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## 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, Minister Angela Williams, Shiloh Baptist Church, Washington, DC, a resident of South Carolina. We are pleased to have you with us.

### PRAYER

The guest Chaplain, Minister Angela Williams, offered the following prayer:

Eternal God, our Sovereign Lord, we thank You for the many blessings You have bestowed upon our Nation. For You, O Lord, are our strength and our righteousness. We recognize that ours is a priceless inheritance—a country founded on the truth that all women and men are created equal and endowed by our Creator with the right to life, liberty, and the pursuit of happiness. We cannot forget these words, lest we fail as a Nation.

With Your everlasting arms, lift up the Members of the United States Senate, so that they may carry out their indispensable mission of conducting the Nation's business fully and fairly. Incline Your ear toward the United States of America, that You may hear the prayers of Your people. Let Your face continue to shine upon those of all races, nationalities, religions, and creeds—the rich and the poor, those with privileges and those who have been denied.

Now, more than ever before, we need Your peace. Families, schools, and communities too often seem besieged. But we know that in the midst of it all, You have only to say, "Peace, be to you." Lord, help us to walk with You in integrity and wisdom and do that which is always just in Your sight. Continue to bless those who work on Capitol Hill, as we give to You all glory, honor, and praise. Amen.

### PLEDGE OF ALLEGIANCE

The Honorable GEORGE V. VOINOVICH, a Senator from the State of Ohio, led the Pledge of Allegiance as follows:

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

### RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The acting majority leader.

### SCHEDULE

Mr. VOINOVICH. Mr. President, today the Senate will be in a period for morning business until 10:30 a.m., with Senators DURBIN and THOMAS in control of the time.

Senators should be aware that cloture was filed on the motion to proceed to the Treasury-Postal appropriations bill and on the motion to proceed to the intelligence authorization bill. Under the provisions of rule XXII, those votes will occur on Wednesday, 1 hour after the Senate convenes. During Thursday morning's session, there will be a time set aside for those Members who have not had the opportunity to make their statements in memory of our former colleague, Paul Coverdell.

I thank my colleagues for their attention.

### ORDER FOR RECESS

Mr. VOINOVICH. Mr. President, I ask unanimous consent that at the hour of 12:30 p.m. the Senate stand in recess until the hour of 2:15 p.m. in order for the weekly party caucuses to meet.

The PRESIDENT pro tempore. Without objection, it is so ordered.

### MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a

period for the transaction of morning business, with Senators permitted to speak for up to 10 minutes each, with the following exceptions: Senator DURBIN, or his designee, from 9:30 a.m. to 10 a.m., and Senator THOMAS, or his designee, from 10 a.m. to 10:30 a.m.

The PRESIDENT pro tempore. The able Senator from Massachusetts.

### GUEST CHAPLAIN

Mr. KENNEDY. Mr. President, I commend the Senate's guest Chaplain today, Minister Angela Williams, for her eloquent prayer opening today's session of the Senate. Angela became a licensed minister in January of this year, and she is currently an associate minister at Shiloh Baptist Church in the District of Columbia. I had the privilege of attending her first sermon there last November. She is also currently a graduate student at Virginia Union University in Richmond, where she is pursuing the degree of master of divinity.

Angela's father, J.C. Williams, is also a minister. He served for 28 years with great distinction as a Navy chaplain. He retired in 1998, and is now an associate minister in Martinez, GA. Rev. J.C. Williams served as guest Chaplain for the Senate last September.

Our guest Chaplain today wears many hats. Angela Williams is also a talented lawyer, and is a graduate of the University of Texas Law School. As an Assistant United States Attorney in the Middle District of Florida, she was selected to serve on the National Church Arson Task Force, which was created by the Department of Justice to investigate, prosecute, and prevent the epidemic of church arsons that were afflicting many parts of the country. From 1996 to 1998, Angela Williams investigated and prosecuted approximately 25 percent of those Federal cases nationwide.

Angela is also well known to many of us in the Senate and the House of Representatives. For the past 2 years, in

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



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addition to her ministry, she has served as a member of my Senate staff on the Judiciary Committee.

All of us on both sides of the aisle and with the Clinton administration who have worked with Angela have great respect for her ability and dedication. Her principal responsibilities have been in the area of law enforcement issues, especially hate crimes, and she deserves great credit for her leadership on this important issue in our country today.

Angela will be leaving my staff at the end of this week. All of us who know Angela wish her well. We have been very impressed with her calling to the ministry and her dedication to it. It has been a privilege to work with her as a member of our Senate family, and we are grateful for her inspiring prayer as guest Chaplain today.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. VOINOVICH). The Senator from Illinois.

Mr. DURBIN. Mr. President, I yield to the Senator from South Carolina.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. I thank the Chair.

(The remarks of Mr. THURMOND pertaining to the submission of S. Res. 342 are located in today's RECORD under "Submissions of Concurrent and Senate Resolutions.")

The PRESIDING OFFICER. The Senator from Illinois.

#### REPUBLICAN AGENDA

Mr. DURBIN. Mr. President, this week will be the last week before we break for the party conventions—the Republicans in Philadelphia; the Democrats in Los Angeles. We have a full array of legislation that could be considered this week. I am not sure, being a member of the lowly minority, as to what issues we will actually address, but the American people should pay close attention to what has occurred in this Chamber in the last 2 weeks.

A little bit of history puts it in perspective. Not that many years ago, we were struggling with annual deficits. It was crippling the economy of the United States and certainly causing a shockwave across America as families had to step back and consider the impact of a huge national debt that we passed on to future generations. In fact, our national debt now is approaching \$6 trillion, and we collect \$1 billion in taxes every single day in America to pay interest on our old debt.

That \$1 billion in taxes does not educate a child; it does not buy a tank or a gun; it does not provide health insurance for anyone; it does not improve Social Security or Medicare. It pays interest on old debt.

It is debt that was accumulated primarily during the period when Presidents Reagan and Bush were in office and some partially during the period when President Clinton first began, but

we have turned the corner. People have come to understand a dramatic thing has occurred. We are now reaching a point where we are not talking about deficits and debt but about the possibility, the opportunity of a surplus. This is something which America's families and businesses have worked hard to earn: a surplus that reflects a strong economy with more and more people working, which reflects the fact we have had the greatest period of economic expansion in the history of the United States. In fact, I hope we do not become blasé about this. This is something that was hard to achieve and American families and businesses working with our Government leaders reached this new point.

Having reached the point where we can look ahead and say we have a strong economy and a surplus coming, it is now up to the Congress to decide what to do with that surplus. There are two very different approaches as to what to do with the surplus.

During the last 2 weeks, the Republican Party has come to the floor of the Senate and suggested they know what to do with this surplus. They have suggested we take \$1 trillion, approximately half of the projected surplus over the next 10 years or so, and dedicate it to tax cuts. Tax cuts are a popular proposal for politicians. Any of us would like to stand before a crowd in our States or hometowns and talk about cutting their taxes. But the honest question is, Is that the best thing for us to do at this moment in time?

On the Democratic side, we believe that there is a better approach. We believe our first obligation is to pay down the national debt, strengthening Social Security and Medicare and making certain that our children carry less of a burden in the future. The Republicans say give tax cuts, primarily to wealthy people, over \$1 trillion worth. We say take that money and pay down the debt. We are not sure if that surplus is actually going to be there 2 years, 4 years, 6 years from now. Wouldn't every family and business in America agree it is more sensible to first retire this huge debt that looms over America and its future? That is the Democratic position.

Most people believe we should deal with the national debt. The Republican position, with notable exceptions, including the Presiding Officer, who has taken a more conservative approach when it comes to dealing with the surplus—is, no, we should cut taxes on a permanent basis and hope for the best. The tough part of it, too, is that this cutting of taxes is primarily going to those at the highest income levels.

I had a chart last week which showed that 43 percent of the estate tax cut proposed by the Republicans went to people making over \$300,000 a year. For people with an average income of \$900,000 a year—a show of hands is not necessary—the Republicans proposed a \$23,000-a-year tax break. If one is making somewhere in the neighborhood of

\$75,000 a month, will another \$2,000 a month really make a difference in their life? I find that hard to imagine. Yet when it comes right down to it, that is what we hear from the Republican side: Give the tax breaks to the wealthiest people in America.

On our side, we believe this surplus should be used to pay down the debt, strengthen Social Security and Medicare, and then find those targeted tax cuts that can make a real difference in a person's life.

Let me give a few examples of targeted tax cuts that cost far less than what the Republicans have suggested but would mean dramatic tax relief to working families. I start with middle-income families worried about paying for college education expenses, as well they should be. Between 1990 and 1998, average tuition and fees increased 79 percent at public universities, 56 percent at private 4-year institutions, compared to a 23-percent increase in the Consumer Price Index and a 41-percent increase in per capita disposable income. Families know this. When children are born, they think ahead: How are we going to pay for this kid's college education?

On the Democratic side, we believe if we are talking about changing tax policy, let us give to middle-income families the deduction of college education expenses, a helping hand so that if a son or daughter is accepted at a good university, they don't have to make the decision that they can't go because of money. That is our idea. We would have deduction for college education expenses.

The Republican idea is an estate tax cut that would give an average \$23,000-a-year tax break to people making \$900,000 a year. What is of more value to the future of America: Someone who gets \$2,000 a month to put it in an investment or another vacation home or a family who takes a tax break offered on the Democratic side and helps their son or daughter go to the very best college or university into which they can be accepted?

Secondly, working families I know are struggling with the concept of day care, what to do with the children during the day so they have peace of mind in that the children are safe in a quality environment. Some working people choose day-care centers in their hometowns. They can be very expensive. I know my grandson is in day care, a very good one. I am happy he is there. Many families don't have that luxury. They can't turn to good day care because they can't afford it. What about the family who decides that instead of both parents working, one will stay home to care for the child? That is a good decision to make, if one can afford to make it.

On the Democratic side—this is another change in tax policy that is far better for America than to give tax breaks to wealthy people—Senator DODD of Connecticut came to the floor and said: Let's help families pay for

day-care center expenses with a tax credit or offer a tax credit to mothers who will stay at home with children so they will get a helping hand, too. I think that is eminently sensible.

We know that children in the early stages of their life really are forming their minds and their values, and we want them to be in the very best environment. If they get off to a good start, many kids will do well in school and have a great future ahead of them. But on the other side of the coin, if children are being pushed and shoved from one incompetent and dangerous babysitter to the next, it is risky. It is something no family would want to face. On the Democratic side, instead of tax breaks for the wealthy, we want to target tax breaks for those who are struggling to find a way to keep a parent at home to watch a child or to pay for day care.

A third area we have worked on is the whole question of long-term care. Baby boomers understand this. Their parents and their grandparents are reaching an age where they need special attention, special help, special care. Much of it is expensive. Families are making sacrifices for their parents, the elderly, and their families. We think they deserve a helping hand. We understand people are living longer and have special needs. We have proposed a tax break that will help families who are concerned about long-term care and caring for their parents and elderly people.

These are the types of targeted tax breaks which the Democrats support: Deduction of college education expenses; help for day care, to keep parents at home so they can watch their children; help for long-term care, to take care of our aging parents. This is our concept of targeted tax relief. The Republican concept of tax relief is a \$23,000 annual tax break for people making over \$300,000 a year.

Frankly, I will take this issue anywhere in my home State of Illinois. I would like to argue this point as to whether we take a handful of people and give them the most exceedingly generous tax breaks or look at 98 percent of America's families who are struggling with the realities of life.

I am glad my colleague from Massachusetts is here. I will be happy to yield to him at any point. I want to make one point before I do.

There are many other issues which are languishing in this Congress which need to be addressed, issues to which the American people look to us for leadership. I will cite a few so one can understand the frustration, many times, of dealing with real-life problems at home and this Disneyland situation on Capitol Hill. The people need to be represented in this Chamber, not the powerful. The powerful have their lobbyists. The special interests have their political action committees. They have shown extraordinary strength when it comes to stopping issues about which people really care. Allow me to address a few.

A prescription drug benefit under Medicare: Is there another action we can take in America that is fairer or better for our seniors and disabled than to give them the opportunity to afford prescription drugs?

Is it not scandalous that senior citizens in many States get in buses and take 100-mile trips over the border to Canada to buy their prescription drugs? The same drugs manufactured in the United States, approved for sale in the United States, can be purchased in Canada for a fraction of the cost.

Is it not scandalous and disgraceful that senior citizens across America, when they receive the prescriptions from their doctor and are told, take this medicine; you will be strong and healthy and independent if you do, can't afford to fill the prescription, go to the store and find they have to choose between food and medicine, fill the prescription and take half of what they are supposed to because they can't afford it? That is a reality of life. It is something we should address.

The simple fact is, this Congress has failed to come up with a prescription drug benefit under Medicare. We have talked about it for a year and a half or longer. The President has called for it for years. The Republican Congress says no because the pharmaceutical companies, which are enjoying some of the greatest profits in their history, don't want to see this prescription drug benefit. They know that if we have the bargaining power under Medicare to keep prices under control, their profit margins might slip.

So, once again, the powerful and special interest groups are the ones that are prevailing. The Republican answer to this is, well, why don't we turn to the same insurance companies that offer HMOs and managed care and ask them if they would offer a prescription drug benefit. Excuse me if I am skeptical, but we know what these companies have done when it comes to life-and-death decisions on medical care. Too many times they say no when they should say yes. People are forced into court before judges to plead and beg and do their very best to get the basic care they need to survive.

Is that what we want to see when it comes to life-saving prescription drugs, another battle between America's families and these insurance companies?

We received a report recently about over a million people who have lost their HMO Medicare policies—cancelled—because the companies didn't think they were making enough money. The Republicans say that is the answer. We don't think so. It should be a universal, guaranteed program under Medicare, one that you are confident will allow your doctor to give you a prescription that you can fill and will allow you to be able to afford to fill it. That is another issue stopped in this Congress by the special interest groups.

The Patients' Bill of Rights would let the doctors make the decisions, not the

insurance companies. We have lost that issue on the floor of the Senate. We raised that issue and the insurance companies prevailed. They would not let Senator KENNEDY's bill come forward to give people the peace of mind that they were getting the best medical care and that they would not have to fight with a clerk from an insurance company when it came to what they and the people they love might need.

As at Columbine High School, all of the press reports about shootings in schools and in other places shock America from one coast to the other. Can this Congress pass commonsense legislation for gun safety for a background check at gun shows, to make sure criminals and children don't get their hands on guns? Can we pass legislation to require a child safety device on every handgun so that kids don't rummage through the closet, find a handgun, and shoot themselves or a playmate? No. The answer is we can't because the powerful gun lobby stopped that legislation from being passed as well.

Prescription drug benefits, Patients' Bill of Rights, commonsense gun safety legislation, and an increase in the minimum wage—Senator KENNEDY has fought for that for years. The minimum wage is \$5.15 an hour in this country. Imagine trying to live on that, on the \$10,000 or \$12,000 a year in income that it generates. That is next to impossible. We have tried to raise the minimum wage because we believe it is not only fair but it gives people who go to work every day a chance for a livable wage. The Republicans say, no, we can't afford a livable wage; we can't afford to increase the minimum wage, but we can afford to give a trillion dollar tax break to the wealthiest people in this country.

Does that make sense? Is it fair or just? I don't think so.

The issues of education and health care, compensation for working people, a Patients' Bill of Rights, prescription drug benefits, none of these have been addressed. The Republicans will be off to their convention in Philadelphia in a few days. They will take great pride in talking about what they have achieved in Washington. I hope the American people will take a look at the list of issues I have referred to and ask themselves how many of those issues are important to their families. I think many of them are. All of them are stalled because the people don't rule in this Chamber, the powerful do. Those powerful special interests have stopped our attempts to try to make sure we have sensible fiscal policy to keep this economy moving forward, to pay down our debt, strengthen Social Security and Medicare, and to make sure that tax cuts help the people who deserve them.

We have a big agenda in this town and very little of it has been addressed. I think it is a commentary on this Congress and its leadership that we have failed to respond to the issues that families in America care about.

Before yielding the floor to the Senator from Massachusetts, I ask unanimous consent that this editorial from the Chicago Tribune of Sunday, July 23, 2000, entitled "Budget Surplus Induces Frenzy," be printed in the RECORD.

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

#### BUDGET SURPLUS INDUCES FRENZY

Congressional Democrats have likened the Republicans' tax-cutting frenzy to a "legislative Wild West." But a growing number of Democrats, too, are hitching up their britches and joining the roundup, crossing the aisle to vote for tax cuts as well as their own spending increases. What is prompting all this activity is a federal budget surplus that seems to have taken on a magical life of its own.

Capitol Hill is awash in money. Why make hard choices when you can have it all? Blink and you just may have missed the latest incredibly rosy forecast of that gargantuan budget surplus. The economy is now approaching \$10 trillion in size and more Americans are working than ever. That means federal tax receipts are soaring—the prime reason that the budget surplus keeps growing.

The latest revision by the Congressional Budget Office estimates the surplus at \$232 billion for the fiscal year ending Sept. 30—\$53 billion higher than the April estimate. Through 2010, the surplus is forecast to be \$2.2 trillion. Include Social Security surpluses and it grows to \$4.5 trillion. If your mind isn't bogged by these sums, you just aren't paying attention.

But before Congress proceeds to spend every last red cent of this money, here are a few cautionary red flags.

#### PAY DOWN THE DEBT

The national debt totals \$5.6 billion. Reducing the publicly held portion of it—about \$3.6 trillion—is akin to giving the whole nation a tax cut because it reduces future debt service. This must be the No. 1 priority.

#### GET REAL WITH SPENDING CAPS

They were imposed in 1997 when it looked like the only way for America to dig itself out of a swamp of red ink was to strictly limit discretionary spending. That's what gets spent on everything else after defense, debt service and entitlement programs like Social Security and Medicare are paid for. Well, the deficit swamp has been drained. The caps remain, but that doesn't mean Congress complies with them. The Republicans have been moving spending in or out of the current fiscal year or calling it an "emergency," allowing them to technically meet the caps but still spend lavishly.

This is worse than having no caps at all. It is time to be honest about these spending caps. Establish a new baseline cap; allow for minimal annual increase, then stick to it.

#### REMEMBER PROJECTIONS AREN'T REAL MONEY— YET

That doesn't mean the projected surplus won't become real money. But 10 years is a long time and a lot can change over a decade. If you don't believe that, just remember back to 1990 and the projected deficits that seemed to stretch endlessly into the future.

#### SOCIAL SECURITY AND MEDICARE STILL NEED WORK

Neither presidential candidate has addressed the core demographic problem that looms for these programs: the aging of the giant Baby Boom generation. The Concord Coalition refers to both their Social Security reform plans as "free lunch proposals." There is no free lunch. Expanding tax-free

retirement accounts—as Al Gore proposes—or allowing market investment of some portion of Social Security taxes—as George Bush proposes—won't change the fact that the system will become actuarially unsound unless benefits are cut, taxes raised or the retirement age delayed.

Add to Medicare's shaky fiscal foundation some looming big ticket items—a prescription drug benefit and some provision for long-term care—that will have to be financed if, as seems increasingly likely, the nation decides they are essential to have.

#### LISTEN TO ALAN GREENSPAN

The spending and tax cut "debates" under way now have little to do with the soundness of overall fiscal policy. Is this a good thing to consider? Should we do this? These are not the questions being asked. There is an assumption that the money is there, so why bother with that debate? If they're politically popular—and what's not to like about a tax cut or higher spending—put 'em in the pot. The most recent example of this is the metamorphosis of the GOP drive to end the marriage tax penalty. This has now grown into a generous tax cut for all married people, with a total 10-year price tag of \$292 billion.

No one can guarantee the economy will continue to prosper as robustly as it has. "A number of the potential programs, both expenditures and tax cuts in the pipeline, do give me some concern," said Federal Reserve Board Chairman Alan Greenspan, at his mid-year economic review on Capitol Hill last week. "The growing surplus has kept the expansion stable. Tax cuts or spending increases that significantly slow the rise of surpluses would put the economy at risk."

Listen to the man.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KENNEDY. How much time do we have remaining?

The PRESIDING OFFICER (Mr. SANTORUM). On the Democratic side, the time is until 10 o'clock.

#### THE SENATE'S CALENDAR OF BUSINESS

Mr. KENNEDY. Mr. President, I point out to our colleagues and friends the Calendar of Business for the Senate. This is the calendar of the business pending, the unfinished business, and a list of various pieces of legislation reported out of the committees.

