' to eastern United States birds alone have been published. It remains the most popular guide to birds more than 60 years after the first edition was released.

Roger Tory Peterson helped millions of Americans to gain a better appreciation of the natural assets which make our country special. President Jimmy Carter recognized Mr. Peterson's contributions to the country by awarding him the Medal of Freedom, the Nation's highest civilian honor, in 1980. The President noted Mr. Peterson had ''furthered the study, appreciation and protection of birds the world over.'' Mr. Peterson's contributions have been recognized worldwide, including two nominations for the Nobel Peace Prize. He received honorary degrees from 22 universities. Recently, The New York City Public Library listed the ''Peterson Field Guide'' as one of the most influential books of the past century. The Roger Tory Peterson Institute for Natural History was formed in 1984 as a national center for teacher enhancement and training. Among other things, the institute assists teachers in incorporating natural resources in their curriculums and serves as a museum to display Mr. Peterson's works.

Mr. Speaker, I know Americans from coast to coast join me in extending our condolences to Virginia Peterson and the other members of the Peterson family. Mr. Peterson's legacy will endure through the ''Peterson Field Guide'' and his numerous other works spanning six decades. Roger Tory Peterson was an extraordinary individual who helped Americans better understand and appreciate their natural surroundings. We will fondly remember him when we pick up the ''Peterson Field Guide'' to identify a bird at the feeder, a flower in the woods, a shell on the beach, or a star high above.

70TH ANNIVERSARY OF CICERO-BERWYN ELKS LODGE NO. 1510

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. LIPINSKI. Mr. Speaker, I would like to pay tribute to an outstanding organization in my district that is celebrating 70 years of service to its community this year, the Cicero-Berwyn Elks Lodge No. 1510.

For seven decades, the members of the Cicero-Berwyn Elks Lodge have worked to improve the lives of their fellow citizens. The members of this Elks Lodge have truly lived up to the benevolent and protective aspect of their name.

Lodge members make weekly visits to patients at Hines Veterans Hospital, distribute food baskets to those in need, and provide scholarships to worthy students in their community. In addition, they don furry suits in the spring as part of their Easter Bunny program and visit senior citizens and children in nursing homes and local hospitals.

Mr. Speaker, I commend the Cicero-Berwyn Elks Lodge No. 1510 on 70 years of doing good work for their community, and wish them many more years of service to their community.

PERSONAL EXPLANATION

HON. MICHAEL P. FORBES

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. FORBES. Mr. Speaker, on July 25, 1996, I accompanied the President of the United States to Long Island to meet with the families of the victims of the tragic TWA Flight 800. The entire Nation has been paralyzed by this disaster. My prayers and thoughts are with those families and it is my hope that as a nation we can begin to move beyond the hurt and anger. Therefore, I was unavoidably detained from being here to cast my vote on H.R. 3816, the Energy and Water Development Appropriations Act of 1997. Had I been here I would have voted no on rollcall No. 357, yes on rollcall No. 358, no on rollcall No. 359, and yes on rollcall No. 360. Finally, on rollcall No. 361 I would have voted yes and on rollcall No. 632 I would have voted no.

COL. ALFRED T. ROSSI PROMOTED TO BRIGADIER GENERAL

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. GILMAN. Mr. Speaker, it gives me great pleasure to recognize Gen. Alfred T. Rossi of Nanuet, NY, on the occasion of his promotion to the rank of brigadier general in the U.S. Army Reserve.

General Rossi was commissioned as a Second Lieutenant in the Corps of Engineers in 1967. Since that time, he has served as an instructor at the Engineer School at Fort Belvoir, VA and as a platoon leader in Company B, Battalion Civil Engineer and subsequently as Battalion Commander in the 854th Engineer Battalion. During his service as Battalion Commander, he was recalled to active duty and served in Saudi Arabia during operations Desert Shield and Desert Storm. General Rossi also served as Deputy Division Commander for Mobilization and Reserve Affairs, North Atlantic Division, U.S. Army Corps of Engineers from September 1991 through August 1995. He is currently Commander of the 411th Engineer Brigade.

During General Rossi's 29 years of outstanding service, he has received numerous military decorations, including the Bronze Star, Meritorious Service Medal with Oak Leaf Cluster, Army Commendation Medal with two Silver Oak Leaf Clusters, Army Reserve Components Achievement Medal with two Oak Leaf Clusters, National Defense Service Medal with Service Star, Southwest Asia Service Medal with two Service Stars, Armed Forces Reserve Medal with Hourglass Device, Army Service Ribbon, Army Reserve Components Overseas Training Ribbon, Kuwait Liberation Medal (Saudi Arabia), Kuwait Liberation Medal (Kuwait), and the New York State Conspicuous Service Medal.

Mr. Speaker, General Rossi clearly exemplifies the ideals of the U.S. Armed Forces. He has committed his life to the service of both his country and his community. He is fully deserving of our respect and tribute. Accordingly, Mr. Speaker, I am pleased to take this opportunity to commend and thank General Rossi for his outstanding dedication and service to our Nation and to the greater New York Metropolitan area.

BUSINESS AND EDUCATION SHARING TECHNOLOGY ACT

HON. LYNN C. WOOLSEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Ms. WOOLSEY. Mr. Speaker, I rise to introduce the Business and Education Sharing Technology Act [BEST].

As a member of the Committee on Economic and Educational Opportunities, and as the Representative from one of the most technologically literate congressional districts, I know that technology is the future of education in America.

Education technology has the potential to ensure that every student in America achieves the highest learning goals. However, education technology can accomplish this goal only if every student has access to technology and all educators know how to use it.

President Clinton has endorsed this goal in his Technology Literacy Challenge. The Technology Literacy Challenge asks public and private resources to join together to ensure that all children in America are technologically literate by the 21st century. The BEST Act supports the Technology Literacy Challenge by recognizing businesses which show an exemplary commitment to joining with local schools to improve the teaching and use of education technology.

Members of the House and Senate who choose to participate in this program ask local and State education agencies and schools for nominations. The business to be honored is then chosen by a board of qualified individuals. All the businesses which are chosen are honored locally by the participating Member of the House or Senate. In addition, each year the White House holds a national ceremony to give recognition to these businesses. It is important to note, however, that no taxpayer funds are used for this ceremony. My bill specifically states that the ceremony does not take place unless all costs are donated by private contributions.

Mr. Speaker, education has always been a bipartisan issue in Congress. Last year, when the Committee on Economic and Educational Opportunities and the Science Committee held a joint hearing on education technology, Members on both sides of the aisle were excited to hear about the ways education technology is being used in many schools right now to help students achieve the kind of critical thinking they need to perform in the high skill jobs of today. But, it is not enough for a few lucky schools to offer education technology to their students. The BEST Act will encourage public/private partnerships in every community and every State that will ensure that all of our students and their teachers have the equipment and the know-how they need today to learn to the standards of tomorrow.

I hope my colleagues from both sides of the aisle will cosponsor the BEST Act. Join with me, schools, and businesses across the Nation to make sure that every school in America has the education technology it needs to make American students the best in the world.

NEW WEAPON FOR FIGHTING DOMESTIC VIOLENCE

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. GINGRICH. Mr. Speaker, I would like to take this opportunity to inform my colleagues of a new initiative in the fight against domestic violence.

Six municipal police departments in Cobb County, which is in the 6th District of Georgia, are being equipped with special instant camera packages for use in their police cars. The camera packages, which are being purchased with donations as part of a public/private partnership, will be used to document cases of domestic violence, leading to undeniable proof of abusive activity.

As we are all aware, domestic violence can cause irreparable harm with the most devastating effects on our children. Children who grow up in an abusive home environment often demonstrate abusive relationships later in life with their spouses or children. It's important that we break the cycle of violence that is so damaging to the families of America.

I believe that the use of the camera packages will be of great assistance to police officers in their fight against domestic violence, and I commend Solicitor General Ben Smith, the Polaroid Corp., and citizens and civic groups like the Acworth Carrie Dyer Woman's Club for their efforts in this endeavor. I would encourage all of my colleagues to support similar programs in their own districts.

[From the Marietta Daily Journal, Apr. 25, 1996]

USING PICTURES TO PROSECUTE

POLICE USE CAMERAS TO BATTLE ABUSE

(By Dennis Smith)

In the early morning of July 20, 1994, Glen Troy Bramlett entered the Paulding County home of his estranged wife, Nancy, and their three children, bent on making good on a previous threat to kill his wife.

Armed with a shotgun, a .44-magnum pistol, a knife and nearly three gallons of gasoline, the Smyrna man murdered his wife of 22 years with two 12-gauge shotgun blasts as the victim slept next to their 2-year-old daughter.

The slaying occurred just days after Nancy Bramlett filed for divorce, seeking an end to a long and abusive marriage. The toddler was not injured, but evidence at the scene indicated Bramlett intended to kill his children as well. But those plans changed, and Bramlett shot and killed himself instead.

On Wednesday morning, 16-year-old Jessica Bramlett recounted the story of her shattered family to about 20 elected officials and about 30 city and county police officers, as well as a handful of domestic violence victims.

The group had gathered in a Cobb County courtroom to kick off a fundraising campaign, as both county and municipal officials are focusing their efforts on domestic violence with plans to equip every police cruiser in the county with a new weapon—a Polaroid Instamatic camera.

Through a public/private partnership with Polaroid, officials hope to raise funds to buy the cameras through donations.

In honor of Mrs. Bramlett and other victims of domestic violence, authorities are hoping both individuals and businesses will contribute to the Nancy Bramlett Domestic Violence Memorial Fund—which is set up to fund the purchase of at least 230 Polaroid police packages.

The price tag for each camera package—which includes special lenses, film and other tools for police to gather domestic violence evidence—has been reduced from more than $200 to $59.95.

The Polaroid Corp. also has agreed to train officers in use of the cameras, which officials say will be used to take pictures of battered women to be used in the prosecution of the men who inflicted the wounds.

The officers present Wednesday got a crash course in use of the cameras and were allowed to practice their skills on models, whose faces were made up with fake bruises and bloody cuts.

Cobb Solicitor General Ben Smith, whose office prosecutes most cases of domestic violence and is spearheading the fundraising effort, said the cameras are an important tool in making the case against a wife beater.

''Cases of domestic violence are the most difficult to prosecute,'' said Smith, referring to victims who often refuse to cooperate with authorities after the initial incident.

As an assistant district attorney in 1991, Smith prosecuted Bramlett for making terroristic threats, as the man told his wife he would shoot her when she picked up their children from an elementary school in Smyrna. When Bramlett was arrested at that time, he was armed with two handguns.

Smyrna police had also investigated incidents of spousal abuse at the couple's home.

''Nancy did not want to prosecute,'' Smith said. ''All she would tell me was, 'Mr. Smith, you simply don't understand.'''

''Hard evidence is the way to solve these problems,'' Superior Court Judge Mary Staley told the group of officers. ''When you show [the pictures] to a person and say, 'You did this!'', it's a very powerful message.''

Once each police car in Cobb and its six cities is equipped with a camera, Cobb County will be the first community in Georgia and one of only 15 nationwide which have cameras in every police cruiser, said Barbara Poremba, a marketing representative with Polaroid.

Only a handful of other Georgia communities use instant photography in documenting domestic violence injuries, she said.

Angela Straker, who survived a gunshot wound to the head that was inflicted by her husband, suffered years of torment at the hands of Charles B. Straker. She told the officers that victims are often reluctant to come forward because they are in an embarrassing situation.

''It's very difficult. It's much different than trying to stop a cigarette habit . . . it's like brainwashing,'' said Ms. Straker, who was nearly paralyzed and still has a bullet lodged in her head.

''Whenever you're in a situation where you're being choked, beaten,'' she said, ''it's humiliating. It has destroyed my whole life, my whole family''.

Mrs. Straker, choking back tears, added that when her husband is released from his 20-year prison sentence, her ''nightmare'' will begin all over again.

Those who wish to contribute to the camera fund can call Jennifer Christian in the Cobb Solicitor's Office at 528–8554. Smith said those purchasing a camera can dedicate that purchase in memory or honor of a family member or friend, and an inscription will be placed on that camera.

TRIBUTE TO DR. LEO CORBIE AND DR. CAROLYN GRUBBS WILLIAMS

HON. JOSÉ E. SERRANO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. SERRANO. Mr. Speaker, I rise today to pay tribute to Dr. Leo Corbie for his dedicated service as acting president of Bronx Community College. I will also like to honor Dr. Carolyn Grubbs Williams, who is succeeding Dr. Corbie as president of Bronx Community College.

Dr. Corbie was born in New York City. He moved to the Bronx after spending his early childhood in Harlem. He received a bachelor

of arts from Central State College and then went on to earn a master's degree in social work from Fordham University and a doctoral degree in social welfare policy and planning from Columbia University.

Dr. Corbie joined The City University of New York in 1969 as a counselor in the Seek program at Lehman college and became director of the program that same year. The Seek program provides financial and academic assistance to students in need. Dr. Corbie has served as the vice chancellor for student affairs for the City University, from 1981 to 1991.

In June 1993, Dr. Corbie was named acting president of the Bronx Community College. He took over the college at a time of instability and uncertainty. Through his leadership and dedication, Dr. Corbie managed to continue the Bronx Community College tradition of excellence and educational opportunity for all who seek to improve themselves.

Today, Bronx Community College welcomes their new president, Dr. Carolyn Grubbs Williams. Dr. Williams has been president of Los Angeles Southwest College of the Los Angeles Community College district since 1992. In her first year, she eliminated a budget deficit of $1.6 million and increased student enrollment by 9 percent. She was able to obtain funding and State approval for three major construction projects.

Dr. Williams earned her bachelor's degree in sociology, mater's degree in urban planning/social planning and her doctoral degree in higher education from Wayne State University in Detroit.

Dr. Williams leadership has shaped Los Angeles Southwest Community College into an outstanding institution. Her outstanding record has earned her numerous accolades and has been elected to the board of directors of the American Association of Community Colleges and the AACC's National Council on Black American Affairs.

Bronx Community College has benefited from the expertise and outstanding record of Dr. Corbie, and will surely continue to prosper under President Williams. Mr. Speaker I ask my colleagues to join me in recognizing Dr. Leo Corbie and Dr. Carolyn Grubbs Williams for their commitment to the advancement of higher education.

PROUD TO BE AN AMERICAN

HON. HOWARD P. ''BUCK'' McKEON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. McKEON. Mr. Speaker, I recently completed my latest series of town meetings across California's 25th Congressional District. These meetings not only provide my constituents the opportunity to discuss issues of national and local concern, but they give me the chance to meet and interact with the citizens I represent as well. Recently, I had the honor of meeting Mr. Howard F. Simmon of Lancaster, CA. Mr. Simon had never before been to a town hall meeting, yet managed to attend this latest round of discussions. His dedication to this Nation is embodied in a poem he presented me at this latest series of meetings. I would like to read that poem today.

Justly be proud of America,
''Tis all that it is, and more,
The land of the free,
And the home of the brave,
As 'twas said in the olden lore;
So justly be proud of America,
And rest on it, it's true,
Where the sky spans o'er,
From shore to shore
It's a beautiful land,
A wonderful land,
The land of the free, and more.

IN HONOR OF HENRY LeGRAND SMITH

HON. NICK SMITH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1996

Mr. SMITH of Michigan. Mr. Speaker, my wife Bonnie and I were blessed with a new grandson on July 20 at 12:29 a.m. His name is Henry LeGrand Smith. He weighed 8 lbs. 6 oz. He is the fifth child of Bradley LeGrand Smith and Margaret Diane Smith. My namesake, Nick Smith is 9, Emily is 7 years old. Claire is 4 years old, and George is 2 years old.

Bonnie and I join Henry's other grandparents, Neville and Jennifer Monteith from Orillia, ON, in welcoming Henry to this world.

Like his brothers and sisters, Henry is going to have a tough time paying back all the money the Federal Government is borrowing. If we don't change our ways, Henry will have to pay $187,000 in taxes over his lifetime just to cover his share of the interest on the national debt.

I would conclude by asking all the parents and grandparents now in Congress to work with me to minimize the debt which our children and grandchildren will have to pay back for our undisciplined deficit spending.

