The bill makes clear that it shall be the policy of the Federal government to permit the public to interact with the government through commercial networks and infrastructure and protect the privacy and security of any electronic communications and stored information obtained by the public.

The Federal government is encouraged to purchase encryption products for its own use, but is required to ensure that such products will interoperate with other commercial encryption products, and the government is prohibited from requiring citizens to use a specific encryption product to interact with the government.

Title II of the PROTECT Act authorizes and directs NIST to complete establishment of the Advanced Encrytion Standard by January 1, 2002. Further, the bill ensures the process is led by the private sector and open to comment. Beyond the NIST role in establishing the AES, the Commerce Department is expressly prohibited from setting encryption standards—including U.S. export controls—for private computers.

A critical component of the PROTECT Act is improving the government's technological capabilities. Much of the concern from law enforcement and national security agencies is rooted in the unfortunate reality that the government lags desperately behind in their understanding of advanced technologies, and their ability to achieve goals and missions in the digital age.

This legislation expands NIST's Information Technology Laboratory duties to include: (a) obtaining information regarding the most current hardware, software, telecommunications and other capabilities to understand how to access information transmitted across networks; (b) researching and developing new and emerging techniques and technologies to facilitate access to communications and electronic information; (c) researching and developing methods to detect and prevent unwanted intrusions into commercial computer networks; (d) providing assistance in responding to information security threats at the request of other Federal agencies and law enforcement; (e) facilitating the development and adoption of ''best information security practices'' between the agencies and the private sector.

The duties of the Computer System Security and Privacy Board are expanded to include providing a forum for communication and coordination between industry and the Federal government regarding information security issues, and fostering dissemination of general, nonproprietary and nonconfidential developments in important information security technologies to appropriate federal agencies.

Title V of the legislation deals with the export of encryption products. The Secretary of Commerce is granted sole jurisdiction over commercial encryption products, except those specifically designed or modified for military use, including command and control and intelligence applications. The legislation clarifies that the U.S. government may continue to impose export controls on all encryption products to terrorist countries, and embargoed countries; that the U.S. government may continue to prohibit exports of particular encryption products to specific individuals, organizations, country, or countries; and that encryption products remain subject to all export controls imposed for any reason other than the existence of encryption in the product.

Encryption products utilizing a key length of 64 bits or less are decontrolled. Further, certain additional products may be exported or reexported under license exception. These include: recoverable products; encryption products to legitimate and responsible entities or organizations and their strategic partners, including on-line merchants; encryption products sold or licensed to foreign governments that are members of NATO, ASEAN, and OECD; computer hardware or computer software that does not itself provide encryption capabilities, but that incorporates APIs of interaction with encryption products; and technical assistance or technical data associated with the installation and maintenance of encryption products.

The Commerce Department is required to make encryption products and related computer services eligible for a license exception after a 15-day, one-time technical review. Exporters may export encryption products if no action is taken within the 15-day period.

A formal process is established whereby encryption products employing a key length greater than 64 bits may be granted an exemption from export controls. Under the procedures established by this legislation, encryption products may be exported under license exception if: the Secretary of Commerce determines that the product or service is exportable under the Export Administration Act, or if the Encryption Export Advisory Board created under this Act determines, and the Secretary agrees, that the product or services is, generally available, publicly available, or a comparable encryption product is available, or will be available in 12 months, from a foreign supplier.

As referenced, the PROTECT Act creates an Encryption Export Advisory Board to make recommendations regarding general, public and foreign availability of encryption products to the Secretary of Commerce who must make such decisions to allow an exemption. The Secretary's decision is subject to judicial review. The President may override any decision of the Board or Secretary for purposes of national security without judicial review. This process is critical. It ensures that the manufacturer or exporter of an encryption product may rely upon the Board's determination that the product is generally or publicly available or that a comparable foreign product is available, and may thus export the product without consequences. However, a critical national security backstop is provided. Regardless of the recommendation of the board, or the decision of the Secretary, the President is granted the absolute authority to deny the export of encryption technology in order to protect U.S. national security interest. However, a process of review is established whereby market-availability, and other relevant information may be gathered and presented in order to ensue that such determinations are informed and rational.

Any products with greater than a 64 bit key length that has been granted previous exemptions by the administration are grandfathered, and decontrolled for export. Upon adoption of the AES, but not later than January 1, 2002, the Secretary must decontrol encryption products if the encryption employed is the AES or its equivalent.

Finally, the PROTECT Act prohibits the Secretary from imposing any reporting requirements on any encryption product not subject to U.S. export controls or exported under a license exception.