The American people probably don't have this at their fingertips, but if you take the time to look at this when you visit the library, or you can write to Members of the Congress, you will find out that in the pending business the first order is a bill to extend programs and activities under the Elementary and Secondary Education Act of 1965. Right next to it, it says May 1, 2000. That means that this has been the underlying and pending piece of legislation. Yet we are denied any opportunity to address what is going to be the Federal participation in working with States and local communities in the areas of education. We didn't address it in the rest of May. We received assurances by the Republican leadership that we were going to come back and address those issues and questions. We didn't do it in June, and we didn't do it in July, although we were told we

would be able to address these issues in evening sessions and have a disposition of that legislation.

In the meantime, what have we done? As my friend from Illinois has pointed out, we have seen a tax cut of over \$1 trillion. We had something else done, too. The House of Representatives have given themselves a pay increase of \$3,800 a year. We didn't see the increase in the minimum wage. They didn't vote for that. In fact, when TOM DELAY was asked about the increase in the minimum wage, he said: That doesn't affect us. What he continued to say is we are not in the business; we are overseers of a \$2 trillion economy. And he was quite dismissive of the problems and challenges that are affecting working families at the lower wrung of the economic ladder.

We have not done the American people's business. We are not addressing the questions of smaller class sizes. We are not addressing the issue of trying to train teachers to be better teachers. We are not addressing the issue of afterschool programs. We are not addressing the efforts to try to deal with the problems of the digital divide. We are not dealing with the greater kinds of accountability of the expenditures of funds in terms of education. That is off the agenda. As has been pointed out many times since the founding of the Republic, debates on the floor of the Senate are about priorities.

The majority leaders have effectively dismissed debate, discussion, and action on education in order to have a trillion dollar tax cut for the wealthiest individuals and a pay increase for themselves. No attention to prescription drugs. Thumbs down on that. Thumbs down on a Patients' Bill of Rights. We haven't got time to debate a Patients' Bill of Rights or a Medicare prescription drug program. We haven't got the time to debate a gun issue to try to make our schools safer. But we have the time to debate a trillion dollar tax cut and a pay increase of \$3,800.

If you take the increase in the minimum wage for 2 years, we are talking about half of what the increase would be for a Member of Congress. We can't even debate it. We can't discuss it. We can't vote on it because that is not part of the agenda of our Republican leadership. That is what this is about. It is about priorities. That is what this election is going to be about, ultimately. No action in terms of the Patients' Bill of Rights, even though we are one vote short of being able to get action, to try to ensure that decisions affecting families are made by doctors and trained medical officials and not accountants for the HMOs. We are not going to have, evidently, action on the gun issues to try to make our schools safer and more secure, to try to limit the availability of guns to children in our society that results in more than 10 children every single day being killed. We are not able to do it. We want to indicate to the majority that we are going to take every step possible to

make sure we are going to address those issues. We have been cut out and closed out to date. But we are not going to do it.

Here it is Tuesday morning. Quorum calls all day Monday. Quorum calls this morning. Failing to take action on these issues, it is basically an abdication of our responsibility. We are not going to go silently into the night. I understand the hour of 10 o'clock has arrived.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. DURBIN. Since there are no Republican Senators on the floor seeking recognition, I ask unanimous consent to speak 10 additional minutes.

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

#### CONGRESSIONAL INACTION

Mr. DURBIN. Mr. President, I thank the Senator from Massachusetts because I think he has made his case convincingly that there are many things we have failed to do in this Congress which mean a lot to the American people.

Take a look at the inaction of the Republican-controlled Congress on so many issues that are really life-and-death, day-to-day issues that families across America expect us to lead on, such as the issue of commonsense gun safety; 30,000 American lives were lost to gun violence in 1999. We lose 12 children every single day in America. As many children are dying in America because of gun violence every day as were lost at Columbine High School. It is a reminder that we have a situation with gun violence that is unprecedented in the history of the world. The obvious conclusion from the Republican leadership is, there is nothing we can do or want to do to change it.

We believe, on the Democratic side, that commonsense gun safety is something we should enact, and do it very quickly. We passed a bill here on the floor of the Senate. It had a tie vote of 49-49. Vice President Al Gore cast the deciding vote. We sent it over to the House of Representatives. In 2 or 3 weeks, the gun lobby tore it to pieces. They sent it to a conference committee. For over 1 solid year, that bill has been stuck in a conference committee because the Republican leadership is unwilling to bring forward any gun safety legislation. Yet we see these statistics where literally thousands of Americans are victims of gun violence.

In my State of Illinois, in the city of Chicago, there are now gathering together summit conferences of leaders from communities because of the unprecedented killings which are taking place—particularly of our children—with drive-by shootings. Children are being killed while lying in bed or sitting on the front porch with their parents. It is becoming too commonplace. The obvious attitude of the Republican leadership is, there is nothing they are willing to do to even try to address it.

We think if you buy a gun at a gun show, you should go through the same background check as a person who buys a gun from a gun dealer. We want to know if you have a history of violent mental illness. We want to know if you have committed a violent felony in the past. We want to know if you have a history of the kind of activity that has required an injunction to protect someone against domestic violence. We think it is only fair and just that we ask people who want to exercise their rights under the second amendment to accept the inconvenience of a few questions being asked. Yet the Republicans apparently disagree. They refuse to move any gun safety legislation.

As to the Patients' Bill of Rights, which Senator KENNEDY addresses, every day 14,000 Americans are denied their needed medicines; 10,000 are denied their needed tests and procedures. You know the stories. You know that in your hometown convenience store there is a little canister which says, can you leave your change for this little girl, who needs a certain medical treatment, which is even denied by her insurance company, for which she has no insurance. That is a reality for a lot of families who are struggling to pay for expensive medical care. It is the reality of many of these families who turn to these insurance companies. These companies say: No, it is not one of our recommended procedures; your doctor is just going to have to be told no. I have talked to those doctors who have said to mothers and fathers what their child needs, and then they turn around and find an insurance company overruling them.

We think patients in this country should come first, that quality medical care should be in the hands of professionals and not in the hands of insurance company clerks.

More than 11 million Americans have been denied an increase in the minimum wage for over 2 years. In Illinois, 350,000 people got up and went to work this morning for \$5.15 an hour. These are not lazy people. These are hard-working people who are asking this Congress to keep them in mind as we give tax breaks to wealthy people, to keep them in mind as we approve congressional salaries for those of us who serve in the House and Senate. But no, the Republican leadership has told us we have no time to consider an increase in the minimum wage.

Of course, the prescription drug benefit under Medicare—13 million seniors in America have no prescription coverage.

I met a woman in Chicago who had a double lung transplant. Her medical bills are \$2,500 a month for the drugs she needs so her body will not reject these lungs. She can't afford it. She has to turn to welfare and to Medicare. She lives in a basement with her children because, frankly, she has no income, no resources. She has had times when she didn't have the money to fill her prescription, and she has suffered

irreversible lung damage every time that has happened. That is her life every single day.

That is what it means to be poor in America—or, even those with Social Security checks who do not think themselves to be poor and able to afford prescription drugs.

Yet when we propose a plan that offers guaranteed universal coverage under Medicare for prescription drugs, the Republican leadership says: No, we think we ought to turn to these same insurance companies that have treated us so well—I use that term advisedly—under our HMO and managed-care system and ask them to give prescription drug benefits, the same insurance companies that have been cutting people off when it comes to HMO supplemental policies under Medicare.

Over 1 million Americans have been cut off, many in my State of Illinois. I don't trust the insurance companies to provide, out of the kindness of their hearts, prescription drug benefits. I think there should be guaranteed universal coverage under the Medicare system.

Another bill stopped by the Republican Congress is school modernization.

We should debate a bill that will allow us to increase the limits of immigrants coming into this country to provide those immigrants to fill highly-skilled jobs and good-paying jobs in this country that can't be filled with American workers. I think it is a reality. It is the No. 1 complaint of businesses that can't find skilled workers.

Yesterday, as I got on the plane in Springfield, IL, a fellow from a local company, Garrett Aviation, said: Let me tell you that my biggest problem in business is I can't find workers to fill the jobs.

The industries come to Congress and say: Allow us to have more people immigrate to the United States who can fill these jobs. I think it is a real problem. If we don't allow this immigration, some of those jobs and companies will go overseas.

But let's look at it in the long term. What are we doing to improve the workforce in America to make sure we have people who are skilled enough to fill these jobs and make these good incomes? Are we dedicating our money in our schools and in training to make this happen? I don't think so.

In the 1950s, we were afraid of the Russians. When they launched Sputnik with their advances in science, we passed the National Defense Education Act. We said: We are going to help kids across America pay for their college education. We believed that these kids, once trained, would make America strong so we would not have to worry about this threat from Russia.

I know about that program. I was one of the beneficiaries. I borrowed money from this Government to go to college and law school. I hope many people think that was a good investment. Some may not think so. I paid the money back. Shouldn't we do the same

thing again with a national security education act that says we want to train our workers for the future needs in America to make certain they can fill the jobs with Boeing Aircraft in St. Louis or Motorola in the Chicago area? We are not doing that.

This Congress won't address that. It won't address school modernization. It won't address the question of the deduction for college education expenses. It won't address the need to improve teacher skills. That is something we don't have time for on the agenda of this Congress.

Businesses across America look to us for leadership. Families across America expect us to create opportunities. Time and again, we have seen instead efforts by the Republicans in the Senate to give tax breaks to the wealthiest people in America and to ignore the realities facing our families. I think our agenda has to be an agenda closer to the real needs of America.

I yield the floor.

The PRESIDING OFFICER. The Senator from Missouri.

#### APPROPRIATIONS

Mr. BOND. Mr. President, our colleague from Illinois and others have talked about the things we have not passed and that they would like to see passed in this session. But we have a big problem. We have a problem because the absolutely essential work that this body must do is being held up. The work on appropriations bills that fund the agencies of Government for the next year must be done before the end of the fiscal year—September 30.

Many of the things my colleague has talked about have already been passed and are in conference. But we can't get floor time to do it when we are dealing with filibusters. The Democratic plan has been to stall, delay, and block.

We will have an opportunity to vote on cloture on the Treasury-Postal bill. That means cutting off a filibuster. But that goes through the lengthy process of the 30 hours that are required for debate.

We are also ready to take up the energy and water appropriations bill. But the minority leader has raised objection to that.

Energy and water carries many important things. It carries funding for projects that are vitally important to South Dakota—to river States such as Missouri, to the Nation, the national laboratories in New Mexico, and others.

All of these vital appropriations are being held up because the minority leader is now objecting to a provision that was included in the bill this year but has been included in four previous bills Congress has sent to the President and which have been signed by the President. The state of affairs is, we are ready for a time agreement. If there are objections to particular items in a bill, we have a process called

amendments. You can move to strike; you can move to amend. We are ready to do business.

Let there be no mistake. Let the American people understand. We are watching a series of Democratic stall, moves—delay, stall, and block. Sometimes we call them a filibuster. But filibusters don't need to be people talking on the floor. It can be refusal to allow a bill to come up. It can be filibustered by amendments. Basically, it is the Democratic side that is trying to keep the Senate from doing its work.

We have lots of important votes. They may win; we may win some. The Senate has its rules. It permits debate and amendment. We are willing to do so and debate a commonsense provision that happens to be in this bill to see what the will of the Senate is.

The provision in the bill as reported out of committee that has existed in four previous appropriations bills, previously signed by the President, is designed to prevent changes to Missouri River management which would increase the risk of spring flooding and bring many dire consequences. I intend to lay out some of the problems and a number of leaders in this country who oppose it.

The provision is very simple. It is also very important. The provision is designed to stop flooding. Out West we hear the Fish and Wildlife Service is now proposing to tear down dams. Here the Fish and Wildlife Service wants to take action on flow management to pretend that dams don't exist. They have gone out of their way to try to dictate the work of the Corps of Engineers. There are all kinds of procedures—there are public hearings, there are assessments, there are impact statements, and many other things—required before an agency can take action. The Fish and Wildlife Service wants to jump over all that and say: Corps of Engineers, you do our bidding. They sent a letter on July 12 which said: You must establish a plan to increase spring flooding on the Missouri River and to cut off the possibility of effective barge transportation, environmentally sound barge transportation in the summer and the fall, affecting not only the Missouri River but the Mississippi River as well.

The Fish and Wildlife Service wants to do to the communities, to the States along the Missouri River, what the National Park Service did to the community of Los Alamos when it tried a control burn. We don't need a controlled flood that the Fish and Wildlife Service has proposed.

While we have a lot to debate with our friends in the upper basin about the way the river is managed, I never expected they would ever support an action simply designed to increase downstream flooding. As far as I know in the debates—and they have been vigorous debates in the past—that was never their intent. I don't know what the intent now is of the minority leader. We have fought vigorously and hon-

estly with our friends in the upper river States about their desire to keep fall water for their recreation industry. We want to work out ways to help them. We need that late year water to ensure we keep river transportation so our farmers have an economical and environmentally sound way of getting their products to the market. We also need flood control. We have never had them complain about flood control. Dams were built in the middle of the last century, principally to prevent flooding on the lower Mississippi and lower Missouri Rivers. Mr. President, 85 percent of the population in the Missouri River basin lives in the lower basin below Gavin's Point. That doesn't include the lower Mississippi River which gets that water from the Missouri.

As with the dams out West, the Fish and Wildlife Service has a theory that we should travel back in time and have rivers that "mimic the natural flow of the river." Dams were built to stop the natural flow because the natural flow was flooding many hundreds and thousands of acres. It was killing people and damaging billions of dollars of property. One third of our State's food production is in the floodplain of the Missouri River and the Mississippi River. In 1994, the Corps of Engineers proposed to change the river and have a spring rise.

On a bipartisan basis, we communicated our opposition to the President. Twenty-eight Senators representing States along the Missouri and Mississippi and Ohio Rivers signed this letter to the President. The Corps went back to the drawing board and began fresh to develop a consensus plan. Between then and early this year, a consensus among the States—with the exception of Missouri—was developed that included conservation measures but had no spring rise.

The Fish and Wildlife Service, at the table with the States for years, came to Washington, and the next thing we know they are insisting on a spring rise, the will of the States, the comments of the people, the overwhelming objection of State and local officials notwithstanding.

The Fish and Wildlife Service doesn't want public comments. They heard them. They know what the comments are. Don't flood us out. The Fish and Wildlife Service has no mandate to protect people from the dangers of flooding. I invite them out the next time we have a spring flood in Missouri to see the devastation, to comfort and console the families who have lost loved ones in floodwaters. We lost some this year in floods in Missouri. The public has gone on record strongly opposing this spring rise. In 1994, the public opposed it, from Nebraska to St. Louis to New Orleans to Memphis and beyond. To prevent the risk of downstream flooding in 1995, Congressman BEREUTER from Nebraska put a provision in the energy and water appropriations bill to block any change in river management that included a spring rise.

The same provision was included again in 1996, 1998, 1999, and again by the Senate subcommittee. As I repeat, this provision has been adopted by voice vote in the House and has been included in four previous conference reports, signed by the President four times before.

Let me note two additional realities. According to our State Department of Natural Resources, not only is this plan experimental, but it could injure species. I quote from the assistant director for science and technology who said the plan calls for a significant drop in flow during the summer. This will allow predators to reach the islands upon which the terns and plovers—the endangered species—nest, giving them access to the young still in the nest. While the impacts on the pallid sturgeon are more difficult to determine because we know less about them, low flows during the hottest weather may pose a significant threat. In other words, there is a real danger to the environment and to the endangered species.

The U.S. Geological Survey is studying what can be done to encourage and protect the habitat for the pallid sturgeon. I visited them. They do not know—and they are the ones who have the most expertise; they have been studying—they do not know yet that anything like a spring rise would have any impact on the pallid sturgeon. They say the jury is still out. I can explain that better. They don't know if this would protect the pallid sturgeon. We do know that the spring rise will increase flood risk. It is totally experimental in terms of improving habitat. The Missouri Department of Natural Resources had a very good argument that it may make it more dangerous for the endangered species.

Finally, this proposal by the Fish and Wildlife Service ignores the hard and fast and undisputed reality that on the lower Missouri we already have a spring rise, courtesy of the Kansas River, the Osage River, the Platte River, the Blue River, the Grand River, the Tarkio River, the Gasconade River, and others.

Each flows into the Missouri, and when it rains, the Missouri lifts from the tributaries into its basins. We already have a spring rise. It floods Missouri regularly. We don't need another source of flooding to carry out some experiment that the Fish and Wildlife Service is trying to conduct at the peril of our citizens. We cannot stand the Fish and Wildlife Service sending an additional "pulse" of water downstream that will put it above our heads.

When they release water at the last dam in Nebraska, it takes 12 days to arrive in St. Louis. In those 12 days, we can experience thunderstorms and flash floods in the spring, and there is no way to get that water back once it is sent down the river. Unless the Fish and Wildlife Service can predict 12 days of weather, or 14 days of weather for

Cape Girardeau, then they are betting on the safety of the hundreds of people whose lives may be put at danger if they put out a spring release as proposed.

As I said, I have worked with them and others. I worked with our upstate upper-river people. I have worked with Senator KERREY, Senator SMITH, Senator DOMENICI, and others to fund conservation efforts that do not imperil our citizens. These are the ones on which we ought to be focusing, these are the ones that would be tested, these are the ones that do not flood us.

This is not a partisan issue. It is a philosophical issue and it is a regional issue. Our Governor is a strong Democrat. He has sent me a letter, which I will ask be printed in the RECORD, which outlines very strongly his opposition. Governor Carnahan wrote:

An analysis of the flooding that occurred along the Missouri River during the spring of 1995 showed that, had the spring rise proposed by the Fish and Wildlife Service been in effect, the level of flooding downstream would have been even greater. The Corps could not have recalled water already released hundreds of miles upstream. If the current plan is implemented and the state incurs heavy rains during the spring rise, there is a real risk that farms and communities along the lower Missouri River will suffer extensive flooding.

In addition, a spring rise has a detrimental effect on Missouri agricultural land. Sustaining high river flow rates over several consecutive weeks will exacerbate the problem of poor drainage historically experienced by farmers along the river. The prolonged duration of an elevated water table will limit the productivity and accessibility of floodplain croplands. The combination of an increased risk of flooding and damage to some of the state's most productive farmland poses too much of a risk for the economy and the citizens of Missouri.

I ask unanimous consent to have printed in the RECORD the letter from the Governor and the statement by the Department of Natural Resources.

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

STATE OF MISSOURI,  
OFFICE OF THE GOVERNOR,  
Jefferson City, MO, July 24, 2000.

Hon. CHRISTOPHER BOND,  
U.S. Senate,  
Washington, DC.

DEAR KIT: I am writing regarding recent developments surrounding efforts to revise the Missouri River Master Manual. I am especially concerned about proposed plans by the Fish and Wildlife Service for a spring rise and request your continued assistance in averting these plans.

The proper management of the Missouri River is critical to the economic and environmental health of the state. As you know, the July 12, 2000, letter from the United States Fish and Wildlife Service of the Department of the Interior to the Corps of Engineers outlined plans for a spring rise of 17,500 cubic feet per second. I have consistently opposed a spring rise from Gavins Point Dam as detrimental to the state's interests and would again like to state my opposition to the current proposal. Implementation of a spring rise would result in an increased risk of flooding and would have a negative impact on Missouri farmland. The

frequently-cited experimental releases on the Colorado River in no way compare to the situation in Iowa, Nebraska, Kansas and Missouri where so many working farms and river communities would be harmed by the spring rise.

An analysis of the flooding that occurred along the Missouri River during the spring of 1995 showed that, had the spring rise proposed by the Fish and Wildlife Service been in effect, the level of flooding downstream would have been even greater. The Corps could not have recalled water already released hundreds of miles upstream. If the current plan is implemented and the state incurs heavy rains during the spring rise, there is a real risk that farms and communities along the lower Missouri River will suffer extensive flooding.

In addition, a spring rise has a detrimental effect on Missouri agricultural land. Sustaining high river flow rates over several consecutive weeks will exacerbate the problem of poor drainage historically experienced by farmers along the river. The prolonged duration of an elevated water table will limit the productivity and accessibility of floodplain croplands. The combination of an increased risk of flooding and damage to some of the state's most productive farmland poses too much of a risk for the economy and the citizens of Missouri.

I support any efforts that would prevent the Corps from initiating the recent proposal to initiate a spring rise. Thank you for your continued support in this matter.

Very truly yours,

MEL CARNAHAN.