THANK YOU, CYNDY WILKINSON, FOR YOUR LOYAL SERVICE

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. FIELDS of Texas. Mr. Speaker, it was with mixed emotions that I announced last December 11 my decision to retire from the House at the conclusion of my current term. As I explained at the time, the decision to retire was made more difficult because of the loyalty and dedication of my staff, and because of the genuine friendship I feel for each of them. They have served the men and women of Texas' 8th Congressional District in an extraordinary way.

Today, I want to thank one member of my staff—Cyndy Wilkinson, a counsel with the House Telecommunications and Finance Subcommittee, who formerly served as chief minority counsel on the House Merchant Marine and Fisheries Committee, on which I was the ranking minority member.

A native of Galveston, TX, Cyndy is a 1970 graduate of Lamar University. She graduated with honors from the Potomac School of Law, where she attended classes at night while working on Capitol Hill during the day.

Cyndy has a long and distinguished record of service on Capitol Hill, having served on the staffs of U.S Reps, Jack Brooks, D–TX, from 1970 to 1971, and Mario Biaggi D–NY, from 1971 to 1978 prior to joining the staff of the Merchant Marine and Fisheries Committee.

On the Merchant Marine and Fisheries Committee, Cyndy's knowledge of, and advice on, maritime and environmental issues was widely respected by Democratic and Republican members of the committee. Indeed, she served as a member of the Democratic committee staff in a variety of capacities from 1978 to 1993. In 1993, she joined the Republican staff as minority chief counsel.

In her various capacities, she worked to pass the Oil Pollution Act of 1990, which greatly enhanced the Nation's ability to prevent and respond to oil spills and other threats to our maritime environment. She also worked to reform the Endangered Species Act, enhance private property rights related to Federal wetlands regulations, and promote cruise ship safety. Her breadth of knowledge of maritime and maritime-related issues, her keen political acumen, and her eagerness to achieve consensus on vital issues affecting the maritime industry won her many friends in the merchant marine industry, including management and labor, and among Coast Guard officials.

In the 104th Congress, when I assumed the chairmanship of the House Telecommunications and Finance Subcommittee, I asked Cyndy to become a counsel on the House Commerce Committee. In that position she has worked on legislation to reform public broadcasting, and reduce its reliance on Federal funding. Due to Cyndy's hard work, public broadcasters reached an agreement for the first time ever on a legislative proposal to make their industry more financially self-reliant.

Cyndy is one of those hard-working men and women who make all of us in this institution look better than we deserve. I know she has done that for me, and I appreciate this opportunity to publicly thank her for the dedication, loyalty, and professionalism she has exhibited throughout the time I have worked with her.

Cyndy's future plans after I retire are as yet uncertain, but knowing her as well as I do, I am confident that the skills and professionalism she has demonstrated in the past will lead to continued success in the future.

Mr. Speaker, I know you join with me in saying thank you to Cyndy Wilkinson for her loyal service to me, to the men and women of Texas' 8th Congressional District, and to this great institution. And I know you join with me today in wishing Cyndy a very happy birthday.

TRIBUTE TO DONALD MATTEO

HON. SAM GEJDENSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. GEJDENSON. Mr. Speaker, I rise to pay special tribute to Mr. Donald Matteo, the executive director of the submarine directorate of the Naval Sea Systems Command. On the occasion of his retirement, I ask that you and the other Members of this distinguished body, join me to pay special tribute to his extraordinary achievements in the service of our great Nation.

Don Matteo manages our Nation's most critical strategic, tactical, and special purpose

programs—the design, acquisition, maintenance, and modernization of the Navy's attack and strategic submarines and deep submergence systems. His contributions to the Navy span a civil service career of over 36 years, 15 of which have been as a member of the Senior Executive Service.

Don Matteo has been honored with numerous impressive awards. He is the recipient of the Presidential Distinguished Executive Award, and has been honored on many occasions with the Presidential Meritorious Rank Award, the Navy Superior Civilian Service Award, and the Navy Special Act or Service Award.

A native of Brooklyn, NY, Don is a graduate of the U.S. Merchant Marine Academy. He began his civil service career as a marine engineer at Pearl Harbor Naval Shipyard. During the course of his distinguished career, Don Served as the program manager for acquisition of the SSBN–726 class trident submarines, and as the program manager for acquisition of SSN–688 Los Angeles class attack submarines. Don Matteo's leadership has been central to the tremendous success of our Nation's strategic and fast attack submarines. His expertise and innovative approaches to both management and technical issues continue to manifest themselves in the cost effectiveness and quality of Navy programs and products.

Don Matteo provided a major contribution to the successful termination of cold war hostilities. He worked closely in negotiations with numerous government agencies, and in collaborative operations with representatives at the highest levels of international navies and the defense communities. His cooperation with our allies, including the British, Australian, and Egyptian navies, set the tone for an emerging new era of peace. His vision and personal efforts to maximize the submarine strategic deterrence mission helped facilitate the Strategic Arms Reduction Talks [START] and the Strategic Arms Limitation Talks [SALT] Accords.

Don Matteo epitomizes the best of a modern executive. The high regard in which he is held throughout the Defense establishment and in private industry marks Don as one of our most effective and respected Navy civilian leaders. He is known throughout the Department of Defense for his technical expertise and insightful leadership. He has inspired and mentored many executives, and is a highly respected role model for many young managers. Don has led the way in achieving the goals of the President's National Performance Review. He was on the forefront of Navy initiatives to rightsize the submarine community to meet changing national strategic goals, while minimizing adverse effects.

Mr. Speaker, during the course of his career, Don Matteo has faced tremendous engineering, technical, and fiscal challenges. His leadership and personal fortitude have been central to the operational effectiveness and reliability of all submarines, and to our national security strategy which they enable and support. The recent highly successful maiden voyage of the PCU *Seawolf,* the first of a new class of attack submarines to set sail in over 20 years, is but one example of the results of the tremendous leadership of Don Matteo. Although he will be sorely missed in the Department of Defense, Don Matteo's vision, leadership, and personal style will continue to have a great impact in our Navy, and on our Nation for years to come.

Mr. Speaker, on behalf of my colleagues and the citizens of this great country, I am proud to have the opportunity to honor Mr. Donald Matteo on this momentous occasion with Bravo Zulu for a job well done. I ask that you and my distinguished colleagues join me to wish Mr. Matteo ''Fair Winds and Following Seas'' as he begins his next voyage.

IN HONOR OF MAY DEL RIO

HON. NITA M. LOWEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mrs. LOWEY. Mr. Speaker, I join you here today to tell you that an era is coming to an end. For the last 30 years, May Del Rio has been on the frontlines of the battle to protect women's reproductive rights. She has been a leader in this fight on both the national and local levels. Next month, May will retire from Planned Parenthood-New York City.

I would like to congratulate May on her incredible career—a career that has literally made the difference between American women having access to safe, legal abortions and being forced to the back alley. I have to admit, though, that my happiness for May is tinged by a little sadness. I will miss working with her. In addition to being a valued colleague in the fight for the right to choose, May is also someone that I have come to know as a friend.

Anyone who has had the honor of spending time with May will tell you that her great gift—aside from her obvious intelligence, tenacity and with—is her warmth. May has an incredible spirit, and she radiates with kindness and enthusiasm. No wonder may has been so successful at lobbying, what legislator could say no to her?

May began her work on behalf of reproductive rights in 1965, when abortion was still illegal. She tells me that one of her proudest and happiest days was April 9, 1970. She was in the gallery of the New York State Legislature when the bill legalizing abortion in New York was passed. That day was the fruition of years of work for May, and the beginning of a new mission for her—assuring that every women had access to that hard-won right.

May has worked for Planned Parenthood for the past 18 years. She began working at Planned Parenthood-New York City as its director of public issues and action in 1978. In that role, she lobbied legislators in both Albany and Washington to raise funds for family planning services and to assure that poor women had access to abortion services. In 1989, May moved to Planned Parenthood Federation of America as the national director of field operations.

Eventually, May returned to Planned Parenthood-New York City as vice president of public affairs. There, she has continued to fight on behalf of a women's right to obtain safe, affordable, and legal reproductive health services—including abortion. May has spent a lifetime protecting the rights of American women. Those of us who have had the honor or working with her will miss her greatly, and we wish her nothing but the best in her future endeavors.

KIWANIS CLUB OF LA GRANGE CELEBRATES 7OTH ANNIVERSARY

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. LIPINSKI. Mr. Speaker, I rise today to pay tribute to an outstanding community service organization in my congressional district, the Kiwanis Club of La Grange on its 70th anniversary.

From its beginnings on a May night at the old Masonic Temple on La Grange Road 70 years ago, the Kiwanis Club of La Grange has grown with its community during the last seven decades.

The club, sponsored by the Berwyn Kiwanis Club, was organized by 42 people, including some of La Grange's leading citizens, on April 15, 1926. On May 11, 300 Kiwanians from as far away as DeKalb attended a charter night celebration at the Masonic Temple. Otis Townsley was elected the club's first president. Over the years, individuals from numerous professional backgrounds have served the club stop post.

Soon after the club was established, it made its first contribution to the community, $25 to the La Grange Civic Club for its village beautification program. Philanthropy has been the cornerstone of the club ever since as La Grange Kiwanis has plowed more than half a million dollars into worthy causes in its 70 years. Starting in 1928, with the club's decision to establish a milk fund for needy children served by the La Grange Community Nurse and Service Association, much of Kiwanis' charitable efforts have been directed to the young people of the area.

As the club grew, so did its fundraising projects. In 1951, on its 25th anniversary, La Grange Kiwanis held its first Pancake Day. This event raised $1,800 for community projects. Pancake Day has grown into one of the top community events in La Grange each year, and along with Peanut Day, is the club's top fundraiser.

In 1976, the club purchased an empty lot at La Grange Road and Elm Avenue and developed a park for the entire community to enjoy. It has been used for weddings, parties, and quiet reflection.

The club went through many changes over the years, but has always grown stronger. Perhaps the biggest change occurred in 1987 when Kiwanis initiated its first woman member of the club, Lee Welker of La Grange, who had served as club secretary for many years.

Mr. Speaker, I congratulate Kiwanis Club of La Grange on 70 years of service to its community.

TRIBUTE TO RETIRING MARINE CORPS MAJ. WALLACE W. HILLS

HON. MICHAEL P. FORBES

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. FORBES. Mr. Speaker, I rise today to pay tribute to Marine Corps Maj. Wallace W. Hills, of Albany, NY, who is retiring this August after a 19-year career. Major Hills has served his country with honor and dedicated service

and I would like to ask my colleagues in the U.S. House of Representatives to join me in saluting him.

A native of Lake Ronkonkoma, Long Island, where he attended Sachem High School, Major Hills is departing as the Commanding Officer of the Marine Corps Recruiting Station in Albany on Saturday, July 20. Under his command, Recruiting Station Albany has earned four consecutive Commandant of the Marine Corps' Superior Achiever Awards for recruiting excellence, an indication of the overall excellence with which Major Hills has served his country.

Major Hills joined the U.S. Marine Corps after graduating from East Stroudsburg University in Pennsylvania, in December of 1976 with a bachelor of arts degree in history and political science. At East Stroudsburg University, he earned All-Conference and All-Pennsylvania honors as a member of the 1975 undefeated championship football team.

He completed Basic School for Marine Crops officers in May 1977, and has served in a variety of commands and assignments during a distinguished and decorated career. Upon graduating Naval Air Training Command, he served as an A–6 pilot with the Marine All Weather Attack Squadron 121. After two deployments in the western Pacific, where he made the Marine Attack Squadron of the Year, he transferred to Recruiting Station-Northern New Jersey for 3 years. He returned to the Fleet Marine Force in July of 1986, where he became Commanding Officer of Combat Service Support Detachments 24 and 27. Between August 1990 to April of 1991, Major Hills participated in operations Desert Shield, Desert Storm and Eastern Exit—the evacuation of the U.S. Embassy in Somalia.

During his career, Major Hills garnered many decorations and awards, including: the Navy Commendation Medal with gold star; the Navy Achievement Medal; the Navy Unit Citation with bronze star; the Meritorious Unit Citation with three bronze stars; the National Defense Medal; the Southwest Asia Service Medal with two bronze stars—signifying service during Desert Shield and Desert Storm; the Kuwait Liberation Medal; and the Sea Service Deployment Ribbon with two bronze stars.

Major Hills is married to the former Kathryn Gaughan, of Scranton, PA, who is a first-grade teacher at the Albany Academy for Girls. They have two sons, David and John, who are a senior and a freshman, respectively, at Shaker High School, in Loudonville, NY. Upon his retirement Major Hills will serve as the senior Marine instructor and teach leadership science for the Marine Corps Junior ROTC unit at Amsterdam High School, in Amsterdam, NY.

The men and women in the Armed Forces, like Maj. Wallace W. Hills, perform a service for this country that too often goes unrecognized. America has achieved and maintained a position of leadership and respect throughout the world because of the sacrifice and effort offered by our Armed Forces. The rest of America should pause more frequently to think of these men and women in uniform who keep this Republic safe, so we may enjoy the fruits of democracy. That is why I urge my colleagues in the House of Representatives to take a moment and recognize Maj. Wallace W. Hills for his service to America.

AVAILABILITY OF VOA, RADIO MARTI MULTILINGUAL COMPUTER READABLE TEXT AND VOICE RECORDINGS

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. GILMAN. Mr. Speaker, today I am introducing a bill H.R. 3916 along with my colleagues Mr. ANDREWS of New Jersey and Mr. FOX of Pennsylvania to provide university level linguistic researchers the use of Voice of America transcripts for the purpose of research. This authority sunsets in 5 years.

This legislation is necessary since the U.S. Information Agency is banned from domestic dissemination of the materials they produce. The legislation waives this prohibition allowing USIA to provide computer readable multilingual text and recorded speech in various languages specifically to the University of Pennsylvania's Linguistic Data Consortium. The authority to release the VOA transcripts is carefully targeted to the university-level research community.

All the data to be received by the consortium will be processed in electronic form by computers to create statistical tables and models of speech and written language, in which content is not even recoverable. Thus there is no question of the data being redistributed as news or as any kind of product other than a data base for linguistic research and development.

The Linguistic Data Consortium is a nonprofit organization founded in 1992 with a mission to make resources for research in linguistic technologies widely available. About 80 companies, universities, and government agencies are members of the consortium.

Accordingly, I urge our colleagues to support this measure.

H.R. —.

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

SECTION 1. AVAILABILITY OF VOICE OF AMERICA AND RADIO MARTI MULTILINGUAL COMPUTER READABLE TEXT AND VOICE RECORDINGS.

(a) IN GENERAL.—Notwithstanding section 208 of the Foreign Relations Authorization Act, Fiscal Years 1986 and 1987 (22 U.S.C. 1461–1a) and the second sentence of section 501 of the United States Information and Educational Exchange Act of 1948 (22 U.S.C. 1461), the Director of the United States Information Agency is authorized to make available, upon request, to the Linguistic Data Consortium of the University of Pennsylvania computer readable multilingual text and recorded speech in various languages. The Consortium shall, directly or indirectly as appropriate, reimburse the Director for any expenses involved in making such materials available.

(b) TERMINATION.—Subsection (a) shall cease to have effect 5 years after the date of the enactment of this Act.

NORTH BONNEVILLE, FEDERAL GOVERNMENT RESOLVE DISPUTE

HON. LINDA SMITH

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mrs. SMITH of Washington. Mr. Speaker, I am pleased that the House of Representatives has approved my legislation to resolve a long-standing dispute between the Federal Government and the city of North Bonneville.

The city has been embroiled in a conflict with the Army Corps of Engineers since 1972, when the city was relocated to accommodate the construction of the Bonneville Dam powerhouse. Everyone agrees that it is time to resolve all of the outstanding issues between the Corps of Engineers and the city. The legislation that is part of the Water Resources Development Act will finally put this controversy to rest and most importantly, move Skamania County into an era of economic recovery.

A key provision in this bill will transfer certain lands to the city for their long-term economic development plans. Skamania County has a tremendous amount of Federal and State-owned lands. There is very little property in the county with developed infrastructure to attract business to this beautiful area. The transfer of land to the county for development will be a real shot in the arm for an area that has suffered severe unemployment with the downturn in the timber industry. The citizens of the area will have economic opportunity and the county will have an expanded tax base.

I want to take this opportunity to thank Mayor Keith Chamberlain, the Skamania County Commission, Rep. Marc Boldt and all the other individuals who have helped me convince my colleagues that this bill should be given high priority in the House of Representatives.

I will be working in the final days of the 104th Congress to make sure this bill is signed into law by the President.