Mr. President, as I have stated, my purpose in putting this legislation together was to get outside the zero sum game thinking that has become so indicative of the debate surrounding the encryption export controls. I would like to commend the outstanding and creative leadership of Senator BURNS on this issue. He is a leader on technology issues in the Senate, and has played an invaluable role in developing this approach. I look forward to working with him, and our other original cosponsor in building the support necessary to see the PROTECT Act signed into law during this Congress.

SENATE SPECIAL COMMITTEE ON THE YEAR 2000 TECHNOLOGY PROBLEM

Mr. BENNETT. Mr. President, on March 25, 1999, the Senate Special Committee on the Year 2000 Technology Problem published its rules of procedure. Also published was an overview of the Committee's jurisdiction and authority. We publish today the corrected and complete statement of jurisdiction and authority of the Committee which is provided by S. Res. 208, 105th Congress, as amended by S. Res. 231, 105th Congress, and S. Res. 7, 106th Congress.

Mr. President, I ask unanimous consent that the corrected and completed statement of jurisdiction and authority be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. RES. 208, APRIL 2, 1998, AS AMENDED

Resolved,

SECTION 1. ESTABLISHMENT OF THE SPECIAL COMMITTEE.

(a) ESTABLISHMENT.—There is established a special committee of the Senate to be known

as the Special Committee on the Year 2000 Technology Problem (hereafter in this resolution referred to as the ''special committee'').

(b) PURPOSE.—The purpose of the special committee is—

(1) to study the impact of the year 2000 technology problem on the Executive and Judicial Branches of the Federal Government, State governments, and private sector operations in the United States and abroad;

(2) to make such findings of fact as are warranted and appropriate; and

(3) to make such recommendations, including recommendations for new legislation and amendments to existing laws and any administrative or other actions, as the special committee may determine to be necessary or desirable.

No proposed legislation shall be referred to the special committee, and the committee shall not have power to report by bill, or otherwise have legislative jurisdiction.

(c) TREATMENT AS STANDING COMMITTEE.—For purposes of paragraphs 1, 2, 7(a)(1)–(2), and 10(a) of rule XXVI and rule XXVII of the Standing Rules of the Senate, and section 202 (i) and (j) of the Legislative Reorganization Act of 1946, the special committee shall be treated as a standing committee of the Senate.

SEC. 2. MEMBERSHIP AND ORGANIZATION OF THE SPECIAL COMMITTEE.

(a) MEMBERSHIP.—

(1) IN GENERAL.—The special committee shall consist of 7 members of the Senate—

(A) 4 of whom shall be appointed by the President pro tempore of the Senate from the majority party of the Senate upon the recommendation of the Majority Leader of the Senate; and

(B) 3 of whom shall be appointed by the President pro tempore of the Senate from the minority party of the Senate upon the recommendation of the Minority Leader of the Senate.

The Chairman and Ranking Minority Member of the Appropriations Committee shall be appointed ex-officio members.

(2) VACANCIES.—Vacancies in the membership of the special committee shall not affect the authority of the remaining members to execute the functions of the special committee and shall be filled in the same manner as original appointments to it are made.

(3) SERVICE.—For the purpose of paragraph 4 of rule XXV of the Standing Rules of the Senate, service of a Senator as a member, chairman, or vice chairman of the special committee shall not be taken into account.

(b) CHAIRMAN.—The chairman of the special committee shall be selected by the Majority Leader of the Senate and the vice chairman of the special committee shall be selected by the Minority Leader of the Senate. The vice chairman shall discharge such responsibilities as the special committee or the chairman may assign.

SEC. 3. AUTHORITY OF SPECIAL COMMITTEE.

(a) IN GENERAL.—For the purposes of this resolution, the special committee is authorized, in its discretion—

(1) to make expenditures from the contingent fund of the Senate;

(2) to employ personnel;

(3) to hold hearings;

(4) to sit and act at any time or place during the sessions, recesses, and adjourned periods of the Senate;

(5) to require, by subpoena or otherwise, the attendance of witnesses and the production of correspondence, books, papers, and documents;

(6) to take depositions and other testimony;

(7) to procure the services of individual consultations or organizations thereof, in accordance with the provisions of section 202(i) of the Legislative Reorganization Act of 1946; and

(8) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable or[1] nonreimbursable basis the services of personnel of any such department or agency.

(b) OATHS FOR WITNESSES.—The chairman of the special committee or any member thereof may administer oaths to witnesses.