PROPOSED RIVER CHANGES WILL FURTHER  
ENDANGER SPECIES

The U.S. Army Corps of Engineers is currently considering changes to the way that it operates the dams along the Missouri River. These dams control the level of reservoirs and the flow of water in the river from South Dakota to St. Louis. The Corps has to take into account all the users of the river and its water and balance the agricultural, commercial, industrial, municipal and recreational needs of those living near the river. As part of this review, the U.S. Fish and Wildlife Service is examining the potential effect on three endangered species that may result from the proposed changes. The pallid sturgeon, least tern, and piping plover depend on the river and the areas along its banks for their survival.

There are three major problems with the operations plan proposed by the Fish and Wildlife Service that may actually harm the species rather than help them recover. The plan would increase the amount of water held behind the dams, thus reducing the amount of river between the big reservoirs by about 10 miles in an average year. The higher reservoir levels would also reduce the habitat for the terns and plovers that nest along the shorelines of the reservoirs. Finally, the plan calls for a significant drop in flow during the summer. This will allow predators to reach the islands upon which the terns and plovers nest giving them access to the young still in the nests. While the impacts on the pallid sturgeon are more difficult to determine because we know less about them, low flows during our hottest weather may pose a significant threat.

Some advocates of the proposed plan claim that this plan is a return to more natural flow conditions. However, the proposal would benefit artificial reservoirs at the expense of the river and create flow conditions that have never existed along the river in Iowa, Nebraska, Kansas and Missouri. Balancing the needs of all the river users is complicated. Predicting the loss of habitat and

its impact on the terns and plovers should not be subject to disagreements.

The Fish and Wildlife Service and Corps of Engineers need to examine the implications of this proposal and recognize its failure to protect these species.

Dr. JOE ENGELN,  
Assistant Director for Science and Technology,  
Missouri Department of Natural Resources.

Mr. BOND. Mr. President, our Department of Natural Resources representatives are as green and pro-environment as any group around. They believe it is a bad idea. Farm groups oppose it. The ports and river transportation and flood control people oppose the spring rise. The Southern Governors' Association opposes the spring rise.

There should be an important conservation element in any balanced plan, but balance is not in the Fish and Wildlife Service mandate nor in its plan. They want to manage a river solely for critters. We need to have it managed for people. We cannot have the next flood laid at the doorstep of the Congress that is now considering whether to experiment with the lives and property of millions of people who live along the river.

Some say the President may veto the bill, but he signed it four times before. If he were to do that, he could answer to the people from Omaha to Kansas City to Jefferson City to St. Louis to Cape Girardeau to Memphis down the delta to New Orleans.

I urge my colleagues to move forward on this bill. We can debate this provision, but I believe it is important for safety.

I ask unanimous consent to have printed in the RECORD letters of support for this position from the National Corn Growers Association, the American Farm Bureau Federation, the American Soybean Association, the Agricultural Retailers Association, the National Association of Wheat Growers, the National Council of Farmer Cooperatives, the National Grain and Feed Association, the Missouri-Arkansas River Basins Association.

I also ask a resolution from the Southern Governors' Association printed in the RECORD.

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

JULY 24, 2000.

Hon. CHRISTOPHER S. BOND,  
U.S. Senate,  
Washington, DC.

DEAR SENATOR BOND: We are writing concerning an important provision in the fiscal year 2001 Energy and Water Appropriations bill.

Section 103 of H.R. 4733 stipulates that changes in the management of the Missouri River cannot be made to allow for alteration in river flows during springtime. Removing this provision would not only affect farmers in Missouri, Nebraska, Iowa and Kansas by potentially flooding their land, but also affect barge traffic movements on the Missouri and Mississippi Rivers. Without proper management of river flows over the course of the year, transportation movements could be hampered by insufficient water levels on the

Missouri River and the Mississippi River between Memphis, Tennessee and Baton Rouge, Louisiana.

If an amendment is offered to strike Section 103, we urge you to vote against it. Removing this provision would have significant impacts on productive agricultural lands as well as the movement of agricultural commodities and input supplies along the Missouri and Mississippi Rivers.

Sincerely,

American Soybean Association, Agricultural Retailers Association, Midwest Area River Coalition 2000 (MARC 2000), National Association of Wheat Growers, National Corn Growers Association, National Council of Farmer Cooperatives, National Grain and Feed Association.

MISSOURI RIVER FLOW MANAGEMENT  
RESOLUTION

SPONSORED BY GOVERNOR RONNIE MUSGROVE OF MISSISSIPPI & GOVERNOR MEL CARNAHAN OF MISSOURI, APPROVED MARCH 23, 2000

Whereas, the flow of commerce on the Mississippi River is essential to the economic welfare of the nation; and

Whereas, the United States Department of Agriculture reports that 70 percent of the nation's total grain exports were handled through Mississippi River port elevators; and

Whereas, more than one half of the nation's total grain exports move down the Mississippi River to Gulf ports; and

Whereas, free movement of water-borne commerce on the Inland Waterway System is critical to the delivery of goods to deep-water ports for international trade; and

Whereas, the reliability of adequate flows for navigation is a key requirement for fulfillment of delivery contracts, employment in ports and terminals, and energy efficiency; and

Whereas, delays and stoppages would threaten the successful implementation of international trade agreements under NAFTA and GATT; and

Whereas, the Missouri River contributes up to 65 percent of the Mississippi River flow at St. Louis during low water conditions; and

Whereas, reduction of Missouri River flows above St. Louis would result in more frequent and more costly impediments to the flow of commerce on the Mississippi River; and

Whereas, the reach of the Mississippi River between the mouth of the Missouri River at St. Louis and the mouth of the Ohio River at Cairo, Illinois is at higher risk for delays and stoppages of navigation because of low-water conditions; and

Whereas, the Northwestern Division of the U.S. Army Corps of Engineers (USACE) is considering several proposed alterations to the current edition of the Master Water Control Manual for the Missouri River that would reduce support of water-borne commerce by restricting the flow of the river during the summer and fall, low-water period at St. Louis;

Then let it be resolved that the Southern Governors' Association would strongly oppose any alterations that would have such an effect and would urge the Corps to consult with affected inland waterway states prior to endorsing any proposal that would alter the current edition of the manual.

ORDER OF PROCEDURE

The PRESIDING OFFICER (Mr. CRAPO). The Senator from Minnesota.

Mr. GRAMS. Mr. President, I ask unanimous consent I be allowed to speak as in morning business, to ex-

tend the morning business for at least 5 minutes so I would have about 10 minutes.

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

Mr. GRAMS. Mr. President, I want to talk a little bit about taxes, as my Democratic colleagues have done already this morning. I want to go back over what the President said on Saturday in his weekly radio address to the Nation.

I also had the honor this week to respond to the President's radio address. But at the time I wrote up the speech, I had not had an opportunity to see exactly what the President was going to say. I assumed he was going to be talking about taxes this week because that is what the Senate concentrated on last week. But I have now had the opportunity to look through the President's speech. I want to comment on some of the things the President talked about, now that I have had the opportunity to see it.

I want to go back to Saturday morning, when the President gave his radio address. In his speech to the Nation he said:

Now we have the chance to pass responsible tax cuts as we continue to pursue solid economic policy.

What the President is talking about is that he is willing to give some kind of tax relief to the American public but only the kind the President thinks you need; not what your family needs or not what you are looking at in your budget this month but what Washington, inside the beltway, has determined you should have and, by the way, what amounts you should have.

But these are targeted tax cuts. In other words, you only can receive these dollars back, or this tax relief, if you do what the President tells you to do. If you invest here or if you do this or you do that, then you can receive back or be able to keep some of your hard-earned money. But if you don't, Washington is going to take it. It is telling you what to do, how to spend your money.

Then he went on to say:

Instead of following the sensible path that got us here, congressional Republicans are treating the surplus as if they had won the lottery.

We are talking about giving the money back to the people who earned it, and by the way, the "risky, budget-busting tax cuts" we are talking about—that is eliminating the death tax and marriage penalty, the unfair taxes—would be less than 10 percent of the projected budget surplus. It is less than a dime on the dollar, and this is what the President is saying is going to create complete chaos because somehow we are going to give back to the American taxpayer about 10 percent of the projected surplus. But he says we are acting as if we won it in the lottery. It is the President and my colleagues on the Democratic side of the aisle who think this is a lottery that they have won; that the surplus is



there and they are somehow going to find the best way of spending it for you. They are going to determine the best way of spending it for you.

They say we think it is a lottery when our proposal is to give the money back to those who earned it, not spending it. Even Alan Greenspan—and again we had him before our Banking Committee last week where we went over the same thing: The surplus is here; what's the best thing we can do with the surplus? Mr. Greenspan says: Pay down the debt.

We are paying down the debt. A huge amount of these surplus dollars is targeted to reducing the debt, but also there is money left that can be and should be given back in the form of tax relief. But he said the worst thing we could do is what the President is advocating and my Democratic colleagues are advocating. The worst thing, Alan Greenspan said, that we could do is spend the money.

That is what they want to do. They want to find new ways to spend it—but, of course, to benefit you. But they want to determine how to spend it, so they are going to enlarge Government or fatten existing programs. But who is going to pay the bill? It is going to be taxpayers. If we do not get tax relief today and we allow these dollars to be spent to enlarge or fatten the Government, who is going to support that larger, fatter Government tomorrow? It is going to have to come from possibly even in an increase in taxes. So if we miss this opportunity during times of surplus to cut taxes now, you can almost bet we are going to be facing the possibility of tax increases in the near future.

We are talking about eliminating unfair taxes, and the majority of Americans agree with this. The marriage penalty and the death tax—even the President has called these unfair taxes.

The President said in his speech:

Taken together, the tax cuts passed last year and this year by this Congress would completely erase the entire projected surplus over 10 years.

Of course, he is talking about the \$800 billion tax cut package last year which he vetoed, that is dead and in the wastebasket, and combines it with the cuts we have this year, only 10 percent of the surplus. But he puts them together and says Republicans want to give it all back.

That is not all bad. It should be given back. We are talking about overcharges, surpluses. These are dollars over and above what the Government has projected to need to carry out all of its responsibilities.

We have \$1.8-plus trillion earmarked to pay for programs the Government has said we need to do.

These dollars are over and above that. Taxpayers fund every agency, every program, every project, every bureaucrat in that \$1.8 trillion budget. Taxpayers are the most used, abused, and underappreciated people in our society. In other words, if they can get

more money from you by twisting you a little bit harder, they are going to do that.

One of my colleagues earlier this morning said if you make \$75,000 a month and you receive through this tax cut another \$2,000 a month, would that really make a difference? That is not for him to decide. These are dollars that somebody has worked for and earned.

By the way, they are not talking about how much in taxes this individual is already paying on that \$75,000, but they are saying: \$2,000, what difference would it make to them? In other words, Washington can use it and spend it better than they can, so it should be no problem that we take these tax dollars away from them, even if they are unfair.

Again, the majority of Americans agree, the death tax is unfair. You have paid all your taxes all your life to accumulate your estate, and the Government wants to come in after you die and take more than half of it again. It is the same with the marriage tax penalty. Because you are married, you are going to be taxed at a higher rate—on average, per couple, \$1,400 per year—and somehow that is fair.

Think of it. If someone asked you, what is your projected income over the next 10 years, would you want to sign a contract committing you to spend every single penny of it right now? The President is distorting this whole story. We are talking about a surplus, the overcharge. We are not talking about the base wage which the Government is receiving in taxes, but he is talking about the surplus.

We should give the surplus back. I like to use a story about finding a wallet. Say this family is sitting around their kitchen table. They find a wallet, and it has \$1,000 in it. They say: If we take our regular budget and now add this \$1,000 to it, we can buy that big-screen TV we always wanted. They say: We have the money; we found it.

Congress has found this wallet with all these surplus tax dollars in it. I was taught—and I think most parents continue to teach their children today—that if you find a wallet with money in it, you should do your best to find the owner and give it back, not to run with it and say: Oh, we found this money; how can we better spend it? We can spend this money.

That is what is happening here. These are overcharges. Would you spend all your money now? All we are saying is we should give it back to the taxpayers so they can decide how to spend it best.

The President said:

We should have tax cuts this year, but they should be the right ones.

We should have tax cuts, but they should be the right ones. The President 2 years ago in Buffalo, NY, said something to this effect, and I will paraphrase it: We could give back all of this surplus, but what if Americans do not spend it right?

That is the same thing he is doing here: We could have tax cuts, but they should be the right ones. In other words, if we give the taxes back to the American people, the overcharge, the surplus—we are not even talking tax cuts here. That is a misused term. We are not cutting taxes. What we are trying to decide is how much of the surplus should go back to you, the taxpayer, that you have been overcharged.

The President said: We could give it all back, but what if you don't spend it right? In other words, you are smart enough to go out and earn your money, but somehow you are too dumb to know how to spend your money, and Washington can do that for you and do it better and do it in these targeted programs that are going to help everybody. But it will not let you have the opportunity to spend the money the way that will best benefit your family.

Every family is a little different. Your needs are different from mine and your neighbors' or even your brothers' and sisters' in raising their families. You should have the opportunity to decide how this prosperity, these extra dollars, should be spent.

What the President is saying is, send them to Washington, or keep sending this surplus to Washington, and we will decide what is best for you and how best to spend it.

The President said: In good conscience, I cannot sign one expensive tax break—again, it is not a tax break; it is an overcharge—after another without coherent strategy. In other words, they want to control how these extra tax dollars are spent—not you, taking it out of your control. They want to determine exactly how these tax dollars should be spent.

The President also says he supports this marriage tax penalty we passed, but he said it should be a carefully targeted marriage tax penalty that will cost less. Why will it cost less? Because the President eliminates a great number of these couples who currently qualify for the marriage tax penalty. He is saying that if you make too much money, if you itemize, or do not itemize, somehow you will not qualify.

The President says "targeted." Again we hear that word "targeted." When we hear that, it means Washington believes it can best determine what you need or what program the Government can create or how the Government can spend your tax money.

I want to say one other thing before I close, and that is what the President said at the end of his speech. I agree with these last few lines:

The surplus comes from the hard work and ingenuity of the American people. We owe it to them to make the best use of it, for all of them and for our children's future.

I agree with that statement. The only thing is we disagree on how to accomplish it. "The surplus comes from hard work and ingenuity of the American people. We owe it to them to make the best use of it. . . ." To me, the best use would be to give the surplus back.

We are not talking tax cuts at all. We are not talking about reducing the revenues Washington needs to run this Government and its programs. What we are talking about is the surplus. We owe it to them to make the best use of it. That will be in rebating, returning those dollars to you so you can then decide what is best for your family. Is it braces for one of your children, or dancing lessons? Is it to begin an educational fund for your child? He is 5 years old, and you want to prepare for his college. You will make that decision, and you will not have to worry or wait for a Government program and then stand there with a hand out asking: Do I qualify, and can I get some of my tax dollars back?

You will have to wait for somebody in Washington to say yes or no. That is not what should be happening. You should have control over your dollars. We all need to pay taxes. We know that. There are a lot of good things the Federal Government does. We know that. But Washington should not have the control of determining how to spend the additional dollars, the surplus.

I strongly urge the President to sign our two tax bills that we want to send him: the death tax repeal and the marriage tax penalty. I hope the President will consider them and, as he said in the last line of his speech—again I will read it—we owe it to them to make the best use of it for all of them. And my opinion is to give it in tax relief.

I thank the Chair.

#### EXTENSION OF MORNING BUSINESS

Mr. GRAMS. Mr. President, I ask unanimous consent that the period for morning business be extended until 12:30 p.m., with the time equally divided in the usual form.

The PRESIDING OFFICER (Mr. GREGG). Without objection, it is so ordered.

Mr. GRAMS. I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

#### THE PAST AND THE FUTURE

Mr. REID. Mr. President, in 1993, one of the most interesting times in my legislative career was when we in this Chamber voted on President Clinton's deficit reduction plan. It was a historic vote.

As the Presiding Officer will remember, the bill passed the House of Representatives by a single vote without a single Republican voting for the President's plan. It came to the Senate and ended up in a tie vote, and the Vice President of the United States, AL GORE, broke the tie. It was a very difficult vote for everyone. In the Senate, as in the House, not a single Republican voted for the budget plan.

There were people on the other side of the aisle who told of all the calamities that would take place in the coun-

try if that passed. Seven years ago, this is what we heard from the other side of the aisle, Senate Republicans, from then-Representative WAYNE ALLARD:

In summary, the plan has a fatal flaw—it does not reduce the deficit.

Of course, it has reduced the deficit from some \$300 billion a year to where we now have a surplus.

Senator CONRAD BURNS:

So we are still going to pile up some more debt, but most of all, we are going to cost jobs in this country.

What the Senator from Montana said, in truth and in fact, was wrong. In fact, over 20 million new jobs have been created; over 60 percent of those jobs are high-wage jobs. Contrary to what the Senator from Montana said, we didn't pile up more debt. We have reduced the debt. We have not only cut down the annual yearly deficit, we have actually paid down the debt—not enough, in my estimation, but we have begun to pay down the debt.

Senator HATCH of Utah said:

Make no mistake, these higher rates will cost jobs.

Again, not true.

Senator PHIL GRAMM of Texas on August 5, 1993, on the Senate floor:

I want to predict here tonight that if we adopt this bill the American economy is going to get weaker and not stronger, the deficit four years from today will be higher than it is today and not lower. . . . When all is said and done, people will pay more taxes, the economy will create fewer jobs, Government will spend more money, and the American people will be worse off.

Everything he predicted is the direct opposite. The economy didn't get weaker; it got stronger. The deficit isn't higher; it is lower. Americans aren't paying more taxes; they are paying less taxes. He said, "The economy will create fewer jobs." Of course, as I have indicated, it created more jobs. "Government will spend more money." The fact is, the Federal Government today has 300,000 fewer Federal employees than it had when this statement was made by Senator GRAMM. We have a Federal Government today that is smaller than when President Kennedy was President.

He went on to say in September of 1993:

. . . [T]his program is going to make the economy weaker. . . . Hundreds of thousands of people are going to lose their jobs as a result of this program.

Wrong, absolutely wrong; not even close. The program the President asked us to vote for, and we did, made the economy stronger. We have had the lowest inflation, the lowest unemployment in more than 40 years. There had been economic growth as high in the past but never any higher than we have had. We hold the record for the longest period of economic growth in the history of this country.

PHIL GRAMM went on to state, on another occasion on the Senate floor:

I believe that hundreds of thousands of people are going to lose their jobs as a result

of this program. I believe that Bill Clinton will be one of those people.

Well, hundreds of thousands of people didn't lose their jobs; tens of millions of people got new jobs. And President Clinton was reelected. Again, my friend from Texas was wrong.

The Senator from Iowa, Mr. GRASSLEY:

I really do not think it takes a rocket scientist to know this bill will cost jobs.

Well, my friend from Iowa was wrong, too. It didn't take a rocket scientist. It took people with courage to follow a leader who said: Do this and the economy is going to turn around. We did that. We are not rocket scientists, but common sense dictated if we did the things that were in that budget, it would make the economy better. It would set a new course in the United States for economic viability. We followed that lead, and here is where we now are.

My friend CONNIE MACK, with whom I came to Congress in 1982, said in 1993:

This bill will cost America jobs, no doubt about it.

Senator WILLIAM ROTH, chairman of the Finance Committee now, said back then:

It will flatten the economy.

Not true. Quite the contrary. My friend from Delaware went on to say:

I am concerned about what this plan will do to our economy. I am concerned about what it will do to jobs. I am concerned about what it will do to our families, our communities, and to our children's future.

Well, he should not have been concerned. Or if he was concerned, I am sure he feels much better today because everything about which he was concerned has been to the good of the country. The economy is better. It has been better for families and communities and the future of our children.

Senator RICK SANTORUM of Pennsylvania:

People know it's bad policy. . . . Let's do something . . . that creates jobs, that really will solve the deficit, not just feed this monster of government with more and more money for it to go out and spend more and more.

He was reading a different set of blueprints than everyone else because he was wrong.

Senator STROM THURMOND, longest serving Senator in this body, said in 1993:

It contains no real spending cuts to reduce the deficit or improve the Nation's outlook.

Representative DICK ARMEY, majority leader in the House:

The impact on job creation is going to be devastating.

DAN BURTON, Representative from Indiana of longstanding, said:

The Democratic plan means higher deficits, a higher national debt, deficits running \$350 billion a year.

He was only about \$450 billion wrong about the deficit. In fact, it has turned around. We have a \$100 billion surplus or more.

JOHN KASICH, with whom I came to Congress in 1982, a Representative from Ohio, said:

This plan will not work. If it was to work, then I'd have to become a Democrat . . .

That is a direct quote. KASICH is retiring from the House this year. Maybe he is doing it so he can reregister. It is quite clear that if he is a man of his word, he should become a Democrat because he was wrong in his prediction.