DR. J. EDWARD ROUSH'S ENDURING LEGACY TO INDIANA'S FOURTH DISTRICT

HON. MARK E. SOUDER

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. SOUDER. Mr. Speaker, on April 22, 1996, I respectfully requested that when the Committee on Transportation and Infrastructure met to consider the Water Resources Development Act, that the Huntington Reservoir in Huntington County, IN be renamed in honor of a distinguished citizen and former Indiana Congressman, Dr. J. Edward Roush of Huntington, IN. This provision has eventually become section 505 of the bill before us today.

Dr. Roush's entire life has been dedicated to the advancement of the interests of the Hoosier State and our great country. His service began early in his life, when he fought for 4 years in World War II. At the conclusion of that cataclysmic conflict, Dr. Roush was elected to the Indiana General Assembly, where he served from 1949–1950. In 1950 he was once again called to duty to defend his country, this time serving 2 years in the Korean war. He returned to Huntington after his second military

tour to practice law, and became the prosecuting attorney of Huntington County. He served in this capacity from 1955–1959.

Dr. Roush's sights were set higher. He was elected to the U.S. House of Representatives in 1958, and served the people of Northeastern Indiana until 1969. In 1970, he was reelected as a Representative of our district, and served until 1976. Mr. Roush's initiatives on behalf of his constituents are too numerous to mention. Among his many contributions, Dr. Roush established the 5th district scholarship program, which brought high school students from each of the schools in his congressional district to Washington for seminars on the governmental process, was instrumental in establishing the 911 emergency telephone hotline, and he inaugurated an institute on the legislative process for high school government teachers and an annual legislative seminar for women.

From 1977 to 1979, Dr. Roush was appointed by President Carter to serve as Director of the Office of Regional and Intergovernmental Operations of the Environmental Protection Agency. Additionally, he has served as both a member and chairman on the board of directors of the Huntington College, as a member of the board of directors of the Merry Lea Environmental Center in Albion, IN, as a member of various veterans' organizations, and as a member of the Indiana Society of Washington.

Mr. Speaker, such dedication deserves recognition. Dr. Roush's service to what is now the Fourth District of Indiana should be memorialized for generations to come. Changing the name of Huntington Reservoir to Roush Lake would ensure that Dr. Roush is duly recognized for his many contributions as a statesman. I urge my colleagues to support this provision of H.R 3816.

CALL FOR REFORM OF THE ENDANGERED SPECIES ACT

HON. WILLIAM M. THOMAS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. THOMAS. Mr. Speaker, in the 20 years since its inception, the implementation of the Endangered Species Act has undermined the rights of private landowners and is jeopardizing the Nation's food supply.

The people of the Central Valley of California, in which my district is located, have on more than one occasion been penalized for simply trying to irrigate, cultivate, or otherwise use their own property. This illustrates one fundamental flaw in the Endangered Species Act: one section of the population is paying a disproportionate share of the cost of protecting endangered species. We, the people of the United States, decided to protect endangered species. Yet, while the farmers and business people of the Central Valley pay the cost of administering endangered species habitats on their property, those Americans who do not own and work the land are exempted from the cost of protecting endangered species.

A second, and more disturbing, result of the implementation of the act is that it threatens America's food supply. Tulare and Kern Counties, both located within my district, are the second and third largest agricultural producing counties in the United States. Tulare County annually produces over 260,000 bales of cotton, over 1 million tons of citrus, over 340,000 head of cattle, and over 568 million gallons of milk. Kern County produces over 730,000 tons of grapes, over 590,000 bales of cotton, over 600,000 tons of citrus, and over 104 million gallons of milk. The Central Valley of California feeds the Nation. In enforcing the Endangered Species Act, the Government is not only acting against the property rights of private landowners, it is also hindering the production of the Nation's food. Let me give some examples.

Federal and State agents force landowners to pay outrageous fees and penalties in order to resolve concerns for the well-being of endangered species, including various rodents and lizards, living on private property.

One farmer who tried to build a turkey ranch had to forfeit some of his land to the Government and pay $50,000 for the management of a habitat for the Tipton Kangaroo Rat, among other species.

One farmer, hoping to build a dairy, plowed 160 acres of his own land. The Fish and Wildlife Service did not approve, fearing for the kangaroo rat, and the farmer was forced to sell the Government 112 acres of his land and provide $14,000 for the area's management.

On yet another occasion, an environmental assessment was required during the sale of land in southern Tulare County. The assessment team found no endangered species on the property in question, but, as they were returning to their car, they spied a Swainson's Hawk, a threatened species, flying overhead. The hawk never landed on the property, but the team still believed it might feed on rodents living on the property. As a consequence, the farmer who owned the land had to pay an outrageous $165,000 in mitigation fees.

These fees not only represent an exorbitant cost for the farmers involved, they also show how a small group of citizens are paying for a solution to a problem we as a society decided to address. In reforming the Endangered Species Act we must balance the rights of landowners with the rights of threatened animals, and we must ensure that society as a whole contributes to the cost of protecting such animals.

The Endangered Species Act not only poses a threat to the California farmer and businessperson, it poses a threat to all citizens. Production in the richest agricultural region in the United States has time and again been obstructed by overzealous Government agents enforcing the act.

In 1991 California farmers were in the middle of a 6-year drought, and the Kern County Water Agency proposed drilling emergency wells to irrigate crops. Before it could begin to recover much-needed groundwater, however, the Water Agency was forced to complete surveys for the presence of the kangaroo rat, at a cost of over $27,000. Not a single endangered species was ever identified. The environmental assessment caused a delay of 3 months in the drilling of the wells, and thousands of acres of valuable crops were put in jeopardy.

In another incident, the Kern County Water Agency, along with the State of California, purchased 20,000 acres of land to construct an underground reservoir. ''Water banks'' such as these are a very cost-effective way of collecting water for irrigation, and California taxpayers invested close to $60 million in the project. The Water Agency, regardless of the fact that it spent over $100,000 on a comprehensive conservation plan for the area, was told it must set aside 12,000 acres for an endangered species habitat, leaving only 8,000 acres for the water bank. The Water Agency understandably believed this was unreasonable and abandoned the project.

I support H.R. 2275, the Endangered Species Conservation and Management Act, which says those who enforce the Endangered Species Act must consider economic impacts and property owners' rights when taking action to protect endangered species. The bill would require the Government to pay landowners fair market value when, in creating and administering habitats for endangered species, it causes the value of the property to diminish.

H.R. 2275 also requires that the Secretary of Interior use only the best scientific or commercial data in determining which species are threatened or endangered, delegates authority to the individual States to protect endangered species that reside within each State, and establishes a National Biological Diversity Reserve to help preserve the existence of threatened and endangered species.

Effective reform of the Endangered Species Act should be on our agenda. I urge support for the Endangered Species Conservation and Management Act to better protect the property rights of landowners and preserve agricultural production in the Central Valley, while accommodating the society-wide goal of preserving truly endangered species.

RESOLUTION TO BRING DR. HANS JOACHIM SEWERING TO JUSTICE

HON. LYNN C. WOOLSEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Ms. WOOLSEY. Mr. Speaker, today, I am introducing a concurrent resolution with Senator RICK SANTORUM calling for an official investigation of Dr. Hans Joachim Sewering by the German Government. At the time of Hitler's reign in Germany, Dr. Sewering was a member of the Nazi SS and the medical director of the Schenbrunn Sanitarium in Bavaria, Germany. During his tenure at this clinic for mentally and physically handicapped children, Dr. Sewering ordered the deaths of 909 innocent children.

After the war, Dr. Sewering was not punished. His crimes were never even acknowledged by the German Government. In fact, Dr. Sewering went on to achieve a successful medical career in the German State of Bavaria. He thought that the world had forgotten the children that he sent to death.

But, in 1993, four Franciscan nuns who were witnesses to this atrocity broke their vow of silence in order to bring Dr. Sewering to justice. Yet, to date, the Bavarian Government refuses to investigate this matter or press charges.

Thanks to the Anti-Defamation League and my constituent, Michael Franzblau, M.D., the world has not forgotten the helpless children who dies at the hands of this man.

Dr. Hans Joachim Sewering must be exposed for what he is, a Nazi war criminal.

Please join me, and this resolution's 10 original cosponsors, in calling for the investigation and prosecution of Dr. Sewering for his crimes against humanity during the Second World War.

TRIBUTE TO BISHOP DAVID C. WALLACE

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. TOWNS. Mr. Speaker, it gives me great pleasure to take this opportunity to recognize and congratulate the accomplishments of Bishop David C. Wallace. A graduate of the City University of New York, where he majored in social sciences, Bishop Wallace has a longstanding commitment to the ministry and the Brooklyn community.

Upon his return from college, Bishop Wallace continued theological studies at the New York School of the Bible. While completing his apprenticeship under the late Bishop F.D. Washington, Pastor Wallace would serve as special assistant to the music department of eastern New York, chairman of the Ordination Council, president of the State Youth Department of the Church of God in Christ Fourth Ecclesiastical Jurisdiction of eastern New York, and senior Pastor of the Agape Christian Fellowship Family Worship Center.

Bishop Wallace's community involvement and civic contributions demonstrate that he is a man of great vision and excellence. Bishop Wallace is indeed a leader for this time, and the 21st century.

Mr. Speaker, I join in the celebration with the friends and family members of Bishop Wallace as they anticipate with great excitement the continued efforts and contributions of Bishop Wallace to the Brooklyn community.

LIVONIA SWIMMER GOOD AS GOLD

HON. JOE KNOLLENBERG

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. KNOLLENBERG. Mr. Speaker, I rise today to honor a special person and true hero—Livonia native and Olympic champion—Sheila Taormina.

A member of the United States' winning 4 by 200-meter freestyle relay team, Taormina is an example of perseverance, dedication, and training. At 27, Taormina is somewhat of a veteran in her sport. With teenagers winning medals in handfuls, Sheila stands out as the first American masters swimmer to win gold.

Swimming the third leg of the relay, she helped the U.S. team set an Olympic and American record.

Not only did the Clarenceville High School graduate grab Olympic gold, she also shared her victory on the pool deck with her teammates and President Clinton and his family.

Swimming at the Clarenceville Swim Club, Sheila and her coach Greg Phill worked hard to make the Olympic team.

Sheila also owes a debt of gratitude to her employers at Northern Engraving Corp., in Livonia. After deciding to quit her job at Northern Engraving, her bosses Aurel Mailath and Philip Gelatt decided to give her a leave of absence, allowing Sheila the flexibility to pursue her dream of Olympic glory.

And now it has paid off with gold.

Sheila is hero for our community and our country. Her hard work, dedication, and Olympic victory is an inspiration not only to everyone at the Clarenceville Swim Club, but all swimmers, young and old, throughout the United States. I am proud of Sheila. Her great, golden effort has made our community smile.

PERSONAL EXPLANATION

HON. JANE HARMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Ms. HARMAN. Mr. Speaker, last Wednesday, during rollcall 356, I voted from the well instead of by electronic voting card. In doing so, I mistakenly picked up and signed an orange card, instead of a red card. As a result, I am recorded as having voted ''present,'' although I intended to vote ''no'' on the Rohrabacher amendment.

TRIBUTE TO THE SAN BERNARDINO COUNTY SUN

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. LEWIS of California. Mr. Speaker, I am honored to rise today to pay tribute to some of the finest journalists I know—men and women from the San Bernardino County Sun newspaper in my hometown of San Bernardino, CA. These talented professionals have achieved distinction in their field and have been recently recognized as some of the most talented journalists in our country by Gannett News Service.

The San Bernardino County Sun, under the stewardship of editor Arne Garson, was named a gold medal winner and a finalist for the outstanding achievement award for best news performance. Garson, for whom I have tremendous admiration and respect, was also selected as a finalist in the editor of the year category.

A number of fine journalists from the Sun were also recognized in a variety of categories: Mark Muckenfuss for investigative reporting; Cassie MacDuff, Michael Diamond, and John Whitehair for business and consumer reporting; Mickey Enkoji for feature writing; and Mark Zaleski for color photography. All of these professionals were selected as among the best journalists in the country by a respected panel of their peers.

Mr. Speaker, once again the San Bernardino County Sun has distinguished itself as one of the best newspapers in the United States. I ask that you join me and our colleagues today in recognizing Arne Garson and his fine staff at the Sun for their continuing commitment to excellence in journalism.

THE ENGLISH LANGUAGE EMPOWERMENT ACT AMENDMENT

HON. MATTHEW G. MARTINEZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. MARTINEZ. Mr. Speaker, I propose the following two amendments to H.R. 123, the English Language Empowerment Act.

The first amendment provides an exemption under the definition of official business for actions or documents related to Social Security entitlements. The amendment inserts a new subparagraph on page 7, line 10—of the text of H.R. 3898—which would read as follows: ''actions and documents that inform individuals of benefits under the Social Security Act.'' Legal residents of the United States, who have not been required to learn English because they have not participated in naturalization procedures, are entitled to know about the benefits they have accrued by working in this country.

The second amendment provides an exemption for actions or documents related to the Internal Revenue Code. The amendment insert a new subparagraph on page 7, line 10 which would read as follows: ''actions and documents that inform individuals of their rights and responsibilities under the Internal Revenue Code of 1986.'' Legal residents who work in the United States should be informed in the language that they understand of their responsibilities to pay taxes.

I urge my colleagues to support these amendments.

AN END TO WATER WELFARE AS WE KNOW IT

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. MILLER of California. Mr. Speaker, this week I released a report from the General Accounting Office that details the failure of the Reclamation Program to recover the cost of water projects from irrigation water users. This report for the first time sets forth the total amount of the taxpayers' money spent to build 133 water projects in 17 Western States, and the status of payments received from irrigators.

The record revealed by the GAO is largely one of failed repayment. Although these projects have been promoted to the public and to Congress as sound investments whose capital will be repaid, an array of statutory policies and generous interpretations by the Bureau of Reclamation have reduced repayment to a fraction of the cost.

We have spent $21.8 billion on irrigation-related projects since 1902. Out of that total, only $7 billion has been attributed to irrigators for repayment. And less than $1 billion has been repaid to date. Almost half of the irrigators' $7 billion obligation has been transferred to project power purchasers, but less than 1 percent of that money has been repaid.

The real message of this report is that the policies of the past have failed to recover the taxpayers' investment. Although the vast array of subsidies for irrigation were justified during

the initial period of westward expansion and economic development of the West, they cannot be sustained under current budgetary constraints to reduce the Federal deficit.

These projects have done their jobs. The West is settled. The projects have produced nearly $200 billion in income for their beneficiaries. At a time when Congress has told farmers in other parts of the country to give up their heavy diet of Federal subsidies, we cannot leave untouched the water subsidies benefiting their competitors—Federal irrigation farmers in the West.

It is time to say, ''Enough is enough.'' Today I am introducing a bill to eliminate irrigation subsidies on new Reclamation projects. This legislation will have no effect on completed projects, or on projects where irrigators have already executed contracts to repay the Federal investment. But it will require that water users pay the full cost for water from new projects, or new units of existing projects.

The Congress is about to pass legislation that curtails welfare payments after 2 years. I recognize that farmers work hard and provide for the Nation. But with all due respect, after nearly 100 years of multibillion dollar irrigation subsidies, the time for water welfare must come to an end.

When the taxpayers pay to construct a water supply, project beneficiaries should pay back that investment with interest. Doing so will encourage the Congress only to fund those projects that make sound economic and environmental sense, not those that can survive only with massive infusions of Federal taxpayer dollars.

I hope that other members will join me in promoting fairness for farmers and taxpayers, and that my bill will receive an early hearing in the Committee on Resources.

CONGRATULATIONS TO TUCSON ELECTRIC POWER

HON. JIM KOLBE

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. KOLBE. Mr. Speaker, 2 weeks ago I was pleased to welcome to Washington several constituents from my district. They were representing Tucson Electric Power [TEP]. They came to Washington to receive the Edison Electric Institute's Common Goals Award for Community Responsibility/Special Needs, presented in recognition of TEP's work in helping to establish the southern Arizona anti-DUI task force.

The delegation was led by, TEP Chairman, President and Chief Executive Officer, Charles E. Bayless, who received the award from EEI President Thomas R. Kuhn in a ceremony on Capitol Hill that included more than 200 friends and colleagues. Other members of the TEP delegation who have worked on this project and attended include, George W. Miraben, Senior Vice President, Human Resources and Public Affairs; Jay Gonzales, Manager of Public Affairs; Betsy Bolding, Director, Consumer Affairs; and Sharon Foltz, Director, Community Relations.