(c) SUBPOENAS.—Subpoenas authorized by the special committee may be issued over the signature of the chairman after consultation with the vice chairman, or any member of the special committee designated by the chairman after consultation with the vice chairman, and may be served by any person designated by the chairman or the member signing the subpoena.

(d) OTHER COMMITTEE STAFF.—The special committee may use, with the prior consent of the chairman of any other Senate committee or the chairman of any subcommittee of any committee of the Senate and on a nonreimbursable basis, the facilities or services of any members of the staff of such other Senate committee whenever the special committee or its chairman, following consultation with the vice chairman, considers that such action is necessary or appropriate to enable the special committee to make the investigation and study provided for in this resolution.

(e) USE OF OFFICE SPACE.—The staff of the special committee may be located in the personal office of a Member of the special committee.

SEC. 4. REPORT AND TERMINATION.

The special committee shall report its findings, together with such recommendations as it deems advisable, to the Senate at the earliest practicable date.

SEC. 5. FUNDING.[2]

(a) IN GENERAL.—There shall be made available from the contingent fund of the Senate out of the Account for Expenses for Inquiries and Investigations, for use by the special committee to carry out this resolution—

(1) not to exceed $875,000 for the period beginning on April 2, 1998, through February 28, 1999, and $875,000 for the period beginning on March 1, 1999 through February 29, 2000, of which not to exceed $500,000 shall be available for each period for the procurement of the services of individual consultants, or organizations thereof, as authorized by section 202(i) of the Legislative Reorganization Act of 1946; and

(2) such additional sums as may be necessary for agency contributions related to the compensation of employees of the special committee.

(b) EXPENSES.—Payment of expenses of the special committee shall be disbursed upon vouchers approved by the chairman, except that vouchers shall not be required for the disbursement of salaries paid at an annual rate.

[1] As amended by S. Res. 231, 105th Cong., 2d Sess. (1998).

[2] As amended by S. Res. 231, 105th Cong., 2d Sess. (1998), and by S. Res. 7, 106th Cong., 1st Sess. (1999).

IMF GOLD

Mr. REID. Mr. President, I rise today to insert into the CONGRESSIONAL RECORD an analysis by the noted economist, Michael Evans. This information regards the poorly considered effort by the International Monetary Fund to sell all or part of their gold reserves to ostensibly help poor countries. Dr. Evans is a professor of economics at the Kellogg School at Northwestern University of Illinois. In this detailed analysis, Dr. Evan's reviews the history of recent gold sales and cautions that selling gold often degrades economic performance. Based on this empirical research, Dr. Evans states that countries that have resorted to gold sales have found their currency depreciated, their real growth rate down and their unemployment up relative to countries that did not sell gold.

The IMF has established a policy to ''avoid causing disruptions that would have an adverse impact on all gold holders and gold producers, as well as on the functioning of the gold market.'' The proposal that the IMF is now contemplating would directly conflict with this well-founded rule. In fact, the suggestion of gold sales has already adversely impacted gold holders and gold producers by causing an alarming drop in the price of gold.

Currently, the price of gold is at its lowest point in twenty years. This is significant because the low price of gold is now nearing the break-even point for even the larger mines. Therefore, these mines will be forced to either operate at loss or shut down entirely. With mining and related industries accounting for 3 million jobs and 5 percent of the gross domestic product, this would have a serious impact on our nations economy.

The IMF should abandon this initiative and pursue alternatives to assist these poor nations.

I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Times, Apr. 6, 1999]

(By Michael Evans)

In the rarefied atmosphere of Davos, Switzerland, Vice President Al Gore fired his opening salvo in the 2000 Election Year campaign, in an attempt to demonstrate his expertise in international finance.

Specifically, Mr. Gore suggested the International Monetary Fund should sell some of its gold reserves and use the funds to reduce foreign debt of impoverished Third World nations, following through with one of his favorite plans discussed in his 1992 magnum opus, ''Earth in the Balance.'' Such a plan, he claimed, would help alleviate ''the insanity of our current bizarre financial arrangements with the Third World.'' (''Earth in the Balance,'' p. 345).

Forgiveness of foreign debt would certainly not be a unique step. The United States forgave most foreign debts after both world war for Allies and foes alike. The Brady plan in the 1980s reduced Latin American debt. The United States also forgave much of the foreign debt of Eastern European countries after the demise of the Berlin Wall. Forgiveness of debt is not necessarily a bad idea; in many cases it has worked quite well.

Yet the Gore plan is questionable on two major counts. First, before these debts are forgiven, these countries need to provide some evidence they have started to improve their own economic programs. Second, selling gold, far from being the best way to proceed, is close to the worst.