It is good once in a while to revisit history, to talk about what people said will happen, to go back and see what the record is.

Let's look at the record not in 1993, and what has transpired that has turned this economy on fire, but let's talk about the future. We in the minority believe in the future. We don't believe in the past, even though once in a while it is important that you look at history. We believe in the future. We believe the future in this country has been hampered, hindered, slowed down by the majority in the Congress, the Republican House, the Republican Senate.

We believe we should be able to have up-or-down votes and have a full debate without any restrictions. I know we have people who come and say: Sure, you can debate the Elementary and Secondary Education Act, but we are going to limit debate. We want you to have five amendments, and we will have five amendments.

Let's do it the way we have always done it in the Senate. Let's bring out the elementary and secondary education bill, complete it, vote on it, and go on to something else.

One of the actions we should take when we finish the debate on the Elementary and Secondary Education Act is to provide money for modernizing our schools. We need new schools some places. We need to renovate schools in other places. This is important for our children.

We need to do something about the health care delivery system in this country. Forty-five million Americans have no health care. The greatest power in the history of the world, and we have 45 million people who can't go to the doctor when they are sick. That is an embarrassment. How can President Clinton go to the G-8 when we have 45 million people who have no health insurance? I, as a Member of the Senate, am not proud of that fact. That number is going up 1.5 million every year. Next year, it will be almost 47 million. We don't even talk about that anymore. We don't talk about the uninsured.

We are now talking about a small number of people who are insured. We are talking about the Patients' Bill of Rights. I am glad we are doing that. But we are ignoring the 45 million people. We need to pass a Patients' Bill of Rights so we have doctors again taking charge of patients, not a clerk in Baltimore determining whether or not someone can have an appendectomy or an MRI.

When I was a young man, my first elected job was to the board of trustees. I was elected to the board, and

later I became chairman. I was a young man. This was for the largest hospital district in Nevada. It was called the Southern Nevada Memorial Hospital. When I came there, over 40 percent of the seniors who came into our hospital had no health insurance. In those days, when you came to the hospital, you had your mother, brother, neighbor, or somebody else who had to sign and be responsible for that bill. If they didn't pay the bill, just as all hospitals in America would do, we would go after you with a vengeance. We would go after your wages, your car, your house. We had a very aggressive collection agency that would go after bills of seniors who did not pay.

When I was on the board of trustees, Medicare came to be. Bob Dole voted against that, and he was proud of that. Dick Arney said it was a bad idea. Medicare is not a perfect program—far from it—but it has given dignity to senior citizens because they don't have to beg for health care. When it came into being, prescription drugs weren't a big deal. Prescriptions did not keep people alive. They did not make people live more comfortable lives. Today, the average senior citizen gets 18 prescriptions filled every year. We can't have a program for senior citizens in health care that doesn't include prescription drugs. That is part of the future in the Democratic vision. We want prescription drug benefits in Medicare. We want prescription drugs to be more affordable for everybody.

There is a stereotype out there that someone who gets minimum wage is a teenager flipping hamburgers at McDonald's. Over 60 percent of the people who draw minimum wage are women, and for over 40 percent of those women, that is the only money they get for their families—nothing else. Minimum wage is not just for people flipping hamburgers at McDonald's; it is for people earning a living, keeping people off welfare. I think it would be nice if we increased the minimum wage. I believe people need dignity with work. The minimum wage is one of those things that does just that.

I come from the West. I remember with fondness that on my 12th birthday my parents ordered me a 12-gauge shotgun out of the Sears and Roebuck catalog. I was 12 years old, and I had a 12-gauge shotgun. They paid \$28 for it. I loved that gun. I still have it. I got the stock reworked. It was bolt action. I have been a police officer and I carried a gun. I have a lot of guns—a rifle, a shotgun, pistols. So I understand guns. But I still think it is not a bad idea if we have a law so that crazy people and felons can't buy guns.

What have we as Democrats been trying to do? We have been trying to close loopholes, saying that at pawnshops and gun shows where there are loopholes, where criminals and crazies buy these guns, we want to close those loopholes. We can't even vote on that. They keep stopping us. We don't have the opportunity to do that. As my

friend from North Dakota, Senator DORGAN, has said—he uses these one-liners—I don't believe you need an assault weapon to go deer hunting. If you do, you should find another hobby. Some of these comments on the gun safety issues reflect, I think, what the American people really think.

I could talk more, but I think it is too bad that we are here in morning business, not able to address some of these very important issues.

One of the issues that tears into my heart every time I mention this is that we need to do a better job of helping kids to stay in school. I say to my friend from Minnesota, who was a college professor before he came here, at one of the very fine institutions of higher learning in America, Carleton College—and we have lots of them—I know the Senator from Minnesota got the best students. But there are a lot of the best students who didn't have the opportunity to come to his institution. A lot of them dropped out of school.

We have 3,000 children who drop out of high school every day in America and 500,000 a year. Every time a kid drops out of school, he or she is less than they could be. I have tried on the Senate floor, with my friend from New Mexico, Senator JEFF BINGAMAN, to pass legislation that would set up in the Department of Education a branch whose sole function in life would be to work on the dropout problems we have. The House passed it. Last year, it was defeated on a straight party line vote in this body.

I think we need to do something about that. I think we have the luxury of doing so. I think we should do something. I know my friend from Minnesota is an expert in this field. I talk about people having no health insurance and people who have health insurance treated poorly. What about the problems we have with mental health in this country? It is an ignored segment of our society. The Federal Government, I believe, has a role and obligation to do something about the many problems facing Americans today, not the least of which is 31,000 people who kill themselves every year. We have to better understand that. I wish we were debating some of these issues today.

I didn't want the day to go by, when we have time on the floor, without talking about some tough votes we have taken and how important it was that the 1993 Clinton Budget Deficit Reduction Act passed, how important it is to the history of this country, and how well we are doing as a result of that, and how much better we could do if we could vote on some of these issues I have outlined today.

The PRESIDING OFFICER (Mr. ENZI). The Senator from Minnesota is recognized.

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LET'S DO THE SENATE'S  
BUSINESS

Mr. WELLSTONE. Mr. President, I thank my colleague, Senator REID

from Nevada, for his really fine statement. One of the things I most appreciate about Senator REID is, his voice is a quiet voice, but it is a very firm and strong voice.

I come to the floor wondering why it is that on Tuesday morning at 11 o'clock we are in morning business, which means we can't really do the work of democracy. To me, the work of democracy is to focus on issues that are important to people's lives and to try to make a difference.

Mr. REID. If the Senator will yield, we have a very simple situation here. We in the minority believe we have the right to have a few judges approved by the Senate. Our dear friend from Michigan, Senator LEVIN, has had a judge pending for 1,200 days and he has not even had a hearing. We would like that person to have a hearing. Senator HARKIN from Iowa has had a judge pending who already had a hearing. We also believe we have some appropriations bills that need to move forward, and there are some strings on that. We want to work, but there are some things that we think, in fairness, we deserve. As a result of that, things have slowed down, which is too bad.

Mr. WELLSTONE. Unfortunately, I am well aware of the situation, and, again, I think we have reached a point where this is raw politics. People in the country this November can decide about what direction we should take. A calculation can be made that a Presidential race is coming up and we don't want to move any judges anymore, whether it is for the court of appeals or Federal district judges. But when there has been such a long wait, as a Democrat, I think it is important that Democrats draw the line and insist that some of these highly qualified men and women be able to serve in the judiciary.

I want to very briefly emphasize some of what was said this morning. I want to be out here on the floor of the Senate right now but not in morning business. I would like to be out here discussing a piece of legislation or with the ability to introduce an amendment to a piece of legislation that would make a positive difference in the lives of people in Minnesota and other people in the United States of America.

I was at a public hearing with Representative SHEILA JACKSON-LEE from Houston. It was in Houston in Harris County, which I think is about the fifth largest county in America. It was about the mental health of children. I will never forget the testimony of Matt, who directs the county correction system. He spoke within a law and order framework. He made it clear that he is a no-nonsense law and order person. But he also said people believe these kids who are locked up are locked up because they have done something bad. But the truth is—these are his statistics—about 40 percent of these kids are locked up because parents couldn't get mental help for them. There was nothing available.

I would like to be out on the floor of the Senate introducing legislation and passing legislation that would make it possible for these kids to get the help—so they wouldn't be locked up; so they could go on and live good lives.

There is a piece of legislation I have introduced with Senator DOMENICI called the Mental Health Equitable Treatment Act. I think it is shameful that there is for so many people who struggle with mental illness still such discrimination in coverage, and their illness is treated as if it is a moral failing when they don't get the coverage. When it comes to the stays in the hospital, physician visits, and what bills are covered, the coverage isn't there. They go without treatment. I would like to be on the floor of the Senate doing the business and work of democracy by trying to pass this legislation.

My colleague, Senator REID, said that a Patients' Bill of Rights is just but one step. I agree with him. I think it is important to people in the country to make sure that in this health care system they fit in; to make sure the providers fit in; and to make sure that the people who are denied access to care which they believe they need for themselves and their families have a right to appeal when there is some protection for them.

I would like to pass meaningful patient protection legislation. I would like the floor right now involved in that debate.

I introduced a bill for the Service Employees International Union. It is a great union. I was at a press conference with Andy Stearn, the president, and other members of the union. This is a union that knows how to organize workers. It is the fastest growing union in America. Probably 70 or 75 percent of the membership is women. Probably 70 or 75 percent of the membership is people of color. It is a piece of legislation that I think speaks to the No. 1 concern of people around the country; that is, health security for themselves and their families.

What we basically say in this legislation is, as a national community, here is what we can agree upon—that there should be health care benefits for the people we represent that is as good as we have in Congress. I am determined to introduce a resolution and have a vote on that proposition that the people we represent should have the same health security that we have.

In that legislation, we agree nationally, as a community, that health care coverage should be affordable; that when you have an income below \$20,000, you pay 0.5 percent and no more of your annual income; between \$25,000 and \$50,000, you pay no more than 5 percent of your income per year; and over \$50,000 a year, you would never pay more than 7 percent of your annual income.

Part of the problem with health care is not just the 44 million or 45 million who are uninsured, but all of the people when it comes to paying deductibles

and fees just can't afford it any longer. Too many people are not old enough for Medicare. Even if they are, they can't afford prescription drug coverage. They are too poor for medical assistance. Even if they are, it is by no means comprehensive. They are not lucky enough to work for an employer that can provide them with affordable coverage.

We also say nationally that we, as a national community, we agree there should be good patient protection legislation.

Mr. DURBIN. Mr. President, will the Senator yield for a question?

Mr. WELLSTONE. I would be pleased to yield.

Mr. DURBIN. I thank the Senator for his leadership. I say to those listening to this debate that Senator WELLSTONE of Minnesota has been a consistent voice on the floor of the Senate on the issue of health care. Many of us visit that issue and believe it is important. He has dedicated his life in Congress and the Senate to champion the cause of good health care for all Americans and is recognized nationally for his leadership on issues such as coverage of those who suffer from mental illness.

To put the agenda of the Senate in perspective for a moment, because the Senator raises an important question about 40 million Americans who have no health insurance, and many who are underinsured today, and the fact that this Congress refuses to even debate the issue or discuss the issue when we reach out for a good program that Senator KENNEDY, Senator WELLSTONE, and I supported to extend health insurance coverage to children of working families in many States, and reaching out in other areas, but we seem to be reluctant to address what most American families have to address every single day—the lack of security, and the lack of peace of mind when it comes to health insurance—I would like the Senator from Minnesota to comment on the fact that we are in possibly one of the greatest periods of prosperity in the history of the United States. We are talking about surpluses under the budget that may reach \$2 trillion. The only suggestion from the Republican side of the aisle is that we should use \$1 trillion of the surplus—almost half the surplus—to give tax breaks to the wealthiest people in America rather than addressing working families who are uninsured and people who are looking for the peace of mind by having some protection when it comes to basic health care.

Will the Senator from Minnesota reflect on what we have done on the floor of the Senate over the last 2 weeks in the context of what I consider the high priority he has raised?

Mr. WELLSTONE. I say to my colleague from Illinois that any time he wants to raise such a question, continue to do so. He got a little ahead of me. This is exactly where I want to go.

To finish this proposal on this legislation and what I like about it—then I

will talk about this in a broader context—we are saying to States within this framework, go ahead and decide how you want to do this. Once we agree on universal coverage, once we have agreed it will be affordable with good benefits and patient protection for all citizens, then States decide how they want to do it—one insurer, the employer pays, pay or play, we decentralize. I think it makes all the sense in the world.

Then the question is, What is the cost? Over the first 4 years, as you phase it in, it would be \$100 billion. If you are looking at the total cost over 10 years, it would be \$700 billion a year. That is not even a third of the projected surplus. So the question becomes, What are our priorities?

I argue, based on conversations and meetings I have had with Minnesotans—some people do not agree with this point of view, but I say honestly that I do no damage to the truth on the floor of the Senate or any other time. I hope when we summarize all of the discussions from people about how to reduce poverty, how to have good welfare reform, how to have a stable middle class, how to make sure our country does well in the international economy, how to make sure our children have opportunities, how to make sure we can reduce the violence—over and over and over again, the focus is on a good education, good health care, and a good job. That is on what people are focused.

There are two questions. I don't want to monopolize the floor. But one of them has to do with priorities. I think what happened during the last couple of weeks is, frankly, that there has been a major ideological debate, not, in some ways, dissimilar to what happened in 1981. To the extent that you are now going to have new tax cuts disproportionately benefiting, by the way, people at the very top—I am not totally against some tax cuts. In fact, I think some tax, targeted tax cuts make a lot of sense, especially focused on working families and the priorities of our families in the country. But if you are going to basically erode the revenue base, and you are going to say over the next 10 years here is \$800 billion or \$900 billion, no longer from this floor any kind of investment in children, education health care, prescription drug benefits so people can afford those benefits, but instead it is going to be tax cuts disproportionately helping those people who are already the very top of the economic ladder, then you are doing two things.

No. 1, there is no standard of fairness in terms of who gets the tax relief and who gets the help. But even more importantly than that, you are eroding the revenue base, making it impossible for Government through public policy to make a positive difference in the lives of people.

If you believe when it comes to education—whether it be pre-K, whether it be affordable child care, whether it be

what we can do K through 12, whether it would be higher education and spending for Pell grants, or when it comes to health care, or when it comes to a whole range of issues that affect people's lives in this way—if you believe that there is nothing the Government can or should do, fine. But that philosophy works well when you own your own large corporation and you are wealthy; it doesn't work for most people.

Talk to veterans about veterans' health care; talk to families about child care; talk to families about health care; talk to families about higher education; talk to families about affordable housing; talk to families about how they believe life can be better for themselves and their children. They don't believe for a moment that there is nothing we can or should do that would make a difference. Their discouragement is all too often that we don't seem to be on their side, and we don't seem to be speaking to them or including them.

We were in morning business at 11 o'clock this morning. The Republicans don't want to go forward with Federal judges. They don't want to have opportunities for amendments. They do not want to have opportunities for debate. They do not want to talk about minimum wage. They don't want to talk about affordable prescription drug costs. They don't want to talk about patient protections. They don't want to talk about health security for families or about a commitment to early childhood development. They don't want to talk about a lot of these issues. Therefore, I think the Senate is not doing the work for enough people.

Mr. DURBIN. Mr. President, will the Senator yield for a question?

Mr. WELLSTONE. I would be pleased to yield.

Mr. DURBIN. The Senator has come to this floor repeatedly and discussed concerns that I hear in Illinois and that the Senator from Minnesota hears in Minnesota from working families and middle-income families trying to do their business. They get up and go to work every morning. They think ahead for their children. They want to realize and live the American dream. The Senator in the parlance of politicians feels the pain of families and their anxieties about their future. It appears that the Senate in the last 2 weeks feels the pain of the wealthy people in America.

For those who think I overstate the case, this is an analysis of the tax cuts that have been proposed over the last 2 weeks in the Senate and the people who benefit from them.

The Republicans proposed that we take over \$1 trillion—over half of the surplus for the next 10 years—and give it in tax cuts to the wealthiest of Americans. We analyzed their tax cut package. Democrats support tax cuts. The Senator from Minnesota talked about tax cuts so people can deduct the cost of college education; so people can

deduct and have a credit for quality day care for their kids; for long-term care for their aging parents; for prescription drug benefits. The Republicans focused on the estate tax and a few other taxes.

I would like to ask the Senator from Minnesota to comment on this distribution chart because we analyzed the Republican tax cut. Who are the winners and who are the losers? The good news is that everybody gets a tax cut under the Republican plan.

But look at the tax cut. If you happen to make less than \$13,000 a year—these are people of minimum wage—the tax cut is worth \$24 a year, or two bucks a month.

Move up to \$12,400 in income. You are going to see \$82 a year, or about seven bucks a month. Now you get up to people making \$40,000 a year. We are up to about \$11 a month, or \$131 a year. If you are up to \$65,000, these folks are going to see a tax cut of about \$16 or \$17 a month under the Republican plan.

Fast forward and jump with me, if you will, to the top 1 percent of wage earners in America. People making over \$300,000 a year—people in the gallery don't have to raise their hands—folks who are making over \$300,000 a year are going to see an annual tax cut from a Republican proposal of \$23,000 a year. On average, these people make over \$900,000 a year, \$75,000 a month. And the Republicans have proposed giving them an additional \$2,000 a month in disposable income. For what? For what?

I can tell Members what these working families would do with \$2,000 a month. It is fairly predictable. They would be paying for the kids' college education. They would be buying health insurance to make sure they are covered. They would be paying for quality day care. They would be taking care of an aging parent. That is what working families would do with a tax break. That is what Democrats support.

The Republicans say no; give the biggest tax cut to those who are making the most money. The response? Well, Senator, you don't understand. These people are paying too much in taxes. People making under \$50,000 a year can use some tax relief, too. They are paying payroll taxes and facing a lot of problems every month.

The Republicans, frankly, won't listen to this. I want the Senator from Minnesota to comment on this distribution chart on his proposals of what we could be doing to help working families across this country.

Mr. WELLSTONE. Mr. President, this brings into sharp focus yet another issue that should be our priority, that the majority party, the Republican Party, refuses to take up. That is campaign finance reform.

I am not making a one-to-one correlation between what any Senator says on the floor or how he or she votes or the position he or she takes on an issue. I am talking about the overall

bias of big money and the way in which it dominates politics. When people see this chart and hear the distribution of who benefits and who does not, the benefits are in inverse relationship to need. It violates every standard of fairness people have. People are all for some tax relief, if it is for families, if it speaks to the concerns of working families.

This chart is, to most people, a little outrageous. This feeds into the skepticism that people have. Most people would say that is exactly what the majority party is all about. The folks they represent are the folks who can; they are the heavy hitters. They are the contributors, the players, the investors. They are the ones who have the clout. They are the ones who hire the lobbyists. They are the ones who know how, who march on Washington every day. The rest are left out.

By the way, all too often, people unfortunately have that perception of both parties. What we have seen over the last week or 2 weeks only reinforces the skepticism and cynicism people have about who gets represented in the Senate and who doesn't.

I say to my colleague from Illinois, there is another issue. The issue is, above and beyond not meeting any standard of fairness, and above and beyond huge benefits but in inverse relationship to need, there is another issue. I believe part of what the majority party is doing—and, by the way, every Republican has a first amendment right to believe this is the right thing to do for the country—is essentially eroding the revenue base, giving away \$1 trillion in money so when it comes to health security for families, when it comes to long-term care for our parents or our grandparents or when it comes to how you can help a child so he or she by kindergarten can come ready to learn and does not fall behind and can do well in school, they don't believe there is anything the Government should be doing. I don't agree. I don't think most of the people in the country agree. I think in that sense that is clearly where the differences between the two parties make a difference.

I am a critic of the timidity of our own party quite often. The differences right now between Democrats and Republicans make a real difference in the lives of people in this country.

I conclude by mentioning another issue. I want to make sure I don't do this in a cheap shot, bashing way. I don't want to. There is a bitter irony because we will have an appropriations bill on the floor—maybe—this week where we will be raising our salaries and, by the way, what is tricky for me is our salaries are above the Federal employees, including support staff who work hard. I am not interested in bashing away at people. But we are not interested in raising the minimum wage. We don't want to raise the minimum wage for people. If there is one proposition that people in the country agree

on, people ought to be able to make enough of a wage so they can support their families and give their children the care they know their children need and deserve.

We are now at the point where we want to have a minimum wage bill on the floor; we want to raise the minimum wage. I say to Senator DURBIN, 75 to 80 percent of the people in the country believe that is the right thing to do.