In his acceptance of the award, Mr. Bayless spoke about the double tragedy that caused TEP to launch the campaign. Two company linemen were killed while on duty, but in separate accidents, by two drunk drivers. As a result of these dual tragedies, TEP, in cooperation with 18 law enforcement jurisdictions, helped organizes the southern Arizona anti-DUI task force. Due in part to this program, alcohol-related traffic problems have plunged 60 percent in the Tucson area. This year's high school graduation and prom season was free of DUI incidents for the first time in 20 years.

While we all mourn the loss of the two TEP employees and fellow Tucson citizens, we congratulate TEP and the law enforcement agencies of southern Arizona on making something positive out of the tragedy by taking the initiative against drunk driving. This effort is not only making a difference in Tucson, AZ, it is touching the lives of every one of us. I congratulate TEP on winning the Edison Electric Institute's Common Goals Award and salute them for their community involvement.

COMMEND LEO R. McDONOUGH OF THE SMC BUSINESS COUNCIL

HON. MICHAEL F. DOYLE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. DOYLE. Mr. Speaker, I wish to commend one of my constituents, Mr. Leo McDonough, for his numerous years of dedication to the small business community of Pennsylvania.

As president of the SMC Business Councils, Mr. McDonough has been an effective advocate for the more than 4,800 owners of small businesses in the Commonwealth. More than 123,000 persons rely on those businesses for their employment, which is a remarkable proof that small business is the backbone of the national economy.

Leo McDonough served his Nation in the U.S. Navy in the South Pacific during World War II. He pitched for the Pittsburgh Pirates and later worked in the insurance business.

For more than 27 years, my Swissvale Borough neighbor, Leo McDonough has worked tirelessly on behalf of the small business movement. From the moment he assumed the helm of the Service, Manufacturing, and Commercial Business Councils, Leo McDonough compelled many Americans to value the role of the small business in our Nation.

Former Governor Robert P. Casey appointed Leo McDonough as a member of the Health Policy Board of the Commonwealth of Pennsylvania in April 1993. He also was in the forefront of organizing the Governor's Small Business Conferences in Pennsylvania and served on the Governor's Small Business Advisory Council.

He achieved many other goals and received awards for service to business too numerous to mention. I join many from western Pennsylvania in wishing him the rewards of an enjoyable retirement. Thank you, Leo, for your steadfast work.

ANSWERING AMERICA'S CALL

HON. BERNARD SANDERS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. SANDERS. Mr. Speaker, for the benefit of my colleagues I would like to insert into the RECORD the following statement by Meika Ferland.

Ms. Ferland is a student from Barton, VT, and her script was the 1996 Vermont State winner in the Veterans of Foreign Wars Voice of Democracy broadcast scripwriting contest.

ANSWERING AMERICA'S CALL

(By Meika Ferland)

George Washington. Bob Hope. Betsy Ross. What do these Americans have in common? Each answered America's call in his or her own way. George Washington was the first commander-in-chief of troops as well as America's first President. Bob Hope entertained soldiers during several wars. And Betsy Ross sewed the famous red, white, and blue flag that would come to represent the best nation in the world. Each of these patriots made a memorable contribution to America's history.

Although we remember these important people and the roles they played in helping our country become great and strong, thousands of others have helped in their own small ways. The boys who beat the drums to maintain the soldier's pace. The women who made bandages and nursed the wounded. The crowds that gave a hero's welcome during a parade to honor returning troops—each of these is answering America's call by contributing to the morale and the needs of the time.

Today's citizens can also answer America's call. A young man can register with the Selective Service and be ready to fight if called upon during a national emergency. A young woman can volunteer to serve a meal at the local soup kitchen. A senior citizen can swing a hammer on a crew building a house in the Habitat for Humanity project. Each of these activities can make a difference and every person can make a contribution. The contribution does not have to make a huge impression like finding a cure for cancer or signing a peace treaty with a foreign nation. Each of us can answer the call in our own way no matter how humble. It is important to remember that every effort no matter how small makes a difference. I have learned this myself first hand.

At my local high school I am a volunteer in the Big Brother/Big Sister program. In this program a high school student is paired with an elementary student from one of the graded schools. These children are usually needy kids who lack someone special in their lives. As a volunteer I spend part of an afternoon each week trying to be a positive role model who provides attention and security in an otherwise troubled life.

Sometimes I help my little sister with her homework or we play games on the computer. She especially likes it when I read to her. Whatever we do, I can see a twinkle in my little sister's eye. I know she is thrilled while I am there. Her smile never leaves her face and when it's time to say good-bye, I know she is looking forward to next week wondering if I'll bring her a package of M & M's or a new book to read.

My little sister is not the only one who benefits from our friendship. It warms my heart to know that I can have such an impact on a ten-year-old. I am contributing a little bit to society by being a Big Sister but I am also reaping the rewards of doing something good for someone else.

In my own way I'm answering America's call. It is a minute contribution in relation to the whole country but it is my part, my effort. I believe that each of us has something worthwhile to contribute and it is up to each of us to do so. If every American were to do just a little bit towered answering America's call the United States would be an even greater place than it is today.

TRIBUTE TO U.S. AIR FORCE CAPT. CHRISTOPHER ADAMS

HON. PETER T. KING

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. KING. Mr. Speaker, I rise today to pay tribute to one of my constituents who gave his life in defense of our Nation. U.S. Air Force Capt. Christopher Adams of Massapequa, NY, tragically lost his life in the brutal terrorist attack on the United States military installation in Dhahran, Saudi Arabia.

A decorated officer who flew dangerous missions following the conclusion of the gulf war, and more recently over Bosnia, Captain Adams, in the words of the President, ''represented the best in America and gave America his best.'' He did indeed.

The Korean War Memorial—one of the newest and most visually striking and emotionally moving monuments in Washington, DC—bears the words: ''Freedom is not free.'' The terrorist attack on Dhahran drove home the meaning of those words.

Throughout our Nation's history, brave men and women like Capt. Christopher Adams have understood that freedom is not free and put their lives on the line in defense of our liberty. In a world that remains a very dangerous place, we have great need of such individuals.

Capt. Christopher Adams died in the service of his country and gave his life in the name of all for which America stands. It would be a great dishonor to his memory if, as some have suggested, the United States withdraw from the Middle East and other international flashpoints, and generally turn inward, away from the rest of the world. To do so would only play into the hands of terrorist murderers responsible for the Dhahran bombing. The United States of America must continue to play its vital role on the world stage.

I extend my most heartfelt condolences to the family and loved ones of Captain Adams. They will be in my prayers, as will all those courageous and dedicated men and women in uniform who protect our freedom and defend our interests, both here and overseas.

ORANGE AND ROCKLAND UTILITIES, PEARL RIVER, NY

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. GILMAN. Mr. Speaker, it gives me great pleasure to recognize the Orange and Rockland Utilities Co., Pearl River, NY, upon receipt of the Edison Electric Institutes' Common Goals Special Distinction Award for outstanding achievements in the field of environmental partnerships.

O&R teamed up with the Rockland County Association for Retarded Citizens to initiate a highly successful recycling investment recovery program, recycling more than 2,200 tons of materials and in the process saving more than 480,000 cubic feet of precious landfill. the program was not only self-sustaining; it turned a profit.

Mr. Speaker, I commend Orange and Rockland for their commitment and dedication to the community. I am grateful for their continuous efforts to conserve the precious environment that we live in. It is refreshing to know that there are such companies realizing the importance of placing equal emphasis on the need to preserve the environment while turning a profit. I am pleased to take this opportunity to praise the employees of Orange and Rockland who helped to implement this recovery program.

SCANA CORP. RECEIVES THE COMMON GOALS AWARD

HON. FLOYD SPENCE

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. SPENCE. Mr. Speaker, I rise to recognize the SCANA Corp., which serves the Second Congressional District of South Carolina, for receiving the Common Goals Award from the Edison Electric Institute [EEI] last week in Washington. The award, which was given for outstanding achievement in the field of educational partnerships, was bestowed on the SCANA Corp. for its sponsorship of ''The Coach,'' a computer equipped traveling classroom. ''The Coach,'' which is staffed with State adult literacy specialists, travels throughout South Carolina to offer free training to employers for the development of adult literacy programs for their employees. In presenting the award, EEI President Tom Kuhn noted that, ''by helping people improve themselves, SCANA opens the way to a more highly skilled workforce, a more competitive economy, and a better quality of life.''

Mr. Speaker, the SCANA Corp. is to be commended on the contributions that ''The Coach'' has made to increasing adult literacy in South Carolina. As it celebrates its 150th anniversary, the SCANA Corp. can take great pride in its history of service to the people of the Palmetto State.

HONORING RAYMOND TORRES

HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. ENGEL. Mr. Speaker, Raymond Torres is a banker with long experience in the city of Yonkers and more importantly, a man who has given his experience and talent to the YWCA and many other community organizations. He has instilled a keen sensitivity to the community into his corporate activities, giving both expertise and financial assistance to organizations who need it. His contributions have enhanced the abilities of nonprofit organizations to provide critical services and programs for the people of Yonkers.

By his work he has helped to stabilize the southwest segment of the city and strengthen the city's economic base. His community activities also include serving as vice chairman of the community school board. Mr. Torres, branch manager of the Hudson Valley Bank, and his wife Aurelia have two daughters. He is a YWCA Man of the Year and Yonkers is fortunate to have among its citizens the likes of Raymond Torres.

PERSONAL EXPLANATION

HON. ANDREA H. SEASTRAND

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mrs. SEASTRAND. Mr. Speaker, on rollcall Nos. 366, 367, 368, and 369, I was unavoidably detained. Had I been present I would have voted ''yea'' on all four votes.

HONORING LOUIS VLAHOPOULOS

HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. ENGEL. Mr. Speaker, a community is most fortunate when it has among its citizens, those who make things happen. Louis Vlahopoulos is such a person.

He emigrated from Greece in 1970 and since his arrival operated a wholesale ice cream distributorship, a parking and garage repair shop and, finally, a restaurant—the Galaxy restaurant in Getty Square, Yonkers downtown heart. The restaurant has grown over the years so that five extra people are now employed to serve all those to come to enjoy their food and to catch up on the news of the day.

Mr. Vlahopoulos has deeply involved himself in community projects such as the Downtown Yonkers Management Association. He has worked diligently with the city to get more police in the area and to clean the streets. His support of the YWCA has earned him the title of Man of the Year. He and his wife have three children. He makes Yonkers a better place to live and work.

HONORING THE WHITTIER-RIO HONDO AIDS PROJECT

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. TORRES. Mr. Speaker, I rise today to recognize the Whittier-Rio Hondo AIDS Project [WRHAP], a benevolent undertaking with a noble cause.

WRHAP, established in 1991, is dedicated to assisting adults and children who are living with HIV in southeastern Los Angeles County. Its founder and current executive director is Doris Wahl, whose son died of AIDS in August of 1989. Since then, she has selflessly dedicated enormous amounts of time and energy in providing services for individuals with HIV and AIDS.

As much as a support group was necessary to help those with HIV, Doris and her staff realized that this was not enough. The members of the support group were in need of comprehensive HIV services, including case management, legal and psychological counseling. Prior to these efforts, services did not exist in the Whittier-Rio Hondo area.

In 1992, WRHAP formalized as a task force allowing it to operate as a nonprofit organization, and in 1993 it became a nonprofit California corporation allowing it to be eligible for

grant funding to provide necessary services for clients. Currently, WRHAP provides intensive case management, resource referrals and crisis intervention to 50 individual and 20 family clients. Twenty-five percent of WRHAP's clientele are Spanish speakers, and all services are provided on Spanish, English, and sign language.

The majority of WRHAP's support programs are staffed with volunteers. They provide respite care for the primary care givers of patients, form supportive friendships with the patients, or work with the staff in the office. Mental health care is provided on site once a week for clients and their families.

Mr. Speaker, it is with pride that I rise to recognize the Whittier-Rio Hondo AIDS Project for its ceaseless efforts to assist those with HIV and educate the community on the realities of AIDS. I ask my colleagues to join me in recognizing Doris Wahl and WRHAP for their invaluable contributions to our community.

NATIONAL RAIL STRIKE AVERTED

HON. SUSAN MOLINARI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Ms. MOLINARI. Mr. Speaker, I am pleased to announce that rail labor and management have resolved their disputes through collective bargaining and have pledged that they will not engage in strikes or lockouts during the August recess while these agreements are being ratified.

This announcement is the culmination of almost 2 years of negotiations between the unions and railroads. The negotiations have followed Railway Labor Act procedures and have involved mediation before the National Mediation Board and ultimately appointment by President Clinton of three Presidential emergency boards. I am gratified that the collective bargaining process has worked and that the parties have been able to reach agreement without congressional intervention.

This result would not have been possible without the bipartisan support of House and Senate Members, including Chairman BUD SHUSTER, ranking committee member Mr. OBERSTAR, and ranking subcommittee member, Mr. WISE and Senators KASSEBAUM and KENNEDY. I also want to recognize the valuable input and coordination we have had from the White House and the Department of Transportation in this effort. Finally, I want to thank the Transportation and Infrastructure Committee staff, who worked many hours and over the weekend in an effort to resolve these issues—especially Jack Schenendorf, Bob Bergman, Glenn Scammel, Alice Davis, and Susan Lent. this was truly a team effort and we should congratulate ourselves on the fact that we avoided congressional intervention because of our success in persuading the parties to reach a voluntary agreement.

Given the devastating impact of a national rail strike on the Nation's economy, it was critical that Congress receive assurances from the parties that they would not engage in strikes or lock-outs during the August recess. Overall, some $2.7 billion of goods move by rail every day. Many industries rely heavily on rail transportation, including automobile manufacturing, paper, chemicals, and coal. Because many industries rely heavily on just-in-time manufacturing processes, a strike of even a few days would have a serious impact. A strike also would stop service on many Amtrak and commuter rail lines, which not only would impact railroads financially, but would strand passengers.

In closing, I want to express my optimism that the parties to all of the open disputes will be able to ratify their agreements. However, in the event that these agreements are not ratified, I will not hesitate to bring legislation to the floor that will bring closure to these disputes. In fashioning this legislation, I would not foreclose consideration of last-best-offer arbitration, which Congress imposed on the parties to settle the 1992 rail labor dispute. I hope that this will not be necessary and that the union members will ratify their agreements, providing closure to this process.

IN SUPPORT OF HOUSE CONCURRENT RESOLUTION 191

HON. STEPHEN HORN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. HORN. Mr. Speaker, the Filipino veterans of World War II hold a special place in the hearts of the American people. Many stood shoulder to shoulder with American forces on Bataan, Corregidor, and Luzon. We remember their brave sacrifices—in battle and out of battle—on behalf of freedom. Their actions will forever stand as a model of courage, bravery, and total commitment.

The Second World War was a tragic time for the world. Only through the patience and bravery of those who fought for freedom did we achieve victory. The Filipino veterans of World War II were strong participants in that fight. May we always remember their sacrifices made to preserve democracy and freedom.

It was a fitting tribute to those wonderful supporters of freedom that yesterday this House unanimously passed House Concurrent Resolution 191.

PERSONAL EXPLANATION

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mrs. MORELLA. Mr. Speaker, because of my husband's major surgery last Monday, I missed eight votes. For the benefit of my constituents, I ask that the RECORD reflect that I would have voted as follows:

Rollcall No. 332, D.C. Appropriations, Norton amendment, ''yea''; rollcall No. 333, D.C. Appropriations, Gutknecht amendment, ''no''; rollcall 334, D.C. Appropriations, final passage, ''yea''; rollcall 335, Child Pilots, ''yea''; rollcall 336, Pilot Hiring, ''yea''; rollcall 337, National Transportation Safety Board authorization, ''yea''; rollcall 346, Commerce-Justice-State Appropriations, Goss amendment, ''no''; rollcall 347, Commerce-Justice-State Appropriations, Allard amendment, ''no.''

LEAH BREMER, HAWAII STATE INSTITUTE OF PEACE ESSAY WINNER

HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mrs. MINK of Hawaii. Mr. Speaker, I would like to take this opportunity to salute an outstanding young woman from the State of Hawaii, Ms. Leah Bremer. I recently met Leah during her visit to Washington, DC, in June when she represented Hawaii as the State winner for the U.S. Institute of Peace national essay contest. Leah will be a senior at Punahou School on Oahu and is planning to attend college in California after she graduates.