Disproportionately, it is women in the workforce out there every day, people who are working 40 hours a week, almost 52 weeks a year, still poor in America, and still can't support their families. We are going to have an appropriations bill out here where we are going to be raising our wages—and we don't do badly—but this Senate, this Republican majority, is not willing to even entertain a debate and let us vote on whether or not we think we should raise the minimum wage.

These are big issues because they crucially affect the quality or lack of quality of the lives of the people we represent.

Mr. DURBIN. Will the Senator yield for a question?

Mr. WELLSTONE. I will be pleased to yield.

Mr. DURBIN. This chart shows what is happening to families of three trying to survive on a minimum wage. There are lots of people trying to live while earning a minimum wage. It usually means multiple jobs. There are 350,000 in Illinois alone who get up and go to work for a minimum wage. They usually have a second job. One of my friends who works in the Watertower Place across the street from the hotel I stay in Chicago—she is a great friend of mine—is trying to take care of an aging mother. She has two jobs. She works in a parking garage as an attendant and then when she gets off that job she is a hostess in a restaurant. This lady works harder than most of us who think we are hard workers, and she is working for a little bit above the minimum wage.

What we see on this chart, I say to Senator WELLSTONE, is when we judge what the poverty line is in America, look what happened in about the year 1989. All of a sudden the minimum wage fell below the poverty line. Those of us who wanted to make sure people who get up and work hard every day get a decent paycheck and a chance to have a livable wage have asked to raise the minimum wage from \$5.15 to \$6.15 an hour over a 2-year period of time. I guarantee you will not live a life of luxury at \$6.15 an hour, but you may be able to take care of some basic needs such as school uniforms for the kids, and shoes, maybe a decent place to live, a safer and cleaner place to live. Yet we cannot seem to get that issue before the Congress.

Republican leadership—in what has been a departure from the past where they said this is a bipartisan issue—has now said this is a partisan issue. Re-

publicans oppose a minimum wage increase. The Democrats support it and the Republicans have stopped us.

I will give an example. If I'm not mistaken, Governor Bush from Texas, his position is States ought to be able to opt out of the minimum wage increase. That is what he would do. So you would have certain pockets in the United States which would not have a minimum wage increase. That is cold comfort for people who get up and go to work and try to keep things together for their family. But the Senator from Minnesota is correct. The minimum wage has been plummeting in its buying power. Congress has the authority to take care of that issue. Congress has refused.

Instead of dealing with a minimum wage and giving people basically \$1 an hour increase, which comes out to about \$2,000 a year if my math is correct, here we decide to give \$2,000 a month in tax breaks to people making over \$300,000 a year. We cannot give \$2,000 a year to people who work hard every single day, but we can give folks making over \$300,000 a year under the Republican tax break plan, a \$23,000-a-year tax cut—almost \$2,000 a month. Those are the priorities. Those are the differences.

I think we try our best to feel the pain of working families. The Republicans feel the pain of the wealthy, the pain they must go through every day trying to decide what to do with another \$2,000 when they have a paycheck coming in of \$25,000 a month. What anguish, what pain, what frustration it must be to try to figure out another mutual fund or another vacation place.

How about the families worried about having a few bucks in the bank and paying for their kids' education?

Mr. WELLSTONE. I say to my colleague—and I am breaking my promise on last words, but on the whole issue of Governor Bush, talking about compassionate conservatism, I have no doubt he says it with sincerity. I am fond of this old Yiddish proverb—I think it is a Yiddish proverb—about how you cannot dance at two weddings at the same time. Frankly, you can talk about compassion. But the other problem is you cannot make a difference unless you are willing to, in fact, reach into your pocket and invest some resources.

My colleague mentioned minimum wage. It occurred to me that one of the truly awful things is there are two groups of citizens we say we care the most about—let's talk about compassion—the very young children and the elderly, the people who built the country with the strength of their backs, who now, toward the end of their lives, may be struggling because of illness. Think about it for a moment, I say to my colleague from Illinois. Let's talk wages and then let's talk investment. The men and women who take care of small children, who work in child care, or take care of elderly people—either home-based care or nursing homes—are the most miserably paid workers in our

country. We devalue the work of adults who take care of small children. We devalue the work of adults who take care of the elderly and those people struggling toward the end of their lives. They have the lowest wages and the worst—among the worst—benefits.

Raising the minimum wage would help. It would make a difference. So would affordable health care coverage. We could make a difference, I say to my colleague from Illinois, and we should. But we do not.

Is there any wonder at the turnover in both of these fields? I know in child care there is a 40-percent turnover every year, because if you graduate from school, college, you probably are going to have a debt. If you want to work in the child care field, you are looking at a \$9-an-hour job maybe with no health care benefits, or a \$7-an-hour job. The same goes for home-based care or for nursing homes.

My final point. The problem with this chart is that you are talking about the top 1 percent getting the lion's share of all of these tax benefits. You are also talking about eroding the revenue base over the next decade to the point where, in certain decisive areas of life, we will not be able to make the investment. I want to shout this from the mountaintop on the floor of the Senate and finish with these words.

When it comes to child care, if you want to talk compassion and you talk so much about small children and you care so much that there is nurturing care and they are challenged and come to school ready to learn, this is not going to be done on the cheap. This is going to require real investment if we are serious.

When it comes to the elderly—I went through this with my parents. Now I will be critical of us for a moment. I am all for tax credits. It is fine. But both my mom and dad had Parkinson's. We moved them to Northfield. We actually lived here and we moved them to Northfield, MN, to try to keep them at home. We did. We kept them at home for a long time. It got to the point where we would spend the night with them, our children would, and then we were just exhausted.

I sent a note out. It was the best day I ever had teaching at Carelton. I was desperate. I sent a note out to students and I said: Here is the situation with my parents. My dad in particular, he was from Ukraine, then Russia, and speaks 10 languages fluently and I think you would enjoy him. But we need some help. Would anybody be interested in spending the night?

The next day I got 170 letters back from students saying they would be more than willing to help. It was wonderful. Then at the very end he fell and broke his hip and we no longer could keep them at home.

But my point is, home-based care, enabling people to stay at home as long as possible, live with dignity, it is not done on a tax credit of \$3,000. It is a lot more expensive than that. But if we are

serious about this, we are going to have to make some investment. I can think of a better use of \$1 trillion over the next decade for our country, the United States of America, than tax cuts that disproportionately go to the top 1 percent of the wealthy. I think we can do better for people like my mom and dad, who are no longer alive today. And I know we can do better for these small children.

Mr. DURBIN. Will the Senator yield?

Mr. WELLSTONE. I yield.

Mr. DURBIN. I say to the Senator, he may recall we asked the Members of the Senate to take their choice, make a pick, make a decision. That is what we are sent here to do, cast a vote. Senator DODD stood up on day care and said: Shouldn't we help working families who are struggling to find a safe, quality place to leave their kids when they are off to work so they can have peace of mind and the children can grow in a positive learning environment, a safe environment?

He said: Instead of giving a tax break of \$23,000 a year to the wealthiest 1 percent of Americans, why don't we talk about targeting tax cuts so families can have more of a tax credit to pay for day care? He took another step the Senator from Minnesota, I am sure, remembers. Senator DODD said: What about those families where the mother, for example, decides to stay home and raise the kids? Shouldn't we be encouraging that family? They are making an economic sacrifice for the good of their children. Shouldn't they have a tax break?

I agree with him. My wife stayed at home. I am glad she did. I guess we did not buy all the things we could have in life, but we sure ended up with three good kids, thanks to her hard work. She stayed home and helped raise those kids.

A lot of families make that decision, that economic sacrifice. Shouldn't our Tax Code help those mothers? Frankly, we are going to help you whatever your choice. Whether you go to work and need help with day care or stay home with your children, we are going to give you tax relief targeted to those families. The Republicans said: No, no, that is not a priority. Here is the priority. The priority is giving to people who make an average income of \$900,000 a year about \$2,000 more a month to figure out what they are going to do with it.

That is the difference. That is what the debate came down to.

The Senator from Minnesota, as he talks about long-term care, touches my heart, too. My mother passed away a few years ago. Thank goodness, she was able to stay independent for a long period of time, usually watching her son on C-SPAN and calling him in the evening to correct him on some of the things he said. I understand what families go through when they start making these decisions—and they are heartbreaking decisions—about their parents and grandparents. We believe

tax breaks should be available to those families who want to take care of their parents and grandparents, who are willing to sacrifice. But not on the Republican side. They are more concerned about this estate tax which, as my colleague from Minnesota says, disproportionately helps the very wealthiest people in the United States.

Mr. WELLSTONE. Mr. President, I say to my colleague, I remember the amendment well because I offered it with Senator DODD. But there was one other important feature to it. It was a refundable tax credit. It was going to provide some help for those families who did not come under \$30,000, which is critically important.

I say the same thing about higher education. If we want to do tax credits, make sure they are refundable. Again, think of our community college students. I have reached the conclusion that the nontraditional students have become the traditional students. I have reached the conclusion that the majority of students today in higher education are no longer 18 and 19 living in a dorm. The majority are 30, 35, 40, 45, 50, going back to school, many of them women, many of them with children. And, again, I can think of a better use of this money than a tax break for the top 1 percent of the population.

I far prefer to be out here on the floor passing legislation which will assure affordable higher education, affordable child care, and make a real investment in health care than some of these other areas.

Mr. DURBIN. If the Senator will yield before he yields the floor, most of us in the Chamber are well aware of Senator WELLSTONE's background. Having been involved in teaching in Minnesota and higher education in his professional career before his election, he understands, if not better than most of us, what higher education is about, what it offers, and also what it costs.

The Senator from Minnesota raises another point. We offered an alternative to this estate tax break which comes down to \$23,000 a year for the wealthiest Americans. We said we are going to help for the very first time in America working middle-income families. We are going to allow them to deduct the cost of college education expenses from their income taxes. It is not a major deduction, but it helps. It said, for example, up to \$12,000 a year could be deducted, and it would be treated in the 28-percent rate, which means a little over \$3,000 a year.

The PRESIDING OFFICER (Mr. THOMAS). The time for the minority has expired.

Mr. DURBIN. Is anyone seeking recognition on the floor?

The PRESIDING OFFICER. Yes, there is. The Senator from Wyoming.

Mr. ENZI. Mr. President, I thank the senior Senator from Wyoming. I thank him for all his efforts in organizing information to be shared with fellow Senators and with the American public.

## BUSINESS OF THE SENATE

Mr. ENZI. Mr. President, I am compelled every once in a while to come to the floor to let people know what is happening. I know there are people watching the work of the Senate, and I know those people do not have, for the most part, a program or a scorecard. It is pretty hard to follow the rules of what is going on around here without that.

I make an attempt partly to explain to myself what is going on and take the opportunity to share it with other people who might be interested and might be listening.

Right now, we are in the closing days of a race for the U.S. President. It does not really have a lot to do with this body; it has a lot to do with our interaction with the administrative branch. Sometimes it is easier for rhetoric to invade the Chambers and to appear to be the most important thing we are doing.

What we ought to be doing is the appropriations bills for this Nation. We handle in excess of \$1.8 trillion. That is how much we spend on behalf of the American public. We ought to be debating that. We are not. We cannot get unanimous consent to proceed to a debate on an appropriations bill. We cannot move forward to talk about the \$1.8 trillion of appropriations for this country.

Instead, we have debate on things that we have debated, things that have been decided, for the most part, and, on some occasions, with some finality. Instead, we have people in this Chamber who would rather rehash votes we have already taken and retake them again. I guess the plot is to put fellow Members in a bad light in their constituency: They have already voted on these issues once, let's get them to vote again, and that will be progress for this country. You have to be kidding me.

The appropriations for this country are the important things that need to come before this body. They are the things about which we ought to be talking right now, and we ought to be talking about them in some detail. Pretty quickly we are going to run out of time. October 1 is the start of the new fiscal year for this country, and that is when we need to have the appropriations finished. That is when they start spending next year's money. That is when we hope and pray they will be spending it with the conciseness all of us envision.

When we are relegated to not being able to proceed on an appropriations bill because we cannot reach unanimous consent, we cannot debate in detail. Later, we are going to have to make massive decisions on this money, and in fact it is my belief the minority would prefer to have the President negotiating these things instead of the way our forefathers envisioned it: that Congress would come up with the mechanism and the plan and the votes to pass appropriations bills that the executive branch would administer.

That is not how it is working. The longer we push this process, the more it will be a nonvoted mediated expenditure without looking at the details. The amendments are the way the details get into this appropriations process, and it is not going to happen because we are shoving everything back through this process. We are keeping the appropriations of this Nation from being debated. We are not being allowed to proceed to the debate on important appropriations bills. Instead, we are hearing the rhetoric about how we should have minimum wage, Patients' Bill of Rights, education, and the other important things on which we have already worked, on which we have already voted that are in conference committee. Those conference committees should be finishing.

I will tell you what happened on the Patients' Bill of Rights. I am on the conference committee for the Patients' Bill of Rights. It is one of the toughest jobs I have had in my life. A number of us on the committee have spent from about 1 to 6 hours a day working on it, and it is largely nonscheduled time. When somebody discovers a place where there might be a negotiation breakthrough, we get together and talk about it. We work out words. We meet with the House folks, and we try to come to a conclusion.

We did that for months and months. Yet we hear on the floor of the delay in getting the Patients' Bill of Rights done. We were making major breakthroughs on the Patients' Bill of Rights. The Democrats in this Chamber bailed out of the process and said: Let's go back to the original House version. Sure, we have spent 3 or 4 months making important changes in this. I don't think they ever said that on the floor. But we had made 3 or 4 months of important changes in major areas. We had virtually wrapped up those areas as being much better than either the House or the Senate bill. That is what a conference committee is about. That is what a conference committee is supposed to do. We were in the process of doing that.

The only thing I can conclude from the Democrats going back to the original version of the Patients' Bill of Rights on the House side was that they could see we were making progress that the country would like, and they wanted to keep an issue instead. That is not how Government is supposed to be done. That is not the way we are supposed to do it.

We have debated these issues. We are working on these issues. But there is a desire to keep things as an issue instead of a solution, and I can't tell the Senate how much that dismays me.

There are a few other bills that could come up in this process, too. We are working on the elementary and secondary education authorization. It is done once every 5 years. The bill has come out of committee. It has been to the floor. We have debated it a few times. The amendments that are

brought for that bill are not education amendments. It is all of these other ones that the Democrats would like to vote on and vote on and vote on again because that keeps them as an issue. What we need to do is get some finality to the education issue. We need to have some agreement between both sides that we will talk about education, that we will make education decisions, that we will make education in this country better for every student in elementary and secondary schools. We have to do that. That is our obligation. That is our assignment. That is what America is counting on.

We can't get that job done if we keep going back and making political statements about issues on which we have already voted. If there is a vote and you want to use it against somebody, you can put the spin on it and use it against them. You don't have to have five votes on the same issue to spin it that way. That isn't how elections ought to be working in this country, but it does say something about how elections do work in this country.

The voters are more discriminating than that. They are able to tell the rhetoric from their desires. As I travel Wyoming—and I am back there almost every weekend—our whole delegation usually goes out on Friday because we don't have votes here, and we travel the State. In Wyoming that means by car. I have traveled 300, 500 miles on a weekend. The average town in Wyoming is about 250 people. The exciting thing about visiting those towns is you get to talk to about 80 percent of the people. You get a pretty good feel for what your constituents think we ought to be doing. They do think we ought to be doing the appropriations process in detail and getting it wrapped up.

They also think that some of the votes we have taken lately are very important from a fairness standpoint. One of those issues is the death tax. Practically everybody in Wyoming understands that death is a terrible thing and when you accompany death with a tax bill, it is even worse. That doesn't affect everybody in Wyoming. Those people understand that the death tax does not affect everybody in Wyoming. But they see a basic fairness issue where it does affect other people, and it affects the businesses for which they work. If the small business they work for has to sell off part of it for death taxes and can no longer function and goes out of business, it is their job. They understand that. It is the same with the farms and ranches in Wyoming and the rest of the country. If you have to sell off a significant part of your ranch or farm to pay the death tax, you may not have an economic remainder left. When that happens, you don't have the same culture in this country, and you do not have the same jobs. People lose their jobs. So they see the basic fairness issue of making sure that death is not a taxable event.

The bill that is out there for the President to make his decision on



doesn't say they avoid taxes forever. There is a capital gains tax in it. When there is a sale of the business or a sale of the land, when there is a taxable event, it gets taxed. That is how it ought to be. It should not be triggered by death and be a second tax on the same property.

I had a letter from a constituent who said, if we do the death taxes, isn't that going to increase the gap between the wealthy and the poor? That is a good question. The answer is, no. What we are working on is middle America, the workers, particularly the workers who have been building IRAs and 401(k)s and who have been participating in the growth of the stock market, taking their wage and investing a little bit of it. There are a lot of blue-collar workers across this country who are now millionaires. They took some of their wages and saved it. They aren't in some of the old exclusions we had on death taxes. They are saying: Wait a minute. I worked my lifetime to save this money. I took some risks to make this money. I didn't do it so I could have a great retirement with a lot of vacation places. I did it so my kids would have a better chance, so that my kids would have some advantages, so that my kids would start at a little different level in their job than I started in mine.

I want to make sure death taxes don't take it away. If we let middle America, which by the Democratic definition is anybody who pays taxes—no, that would be the rich. At any rate, if we let middle America keep their money instead of paying it in death taxes and move up into a little higher level, that is the way America has operated. That is why virtually all the people in Wyoming tell me: Eliminate the death taxes.

We did that. It is going to be heading down to the President to see if he agrees on it.

I hear a lot of the marriage penalty in Wyoming. Again, it is a fairness issue. They want the marriage penalty eliminated. The bill we sent down there was not the Senate bill. The Senate bill would have had a lot more marriage penalty elimination. We went with the House version for the most part. We increased it in the lower levels so the marriage penalty among those paying taxes but making the lower amounts would benefit from it and benefit the most. That is the way the bill is right now that is being sent to the President.

Again, we had a debate; we took the vote. That issue was resolved.

We hear a lot on taxes about the rich versus the poor and what we need to do with all the surplus. It is not surplus. It is excess taxes. It is tax money that got paid that is in excess of what we had anticipated and what we had planned to spend. There are a lot of exciting things we can do with excess. Everybody wishes they had some. The greatest thing would be to win a lottery. That is kind of an excess sort of thing, unanticipated money that you

got, with just a couple of bucks for expenditure. If we just give these out on all the new ideas for spending programs, that is what we will be doing—holding a national lottery.

Mr. DURBIN. Will the Senator yield for a question?

Mr. ENZI. I think your side had time and I patiently listened while I was in the chair. Your questions turn into statements. I would like to finish making my statement, if I might.

What we are turning into is a country that recognizes that the Federal Government can give us everything and we forget about where the everything came from.

It is pretty exciting to get a windfall. I figured out—and this is mostly from talking to my Wyoming constituents—that when a new program around here is proposed, there are people across this country who benefit from it. Maybe they get \$1,000. In fact, that turns out to be about the average a person in one of these programs gets—\$1,000. Of course, it employs some different people because they administer the program, and they get more than \$1,000 a year benefit out of it. They become the main lobbyists for the new program, and they get very excited about getting this new program in place and spending the money. You know, if a person gets \$1,000 or more, it is worth a letter or two—more than that, maybe it is worth a trip to Washington.

So we hear a lot about the importance of the new programs and everything. What we don't hear about is the taxpayers saying: Whoa, that isn't a program I like or a program I want to fund; that isn't where I want to put my money.

Do you know why we don't hear as much from those people? First of all, they are busy earning the tax money that we spend; secondly, it is only costing them about a quarter for a new program. How many letters can you write for 25 cents? You can't. So what we wind up with is a huge lobby for new programs.

The President, when he did his State of the Union speech, laid out several billion dollars a minute in new programs—new programs—that he would like to see done. In fact, there were about \$750 billion worth of expenditures listed there. Now, we have programs in this country that we are not funding adequately at the present time, programs that we have said are important, such as IDEA, that we bring up every once in a while to get additional funding. We don't do it, but we keep looking at new programs.

There are some things that need to be done in this country, and the best way is to get on with the appropriations process, to work through it in the kind of detail it deserves, and to quit throwing in peripheral things just because they can be brought up, which come with points of order and additional votes, each taking about an hour and using up the time of the Senate. It

is time we got on with the business of appropriations and visited with constituents about the details of how they think this country ought to run.

I yield the floor.

The PRESIDING OFFICER. The Senator from Kansas is recognized.

Mr. BROWNBACK. Mr. President, what is the present order of business?

The PRESIDING OFFICER. We are in morning business until 12:30.