Leah's essay is entitled, ''Promoting Peace After the Cold War'' and I am pleased to share with you her award-winning entry.

PROMOTING PEACE AFTER THE COLD WAR

(By Leah Bremer)

During the cold war the United States' national security interests focused on the direct military threat posed by the Soviet Union and on preventing the spread of communism. During the last decade, the Soviet Union has crumbled and the United States has become the world's dominant military power. Our government must now redefine and re-focus its national security interests to assure regional, global, and domestic stability in this new world. The United States should move toward a long-term policy emphasizing diplomatic rather than military intervention. As the political crisis in Haiti has demonstrated, the diplomatic process can serve as an effective way to resolve a conflict.

A key factor determining national security interests is the stability of neighboring nations. A crisis occurring nearby could cause instability in the United States. The United States supports harmony and democracy in its own region because, ''As Haiti and Cuba, have shown, stability in the Caribbean doesn't stay there—it washes up, dead or alive, on the Florida shore.'' Unrest rarely remains with a nation's borders; one country's crisis can rapidly spread to a neighboring country.

While fifty years ago, such concern focused mainly on the countries nearest our own, advances in technology, and international trade have created a global system in which countries that once had no affect on one another are now related. Moreover, the dismantling of the Soviet empire has created an underground market in which relatively small powers can purchase nuclear weapons. Because of these factors, turmoil in a seemingly remote region of the world such as Somalia could have important consequences for the United States' national security interests.

In addition to maintaining global stability, the United States government must be sensitive to the interests of the American people. It is an important part of the democratic process to ensure that the people have a say in their government's actions. The crisis in Haiti created two major issues for the American public. On one hand, groups such as the Black Caucus pushed for the restoration of democratic rule in Haiti. At the same time, the political crisis brought many Haitian refugees to the United States. Many American citizens opposed this immigration, and domestic pressure pushed the government to take action. President Clinton responded by sending refugee boats back to Haiti, but as

the number of seaborne refugee ships increased so did the domestic pressure for some sort of action to stop the flow of refugees, or the mistreatment of these refugees.

Likewise, the mass starvation and genocide in Somalia also concerned American citizens. Media made the American public aware of the nation's suffering, and groups such as the Black Caucus again pushed the American government to intervene. In cooperation with the United Nations, the White House responded to this domestic pressure by intervening in Somalia for humanitarian purposes.

If the demands of the American public are not met, conflicts within the United States borders could arise. In Haiti, when General Cedras' military coup overthrew President Aristide and committed countless human rights' abuses, the Congressional Black Caucus supported United States' intervention, and ''urged applying any pressure, including an invasion to bring down Cedras.'' Clinton chose to support their demands for action in Haiti. As Elliot stated, ''it will often be in the 'national interest' to take an action about which one group feels passionately while others acquiesce.''

Once it has been established that a situation may pose a threat to national security, the government must decide what type of action to take. The type of intervention, whether it be military, economic, humanitarian, or diplomatic, is extremely important as the outcome depends upon the resource used. The government may use a combination of these measures, as was the case in Haiti and Somalia.

Although economic sanctions are often thought of as a way for the United States to effectively resolve a conflict without becoming too involved in the situation, some theorists see sanctions as an ''over-rated tool politicians use to make them look decisive while they avoid tough decisions about foreign policy.'' Sanctions are less effective now than they were forty years ago because, with the rise of competing economic powers and a more global economy countries tend to be less dependent on United States' goods. Furthermore, poorly patrolled borders may also lessen the sanction's impact. For instance, the economic sanctions imposed on Haiti lost influence because Haiti could still trade with the Dominican Republic and obtain U.S. goods through the black market. Economic sanctions also may not directly harm the leaders initiating the crisis. In countries like Somalia, Haiti, and other dictatorships, the common people have no way to voice their discontent'' Economic actions may back fire in dealing with human rights violations as they end up hurting those people the sanctions were initially designed to help.

Many times the United States sends troops into a country as a ''last resort.'' Although the U.S. needs to have a strong military to back up its diplomatic claims, the use of the military should be reduced and replaced by diplomatic intervention. In July 1994, as domestic pressure increased concerning Haiti and the U.S. government acknowledged that economic sanctions were not working, the United States began training an invasion force and obtained a United Nations Security Council resolution authorizing the use of force as ''last resort'' to remove Cedras and restore Aristide to the presidency. In training an invasion force, however, the Clinton administration maintained diplomacy as an alternative. Dante Caputo, an Argentine diplomat appointed as the United Nations' representative in Haiti tried for two years to negotiate Aristide's return. Caputo was unsuccessful. But in 1994 after obtaining reluctant White House approval former President Carter, accompanied by Senator Sam Nunn and General Colin Powell, met with Cedras. After two days of negotiations in mid-September Cedras agreed to step down by October 15th, 1994. When the troops arrived in Haiti the Haitians cheered. Cedras kept his word and stepped down on October 15th.

Carter was successful in negotiating with Cedras because he gave him an opportunity to leave honorably. As Smith states, ''Carter described Cedras as a man of honor and praised the beauty of Mrs. Cedras.'' In return for his keeping his word, Cedras received financial compensation from the United States and was flown to Panama with his family. Carter's strategy didn't back Cedras into a corner, but allowed him to step down without a fight.

In Somalia, however, the warlords were never given an opportunity to step down honorably. Sending troops to distribute food to the starving Somalis was well-intentioned, but the underlying problem of clan warfare was overlooked. The United Nations military presence complicated the situation. The troops became like another warring clan. As, ''Initially presented as a purely humanitarian mission, Operation Restore Hope gradually shifted from feeding Somalis to fighting them.'' The focus changed from feeding the starving Somalis to capturing General Aidid. United Nations Secretary General Butros-Butros Gali's obsession with capturing General Aidid as a way to resolve the conflicts was not effective as, ''In Somali culture, the worst thing you can do is humiliate them, to do something to them you are not doing to another clan.''

When the United States government first intervened in Somalia, they began with peace talks between the two dominant clan leaders, Ali Mahdi, and Aidid. After two days a cease fire was declared. The cease fire, however was not implemented, and peace talks never resumed. The United States and the United Nations immediately sent in troops, thus not giving the warlords an honorable way to reconcile.

The United States has made many diplomatic mistakes which have led indirectly to some form of crisis later. In Somalia, the former dictator, Siad Barre, received more than 700,000,000 dollars in economic and military aid from the Reagan administration. Aid continued despite the fact that most analysts in 1989 judged Barre as a cruel dictator about to fall. A survey by Africa Watch in February , 1992, showed that this aid ''helped lay the groundwork for the country's destruction today.'' The United States should be more careful in choosing which governments to support.

As the recent conflicts in Somalia and Haiti demonstrate, the national security interests of the United States government lie not only in deterring military attack, but also maintaining, global, regional, and domestic stability. After determining that a situation affects national security, the United States must choose what measures to take whether economic, diplomatic, humanitarian, or military. Each type of intervention has limitations and may not be appropriate for all situations. Economic sanctions, for instance may increase suffering under a totalitarian government, such as that of Cedras in Haiti. Likewise, military intervention may succeed in delivering food supplies to people in Somalia, but it may not be able to resolve a complicated conflict. As the Haitian situations reveals, one type of successful intervention may combine sustained diplomatic negotiations with limited military action.

ANSWERING AMERICA'S CALL

HON. SAM GEJDENSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. GEJDENSON. Mr. Speaker, I rise today to congratulate Peter Lakes, a constituent of mine from Putnam, CT, in placing fourth in the Veterans of Foreign Wars Voice of Democracy script-writing contest. 116,000 secondary school students were asked to write a short script with the theme: ''Answering America's Call.''

Mr. Speaker, the lesson of Peter's script is that it is our responsibility to pursue our dreams and make them real. Your dreams may be large or small, but achieving your dreams is what America is all about.

Mr. Speaker, I am proud of Peter's achievement and salute him. We can all do well by reading what he has written, and being as inspired by it as I am.

I ask unanimous consent that Peter's script be included in the RECORD.

ANSWERING AMERICA'S CALL

(By Peter Lakes)

This past summer, my seven-year-old sister and I took on the endeavor of completing a thousand-piece puzzle. Hundreds of pieces were laying across the small table. My sister and I spent much of the first attempt staring at the cover of the box, baffled that the scrambled pieces would later fit together to form a complete picture. I'd guess that about seven hundred of those miniature pieces were blue. This large number of blue pieces troubled me. I held one in my hand. I know that there were four other blue pieces that would lock together with this very piece. The intimidating thought turned me off. I considered giving up. Much to my surprise, my sister had already put three pieces together. She looked at me with those strong willed, independent eyes and said, ''Are you going to hold that all day? Looking at it won't make it happen.''

After days and months of meager progress, the day of completion was near. My sister and I gazed confidently at the small pile of unsatisfied pieces. We attacked what we dreamed would be the beginning of the end.

The moment had arrived. The final piece was in my sister's hand. Seizing the moment, I diverted my eyes from the lonely pieces and instantly directed my attention to its vacant plot. At that moment, I realized that the vacant plot which I had so easily found, was not the only vacant plot. Furiously, we scanned the floor. We looked everywhere. The piece in my sister's hand was not the last piece.

Luckily, I had spent the last two months developing enough patience for this very moment. My sister took the uncertain piece, placed it in the box, and within five easy minutes, the puzzle was disassembled.

I took a moment to look over the past few months. It was an experience to remember. There were moments of progress and of frustration. I had to keep reminding myself that ''nothing comes easy.'' After a while, the final picture wasn't important to me, but rather the process and the experience. I got to spend time; valuable time with my sister. She taught me the art of being patient, together.

Our goal had been achieved. We attained success. The missing piece does not create failure, but rather highlight the achievement. This is America's call. As individuals, it is our responsibility to pursue our dreams and make them a reality. We are all given

the right to be someone, not something. We all have a part in completing the puzzle.

An American by the name of Charles Lindbergh heard this call. As a boy, he enjoyed the art of flight. After two years at the University of Wisconsin, Charles withdrew and followed his dream. He attended a flying school. Little did he know that five years later, he would be the first man to fly across the Atlantic Ocean. After the thirty-three and a half hour flight, it is no wonder why Lindbergh was greeted as a hero. He sought out his dream. He found enough courage, love and strength to make his dream a reality.

Often, opportunity helps propel a dream. When Columbus discovered the New World in 1492, Europeans had the opportunity to start a new life. Many of them were poor and felt life's course was beyond them. Many realized the risk, but could see the vast opportunity. Those that came to America pursued their chance. They found enough courage, love and strength to take their dream, and make it their reality.

This is the call of America. Fulfill your dream to be a leader. Fulfill your dream to start a family. Fulfill your dream! I'm going to fulfill mine. I often blame my failure on time and frustration. I accuse the course of life of stealing my dreams. But I am accusing the wrong person. I am the guilty suspect. I must listen to America's call. Only one person can create my dream, destroy my dream and transform my dream into my reality. Myself.

This call is telling America to go out. Don't look on the outside for courage, look within yourself. Your dream might not be to fly across the Atlantic, or to start a new life. Your dream might be small. But every single piece of the puzzle is small. Every time a piece is fit, it had an impact on the big picture. As author Wayne Dyer writes in his novel ''The Sky Is The Limit;''—''Your ability to be a No-Limit person, and to go beyond even your most imaginative expectations for yourself, is right in your own hands.'' The only limit is the one you create. Focus your dream, and strive for its achievement.

Answer America's call—your dream is waiting on the other line.

CHILDREN ARE THE ONES WHO PAY

HON. ANDREW JACOBS, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. JACOBS. Mr. Speaker, the following is the David Mannweiler column from the Indianapolis News edition of July 23, 1996.

The column is, of course, disturbing to any citizen of conscience. It is also somewhat ironic with regard to my experience with Congress.

In 1962 when I first ran for the Congress, Mr. Mannweiler's predecessor, Bill Wildhack suggested a pledge that I should make in my campaign, to wit:

I'll never vote to send a child to bed hungry.

I hope that an analysis of the votes I have cast on behalf of Indianapolis in the Congress over this third of a century will show that I have kept that pledge.

[From the Indianapolis News, July 23, 1996]

CHILDREN THE ONES WHO PAY

(By David Mannweiler)

On my plane trip home Saturday, I read the New York Times.

Maybe it was that thin air they pump inside planes these days, but I found myself wondering if there could be a link someday between two stories I read.

One story was about the Senate's vote Friday to give states a lump sum to run their own welfare and work programs. That idea was approved.

What wasn't approved was a proposal requiring the secretary of Health and Human Services to study whether the legislation, if passed, causes an increase in poverty among children in the next two years.

Also rejected was a proposal requiring states to provide vouchers to meet ''the basic subsistence needs'' of children in families that would be removed from the dole if mom or dad didn't have a job after two years on welfare.

Republicans said vouchers would undermine the five-year limit by allowing children to receive aid for much longer.

Hey, no undermining. Clearly, children should be punished for their parents' shortcomings. And no whining about the world's richest country no longer guaranteeing poor kids will eat. A line must be drawn somewhere.

IT'D BE A GRATE-FULL NATION

Sen. Daniel Patrick Moynihan, D–N.Y., whined, of course. He said if the six-decade-old federal guarantee to feed poor children is ended, ''we will be making cruelty to children an instrument of social policy. We will have children sleeping on grates.''

He said a million additional children would be thrown into poverty—we have 9 million already—and ''there will be an urban crisis unlike anything we have known since the 1960s.''

The second story I found interesting concerned Mexican peasants reacting to the wide disparity between the rich and the poor in their country.

The Mexican government says 22 million Mexicans are living in ''extreme poverty,'' an increase of 5 million in the last 15 months. United Nations figures show the army of children living and working on the streets of Mexico City has doubled in three years.

WHEN IT TRAINS, IT POURS

Recently, the story said, residents of a shanty town on the outskirts of the wealthy city of Monterrey stopped a freight train at night and removed—OK, stole—grain to make tamales and tortillas.

A former mayor of Mexico City said a recent poll showed 22 percent of the capital's residents believe violence is justified to correct social imbalances. That's the highest figure in a decade.

In the name of saving money and ending welfare as we know it, children may go hungry in this country. In an effort to feed their children, most parents would break the law, I believe.

It might come to that here, too.

RECOGNIZING AND HONORING THE FILIPINO WORLD WAR II VETERANS

SPEECH OF

HON. SAM FARR

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 29, 1996

Mr. FARR of California. Mr. Speaker, I rise today in strong support of House Concurrent Resolution 191, honoring the Filipino veterans of World War II, which the House approved yesterday. A number of my Filipino constituents are veterans from the Second World War, and served bravely in defense of our Nation. I can personally attest to their courage, strength of character, and love of country.

However, I cannot help but express my concern that the House has yet to act on an important bill to help Filipino veterans: the Filipino Veterans Equity Act, which would provide all Filipino veterans full and equal benefits available to other veterans of the Second World War.

Few people realize that thousands of Filipinos who served in World War II are not considered to have been in ''active service'', and are thus ineligible for full veterans benefits. Many of these same veterans served during the battle of Bataan, and were later subject to the horrors of the Bataan Death March. They also fought against the Japanese during their occupation of the Philippines.

The Filipino Veterans Equity Act would end this unfair discrimination and allow Filipino veterans the same benefits as others who served during World War II. I and 70 of my colleagues in the House have cosponsored this important legislation; yet, after nearly eighteen months of consideration, the bill has yet to be enacted.

Thousands of Filipinos risked their lives during World War II for freedom and democracy. We owe them the same benefits and privileges as other veterans who did the same. Let's enact real rights and recognition for Filipino veterans.

SUPPORTING A RESOLUTION OF THE CRISIS IN KOSOVA

SPEECH OF

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 29, 1996

Mr. PORTER. Mr. Speaker, as an original cosponsor of House Concurrent Resolution 155, I rise today to strongly urge its immediate passage.