#### THE LOOPHOLE IN COLLEGE GAMBLING

Mr. BROWNBACK. Mr. President, I want to make a few remarks on an issue very important to our young student athletes, as well as our colleges and universities. It is a piece of legislation that, if the appropriations continue to be held up on the other side of the aisle, I think we should consider. We should go to this piece of legislation.

The legislation is the Amateur Sports Integrity Act, which was passed out of the Commerce Committee by a 16-2 vote. There was strong bipartisan support for the legislation and introduction of the bill. Senator LEAHY and I introduced the bill. Basically, the legislation closes the one loophole on college gambling.

Presently, you cannot gamble legally in this country on college athletics. You can't bet on the Road to the Final Four, the NCAA basketball tournament, football and bowl games—except in one State in the country, and that is Nevada. That is what has led to a number of problems we have had of expanded sports gambling on amateur athletics and expanded cases where student athletes have fallen to the whims of people promising them some help if they will shave a point or two off the game. So we are trying to close that one loophole in Nevada so it is clear that it is illegal to bet on college sports in the United States.

This bipartisan legislation is in direct response to a recommendation made by the National Gambling Impact Study Commission, which last year concluded a 2-year study on the impact of legalized gambling on our country. The recommendation called for a ban on all legalized gambling on amateur sports and is supported by the NCAA, coaches, teachers, athletic directors, commissioners, university presidents, school principals, and family groups from across the country. Those groups are all strongly supportive of this legislation.

In my home State, Roy Williams, the basketball coach at the University of Kansas, considered taking the job at North Carolina but decided against it—happily, in my opinion. He is a strong proponent of this legislation. These are the people supporting this who know about the threat of gambling on amateur athletics. These are the people who are fighting the problem on the front lines 24 hours a day. These groups support our legislation which will prohibit all legalized gambling on high

school and college sports, as well as the Summer and Winter Olympic Games.

The Nation's college and university system is one of our greatest assets. We offer the world the model for post-secondary education. But sports gambling has become a black eye on too many colleges and universities.

Gambling on the outcome of sporting events tarnishes the integrity of sports and diminishes the esteem in which we and the rest of the world hold U.S. postsecondary institutions. This amendment would deal with that problem. It would remove the ambiguity that surrounds gambling on college sports and make it clearly illegal in all 50 States in the United States.

We should not gamble with the integrity of our colleges or the future of our college athletes. Our young athletes deserve legal protection from the seedy influences of the gambling, and fans deserve to know that athletic competitions are honest and fair.

Gambling scandals involving student athletes have become all too common over the past 10 years. In fact, there have been more gambling scandals in our colleges and universities in the 1990s than in every other decade before it combined. These scandals are a direct result of an increase in gambling on amateur sports.

It was just 2 years ago, during the Final Four, that we learned of the point-shaving scandal at Northwestern University involving their men's basketball team. This scandal involved both legal and illegal gambling on several Northwestern games. Kevin Pendergast, a former Notre Dame place kicker who orchestrated the basketball point-shaving scandal at Northwestern University, has stated—and I think this is clear, and it points to where we have a problem and why this is a problem and something we should take care of. In other States, it is illegal. Here is what the guy who masterminded that point-shaving case at Northwestern said:

My relationship with sports gambling continued off and on and ended with a \$20,000 bet placed in a sports book in Las Vegas. This was part of three basketball games that have been mentioned by Senator Brownback in the Northwestern point-shaving incident. The majority of the monies wagered in these games were legally wagered in Nevada. And by legally wagered, I mean you walk up to the sports book and place a bet on one team or the other. Now it was obviously illegal because of what was going on behind the scenes, but like I said, the majority of the monies wagered in this situation were wagered in a legal manner in sports casinos in Nevada.

That was the big case that broke 2 years ago. He went to a number of college athletes and said, "We are not talking about losing the game. Don't lose the game. We just want you not to win it by as much as the margin."

That is what we are talking about—the point spread. We will be able to wager money on the game, and if you are ahead by five points and the margin says six on it, just don't score. We

are learning, as we have gone through hearings, that you don't do this on offense; you do it on defense. If you want to shave points, it is not that you miss the free throw or the shot; you actually let your player get by you on an offensive move. It is less obvious to the other people watching that that is something that is going on. So actually people have thought this through quite a bit on how you allow shaving to take place.

That is what Kevin Pendergast said on this one particular case that broke 2 years ago.

In fact, the last two major point shaving scandals involved legalized gambling in Las Vegas sports books. The point-shaving scandal involving Arizona State University is believed to involve more money than any other sports gambling case in the history of intercollegiate athletics and involved legalized gambling and organized crime.

A study recently conducted by the University of Michigan found that 84 percent of college referees said they had participated in some form of gambling since beginning their careers as referees. Nearly 40 percent also admitted placing bets on sporting events and 20 percent said they gambled on the NCAA basketball tournament. Two referees said they were aware of the spread on a game and that it affected the way they officiated the contest. Some reported being asked to fix games they were officiating and others were aware of referees who "did not call a game fairly because of gambling reasons." Just a few months ago, newspaper articles from Las Vegas and Chicago detailed how illegal and legal gambling are sometime interconnected.

I get irritated sometimes at the referees in games. But if I thought there was anything going on where they were gambling on the games and that it was affecting their calls, imagine how poisonous this would be to them and to the integrity of the sport that is taking place.

The National Gambling Impact Study Commission Report recognized the potential harm of legalized gambling by stating that sports gambling "can serve as gateway behavior for adolescent gamblers, and can devastate individuals and careers." Some of its findings include:

More than 5 million Americans suffer from pathological gambling;

Another 15 million are "at risk" for it; and

About 1.1 million adolescents, ages 12 to 17, or 5 percent of America's 20 million teenagers engage in severe pathological gambling each year.

According to the American Psychiatric Association:

Pathological gambling is a chronic and progressive psychiatric disorder characterized by emotional dependence, loss of control and leads to adverse consequences at school and at home;

Teens are more than twice as vulnerable to gambling addictions than adults because they are prone to high-risk behaviors during adolescence; and

Ninety percent of the nation's compulsive gamblers start at an adolescent age;

According to the Minnesota Council on Compulsive Gambling, gambling on sporting events is a favorite preference of teenage gamblers.

We are talking about the gateway behavior, the pathological gambling, and 90 percent of it starts as teenagers. Where does it generally start? One of the favorite gateways is sports gambling.

Opponents of our legislation have tried to discredit our efforts by insisting that we should be focusing our efforts on curbing illegal gambling, not legal. I agree that we should be looking at ways to help law enforcement and institutions for higher education combat illegal gambling. The NCAA has undertaken numerous steps to combat gambling among student athletes and stated during the Commerce Committee hearing its intention to do even more.

I want to list some of the steps they proposed and are doing.

They are sponsoring educational programs for student athletes, including development of a sports wagering video; partnering with several professional organizations; assisting in bringing Federal and local enforcement officers to camps across the country; continuing to broadcast antisports gambling through public service announcements during NCAA championship games aired on CBS and CNN, most recently aired 18 times during the 2000 basketball championship games, and will continue to run during championship games this year.

They developed a "don't-bet-on-it booklet," created in partnership with the National Endowment for Financial Education to educate students about the dangers of sports gambling and to acquaint them with good financial management strategies.

They distributed these to at least 325,000 NCAA students.

The NCAA established policies that prohibit gambling on professional or college sports by college athletic personnel, student athletes, athletic conferences, and NCAA employees.

They prohibit student athletes from competing if they knowingly provide information to individuals concerning games.

They prohibit student athletes from competing if they solicit a bet on any intercollegiate game, or if they accept a bet on any intercollegiate team, or if they accept a bet on any team representing the institution, or participate in any gambling activity that involves an intercollegiate athlete through a book maker, or any other method employed by organized gambling.

They have instituted background checks on men and women basketball

officials to try to deal with the study that I just mentioned by the University of Michigan about the number of referees who have been involved in gambling.

The NCAA has been working in partnership with the National Association of Student Personnel and Administrators on implementation of on-campus surveys aimed at obtaining data related to gambling behavior of college students. The goal is to enlist 50 institutions to participate in the project. I hope the results will be available later this year.

The NCAA is working with several of the largest athletic conferences to assist in the development of comprehensive research on student athletic gambling behavior. They have other programs they are working with as well.

My point in mentioning all of that is there were charges made at the hearing in the Commerce Committee that the NCAA isn't doing enough. I agree. They are not. They are not stepping up and doing more. That should not be an excuse for us not doing what is right here, which is to ban the gambling on student sports. We shouldn't be subjecting our student athletes to this type of pressure.

Opponents have claimed that this is a state issue, not a federal one. This argument doesn't hold water. Congress already determined this is a federal issue with the passage of Professional and Amateur Sports Protection Act (PASPA) in 1992. Ironically, while Nevada is the only state where legal gambling on collegiate and Olympic sporting events occurs, Nevada's own gaming regulations prohibit gambling on any of Nevada's teams because of the potential to jeopardize the integrity of those sporting events.

If it is good for the goose, it is good for the gander. This should be banned everywhere.

During a press conference on my legislation earlier this year I encouraged colleges and universities from across the country to ask the Nevada Gaming Control Board to prohibit any wagers from being "accepted or paid by any book" on their respective athletic teams in Nevada. Unfortunately, the board refused the NCAA's request, stating that "the same level of protection is already extended within each of these states." What they failed to mention was that no state, except for Nevada, allows betting on college teams from other states. The frequency of gambling scandals over the last decade is a clear indication of legal gambling of college sports stretching beyond the borders of Nevada, impacting the integrity of States' sporting events in other places.

I said to the Nevada Gaming Control Board: If you take UNLV off the books, allow a way for the University of Kansas and Kansas State University to get off the books. Let our board of regents petition the Nevada Gaming Board that if they don't want to be on the books, Kansas State University can be

pulled off, the Governor can send a letter officially requesting, or the legislature can even pass a resolution saying the request be pulled off the books. Give us a way out to protect the integrity of our universities.

They denied the request. They said they would not do it because if we wanted out, there will be a whole bunch more who want out. Should that not tell us something right there, as well?

I am a strong advocate of States rights. However, States rights meet a State's authority to determine how best to govern within that State's own borders; they do not have a right to impact the integrity of Kansas sporting events. They do not have the authority to set laws allowing a State to impose its policies on every other State while exempting itself. Gambling on college sports, both legal and illegal, threatens the integrity of the game. That threat extends beyond any one State's borders.

I realize a ban on collegiate sports gambling will not eliminate all gambling on college sports. However, as Coach Calhoun stated in his testimony during the hearing: It is a starting point.

It is an important starting point. This is exactly what this legislation is about, a beginning. It will send a clear signal to our communities and, more importantly, a clear message to our kids: Gambling on student athletics is wrong and threatens the integrity of college athletes.

I believe it is important that every Senator voting on this legislation should ask him or herself this question: Is it unseemly and wrong to bet on kids? I think so. If enacted, there will be no ambiguity about whether it is legal or illegal to bet on college sports. As part of a broader strategy to resensitize the public to the problems associated with college sports gambling, this will make a difference. We should not wait for another point-shaving scandal in order to act. There will be another point-shaving case that will come down. Given the amount of money—over \$1 billion bet each year on college sports—there will be another point-shaving case that will occur.

Mr. President, if the minority, if the Democrat side, chooses to continue to hold up legislation on appropriations bills, I think this would be a good time to go take up this bill. I think it would be appropriate. I think it would be a good time to take it up.

I yield the floor.

The PRESIDING OFFICER (Mr. ENZI). The Senator from Tennessee.

Mr. THOMPSON. Mr. President, I ask unanimous consent I be given 10 minutes to speak in morning business.

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

#### A BIPARTISAN RESPONSE TO CHINESE PROLIFERATION

Mr. THOMPSON. Mr. President, today I want to talk about one of the

most serious issues facing the United States—the proliferation of weapons of mass destruction and the means to deliver them. I also want to talk about the legislation that Senator TORRICELLI and I have introduced—the China Nonproliferation Act—to address this growing threat.

The world is a more dangerous place today because key supplier countries like the People's Republic of China [PRC] continue to proliferate weapons of mass destruction to rogue states like North Korea, Iran, and Libya.

China has sold nuclear components and missiles to Pakistan, missile parts to Libya, cruise missiles to Iran, and shared a wide variety of sensitive technologies with North Korea.

Russia has provided nuclear weapons assistance to Iran, and missile technologies to North Korea.

North Korea has provided missile technologies to a variety of countries in the Middle East and Africa, and openly acknowledges these sales are one of its main sources of hard currency.

Many of these technologies are being used by rogue states to develop weapons of mass destruction and the means to deliver them—capabilities which are prompting many policymakers and defense experts in this country to call for the immediate deployment of a multi-tiered national missile defense system.

Two years ago, a bipartisan commission headed by former defense secretary Don Rumsfeld challenged the administration by concluding that rogue states like North Korea and Iran could develop an ICBM within 5 years of deciding to do so. In fact, the Commission reported that:

China also poses a threat to the U.S. as a significant proliferator of ballistic missiles, weapons of mass destruction and enabling technologies. It has carried out extensive transfers to Iran's solid-fueled ballistic missile program. It has supplied Pakistan with a design for a nuclear weapon and additional nuclear weapons assistance. . . . The behavior thus far of Russia and China makes it appear unlikely . . . that either government will soon effectively reduce its country's sizable transfers of critical technologies, experts, or expertise to the emerging missile powers.

Shortly thereafter, North Korea surprised our intelligence agencies by successfully launching a three-stage rocket—the Taepo Dong I—over Japan, demonstrating the technological know-how to hit the United States with a small warhead, and essentially confirming the Rumsfeld Commission's assertions.

In July 1999, the Deutch Commission, which was organized to assess the federal government's ability to address WMD proliferation, concluded that:

The U.S. Government is not effectively organized to combat proliferation, despite the fact that "Weapons of mass destruction pose a grave threat to U.S. citizens and military forces, to our allies, and to our vital interests in many regions of the world." The report also confirmed that China "is both a source and transfer agent for passing knowledge, technology, sub-systems, and entire

systems to dangerous state and sub-national actors.

Last September the intelligence community released a new National Intelligence Estimate of the ballistic missile threat. This report asserted that “during the next 15 years the United States most likely will face ICBM threats from Russia, China and North Korea, probably from Iran, and possibly from Iraq.” North Korea could convert its Taepo Dong-1 space launch vehicle to deliver a light payload—sufficient for a biological or chemical—to the United States. And Iran’s missile program is not far behind. In short, some rogue states may have ICBMs much sooner than previously thought, and those missiles will be more sophisticated and dangerous than previously estimated.

An unclassified CIA report provided to Congress earlier this year said that from January to June of last year “firms in China provided missile-related items, raw materials, and/or assistance to several countries of proliferation concern,” including Iran, North Korea, and Pakistan.

The report also said that China has provided extensive support to Pakistan’s nuclear and missile programs in the past, and that “some ballistic missile assistance continues.”

Additionally, “North Korea obtained raw materials for its ballistic missile programs from various foreign sources, especially from firms in China.”; and

“Russia and China continued to supply a considerable amount and a wide variety of ballistic missile-related goods and technology to Iran.”

Iran has “manufactured and stockpiled chemical weapons, including blister, blood, and choking agents and the bombs and artillery shells for delivering them.” The report adds that, during the first half of 1999, Iran sought production technology, expertise, and chemicals that could be used for chemical warfare “from entities in Russia and China.”

“Throughout the first half of 1999, North Korea continued to export ballistic missile-related equipment and missile components, materials and technical expertise to countries in the Middle East and Africa.” In February of this year, U.S. intelligence officials indirectly confirmed press reports that North Korea has delivered to Iran 12 engines that would be critical to Iran’s efforts to build extended-range Shahab missiles.

The next report is due out any day now, and it isn’t much different, I am told.

In a hearing before the Governmental Affairs subcommittee on International Security, Proliferation, and Federal Services last month, Robert Walpole, National Intelligence Officer for Strategic and Nuclear Programs, testified that the threats to our Nation’s security are real and increasing. He added that the major factors fueling this threat are continued proliferation and “increased trade and cooperation

among countries that have been recipients of missile technologies.” Many of the rogue states and other countries seeking these weapons of prestige, coercive diplomacy, and deterrence are working hard to develop an indigenous capability—which requires the acquisition of “dual use” items from the industrialized countries of the West.

The public press accounts are equally troubling:

New reports since 1997 have detailed how Russian entities have provided Iran’s missile programs with speciality steels and alloys, tungsten coated graphite, wind tunnel testing facilities, gyroscopes and other guidance technology, rocket engine and fuel technology, laser equipment, machine tools, and maintenance manuals.

North Korea has provided missile technologies and assistance to Iran and Libya, and is supposedly building a missile factory in Sudan for Iraq.

All of these events lead to one bottom line: That dangers to the United States exist and are increasing; that the unfettered sale of “dual-use” and military-related technologies are abetting those threats; and that the problem is being fueled by a few key suppliers like China.

Let me give a brief summary of the revised China Nonproliferation Act. The U.S. walks a delicate tightrope as it balances national security and trade with China. Free trade and open markets are essential, but the federal government’s first responsibility is the protection of our national security. That’s why Senator TORRICELLI and I have introduced the China Nonproliferation Act, which requires an annual review of proliferation, establishes clear standards, reasonable penalties, adequate presidential waivers, congressional oversight, and much-needed transparency.

The goal of this bill is to address the proliferation of key suppliers like China, while minimizing any negative impact on United States businesses or workers. We received a number of comments on the original draft of this bill, and we have made substantial changes in order to address concerns raised by the administration and others. I’d like to take a moment now to set the record straight on what our bill does and does not do.

The administration raised four concerns regarding the original draft of our bill, all of which have been addressed in the revisions.

First, in response to the concern that the bill singled out China, we have broadened the bill to apply to all key suppliers of weapons of mass destruction as identified by the Director of Central Intelligence. Rather than singling out certain suppliers, this bill applies equally to all countries based on their proliferation activities. Those determined to be key suppliers by the DCI will be subject to the act. This mechanism allows countries to be added or dropped from the list based on their behavior.

Second, in response to the concern that the original bill failed to provide adequate flexibility for the President, we have made the sanctions against supplier countries under the act discretionary, as opposed to the mandatory sanctions contained in the original bill.

Third, in response to a concern that individual companies could face mandatory sanctions based on insufficient evidence, we have raised the evidentiary standard for imposing mandatory sanctions on companies identified as proliferators to give the President complete discretion in making a determination as to whether a company has engaged in proliferation activities.

Finally, in response to a concern that the original bill captured legal transactions and legitimate efforts by countries to pursue their own defense needs, we have changed the language to make clear that only actions that contribute to proliferation of weapons of mass destruction will trigger penalties under the act.

Furthermore, the revised bill addresses additional concerns raised by the U.S. business community that U.S. firms and workers could be adversely impacted.

The bill now contains a blanket provision that protects the agricultural community from any adverse impact.

In addition, the bill’s penalties apply only to companies of key supplier countries, not to U.S. companies and workers.

We have also made changes to the congressional review procedure to ensure that Congress exercises adequate oversight without overburdening the Congress. We have raised the bar with regard to the initiation of expedited congressional review procedures. We did this by requiring at least one-fifth of the Member of either House to sign onto a joint resolution. We have also exempted the President’s exercise of national security waiver authority from this congressional review process.

In short, the key features of our bill are now consistent with current law and similar to the Iran Nonproliferation Act of 2000, which passed the Senate 98-0 in February. These two laws are structured in much the same way, with the difference being that our bill addresses the supplier of the weapons, and the Iran Act addressed a user. Under both bills, the President is required to supply a report, based on “credible information,” on foreign entities transferring WMD and missile items. The activities covered in these reports are the same, except that the Iran Act covers transfers of these items into Iran and this bill covers transfers of these items out of key supplier countries—the international equivalent of going after the drug dealers to get to the root of a pervasive drug problem. Under both the Iran Act and our legislation, the President is authorized, but not required, to impose sanctions against countries violating the act. The principal difference between our bill and the Iran Act is that our bill requires sanctions against the individual,

company, or government entity, identified as a proliferator, whereas the Iran Act made these sanctions discretionary; however, our bill requires a Presidential determination that the proliferation activities have occurred prior to triggering these sanctions, leaving the President with substantial discretion.

In response to the critics, we are confident that these changes will still fulfill our goal of halting proliferation from key suppliers like China and sending the right message abroad, while removing any unintended consequences. But despite our efforts, opponents of the bill continue to contend that current nonproliferation laws are sufficient and effective, that Chinese proliferation is under control, and that sanctions never work. They add that diplomacy and "engagement" will bring the world's key suppliers around. I ask these critics, where is your evidence?