Kosovo, known as Kosova to ethnic Albanians, is the region in southern Serbia which has been the focal point of bitter struggles between Serbs and Albanians for centuries. Albanians make up over 90 percent of the current population of the area. In 1989 and 1990, the Serbian parliament passed amendments to the Serbian Constitution that eliminated the wide-ranging autonomy Kosova had enjoyed under the 1974 Constitution. As a result, turmoil erupted in the country and dozens of innocent lives were lost in violent protests and riots. Over 100,000 ethnic Albanians have been fired from their employment and replaced by Serbs. Hundreds of ethnic Albanians have been arrested and beaten by Serbian police for allegedly engaging in nationalist activities. According to the State Department Country Reports on Human Rights for 1995, ''police repression continued at a high level against the ethnic Albanians of Kosova * * * and reflected a general campaign to keep [those] who are not ethnic Serbs intimidated and unable to exercise basic human and civil rights.''

Mr. Speaker, we are still trying to cope with the unconscionable acts that occurred in Bosnia. I doubt that the men, women, and children, who were forced to live their lives for

over 3 years under the constant stress of this violent conflict will ever fully recover from the terrifying experience. Many experts warn that Kosova could become the next major battleground in the former Yugoslavia, possibly drawing neighboring countries into a regional war, presenting a very real danger to regional stability. Mr. Speaker, we must do everything possible to prevent this tragedy from occurring.

This resolution aims to bring peace and stability to Kosova by insisting that the situation in Kosova must be resolved before the outer wall of sanctions against Serbia is lifted and that country is able to return to the international community. Furthermore, this resolution insists that the human rights of the people of Kosova must be restored to levels guaranteed by international law.

Just this past month, we witnessed what I believe is a positive sign that peace and prosperity lie ahead for the people of Kosova. After much urging, the United States Information Agency finally opened an office in Kosova. This is a very encouraging step, and I hope that the State Department continues to make Kosova a priority by appointing a special envoy to aid in negotiating a resolution to the crisis in Kosova.

I thank my colleague Mr. ENGEL for bringing the situation in Kosova to the attention of Congress, and I strongly urge my colleagues to support the passage of this resolution which will help to bring resolution of the crisis in Kosova.

DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 1997

SPEECH OF

HON. MATTHEW G. MARTINEZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 24, 1996

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 3814) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1997, and for other purposes,

Mr. MARTINEZ. Mr. Chairman, I would like to begin by commending my colleague, Congressman DEUTSCH, on the exemplary work he has done on behalf of public safety officers nationwide.

I understand that the impetus for the gentleman's efforts came about when two police officers in his district were critically injured in an attempt to defuse a highly volatile hostage situation. After being severely burned and prevented from returning to duty as a result of their injuries, Officers Alu and O'Hara were threatened with the termination of their health care policies.

I find it unconscionable that we would reward public safety officers for making our lives safer and more secure by terminating their insurance policies and leaving their families vulnerable to financial destitution. Apparently the State of Florida agrees. In response to the situation in which Officers Alu and O'Hara found themselves, the Florida State Legislature promptly passed legislation guaranteeing health care coverage for public safety officers injured in the line of duty and unable to return to work.

However, while Florida responded swiftly and humanely to this egregious loophole in the law, public safety officers in many other States remain vulnerable to this blatantly unjust consequence of their jobs. For that reason, Congressman DEUTSCH introduced H.R. 2912, the Alu-O'Hara Public Safety Officers Health Benefits Act, of which I am proud to be a cosponsor. H.R. 2912, which is now being offered as an amendment to the Commerce-Justice-State Appropriations for fiscal year 1997, gives incentives to States to ensure that they provide security for their public safety officers. While this amendment would not require that public safety officers receive additional benefits, it would ensure that they, and their families, would continue to receive the benefits they would have received had they not been injured on the job.

Let Florida be an example to us all. Pass this amendment and provide protection for those who protect us.

CONFERRING JURISDICTION WITH RESPECT TO LAND CLAIMS OF ISLETA PUEBLO

SPEECH OF

HON. JOE SKEEN

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Monday, July 29, 1996

Mr. SKEEN. Mr. Speaker, I appreciate the opportunity today to offer my thoughts and comments on H.R. 740, the Pueblo of Isleta Indian Land Claims Act, which would permit the Pueblo of Isleta to file claims for the taking of aboriginal lands under the Indian Claims Commission Act of 1951.

Identical legislation unanimously passed the House in the 102d Congress but was not acted on in the Senate. Interestingly then, in the 103d Congress, the Senate unanimously passed identical legislation but it was never acted on by the House. I am hopeful that we will finally see this legislation passed by both Chambers in the same session of Congress.

In 1978, another New Mexican Indian tribe sought passage of similar legislation. That year, the Congress granted the Zuni tribe an extension of the statute of limitations under the Indian Claims Commission Act so that they could file their claim in court. This is all I seek for the Pueblo of Isleta.

There is further substantial precedent for this legislation beyond the Zuni case mentioned. Also in 1978, legislation was passed into law that authorized the Wichita Indian tribe of Oklahoma to file with the Indian claims commission. In more recent times, Congress passed special legislation allowing the Cow Creek band in Oregon, the Cherokee Nation of Oklahoma, the Sioux tribes, and the Blackfeet tribes to file claims with the Indian Claims Commission.

In the Zuni and Isleta cases, the pueblos failed to act under the Indian Claims Commission Act because of erroneous advice received from the Bureau of Indian Affairs. Pueblo officials were not informed that a claim under the act could be made based on aboriginal use and occupancy.

The Isleta Pueblo has previously filed a very limited claim under this act. However, their claim was not based on aboriginal use and occupancy. It has been the aboriginal use and occupancy issue which has been the basis for a majority of the Indian tribal claims under the Indian Claims Commission Act. None has been based on a claim founded on specific documentary evidence.

In addition, this legislation contains a provision for the payment of interest, consistent with previously passed legislation. However, it is not automatic; it provides that interest may be awarded at the court's discretion. It seems to me that the payment of interest is an equitable way to compensate the pueblo in lieu of the beneficial use of the land by the pueblo since the land was taken by the Government. If the United States acts as a supreme sovereign and confiscates land, it necessarily violates its fiduciary duty.

I would like to state that this bill does not support the merits of the pueblo's claim which it would lodge in the claims court; it merely grants the opportunity for the pueblo to present the merits of its case in the appropriate judicial forum.

Again, I urge your support of this legislation as we finally try to correct this longstanding injustice.

RECOGNIZING AND HONORING THE FILIPINO WORLD WAR II VETERANS

SPEECH OF

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 29, 1996

Mrs. MALONEY. Mr. Speaker, I rise today in support of several measures that will benefit veterans in my district and around the Nation. Today, the House considers veterans health care eligibility reform, the Veterans Employment Opportunities Act, and the honoring of Filipino veterans who served during World War II.

The Veterans Employment Opportunities Act will strengthen veterans' preference and increase employment opportunities for veterans with the Federal Government. I am pleased to have supported this bill when it came through the committee on which I sit, the Government Reform and Oversight Committee.

I believe in the importance of preventing Federal agencies from unfairly stripping veterans of their preference rights during a reduction in force. By ensuring that veterans have the right to take their cases to Federal court when their other legal avenues have been exhausted, this bill is a step forward for America's veterans.

Another bill that I am happy to see come to the House floor is a bill to reform veteran's health care eligibility. After veterans have put their lives on the line for America, we need to do everything we can to provide the health care veterans need.

The eligibility reform measure will change the way veterans health care is provided in the future. The new system will include a clinically appropriate ''need for care'' test to ensure that medical judgment is the fundamental criteria in determining the level and amount of care to be provided. However, although I agree that the eligibility rules must change to accommodate our veterans, we also need to

provide the necessary funding to achieve these goals.

Finally, the House also considers a bill to honor the military contribution of the Commonwealth of the Philippines during World War II. These Filipino forces were instrumental in helping the United States defend our democratic ideals during the war. We should be proud of all the contributions made by our Filipino neighbors on the Pacific front.

The contributions made by veterans during times of war, is what allows us to enjoy these times of peace. We must continue to support and honor our veterans. America will always be grateful to its veterans for the sacrifices made for this great Nation.

RECOGNIZING AND HONORING THE FILIPINO WORLD WAR II VETERANS

SPEECH OF

HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Monday, July 29, 1996

Mrs. MINK of Hawaii. Mr. Speaker, I rise in strong support of House Concurrent Resolution 191 which recognizes Philippine war veterans and the contributions and sacrifices they made to and for United States efforts during World War II.

The Philippines and the United States enjoyed a close relationship for nearly a century. This relationship was most clearly evident during the battle in the Pacific in World War II. The Philippine Independence Act of 1934 set a 10-year timetable for the eventual independence of the Philippines, but was delayed another 2 years because of the Japanese occupation. Under the act, effective in 1946, the United States President retained the right to call into the service of the United States Armed Forces all military forces organized by the Commonwealth of the Philippines. Due to its vital importance to the defense of the United States, President Roosevelt invoked an Executive order on July 26, 1941, bringing Philippine soldiers into the service of the United States Armed forces under the command of General Douglas MacArthur. Under this Executive order, Philippine soldiers who served in regular components of the United States Armed Forces and the Old Scouts were considered members of the United States forces.

In 1946 Congress passed the Rescissions Act which limited benefits these Philippine soldiers could receive, reneging on commit ments to these servicemen. Despite their sacrifices and exemplary service, these Philippine soldiers were subjected to lesser status previously assured them by the United States. Although these veterans faced the same hardships and risks as their American counterparts, the passage of the 1946 Recessions Act stripped these veterans for recognition they rightfully deserved.

When President Roosevelt called on the Philippine military to join forces with the United States, they did so with honor and resilience. Without hesitation they courageously mounted a remarkable defense of the islands, particularly a Bataan and Corregidor. Their perseverance effectively resisted the enemy and ultimately led to the retaking of the Philippines. This heroic service prevented the enemy from conquering the Pacific and allowed United States troops, under the command of General Douglas MacArthur, to return to the Philippines. Their valor was instrumental in United States preparations for the final assault on Japan.

Today we have the opportunity to acknowledge the contributions and sacrifices of these Philippine veterans who bravely fought along side American forces in the battle in the Pacific Theater. House Concurrent Resolution 191 recognizes and honors these men who gave their lives for Freedom. We need to go further to grant full equity to these Philippine veterans by providing them all the benefits due United States veterans. Congress took the first step in 1990 to address this inequity by permitting Philippine veterans of World War II to apply for naturalization and to receive full benefits after May 1, 1991. I urge my colleagues to join in recognizing the contributions of these Philippine soldiers and vote yes on this resolution.

Daily Digest

HIGHLIGHTS

Senate passed Energy and Water Appropriations, and Legislative Branch Appropriations.

Senate

Chamber Action

Routine Proceedings, pages S9085–S9208

Measures Introduced: Four bills were introduced, as follows: S. 2000–2003. **Page S9159**

Measures Reported: Reports were made as follows:

S. 1130, to provide for the establishment of uniform accounting systems, standards, and reporting systems in the Federal Government, with an amendment in the nature of a substitute. (S. Rept. No. 104–339)

S. 1237, to amend certain provisions of law relating to child pornography, with an amendment in the nature of a substitute.

S. 1556, to prohibit economic espionage, to provide for the protection of United States proprietary economic information in interstate and foreign commerce, with an amendment in the nature of a substitute.

S. 1887, to make improvements in the operation and administration of the Federal courts, with amendments.

S. 1931, to provide that the United States Post Office building that is to be located at 9 East Broad Street, Cookeville, Tennessee, shall be known and designated as the ''L. Clure Morton Post Office and Courthouse'', with an amendment in the nature of a substitute. **Page S9158**

Measures Passed:

Energy and Water Appropriations, 1997: By 93 yeas to 6 nays (Vote No. 253), Senate passed H.R. 3816, making appropriations for energy and water development for the fiscal year ending September 30, 1997, after striking all after the enacting clause and inserting in lieu thereof the text of S. 1959, Senate companion measure, as amended, and after taking action on further amendments proposed thereto, as follows: **Pages S9085–S9115**

Adopted:

McCain Amendment No. 5094, to clarify that report language does not have the force of law. **Pages S9087–89**

Domenici Amendment No. 5121 (to Amendment No. 5094), to require a monthly report from the Department of Energy. **Page S9088**

Domenici Amendment No. 5122, of a technical nature. **Page S9100**

Rejected:

McCain Amendment No. 5095, to prohibit the use of funds to carry out the advanced light water reactor program. (By 53 yeas to 45 nays (Vote No. 249), Senate tabled the amendment.) **Pages S9086–89**

Bumpers Amendment No. 5096, to reduce funding for the Weapons Activities Account to the level requested by the Administration. (By 61 yeas to 37 nays (Vote No. 250), Senate tabled the amendment.) **Pages S9089–90**

Grams Amendment No. 5100, to limit funding for the Appalachian Regional Commission and require the Commission to be phased out in 5 years. (By 69 yeas to 30 nays (Vote No. 252), Senate tabled the amendment.) **Pages S9094–99**

Feingold Amendment No. 5106, to eliminate funding for the Animas-LaPlata Participating Project. (By 65 yeas to 33 nays (Vote No. 251), Senate tabled the amendment.) **Pages S9090–94**

Withdrawn:

Domenici (for McCain) Amendment No. 5105, to strike section 503 of the bill. **Page S9094**

Johnston (for Wellstone) Amendment No. 5097, to ensure adequate funding for the biomass power for rural development program. **Page S9099**

Subsequently, S. 1959 was indefinitely postponed. **Page S9115**

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 Domenici, Hatfield, Cochran, Gorton, McConnell, Bennett, Burns, Johnston, Byrd, Hollings, Reid, Kerrey, and Murray. **Page S9115**

Legislative Branch Appropriations, 1997: By 93 yeas to 6 nays (Vote No. 254), Senate passed H.R. 3754, making appropriations for the Legislative Branch for the fiscal year ending September 30, 1997, as amended, and after taking action on amendments proposed thereto, as follows:

Pages S9115–18

Adopted:

Chafee Amendment No. 5119, to provide for a limitation on the exclusive copyrights of literary works reproduced or distributed in specialized formats for use by blind or disabled persons. **Page S9116**

Senate insisted on its amendments, requested a conference with the House thereon, and the Chair appointed the following conferees on the part of the Senate: Senators Mack, Bennett, Campbell, Hatfield, Murray, Mikulski, and Byrd. **Page S9118**

D.C. Water and Sewer Authority: Senate passed H.R. 3663, to amend the District of Columbia Self-Government and Governmental Reorganization Act to permit the Council of the District of Columbia to authorize the issuance of revenue bonds with respect to water and sewer facilities, clearing the measure for the President. **Page S9208**

Transportation Appropriations, 1997: Senate began consideration of H.R. 3675, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1997, with committee amendments, taking action on amendments proposed thereto, as follows:

Pages S9118–50

Adopted:

Hatfield Amendment No. 5123, to provide the Secretary of Transportation authority through fiscal year 2000 for the use of voluntary separation incentives to assist in reducing employment levels.

Pages S9129–30

Hatfield Amendment No. 5124, of a technical nature. **Pages S9129–30**

Hatfield Amendment No. 5125, of a technical nature. **Pages S9129–30**

Lautenberg Amendment No. 5126, to provide funds for aviation security research. **Page S9130**

Hatfield (for Kohl) Amendment No. 5127, to express the sense of the Senate that Congress should establish the Saint Lawrence Seaway Development Corporation as a performance-based organization.

Page S9131

Hatfield (for Bond) Amendment No. 5128, to express the sense of the Congress concerning the use of full and open competition in procurement for the Federal Aviation Administration and to require an independent assessment of the acquisition management system of the Federal Aviation Administration. **Page S9131**

Hatfield (for Kerrey/Exon) Amendment No. 5129, to provide for the safe and efficient interstate transportation of sugar beets. **Page S9132**

Hatfield (for Levin) Amendment No. 5130, to provide for the use of funds for a highway safety improvement project in Michigan. **Page S9132**

Dorgan Amendment No. 5131, to require an investigation of anticompetitive practices in air transportation. **Pages S9132–34**

DeWine Amendment No. 5133, to provide funds and incentives for closures of rail-highway crossings. **Pages S9141–42, S9145**

Dorgan Modified Amendment No. 5134, to prohibit the Surface Transportation Board from increasing user fees. **Pages S9142–45**

Hatfield (for Pressler) Amendment No. 5136, to provide for loan guarantees under the Railroad Revitalization and Regulatory Reform Act of 1976.

Pages S9146–47

Hatfield (for Kempthorne) Amendment No. 5137, to increase funds available for administrative costs of the Symms National Recreational Trails Act.

Page S9147

Hatfield (for Pressler) Amendment No. 5138, to prohibit the issuance implementation, or enforcement of certain regulations relating to fats, oils, and greases. **Page S9147**

Hatfield (for Gorton/Baucus) Amendment No. 5139, to provide funds to halt erosion on scenic highways or byways along the ocean. **Pages S9147–48**

Exon Amendment No. 5140, to provide funding for the Institute of Railroad Safety. **Page S9149**

Rejected:

McCain Amendment No. 5132, to reduce the level of funding for the National Railroad Passenger Corporation. (By 82 yeas to 17 nays (Vote No. 255), Senate tabled the amendment.) **Pages S9134–41**

Withdrawn:

Murkowski Amendment No. 5135, to provide that the sale of power to Amtrak for its own use, including operating its electric traction system, does not constitute a direct sale of electric energy to an ultimate consumer under section 212(h)(1) of the Federal Power Act. **Pages S9145–46**

A unanimous-consent agreement was reached providing for the further consideration of the bill and certain amendments to be proposed thereto on Wednesday, July 31, 1996. **Pages S9149–50**

Public Housing Reform and Empowerment Act: Senate disagreed to the amendments of the House to S. 1260, to reform and consolidate the public and assisted housing programs of the United States, and to redirect primary responsibility for these programs

from the Federal Government to States and localities, agreed to the request of the House for a conference thereon, and the Chair appointed the following conferees on the part of the Senate: Senators D'Amato, Mack, Faircloth, Bond, Sarbanes, Kerry, and Moseley-Braun. **Pages S9165–S9208**

Executive Reports of Committees: The Senate received the following executive reports of a committee:

Treaty with the Republic of Korea on Mutual Legal Assistance in Criminal Matters (Treaty Doc. 104–1) (Exec. Rept. No. 104–22);

Treaty with the United Kingdom on Mutual Legal Assistance on Criminal Matters (Treaty Doc. 104–2) (Exec. Rept. No. 104–23);

Treaty with Austria on Legal Assistance in Criminal Matters (Treaty Doc. 104–21) (Exec. Rept. No. 104–24);

Treaty with Hungary on Legal Assistance in Criminal Matters (Treaty Doc. 104–20) (Exec. Rept. No. 104–25);

Treaty with the Philippines on Mutual Legal Assistance in Criminal Matters (Treaty Doc. 104–18) (Exec. Rept. No. 104–26);

Extradition Treaty with Hungary (Treaty Doc. 104–5) (Exec. Rept. No. 104–27);

Extradition Treaty with Belgium (Treaty Doc. 104–7) and the Supplementary Extradition Treaty with Belgium (Treaty Doc. 104–8) (Exec. Rept. No. 104–28);

Extradition Treaty with the Philippines (Treaty Doc. 104–16) (Exec. Rept. No. 104–29);

Extradition Treaty with Malaysia (Treaty Doc. 104–26) (Exec. Rept. No. 104–30);

Extradition Treaty with Bolivia (Treaty Doc. 104–22) (Exec. Rept. No. 104–31); and

Extradition Treaty with Switzerland (Treaty Doc. 104–9) (Exec. Rept. No. 104–32) **Pages S9158–59**

Nominations Confirmed: Senate confirmed the following nominations:

Nina Gershon, of New York, to be United States District Judge for the Eastern District of New York. **Page S9208**

Nominations Received: Senate received the following nominations:

1 Army nomination in the rank of general.

1 Marine Corps nomination in the rank of general.

Messages From the House: **Pages S9157–58**

Measures Referred: **Page S9158**

Executive Reports of Committees: **Pages S9158–59**

Statements on Introduced Bills: **Pages S9159–61**

Additional Cosponsors: **Page S9161**

Amendments Submitted: **Pages S9161–64**

Authority for Committees: **Page S9164**

Additional Statements: **Pages S9164–65**

Record Votes: Seven record votes were taken today. (Total–255) **Pages S9089–90, S9094, S9099, S9104, S9118, S9141**

Adjournment: Senate convened at 9:30 a.m., and adjourned at 9:29 p.m., until 9 a.m., on Wednesday, July 31, 1996. (For Senate's program, see the remarks of the Acting Majority Leader in today's Record on page S9208.)

Committee Meetings

(Committees not listed did not meet)

APPROPRIATIONS—COMMERCE, JUSTICE, STATE

Committee on Appropriations: Subcommittee on Commerce, Justice, State, and the Judiciary approved for full committee consideration, with amendments, H.R. 3814, making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1997.

FOREST HEALTH CONDITIONS

Committee on Energy and Natural Resources: Subcommittee on Forests and Public Land Management concluded oversight hearings to examine the conditions that have made the National Forests of the Southwest susceptible to catastrophic fires and disease, and to explore solutions and new management techniques, after receiving testimony from Jack Ward Thomas, Chief, Chip Cartwright, Regional Forester, Southwestern Region, and Mary Jo Lavin, Director, Fire and Aviation Management Staff, all of the Forest Service, Department of Agriculture; Peter Coppelman, Deputy Assistant Attorney General, Department of Justice; John Hafterson, Arizona State Land Department, Phoenix; Tom Kolb, Northern Arizona University, Dennis R. Kingsberry, Stone Forest Industries, and Charles Babbitt, Southwest Forest Alliance, all of Flagstaff, Arizona; William R. Murray, American Forest and Paper Association, Washington, D.C.; Fred Cheever, University of Denver College of Law, Denver, Colorado; and Arthur N. Lee, Apache County Board of Supervisors, Eager, Arizona.

DRUG TRAFFICKING IMPACT ON ECONOMY

Committee on Finance: Subcommittee on International Trade resumed hearings in conjunction with the Caucus on International Narcotics Control to examine how drug trafficking and money laundering may

pose threats to United States trade and financial systems, and efforts to combat international drug trafficking and money laundering, receiving testimony from Senators Domenici and Gramm; Jeffrey M. Lang, Deputy United States Trade Representative; Stanley E. Morris, Director, Office of Financial Crimes Enforcement Network, and George J. Weise, Commissioner, United States Customs Service, both of the Department of the Treasury; Jonathan M. Winer, Deputy Assistant Secretary of State for International Narcotics and Law Enforcement Affairs; Alan S. Abel, Coopers and Lybrand, and Robert S. Leiken, New Moment, Inc., both of Washington, D.C.; and Michael M. Miles, Rudolph Miles and Sons, Inc./The Miles Group, Inc., El Paso, Texas.

Hearings were recessed subject to call.

LIBERTAD ACT

Committee on Foreign Relations: Subcommittee on Western Hemisphere and Peace Corps Affairs held hearings on the implementation of the Cuban Liberty and Democratic Solidarity Act (Libertad) (P.L. 104–114) and its impact on international law, receiving testimony from Jeffrey Davidow, Assistant Secretary of State for Inter-American Affairs; Jennifer A. Hillman, General Counsel, Office of the United States Trade Representative; and Monroe Leigh, Steptoe & Johnson, Alberto Mora, Holland & Knight, Brice Clagett, Covington & Burling, and Robert L. Muse, Muse and Associates, all of Washington, D.C.

Hearings were recessed subject to call.

ACCESS TO MEDICAL TREATMENT ACT

Committee on Labor and Human Resources: Committee concluded hearings on S. 1035, to permit an individual to be treated by a health care practitioner with any method of medical treatment such individual requests, after receiving testimony from Senator Daschle; former Representative Berkley Bedell, Spirit Lake, Iowa; Jerold Mande, Executive Assistant to the Commissioner, Food and Drug Administration, and Wayne B. Jonas, Director, Office of Alternative Medicine, National Institutes of Health, both of the Department of Health and Human Services; Woodson C. Merrell, Columbia University College of Physicians and Surgeons, New York, New York; James S. Gordon, Center for Mind-Body Medicine, Washington, D.C.; and Shawn and Zachary McConnell, Fountain Hills, Arizona.

BUSINESS MEETING

Committee on Indian Affairs: Committee ordered favorably reported the following bills:

S. 1983, to amend the Native American Graves Protection and Repatriation Act to provide for Native Hawaiian organizations; and

S. 1973, to provide for the settlement of the Navajo-Hopi land dispute, with an amendment in the nature of a substitute.

ELDERLY SUICIDE

Special Committee on Aging: Committee concluded hearings to examine the incidence of suicide among the elderly, focusing on the factors that put elderly persons at risk and strategies and interventions that can prevent elderly suicides from occurring, after receiving testimony from Jane L. Pearson, Chief, Clinical and Developmental Psychopathology Program, Mental Disorders of the Aging Research Branch, National Institute of Mental Health, and Mark Rosenberg, Director, National Center for Injury Prevention and Control, Centers for Disease Control and Prevention, both of the Department of Health and Human Services; David C. Clark, Center for Suicide Research and Prevention/Rush-Presbyterian-St. Luke's Medical Center, Chicago, Illinois; Eric D. Caine, University of Rochester Medical Center, Rochester, New York; Ira R. Katz, University of Pennsylvania Medical School, Philadelphia, on behalf of the American Association for Geriatric Psychiatry; Joseph Richman, Albert Einstein College of Medicine, Bronx, New York; Ray Raschko, Spokane Community Mental Health Center, and Hy and Esther Nelson, all of Spokane, Washington; Betty Munley, Senior Connection Program/Crisis Call Center, Reno, Nevada; Daryl J. Workman, Richmond, Virginia; and Paige Warfield Garber, Kensington, Maryland.

House of Representatives

Chamber Action

Bills Introduced: 6 public bills, H.R. 3916–3921; 2 private bills, H.R. 3915, 3922; and 3 resolutions, H. Con. Res. 205, and H. Res. 493–494 were introduced.

Page H8982

Reports Filed: Reports were filed as follows:

H.R. 3867, to amend the Developmental Disabilities Assistance and Bill of Rights Act to extend the Act (H. Rept. 104–719);

H. Res. 492, waiving a requirement of clause 4 (b) of rule XI with respect to consideration of a certain resolution reported from the Committee on Rules (H. Rept. 104–720);

Conference report on H.R. 3517, making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for fiscal year ending September 30, 1997 (H. Rept. 104–721);

H.R. 3759, to extend the authority of the Overseas Private Investment Corporation, amended (H. Rept. 104–722);

H.R. 123, to amend title 4, United States Code, to declare English as the official language of the Government of the United States (H. Rept. 104–723);

Conference report on H.R. 3230, to authorize appropriations for fiscal year 1997 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 1997 (H. Rept. 104–724);

Conference report on H.R. 3734, to provide for reconciliation pursuant to section 201(a)(1) of the concurrent resolution on the budget for fiscal year 1997 (H. Rept. 104–725); and

Conference report on H.R. 3603, making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1997 (H. Rept. 104–726).

Pages H8829–H8958, H8958–79, H8981–82

Speaker Pro Tempore: Read a letter from the Speaker wherein he appointed Representative Jones to act as Speaker pro tempore for today. **Page H8669**

Recess: The House recessed at 9:01 a.m. and reconvened at 10:00 a.m. **Page H8669**

Committees to Sit: The following committees and their subcommittees received permission to sit today during proceedings of the House under the 5-minute rule: Committees on Banking and Financial Services, Economic and Educational Opportunities, Government Reform and Oversight, International Relations, Judiciary, National Security, Resources, Science, and Transportation and Infrastructure. **Page H8671**

Agriculture Appropriations: The House disagreed to the Senate amendments to H.R. 3603, making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1997, and agreed to a conference. **Page H8671**

Appointed as conferees: Representative Skeen, Myers of Indiana, Walsh, Dickey, Kingston, Riggs, Nethercutt, Livingston, Durbin, Kaptur, Thornton, Fazio, and Obey. **Page H8671**

Suspensions: The House voted to suspend the rules and pass the following measures:

Energy Policy and Conservation: H.R. 3868, to extend certain programs under the Energy Policy and Conservation Act through September 30, 1996; **Pages H8671–72**

Developmental Disabilities: H.R. 3867, to amend the Developmental Disabilities Assistance and Bill of Rights Act to extend the Act. Subsequently, the House passed S. 1757, a similar Senate-passed bill—clearing the measure for the President; **Pages H8672–73**

Trade Laws: H.R. 3815, amended, to make technical corrections and miscellaneous amendments to trade laws; **Pages H8673–79**

Katmai National Park Fishing: H.R. 1786, amended, to regulate fishing in certain waters of Alaska; **Pages H8679–80**

Geologic Mapping: H.R. 3198, to reauthorize and amend the National Geologic Mapping Act of 1992; **Pages H8680–82**

Crawford National Fish Hatchery: H.R. 3287, amended, to direct the Secretary of the Interior to convey the Crawford National Fish Hatchery to the city of Crawford, Nebraska; **Pages H8682–83**

Walhalla National Fish Hatchery: H.R. 3546, amended, to direct the Secretary of the Interior to convey the Walhalla National Fish Hatchery to the State of South Carolina; **Pages H8683–84**

Marion National Fish Hatchery: H.R. 3557, amended, to direct the Secretary of the Interior to convey the Marion National Fish Hatchery to the State of Alabama. Agreed to amend the title; **Pages H8684–85**

Snowbasin Ski Area and Sterling Forest Reserve: H.R. 3907, amended, to facilitate the 2002 Winter Olympic Games in the State of Utah at the Snowbasin Ski Area, to provide for the acquisition of lands within the Sterling Forest Reserve; **Pages H8685–92**

Water Resources Development: H.R. 3592, amended, to provide for conservation and development of water and related resources, and to authorize the Secretary of the Army to construct various projects for improvements to rivers and harbors of the United States. Subsequently, S. 640, a similar Senate-passed measure was passed in lieu after being amended to contain the text of H.R. 3592, as passed the House. Agreed to lay H.R. 3592 on the table; **Pages H8693–H8756**

Oscar Garcia Rivera Post Office: H.R. 885, to designate the building located at 153 East 110th

Street, New York, New York, as the ''Oscar Garcia Rivera Post Office Building''; **Pages H8756–57**

Augusta Hornblower Post Office: H.R. 3768, to designate a United States Post Office to be located in Groton, Massachusetts, as the ''Augusta 'Gusty' Hornblower United States Post Office''; **Pages H8657–58**

Rose Y. Caracappa Post Office: H.R. 3139, to redesignate the United States Post Office building located at 245 Centereach Mall on Middle Country Road in Centereach, New York, as the ''Rose Y. Caracappa United States Post Office Building''; **Pages H8758–59**

Roger P. McAuliffe Post Office: H.R. 3834, to redesignate the Dunning Post Office in Chicago, Illinois, as the ''Roger P. McAuliffe Post Office''; **Pages H8759–61**

Amos F. Longoria Post Office: H.R. 2700, amended, to designate the United States Post Office building located at 7980 FM 327, Elmendorf, Texas, as the ''Amos F. Longoria Post Office Building''. Agreed to amend the title; **Pages H8761–62**

Veterans' Preference: H.R. 3586, amended, to amend title 5, United States Code, to strengthen veterans' preference, to increase employment opportunities for veterans; and **Pages H8762–68**

Veterans' Health Care: H.R. 3118, amended, to amend title 38, United States Code, to reform eligibility for health care provided by the Department of Veterans Affairs (agreed to by a yea-and-nay vote of 416 yeas, Roll No. 371). **Pages H8768–76, H8791–92**

Clerk Correction: It was made in order to direct the Clerk, in the engrossment of H.R. 3592, to make a correction to section 585 to change the reference from Evansville, Illinois to make it Evanston, Illinois. This measure was passed earlier today under suspension of the rules. **Pages H8809–10**

Working Families Flexibility: By a yea-and-nay vote of 225 yeas to 195 nays, Roll No. 370, the House passed H.R. 2391, to amend the Fair Labor Standards Act of 1938 to provide compensatory time for all employees. **Pages H8776–91**

Agreed to the Committee amendment in the nature of a substitute, as amended. **Pages H8787–91**

Agreed to the Goodling amendment that requires employers to give thirty days notice prior to cashing out accrued compensatory time, allows employers to only cash out unused time in excess of 80 hours unless the cash out is in response to an employee request, requires employers to give thirty days notice prior to discontinuing compensatory time policy, specifies that employees may withdraw at any time from a compensatory time agreement, requires the Secretary of Labor to revise the posting requirements under the FLSA, and clarifies that unused compensatory time would be considered to be unpaid overtime for purposes of all remedies under the FLSA. **Pages H8788–90**