All we need to do is look at the evidence to realize that existing legislation has clearly not been effective, because we continue to receive alarming reports of China's proliferation activities. In a report issued in July of 1998, the Rumsfeld Commission called China a "significant proliferator of ballistic missiles, weapons of mass destruction and enabling technologies." Recent reports indicate that Chinese proliferation behavior has worsened over the past year, and North Korean activities remain intolerable, demonstrating the inadequacy of our nonproliferation laws.

In the last several weeks, on the eve of the Senate's consideration of PNTR for China, and after the House had already voted, it was revealed that China was assisting Libyan experts with that country's missile program, illegally diverting United States supercomputers for use in the PRC's nuclear weapons program, and helping build a second M-11 missile plant in Pakistan. And just last week, Iran successfully test-fired its Shahab-3 missile, which is capable of striking Israel, American troops in Saudi Arabia, or American bases located within the borders of our NATO ally, Turkey. This missile was developed and built with significant assistance by the PRC.

The classified reports of Chinese proliferation are even more disturbing.

And all we need to do is look at the events of recent weeks to see that diplomacy alone will not resolve the serious threat to our national security posed by proliferation. In the last few weeks, three senior United States delegations traveled to Beijing to discuss these issues. Each was sent back to Washington empty-handed, under the explicit threat that if the United States continues to assist Taiwan with its defensive needs or proceed with our own National Missile Defense, the PRC will continue to proliferate offensive weapons and technologies to whomever it pleases.

Opponents also argue that we don't need more laws—current laws are suffi-

cient and effective. If this is the case, then why is China's proliferation problem not improving? Moreover, why was it okay to pass the Iran Nonproliferation Act of 2000, by a vote of 98-0, less than 6 months ago, and it's not okay to do so now? That legislation was designed to address a serious problem: The development of a credible nuclear weapons and missile program thanks to the direct assistance of the Russians, Chinese, and North Koreans. Weren't there enough laws on the books then also? Or does the potential to make a buck off the Chinese make it all different?

Our bill recognizes the value of a multilateral approach to the problem and encourages the President to pursue a multilateral solution. But at the same time, we must act. Over the years, when the United States has been serious about implementing measures to signal our displeasure with a foreign government's action, these measures have had an effect. For example, United States economic pressure in the late 1980s and early 1990s led to China's accession to the Nuclear Nonproliferation Treaty in 1992. In June 1991, the Bush administration applied sanctions against the PRC for missile technology transfers to Pakistan. These measures led to China's commitment five months later to abide by the Missile Technology Control Regime [MTCR]. In August 1993, the Clinton administration imposed sanctions on the PRC for the sale of M-11 missile equipment to Pakistan in violation of the MTCR. Over a year later, Beijing backed down by agreeing not to export "ground to ground" missiles if sanctions were lifted, which occurred in November 1994.

Critics of our legislation also say that the problem is not with the laws, it is with the President's willingness—or unwillingness—to enforce them. On this point I would certainly agree. In the case of Chinese proliferation, the Clinton administration has too often put "good relations" and commerce before national security. Time and time again this administration has jumped through hoops to whitewash or make the problems with China go away. The President himself acknowledged that he has avoided complying with current laws. In April 1998, while speaking to a group of visitors, he complained about legislation that forces his administration to penalize other nations for behavior that falls short of our expectations. He went on to say that this creates pressure for the administration to "fudge the facts." I have no trouble believing this is true. A prime example is when the intelligence community discovered a shipment of Chinese M-11 missile canisters on a dock in Pakistan. The President failed to take action. His justification? He couldn't prove that there are missiles actually in the canisters. This of course only emboldened the PRC, as evidenced by their recent substantial assistance to the Pakistani missile program.

The Clinton administration has never made nonproliferation a policy pri-

ority. We've never acted aggressively in the face of these violations, and have never treated nonproliferation as a serious agenda item in our official dealings with the PRC.

It is not surprising, then, that the White House does not want to see any legislation considered by the Congress which might reflect negatively on its stewardship of the proliferation problem. But that is precisely why this legislation is needed. This legislation attempts to enhance congressional oversight by requiring reports from the President on proliferation activities and his response to those activities, and by creating expedited procedures for the Congress to consider a joint resolution of disapproval of the President's actions where that is warranted.

Opponents argue that the congressional review procedures in our bill are also unwarranted and infringe on the rights of the President. However, Congress has a responsibility here. We do not have the luxury of sitting back and avoiding a matter that involves our national security when we see that things are going in the wrong direction. Our goal is not to tie up the Senate with annual votes on China's proliferation activities, but it is to provide a procedure for Congress to exercise its oversight role when the President has truly failed to respond to these threats. In response to concerns raised by other Members that the original review procedure would allow individual Senators to disrupt the business of the Senate, we have raised the standard to initiate the expedited procedures to one-fifth of the Members of either House, more than that required to initiate a cloture petition in the Senate. And regardless of how the Senate votes, the President can still veto the measure. All this provision does is ensure that Congress' legitimate role in foreign policy is preserved, that we are made aware of the proliferation activities of key suppliers countries and what actions the President is taking to deal with this threat, and Members have the means to fulfill our constitutional duties to ensure that America's security is safeguarded.

Other critics of my bill have argued that we need to hold hearings and subject the bill to committee review. Over the past four years, the Governmental Affairs Committee alone has held 15 hearings on proliferation. Over 30 hearings have been held by my committee, the Armed Services Committee, and the Foreign Relations Committee. Furthermore, this legislation has the full support of the chairman of the committee of jurisdiction, the Foreign Relations Committee. The issue of proliferation has received a full hearing and it is time to act. In the past, the Senate has not hesitated to act in an expedited fashion where a serious threat to U.S. interests was involved.

I find it ironic that some of those members who so eagerly call for hearings are the same ones that voted last year for the Food and Medicine for the World Act—a sanctions relief bill

which was offered to the Agriculture Appropriations bill without prior hearings, and was voted for by 70 Members of this body. This bill significantly affected our relations with several states, most notably Cuba and the other state sponsors of terrorism. This bill would have changed U.S. policy that had been in place for decades, through several administrations, and tightly bound the President's ability to initiate sanctions against a country. Moreover, the bill required congressional approval to implement sanctions, and did so through the same expedited procedures found in our original bill. Again, I ask what is different here?

Some have even raised the argument that the transparency provision in our bill is bad and will do great harm to our capital markets. Why is that transparency fine everywhere but in this bill. Whether it be within the government, campaign finance reform, you name, it, transparency is fine. But not when we want to let U.S. investors know when a foreign company that they have invested in, or are considering investing in, has been reported by the intelligence community as a proliferator of weapons of mass destruction and the means to deliver them. Is it so bad to let American investors know that their hard-earned dollars might be providing the capital to support a weapons proliferation program for North Korea or Libya that might one day threaten their hometown? We warn Americans that cigarette smoking might be hazardous to their health, that cholesterol might cause heart failure, and that driving without a seat belt on could result in serious injuries in an accident, but we're unwilling to tell them that their pension fund might be helping China ship chemical weapons to Iran? Do we think Americans aren't smart enough to make responsible decisions, or are we actually afraid that they might do just that?

This is not some stretch of the imagination. A few months ago, PetroChina attempted to raise \$10 billion through an IPO to finance its operations in Sudan, a country that has been listed as a state-sponsor of terrorism. While this case raised the level of public attention on this issue, the problem started before PetroChina. The California Public Employees' Retirement System (or Calpers) has invested millions of dollars of employee pension funds in companies with close ties to the Chinese government and the Chinese People's Liberation Army. Calpers has invested in four companies linked to the Chinese military or Chinese espionage: Cosco Pacific, China Resources Enterprise, Citic Pacific, and Citic Ka Wah Bank. According to the Wall Street Journal, American workers own \$430 billion worth of foreign equities through pension funds.

Congressionally mandated commissions studying the issue of proliferation have concluded both that the Chi-

nese government is using the United States capital markets to fund its proliferation activities and that the United States needs to address this issue as part of a solution to proliferation. The Deutch Commission study of the threat posed by proliferation stated that "the Commission is concerned that known proliferators may be raising funds in the U.S. capital markets" and concluded, "It is clear that the United States is not making optimal use of its economic leverage in combating proliferators . . . Access to U.S. capital markets . . . [is] among the wide range of economic levers that could be used as carrots or sticks as part of an overall strategy to combat proliferation. Given the increasing tendency to turn to economic sanctions rather than military action in response to proliferation activity, it is essential that we begin to treat this economic warfare with the same level of sophistication and planning we devote to military options."

The Cox Commission review of United States national security concerns with China also concluded that "increasingly, the PRC is using United States capital markets as a source of central government funding for military and commercial development and as a means of cloaking technology acquisition by its front companies." The committee also concluded that most American investors don't know that they are contributing to the proliferation threat saying, "Because there is currently no national security-based review of entities seeking to gain access to our capital markets, investors are unlikely to know that they may be assisting in the proliferation of weapons of mass destruction by providing funds to known proliferators."

It is clear that China has been using United States capital to finance its military and proliferation activities, and it seems that this activity will only increase in the future. At least 10 Chinese companies are currently listed on United States stock exchanges, and the PetroChina initial public offering was a test case designed to pave the way for additional offerings. China Unicom, the second largest telecommunications operator in China, was recently listed on the New York Stock Exchange, and has already raised approximately \$5 billion in its initial public offering, and total proceeds of the IPO are expected to exceed \$6.3 billion.

These problems have gone unaddressed for too long. That is why we have included a provision regarding capital market transparency in the China Nonproliferation Act. However, even in light of all of the above, the capital market response is optional. It is merely one of several responses available to the president if a foreign company is determined to be a persistent proliferator.

In conclusion, let me end by reiterating that our bill is not an attempt to derail the vote on permanent normal trade relations [PNTR] for China. I

have long been a strong supporter of free trade. That is why we have asked for a vote separate from, but in the context of, the China-PNTR debate all along. We want Members to vote based on their conscience and the right solution to this serious national security issue, not based on parliamentary concerns or on how such a vote might affect the pending trade bill.

But it is essential to address this issue now. At a time of monumental change in our relationship with Beijing—when China is asking to become a member in good standing of the global trading community—is it asking too much for a fellow permanent member of the U.N. Security Council to obey international rules and norms with regard to the proliferation of weapons of mass destruction?

The United States cannot continue this charade of confronting Chinese proliferation by establishing more commissions, holding more hearings, passing more ineffective legislation, or seeking more empty promises from Beijing. We are confident that our bipartisan approach to this serious threat addresses the problem in a firm, responsible, and balanced manner. The United States must send the right message abroad, and as strong proponents of free trade, we believe that requires engaging and trading, while establishing a framework for appropriate United States response to China's actions that threaten this country.

We cannot take one approach without the other—not when our national security is at stake.

The PRESIDING OFFICER. The Chair recognizes the Senator from Wyoming.

Mr. THOMAS. Mr. President, it is my understanding we go in recess at 12:30.

The PRESIDING OFFICER. The Senator is correct.

#### DICK CHENEY AND NATIONAL GOVERNANCE

Mr. THOMAS. Mr. President, I wanted to take a minute today to react to the news that has been all over, of course, in the last few days about the selection of a Wyoming person to be on the ticket with Governor Bush. We are very excited, of course, and very proud of Dick Cheney. We think he is certainly a great addition to anyone's ticket for national governance. We think he is a great choice.

Mr. Cheney, of course, was most recently Secretary of Defense. He moved to Secretary of Defense from serving Wyoming for nearly 10 years in the Congress, in the House. I was fortunate enough to be able to replace Dick Cheney in the House, representing Wyoming, so I, of course, have followed his career closely. No one was more excited than I was when he left to go to Defense. In any event, not only that but of course he had worked in the White House. He had worked there as an administrative person, finally worked his way up to be Chief of Staff for President Ford.

So really there is no one who has had a broader and better experience in National Government than Dick Cheney. Perhaps even more important than that, this is a person who is a real person. I am sure all of us get a little exasperated from time to time in politics, where it seems almost everything is spinning the issue, particularly in election times. You hear things. Someone asks a question and the question is never answered because they spin off into something that is entirely different to be advantageous to themselves. Not Dick Cheney. Dick Cheney is a guy who is real. He is a guy just like the rest of us. He grew up in Caspar, WY; went to school there. So all of us, including the Presiding Officer here, from Wyoming, are very proud of Dick Cheney and very pleased that he will be a part of this campaign, hopefully of governance in this country.

Finally, for a couple of seconds I would like to say how disappointed I am that we are not moving forward, doing the business of the people of this country. We are down to where there are 4 days left this week, less than that, actually—a week when we had hoped to do, probably, three appropriations bills. We go out, then, in August for recess, come back in September, probably have less than 20 working days to accomplish the business of this country.

Whether you like it or not, one of the major features of the Government is the appropriations process. It is determining what money is spent for, what programs are given priorities. Of course, that is what the appropriations process is all about. We are talking about \$1.8 trillion, almost \$700 billion of that being in appropriated funds. So our responsibility is to do that. Now we find ourselves being held up from going forward. I understand there are differences of opinion. That is what this is all about. There are supposed to be differences of opinion. But there is also a way to deal with those without holding up the progress of the entire Congress and ignoring the things we are designed to do, often simply to make an issue.

We find ourselves, unfortunately, in Presidential years more interested in creating issues than we are in creating solutions. I think that is too bad. Obviously, issues are important. Obviously, differences of view are important. Obviously, there is generally a considerable amount of difference between the views on the other side of the aisle, the minority, and the majority. The minority, of course, is generally for spending more money, having more Government. They see the role of the Federal Government expanded greatly, where most of us on this side are more interested in holding down the size of government, moving government closer to the people and the States and in the counties and that sort of activity.

It is discouraging when they use that leverage of basically shutting down the

things we must do. Unfortunately, there is a history of that. In 1998, in the second session, the minority held up the education savings account, the protection of private property rights, product liability reform, NATO expansion, the Human Cloning Prohibition Act, funding for the Treasury Department—all in the effort to use that leverage.

Last year, of course, we had the obstruction of the Social Security lockbox—six times. We would go back to the same six times to make an issue out of it. Ed-Flex, the idea of giving more flexibility to education and letting people on the ground, in the States and on the school boards, have more determination as to what was done there, and bankruptcy reform—still in limbo.

We had delay in such critical issues as the elementary-secondary education bill. That is something that ought to be moved. Marriage penalty tax relief—it took a very long time. You can make decisions on things, but to try to change it by avoiding moving forward is a very destructive kind of operation. That is where we find ourselves right now, unfortunately.

The Ed-Flex bill, as I said, had to have five votes before we could break that. The lockbox legislation to protect Social Security, we went over and over that.

Much of it is the idea somehow if we can put everything off until after the first of the year, there will perhaps be another opportunity to do something different.

I think it is time for us to adjourn. I yield the floor.

Mr. DORGAN. Parliamentary inquiry, Mr. President?

The PRESIDING OFFICER. The Senator will state it.

Mr. DORGAN. Mr. President, I am wondering, the Senate reconvenes at 2 o'clock by previous order today, is that correct?

The PRESIDING OFFICER. At the hour of 2:15.

Mr. DORGAN. Mr. President, I shall not ask to extend morning business. But I ask consent I be recognized at 2:15 for 20 minutes of morning business.

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

#### RECESS

The PRESIDING OFFICER. Under the previous order, the Senate will stand in recess until the hour of 2:15 p.m.

Thereupon, at 12:31 p.m., the Senate recessed until 2:15 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. BROWNBACK).

The PRESIDING OFFICER. In my capacity as a Senator from the State of Kansas, I suggest the absence of a quorum.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

#### MORNING BUSINESS

Mr. CRAIG. Mr. President, I ask unanimous consent that the Senate be in a period for morning business until the hour of 3 p.m., with the time equally divided in the usual form.

The PRESIDING OFFICER. Is there objection?

Mr. DORGAN. Mr. President, by previous order, I am recognized for the next 20 minutes. The Senator from Idaho wishes to deal with the 20 minutes following that; is that correct?

Mr. CRAIG. Yes. The Senator from Idaho asks unanimous consent that the unanimous consent request he just made become active immediately following the time of the Senator from North Dakota.

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

Under the previous order, the Senator from North Dakota has the next 20 minutes. The Senator from North Dakota is recognized.

#### UNFINISHED BUSINESS ON SENATE AGENDA

Mr. DORGAN. Mr. President, I was listening to some of the discussion this morning before the Senate broke for the party lunches. I was especially interested in a couple of presentations about the progress some think the Senate has made in this Congress, and about why they believe the Senate is not making progress today or this week.

It reminds me of the story of the fly that landed on the nose of an ox. The ox, with the fly on its nose, went out for the entire day and plowed in the field. They came back to the village at night, and the villagers began applauding. The fly, still on the nose of the ox, took a deep bow and said to the villagers: We've been plowing.

That is sort of what I heard this morning—we've been plowing—when, in fact, this Senate, as all of us know, has not done the work we should have been doing for the American people.

I thought it would be interesting to describe what the agenda should have been and what we have done.

I will talk about some of the issues with which most Americans believe the Congress should be dealing: Common sense gun safety. For those who might be listening, I'm not talking about gun control; this is not in any way going to abridge people's Second Amendment right to own guns. This legislation will, however, close a loophole in the law that allows people to purchase guns at gun shows without having to get an instant check.

If you buy a gun in this country in a gun store, you must have your name run through an instant check system

to find out whether you are a felon. That makes good sense. We should not sell guns to felons. The instant check system helps identify if someone trying to buy a gun at a gun store has been previously convicted of a felony and therefore should not be sold a weapon.

But guess what? Go to a gun show on a Saturday somewhere and you can buy a gun without an instant check being done. This does not make any sense. We want to close that loophole. We do not want to be selling guns at a gun show to a convicted felon. Yet we cannot get this common sense piece of legislation enacted in this Congress because it is considered radical or extreme by some. It is a very simple proposition: Close the gun show loophole to prevent felons from buying guns. We should get that done.

Or what about the Patients' Bill of Rights? Every day 14,000 patients are denied needed medicines; 10,000 are denied needed tests and procedures in this country. But we cannot pass a decent Patients' Bill of Rights because, in this Congress, we have people who stand with the big insurance companies rather than standing with patients.

I know it is inconvenient to some to hear about specific patients who have been denied needed care by their HMOs. I have talked about these patients at great length in the past because these folks are what the Patients' Bill of Rights is all about. It is about the woman who fell off a 40-foot cliff while she was hiking in the Shenandoah Mountains. She fell 40 feet, broke several bones and was hauled unconscious into a hospital emergency room on a gurney. After surviving her life-threatening injuries, she was told by her managed care organization that it would not cover her medical care in the emergency room because she didn't have prior approval to go to the emergency room. This is a woman who was hauled into the emergency room unconscious. That is the sort of thing people are confronting these days.

Senator REID and I had a hearing in Nevada on this subject. At that hearing, a woman stood up and talked about her son. Her son is dead now. He died last October at 16 years of age. He was battling cancer and needed a special kind of chemotherapy to give him a chance to save his life. Unfortunately, his insurance company denied him this care. He not only had to battle cancer, but he also had to battle the insurance company that wouldn't cover the care he needed. His mother held up a very large picture of her son at the hearing and, with tears in her eyes, she cried as she told us: As my son lay dying, he looked up at me and said, Mom, I just don't understand how they could do this to a kid.

Kids who are battling cancer ought not have to battle the insurance companies or HMOs. Yet that is what is happening too often in this country. We propose to pass a Patients' Bill of Rights that is very simple. It says every patient in this country has a

right to know all of his or her options for medical treatment, not just the cheapest option. It says that if you have an emergency and go to an emergency room, you have a right to care in that emergency room. It says that if you have cancer and your employer or your spouse's employer changes health plans, you have a right to continue seeing the oncologist who has been helping you to fight that cancer. But we can't get a Patients' Bill of Rights enacted because when it comes time to say who you stand with—the patients who ought to have certain rights or the big insurance companies that in too many cases have denied those rights—too many Senators say: We stand with the insurance companies.

The last time we debated this issue on the floor, about a month ago, my colleague from Oklahoma, Senator NICKLES, offered an amendment that he called a Patients' Bill of Rights. He accomplished his purpose, I suspect, because the next day the paper said the Senate passed a Patients' Bill of Rights. However, what the Senate really passed was a "patients' bill of goods," not a Patients' Bill of Rights.

I thought it interesting that Dr. GANSKE, a Republican Congressman, wrote this letter:

Heaven forbid that any member of Congress would ever vote on a bill they haven't had time to read! Heaven really forbid that a member would vote on a bill that their staff hasn't seen!