The McKinney amendment was offered, but subsequently withdrawn, that sought to reduce the work week under the FLSA from 40 hours to 37 hours. **Pages H8790–91**

Foreign Operations Appropriations: The House disagreed with the Senate amendment to H.R. 3540, making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1997, and agreed to a conference. **Pages H8792–93**

Appointed as conferees: Representatives Callahan, Porter, Livingston, Lightfoot, Wolf, Packard, Knollenberg, Forbes, Bunn, Wilson, Yates, Pelosi, Torres, Lowey, and Obey. **Page H8793**

Agreed to the Wilson motion to instruct conferees to provide funding for the United Nations Children's Fund (UNICEF) at the level specified by the House. **Pages H8792–93**

Defense Appropriations: The House disagreed with the Senate amendment to H.R. 3610, making appropriations for the Department of Defense for the fiscal year ending September 30, 1997 and agreed to a conference. **Page H8793**

Appointed as conferees: Young of Florida, McDade, Livingston, Lewis of California, Skeen, Hobson, Bonilla, Nethercutt, Istook, Murtha, Dicks, Wilson, Hefner, Sabo, and Obey. **Page H8793**

By a yea-and-nay vote of 410 yeas to 3 nays, Roll No. 372, agreed to the Livingston motion that conference committee meetings be closed to the public when classified information is under consideration. **Page H8793**

Late Reports: Conferees received permission to have until midnight tonight to file conference reports on H.R. 3603, making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1997 and H.R. 3517, making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for fiscal year ending September 30, 1997. **Page H8794**

Legislative Branch Appropriations: The House disagreed with Senate amendments to H.R. 3754, making appropriations for the Legislative Branch for the fiscal year ending September 30, 1997, and agreed to a conference. **Page H8794**

Appointed as conferees: Representatives Packard, Young of Florida, Taylor of North Carolina, Miller

of Florida, Wicker, Livingston, Thornton, Serrano, Fazio, and Obey. **Page H8794**

Agreed to the Thornton motion to instruct conferees to concur in the Senate amendments authorizing continuation of and making funds available for the American Folklife Center at the Library of Congress. **Page H8794**

Presidential Veto Message—Teamwork for Employers and Managers: Read a message from the President wherein he announces his veto of H.R. 743, to amend the National Labor Relations Act to allow labor management cooperative efforts that improve economic competitiveness in the United States to continue to thrive, and explains his reasons therefor—ordered printed (H. Doc. 104–251). **Page H8816**

Subsequently, it was made in order that further consideration of the veto message be postponed until Wednesday, July 31. **Page H8816**

Recess: The House recessed at 10:01 p.m. and reconvened at 11:55 p.m. **Pages H8828–29**

Amendments: Amendments ordered printed pursuant to the rule appear on pages H8982–84.

Senate Messages: Messages received from the Senate today appear on pages H8692–93 and H8794.

Quorum Calls—Votes: Three yea-and-nay votes developed during the proceedings of the House today and appear on pages H8791, H8792, and H8793. There were no quorum calls.

Adjournment: Met at 9:00 a.m. and adjourned at 11:58 p.m.

Committee Meetings

ATM FEE REFORM ACT

Committee on Banking and Financial Services: Subcommittee on Financial Institutions and Consumer Credit approved for full Committee action amended H.R. 3727, ATM Fee Reform Act of 1996.

OVERSIGHT

Committee on Government Reform and Oversight: Subcommittee on Human Resources and Intergovernmental Relations held an oversight hearing on Management of HUD's Section 8 Multi-Family Housing Portfolio. Testimony was heard from the following officials of the Department of Housing and Urban Development: Nicholas Retsinas, Assistant Secretary, Housing and Federal Housing Commissioner; and Susan Gaffey, Inspector General; Judy Joseph-England, Director, Housing and Community Development Issues, GAO; and a public witness.

EPA GRANTS MISMANAGEMENT

Committee on Government Reform and Oversight: Subcommittee on National Economic Growth, Natural Resources and Regulatory Affairs held a hearing on EPA Mismanagement of Grants. Testimony was heard from the following officials of the EPA: John Martin, Inspector General; and Fred Hansen, Deputy Administrator.

DOD BULK FUEL

Committee on Government Reform and Oversight: Subcommittee on National Security, International Affairs, and Criminal Justice held a hearing on the Department of Defense Bulk Fuel: Appropriations versus Usage. Testimony was heard from the following officials of the Department of Defense: Charles T. Harris, Director, Operation and Personnel Directorate, Under Secretary, Comptroller; and Jeffery A. Jones, Executive Director, (Logistics Management), Defense Logistics Agency; and the following officials of the GAO: Sharon A. Cekala, Associate Director, Military Operations and Capabilities Issues, National Security and International Affairs Division; and Michael J. Curro, Assistant Director, Budget Issues Area.

CAUCASUS REGION—U.S. INTERESTS

Committee on International Relations: Held a hearing on U.S. Interests in the Caucasus Region. Testimony was heard from the following officials of the Department of State: Marshall Adiar, Deputy Assistant Secretary, Bureau of European and Canadian Affairs; John Herbst, Deputy Coordinator, Office of the Special Advisor to the Secretary for the New Independent States; and Joseph A. Presel, Coordinator, Regional Affairs and Special Negotiator for Nagorno Karabakh; and public witnesses.

REGULATORY FAIR WARNING ACT

Committee on the Judiciary: Began markup of H.R. 3307, Regulatory Fair Warning Act.

Will continue tomorrow.

MILITARY HOUSING AND OTHER QUALITY-OF-LIFE INFRASTRUCTURE

Committee on National Security: Subcommittee on Military Installations and Facilities held a hearing on military housing and other quality-of-life infrastructure. Testimony was heard from the following officials of the Department of Defense: Sgt. Maj. Gene C. McKinney, USA; Master Chief Petty Officer John Hagan, USN; Sgt. Maj. Lewis G. Lee, USMC; and Chief Master Sergeant David J. Campanale, USAF; and public witnesses.

OVERSIGHT

Committee on Resources: Subcommittee on National Parks, Forests, and Lands held an oversight hearing on Inspector General Audit Report of Land Management land transactions in Nevada. Testimony was

heard from Wilma Lewis, Inspector General, Department of the Interior.

WAIVING ⅔ VOTE REQUIREMENT

Committee on Rules: Ordered reported, by voice vote, a resolution waiving clause 4(b) of rule XI (requiring a ⅔ vote to consider a rule on the same day it is reported from the Committee on Rules) against a resolution reported by the Rules Committee before August 1, 1996. The resolution applies the waiver to special rules providing for consideration or disposition of a conference report to accompany H.R. 3734, Personal Responsibility Act of 1996.

NEW GENERATION OF VEHICLES PROGRAM

Committee on Science: Subcommittee on Energy and Environment held a hearing on Partnership for a New Generation of Vehicles (PNGV) Program. Testimony was heard from Lionel S. Johns, Associate Director for Technology, Office of Science and Technology Policy; Robert M. Chapman, Chairman, PNGC Government Technical Task Force, Department of Commerce; Thomas J. Gross, Deputy Assistant Secretary, Office of Transportation Technologies, Department of Energy; Joseph Bordogna, Associate Director, Engineering, NSF; and public witnesses.

ISTEA REAUTHORIZATION

Committee on Transportation and Infrastructure: Subcommittee on Surface Transportation continued hearings on ISTEA Reauthorization, Metropolitan Planning: Metropolitan Planning Organizations and the Planning Process. Testimony was heard from Representative Hefley; Kirk Brown, Secretary of Transportation, State of Illinois; Susan Mortel, Assistant Deputy Director, Planning, Department of Transportation, State of Michigan; and public witnesses.

PATIENT RIGHT TO KNOW ACT

Committee on Ways and Means: Subcommittee on Health held a hearing on H.R. 2976, Patient Right to Know Act of 1996. Testimony was heard from Representatives Markey and Ganske; and public witnesses.

SAVING OUR CHILDREN: AMERICAN COMMUNITY RENEWAL ACT

Committee on Ways and Means: Subcommittee on Human Resources and the Subcommittee on Early Childhood, Youth and Families of the Committee on Economic and Educational Opportunities held a joint hearing on H.R. 3467, Saving Our Children: The American Community Renewal Act of 1996. Testimony was heard from Representatives Scott, Watts of Oklahoma, Kolbe and Knollenberg; Glenn O. Lewis, Representative, State of Texas; Fannie Lewis, member, City Council, Cleveland, Ohio; and public witnesses.

APPROPRIATIONS—MILITARY CONSTRUCTION

Conferees agreed to file a conference report on the differences between the Senate- and House-passed versions of H.R. 3517, making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for fiscal year ending September 30, 1997.

SMALL BUSINESS JOB PROTECTION ACT

Conferees continued in evening session to resolve the differences between the Senate- and House-passed versions of H.R. 3448, to provide tax relief for small businesses, to protect jobs, to create opportunities, and to increase the take home pay of workers.

NEW PUBLIC LAWS

(For last listing of Public Laws, see DAILY DIGEST, *p. D817)*

H.R. 248, to amend the Public Health Service Act to provide for the conduct of expanded studies and the establishment of innovative programs with respect to traumatic brain injury. Signed July 29, 1996. (P.L. 104–166)

S. 1899, entitled the ''Mollie Beattie Alaska Wilderness Area Act''. Signed July 29, 1996. (P.L. 104–167)

COMMITTEE MEETINGS FOR WEDNESDAY, JULY 31, 1996

(Committee meetings are open unless otherwise indicated)

Senate

Committee on Armed Services, closed business meeting, to consider certain pending military nominations, 9:45 a.m. and 3:30 p.m., SR–222.

Full Committee, to hold hearings on the nomination of Lt. Gen. Howell M. Estes III, USAF, for appointment to the grade of General and to be Commander-in-Chief, United States Space Command/Commander-in-Chief, North American Aerospace Defense Command, 11:15 a.m., SR–222.

Full Committee, to hold hearings on the nomination of Adm. Jay L. Johnson, USN, for reappointment to the grade of Admiral and to be Chief of Naval Operations, 1:30 p.m., SR–222.

Committee on Banking, Housing, and Urban Affairs, Subcommittee on International Finance, to hold hearings on provisions of H.R. 361, to provide authority to control exports, 10 a.m., SD–538.

Committee on Environment and Public Works, Business meeting, to consider the nominations of Nils J. Diaz, of Florida, and Edward McGaffigan, Jr., of Virginia, each to

be a Member of the Nuclear Regulatory Commission, time to be announced, S–216, The Capitol.

Committee on Foreign Relations, Subcommittee on African Affairs, to hold hearings on food security issues in Africa, 2 p.m., SD–419.

Committee on the Judiciary, to hold hearings to examine the incidents of drug smuggling at U.S. borders, 10 a.m., SD–226.

Full Committee, to hold hearings on the nominations of Richard A. Paez, of California, to be United States Circuit Judge for the Ninth Circuit, Wenona Y. Whitfield, to be United States District Judge for the Southern District of Illinois, Clarence J. Sundram, to be United States District Judge for the Northern District of New York, Joseph F. Bataillon, to be United States District Judge for the District of Nebraska, and Thomas W. Thrash Jr., to be United States District Judge for the Northern District of Georgia, 2 p.m., SD–226.

Committee on Labor and Human Resources, business meeting, to mark up S. 1490, to improve enforcement of Title I of the Employee Retirement Income Security Act of 1974 and benefit security for participants by adding certain provisions with respect to the auditing of employee benefit plans, 9:30 a.m., SD–430.

House

Committee on Agriculture, Subcommittee on General Farm Commodities, hearing to review the National Soybean Check-Off Program, 9:30 a.m., 1300 Longworth.

Committee on Appropriations, to consider a revised 602(b) Subdivision for fiscal year 1997, 10 a.m., 2360 Rayburn.

Committee on Banking and Financial Services, Subcommittee on Capital Markets, Securities and Government Sponsored Enterprises, to continue oversight hearings regarding Fannie Mae and Freddie Mac, 10 a.m., 2128 Rayburn.

Subcommittee on Domestic and International Monetary Policy, to mark up H.R. 3793, 50 States Commemorative Coin Program Act, 10 a.m., 2220 Rayburn.

Committee on Commerce, Subcommittee on Commerce, Trade, and Hazardous Materials, to mark up H.R. 3391, to amend the Solid Waste Disposal Act to require at least 85 percent of funds appropriated to the Environmental Protection Agency from the Leaking Underground Storage Tank Trust Fund to be distributed to States for cooperative agreements for undertaking corrective action and for enforcement of subtitle I of such Act, 10 a.m., 2123 Rayburn.

Subcommittee on Oversight and Investigations, hearing on FDA Integrity Issues Raised by the Visx, Inc. Document Disclosure, 10 a.m., 2322 Rayburn.

Committee on Government Reform and Oversight, Subcommittee on the District of Columbia, hearing on H.R. 3244, District of Columbia Economic Recovery Act, 10 a.m., 2154 Rayburn.

Committee on House Oversight, to discuss pending business, 10:30 a.m., 1310 Longworth.

Committee on International Relations, hearing on Review of U.S. Foreign Policy, 2 p.m., 2172 Rayburn.

Committee on the Judiciary, to continue markup of H.R. 3307, Regulatory Fair Warning Act and H.R. 3565, Violent Youth Crime Act of 1996; and to begin markup of the following bills: H.R. 3723, Economic Espionage Act of 1996; H.R. 1499, Consumer Fraud Prevention Act of 1995; S. 1507, Parole Commission Phaseout Act of 1995; H.R. 3676, Carjacking Correction Act of 1996; H.R. 3874, Civil Rights Commission Act of 1996; H.R. 2128 Equal Opportunity Act of 1995; and H.R. 1802, Reorganization of the Federal Administrative Judiciary Act, 10 a.m., 2141 Rayburn.

Committee on Rules, to consider the Conference Report on H.R. 3734, Personal Responsibility Act, 9:30 a.m., and to consider H.R. 123, English Language Empowerment Act of 1996, 3 p.m. H–313 Capitol.

Subcommittee on Rules and Organization of the House and the Subcommittee on Legislative and Budget Process, to continue hearings on Building on Change: Preparing for the 105th Congress, 9:45 a.m., H–313 Capitol.

Committee on Science, Subcommittee on Space and Aeronautics, hearing on Space Commercialization Promotion Act of 1996, 1 p.m., 2318 Rayburn.

Committee on Small Business, Subcommittee on Government Programs and Subcommittee on Education, Training, Employment and Housing of the Committee on Veterans' Affairs, joint hearing on SBA programs to assist veterans in readjusting to civilian life, 10 a.m., 2359 Rayburn.

Committee on Standards of Official Conduct, executive, to consider pending business, 1:30 p.m., HT–2M Capitol.

Committee on Transportation and Infrastructure, Subcommittee on Public Buildings and Grounds, to mark up the following: H.R. 2062, to designate the Health Care Financing Administration building under construction at 7500 Security Boulevard, Baltimore, MD as the ''Helen Delich Bentley Building''; H.R. 3535, to redesignate a Federal Building in Suitland, MD, as the ''W. Edwards Deming Federal Building''; H.R. 3576, to designate the U.S. courthouse located at 401 South Michigan Street in South Bend, IN, as the ''Robert Kurtz Rodibaugh United States Courthouse''; H.R. 3710, to designate a U.S. courthouse located in Tampa, FL, as the ''Sam M. Gibbons United States Courthouse''; GSA Repair and Alteration and Lease Prospectuses; and 11 (b) Resolutions, 9:30 a.m., 2253 Rayburn.

Committee on Ways and Means, to continue hearings on the impact of replacing the Federal Income Tax, with emphasis on domestic manufacturing and on energy and natural resources, 10 a.m., 1100 Longworth.

Next Meeting of the SENATE

9 a.m., Wednesday, July 31

Senate Chamber

Program for Wednesday: Senate will consider S. 1936, Nuclear Waste Policy Act, and following disposition, will resume consideration of H.R. 3675, Transportation Appropriations, 1997.

Next Meeting of the HOUSE OF REPRESENTATIVES

10 a.m., Wednesday, July 31

House Chamber

Program for Wednesday: Consideration of the conference report on H.R. 3734, Personal Responsibility Act of 1996 (subject to rules being granted); and

Consideration of H.R. 2823, International Dolphin Conservation Program Act (modified closed rule).

Extensions of Remarks, as inserted in this issue

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