Yet, that is exactly what happened two weeks ago on the floor of the Senate when the Nickles HMO amendment was brought up for a vote.

People are just now beginning to realize what was in that legislation. To help you understand the fundamental flaws of the Nickles bill, I am including a copy of an analysis of the Senate's patient's bill of rights that was added to the FY 2001 Labor/HHS legislation.

This Senate legislation eliminates virtually any meaningful remedy for most working Americans and their families against death and injury caused by HMOs.

This is Dr. GANSKE, a Republican Congressman, making this reference to the Nickles bill. He then includes a rather lengthy analysis.

Mr. President, I ask unanimous consent to print Dr. GANSKE's letter and the analysis in the RECORD.

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

JULY 13, 2000.

Hon. BYRON DORGAN,  
U.S. Senate, Hart Senate Office Building,  
Washington, DC.

DEAR SENATOR DORGAN: Heaven forbid that any member of Congress would ever vote on a bill they haven't had time to read! Heaven really forbid that a member would vote on a bill that their staff hasn't seen!

Yet, that is exactly what happened two weeks ago on the floor of the Senate when the Nickles HMO amendment was brought up for a vote. The Norwood-Dingell-Ganske bipartisan Consensus Managed Care Reform Act of 1999 had been public for months before the House voted. Not so with the Nickles HMO bill.

People are just now beginning to realize what was in that legislation. To help you un-

derstand the fundamental flaws of the Nickles bill, I am enclosing a copy of an analysis of the Senate patient's bill of rights that was added to the FY 2001 Labor/HHS legislation.

This Senate legislation eliminates virtually any meaningful remedy for most working Americans and their families against death and injury caused by HMOs. Please read the analysis by Professors Rosenbaum, Frankford, and Rosenblatt as to why the Nickles bill is worse than the status quo!

Sincerely,

GREG GANSKE,  
Member of Congress.

JULY 6, 2000.

HOUSE OF REPRESENTATIVES,  
Rayburn House Office Building,  
Washington, DC.

DEAR SIR: At your request we have reviewed the Senate patients' bill of rights legislation that was inserted into the FY 2001 Labor/HHS legislation last week.

Rather than expanding individual protections, the measure would appear to undo state law remedies for medical injuries caused by managed care companies' treatment decisions and delays. In this regard, the bill runs directly contrary to United States Supreme Court's reasoning in its recent decision in *Pegram v. Herdrich*, which seems to reaffirm the authority of states to determine medical liability policy, and underscores the appropriateness of state courts as the forum for medical liability cases.

The displacement of state medical liability law in favor of a new federal medical liability remedy might have some policy validity, were the new law fair and just. But the remedy set forth in the Senate bill is compromised by an unprecedented range of limitations, exceptions, and defenses and appears to leave injured persons with no remedy at all.

In sum, in the name of patient protection, the Senate legislation appears to eliminate virtually any meaningful remedy for most working Americans and their families against death and injury caused by managed care companies.

#### CONCLUSION

The central purpose underlying the enactment of federal patient protection legislation is to expand protections for the vast majority of insured Americans whose health benefits are derived from private, non-governmental employment, and who thus come within the ambit of ERISA. Not only would the Senate measure not accomplish this goal, but worse, it appears to be little more than a vehicle for protecting managed care companies from various forms of legal liability \* \* \*

\* \* \* \* \*  
By classifying medical treatment injuries as claims denials and coverage decisions governed by ERISA, the Senate bill insulates managed care companies from medical liability under state law.

Section 231 of the Senate bill amends ERISA §502 to create a new federal cause of action relating to a "denial of a claim for benefits" in the context of prior authorization. The bill defines the term "claim for benefits" as a "request \* \* \* for benefits (including requests for benefits that are subject to authorization of coverage or utilization review) \* \* \* or for payment in whole or in part for an item or service under a group health plan or health insurance coverage offered by a health insurance issuer in connection with a group health plan." ERISA §503B, as added. Thus, the bill would classify prior authorization denials as "claims for benefits" that are in turn covered by the new federal remedy. Federal remedies under ERISA §502 preempt all state law remedies.



This classification would have profound effects, particularly in light of the Supreme Court's recent decision in *Pegram v. Herdrich*. As drafted, the Senate bill arguably would preempt state medical liability law as applied to medical injuries caused by the wrongful or negligent withholding or necessary treatment by managed care companies. The bill thus would reverse the trend in state law, which has been to hold managed care companies accountable for the medical injuries they cause, just as would be the case for any other health provider.

In recent years courts that have considered the issue of managed care-related injuries have applied medical liability theory and law to managed care companies in a manner similar to the approach taken in the case of hospitals. Thus, like hospitals, managed care companies can be both directly and vicariously liable for medical injuries attributable to their conduct. In a managed care context, the most common type of situation in which medical liability arises tends to involve injuries caused by the wrongful or negligent withholding of necessary medical treatment (i.e., denials of requests for care).

State legislatures also have begun to enact legislation to expressly permit medical liability actions against managed care companies. The best known of these laws is medical liability legislation enacted in 1997 by the state of Texas and recently upheld in relevant part against an ERISA challenge by the United States Court of Appeals for the Fifth Circuit.

In *Pegram v. Herdrich*, the Supreme Court implicitly addressed this question of whether managed care state liability law should cover companies for the medical injuries they cause. The Court decided that liability issues do not belong in federal courts and strongly indicated its view that in its current form ERISA does not preclude state law actions. It is this decision that the Senate bill would appear to overturn.

In *Pegram*, the Court set up a new classification system for the types of decisions made by managed care organizations contracting with ERISA plans. The first type of decision according to the Court is a "pure" eligibility decision that, in an ERISA context, constitutes an act of plan administration and thus represents an exercise of ERISA fiduciary responsibilities. Remedies for injuries caused by this type of determination would be addressed under ERISA §502 (which of course currently provides for no remedy other than the benefit itself).

The second type of decision is a "mixed" eligibility decision. While the Court's classification system contains a number of ambiguities, it appears that in the Court's view, this second class of decision effectively occurs any time that a managed care company, acting through its physicians, exercises medical judgment regarding the appropriateness of treatment. Such decisions, as medical decisions rather than pure eligibility decisions, are not part of the administration of an ERISA plan and thus not part of ERISA's remedial scheme because, according to the Court, in enacting ERISA, Congress did not intend to displace state medical liability laws. The Court thus strongly indicated that these claims are not preempted by ERISA and may be brought in state court. In the Court's view, these mixed decisions represent a "great many, if not most" of the coverage decisions that managed care companies make.

The Senate bill would appear to reverse *Pegram* by effectively classifying all prior authorization determinations as §502 decisions, without any regard to whether they are "pure" or "mixed". As a result, state medical liability laws that arguably now reach mixed decisions apparently would be

preempted, leaving individual physicians, hospitals, and other health providers as the sole defendants in state court. Under the complete preemption theory of §502, remedies against managed care virtually impossible standard to prove and particularly egregious in light of the fact that plaintiffs cannot even bring such an action unless they have gotten a reversal of the denial at the external review stage. Even where they have proven that a company wrongfully withheld treatment, plaintiffs can recover nothing for their injuries without taking the level of proof far beyond what is needed to win at the external review stage. Virtually all injuries would go uncompensated.

A plaintiff will be forced to show "substantial harm", defined in the law as loss of life, significant loss of limb or bodily function, significant disfigurement or severe and chronic pain. This definition arguably would exclude some of the most insidious injuries, such as degeneration in health and functional status, or loss of the possibility of improvement, that a patient could face as a result of delayed care, particularly a child with special health needs. In *Bedrick v. Travelers Insurance Co.*, the managed care company cut off almost all physical and speech therapy for a toddler with profound cerebral palsy. The Court of Appeals, in one of the most searing decisions ever entered in a managed care reversal case, found that the company had acted on the basis of no evidence and with what could only be described as outright prejudice against children with disabilities (the managed care company's medical director concluded that care for the baby never could be medically necessary because children with cerebral palsy had no chance of being normal).

The consequences of facing years without therapy were potentially profound for this child: the failure to develop mobility, the loss of the small amount of motion that the child might have had, and the enormous costs (both actual and emotional) suffered by the parents. Arguably, however, none of these injuries falls into any of the categories identified in the Senate bill as constituting "substantial harm."

The maximum award permitted is \$350,000, and even this amount is subject to various types of reductions and offsets. This limitation on recovery will make securing representation extremely difficult.

No express provision is made for attorneys fees. Were the new right of action to be interpreted not to include attorneys fees this would be a radical change in the ERISA statute, and one that would create a massive barrier to use of the new purported ERISA remedy. To mount a case proving bad faith denial of treatment that caused substantial injury is an enormously expensive proposition. The limitations on it are enormous. In *Humana v. Forsythe* the United States Supreme Court held RICO applicable to a managed care company that had systematically defrauded thousands of health plan members out of millions of dollars in benefits by systematically lying to members about the proportional cost of the treatment they were being required to bear (the policy was a typical 80/20 payment policy, but because of secret discounts that were not disclosed to members, group policy holders in many cases were paying for the majority of their care). This is racketeering, pure and simple, and thus represents a classic type of RICO claim. To use a patient protection bill potentially to insulate managed care companies against these types of practices is unwise at best.

#### CONCLUSION

The central purpose underlying the enactment of federal patient protection legislation is to expand protections for the vast

majority of insured Americans whose health benefits are derived from private, nongovernmental employment, and who thus come within the ambit of ERISA. Not only would the Senate measure not accomplish this goal, but worse, it appears to be little more than a vehicle for protecting managed care companies from various forms of legal liability under current law. Viewed in this light, Congressional passage of the Senate bill would be far worse than were Congress to enact no measure at all.

Mr. DORGAN. We cannot get a real Patients' Bill of Rights passed. How about a Medicare prescription drug benefit? Well, we are not able to get that done either. We have been busy providing tax cuts, an estate tax repeal and a change in the marriage tax penalty. The head of OMB said yesterday that, under the recent tax proposals passed by the majority party, the top 1 percent of the income earners in this country will get more tax cuts than the bottom 80 percent combined.

This explains why the upper income folks, those with the largest estates and the highest incomes, rally around these tax cut proposals. There should really be no difference between the parties on the estate tax. Those of us in the minority believe we ought to repeal the estate tax for family farms and small businesses and allow a reasonable accumulation of wealth for a family. We said if you have up to \$4 million, you should pay no estate tax. For a family farmer or small business, you can have assets up to \$8 million and pay no estate tax at all. But that wasn't good enough for the majority. The majority party said, we must also fight to eliminate the tax burden on the estates of the Donald Trumps of America who will die with half a billion or a billion or several billion dollars. At what price? What else could we do with the money that the majority wants to use to relieve the tax burden on the wealthiest estates in America?

Perhaps we could use it to reduce the Federal debt. It seems to me that is probably a better priority than providing a tax cut for the estates of billionaires. Or we could use the money for a prescription drug benefit for Medicare, perhaps for school modernization, or to hire more teachers to lower class sizes. There are a whole series of proposals that might represent a better alternative than deciding we must use this revenue to relieve the tax burden on the largest estates in this country.

Is a prescription drug benefit in the Medicare program important? It is quite clear that if we were creating the Medicare program today, we would provide coverage for prescription drugs through Medicare. Senior citizens make up twelve percent of our population, but they consume one-third of all the prescription drugs used in this country. They reach a period in their life where they need to maintain their health, and miracle drugs that did not exist 30 years ago now exist to extend their lives. In the 20th century, we increased the life expectancy in America

by 30 years. A part of the reason for that is better nutrition, better living conditions, better education about healthy living, but part of the reason is also miracle drugs.

It is not unusual for a senior citizen to be taking two, four, five, and in some cases, ten or twelve different prescription drugs to deal with their health challenges. Those prescription drugs are enormously costly. The price is increasing every year. Last year, spending on prescription drugs in America increased 16 percent in 1 year. The year before the increase was about the same. Many senior citizens just can't afford these expenses.

I have held hearings through the Democratic Policy Committee in five or six States on this subject. I have had senior citizen after senior citizen tell me that, when going shopping, they first must go to the pharmacy in the back of the grocery store to purchase their prescription drugs. Only after they have bought their medications do they know how much money they have left to purchase food. It is a common story all across the country. So should we add a prescription drug benefit to the Medicare program? Of course, we should. Will we? We won't do it unless we get some cooperation from a majority party that believes this is not a priority for the country.

We believe it is. We have a plan that will provide a prescription drug benefit to Medicare beneficiaries in a way that is cost-effective, in a way that will tend to push down the prices of prescription drugs and provide an opportunity for coverage for senior citizens who elect to have this benefit. That ought to be part of the agenda in this Congress, but we can't get it done.

Or what about school modernization? This country has had such a wonderful 20th century, especially the last half of the century following the Second World War. Those who fought for America's freedom in World War II came back to this country, and began careers, got married, had children. They built schools all over America 50 years ago. Many of those schools are now in disrepair. These schools need renovation or replacement.

Not only are many of these schools desperately in need of modernization and renovation, but there is also a need to reduce class sizes from 28 or more, in some classes, down to 18 kids or fewer.

We know the quality of education is better when there are smaller class sizes. We know it is better for kids' education when they are going through the door of a modern schoolroom that all of us can be proud of. As I have said many times—and if it is tiresome to people, it doesn't matter to me—it is hard to go to the Cannon Ball Elementary School in North Dakota and have a third grader such as Rosie Two Bears say: Mr. Senator, will you build us a new school? That school has 150 students, one water fountain, and two bathrooms. Some of the classrooms have to be evacuated periodically be-

cause of raw sewage seeping up through the floors. Part of the building is 90 years old and has largely been condemned.

Are we proud of sending that young girl through that classroom door? I don't think so. We can do better. Perhaps that is more important than providing relief from the estate tax burden of somebody who dies with \$1 billion. Instead of being able to leave only \$600 million to their heirs, they get to leave all of the \$1 billion because the majority party says that is their priority. Their priority is to give tax cuts to the top 1 percent of the American income earners that are more than the tax cuts we are going to give to all of the bottom 80 percent. That is their priority. My point is that we ought to be focusing on other priorities.

So this morning when we had people shuffle over to the floor of the Senate and talk about what a wonderful job this Congress has done and how we are stalled now because the Democrats somehow don't want to do anything, I just had to come over here and correct the record. One of the things hanging up work today is that there are people who have been nominated as Federal judges whose nominations have been before the Senate for 3 years without having been brought to the floor for a vote. We would like that to happen. That is considered unreasonable.

I say to those who think this Congress has a wonderful record that this is a Congress of underachievers. We have a little time left. We have this week and September and the first week of October. This is what we have to do. We have a Patients' Bill of Rights that we ought to pass. We have gun safety legislation that we ought to pass. We ought to close the gun show loophole. We ought to pass an increase in the minimum wage. The fact is, those working at the bottom rung of the economic ladder in this country have lost ground. Everybody here is so worried about providing tax breaks to the top income earners. What about providing some help to those at the bottom of the economic scale? These people get up and get dressed and have breakfast in the morning and go out and work hard, and they are trying to raise a family on a minimum wage that has not kept pace with inflation. We ought to do something about that.

We ought to provide a Medicare drug benefit. We can do that to address the needs of our senior citizens who are now struggling with health problems and just to make ends meet, only to discover that, in their twilight years, the medicines they need to make life better are financially out of reach for them.

Last week, we passed a piece of legislation that says maybe we ought to be able to access the more reasonable prescription drug prices on exactly the same prescription drugs that exist in Canada and elsewhere. The same companies produce the same pill, put it in the same bottle, and they sell it for a

third of the price up in Winnipeg, Canada, or, for that matter, in virtually any other country in which they sell these drugs.

Last week, I suggested that I would like to see just one Senator stand up—in fact, I renew the challenge to anybody who wants to come to the floor—on the floor of the Senate and say that it is fair for American consumers to pay significantly more for the same exact drug than consumers in other countries. I will give any Senator who wants to do this the pill bottles; I held up several last week. The bottle of the prescription drug sold in the U.S. costs \$3.82 a pill and the same drug in the same bottle, made by the same company, in the same manufacturing plant, sold in Canada costs only \$1.82 a pill. The U.S. consumer pays \$3.82 and the Canadian consumer pays \$1.82. I want to see a Senator, just one Senator, stand up and hold these bottles and say, yes, this is fair to my constituents and, yes, this price inequity is something we ought to support. Of course, no one will because nobody believes that is fair. That is another issue that we have to address. We were able to get some legislation through the Senate and, of course, the pharmaceutical industry has indicated that it fully intends to kill that in conference. We will see.

So there is a lot left for this Senate to do. We have, at the end of this week, a break for the two national conventions, and then in September and October we will see the end of the 106th Congress. All legislation introduced between January of last year and now will eventually die, unless it is passed by this Congress, and we will have to start over again next year. So the questions of whether this is an effective Congress and whether this Congress creates a record any of us can be proud of are going to be answered in the next few months. Are we able to address the issues that the American people care about? Will the majority party stop obstructing on these issues? Will they decide a Patients' Bill of Rights should be passed by Congress? If so, let's do it soon. Will we be able to address the issue of reasonable gun safety measures, increasing the minimum wage, adding a drug benefit for Medicare, and school modernization? Those and other issues, it seems to me, are central to an agenda that will strengthen and improve this country. We will see in the coming days exactly what the 106th Congress decides it wants to leave as its legacy.

One of the great things about this democracy of ours is that the majority rules. That is certainly true in the Senate. They control the schedule. That is why we are now in morning business in the afternoon. Only in the Senate can you be in morning business in the afternoon, I guess. But we are not debating an appropriations bill, and we should be. There aren't enough people wanting to bring judges to the floor for confirmation and so on.

The point is this: The majority party has a choice to decide which of these issues and how many of them they want this Congress to adopt. I hope it will decide very soon that it chooses to join us and say these are the issues that matter to the American people, and these are the issues the 106th Congress shall embrace in the final weeks of this Congress.

Mr. President, I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

#### JUDICIAL NOMINATIONS

Mr. HATCH. Mr. President, for the last several weeks, I have listened as some of my colleagues have, with escalating invective, expressed repeatedly their dismay about the manner in which Senate Republicans have processed President Clinton's judicial nominees. That some would accuse the Senate majority of failing to act in good faith strikes me as ironic, given the recent reckless statements made by President Clinton and members of the all-Democratic Congressional Black Caucus. I already have made my views on their reckless statements known and will not repeat them again here.

Some of my colleagues like to talk about proceeding in good faith, but they ignore the fact that there is much legislation with broad, bi-partisan support that is at a standstill because they refuse to let this institution work its will. From bankruptcy reform to H-1B legislation to juvenile justice reform to religious liberty protection legislation, there are several legislative items where the blessings of good faith cooperation have not been bestowed. Consider, for example, the fact that a handful of members on the other side of the aisle have kept us from simply proceeding to a formal conference on the bankruptcy bill. Having poisoned the water themselves, they have no ground for complaining that the water is now poisoned.

The more substantive complaints lodged by some of our colleagues have taken various forms. Some complain that there is a vacancy crisis in the federal courts; that the Senate has not confirmed enough of President Clinton's judicial nominees; and that the confirmation record of the Republican Senate compares unfavorably to the Democrats' record when they controlled this body.

The claim that there is a vacancy crisis in the federal courts is simply wrong. Using the Clinton Administration's own standard, the federal judiciary currently is at virtual full employment. Presently there are 60 vacancies

in the 852-member federal judiciary, yielding a vacancy rate of just seven percent. Of these 60 vacancies, the President has failed to make a nomination for 27 of them.

Think about that. Some of my colleagues are complaining about a so-called vacancy crisis when almost half of the current vacancies don't even have a nominee. It is too late to really send additional nominations up here because we are in the final few months of the Congress and there is no way to get through them with the work we have to do in processing judges.

In 1994, at the end of the Democrat-controlled 103d Congress, there were 63 judicial vacancies. That is when the Democrats controlled the Senate and President Clinton was President. There were 63 judicial vacancies, yielding a vacancy rate of 7.4 percent. At that time, on October 12, 1994, the Clinton administration argued in a Department of Justice press release that "[t]his is equivalent to 'full employment' in the 837-member Federal judiciary." If the Federal judiciary was fully employed in 1994, when there were 63 vacancies and a 7.4 percent vacancy rate, then it certainly is fully employed now when there are only 60 vacancies and a 7 percent vacancy rate, even though we have a significantly larger judiciary.

Democrats further complain that the Republican Senate has not confirmed enough of President Clinton's judicial nominees. So far this year, the Judiciary Committee has held seven hearings for 30 judicial nominees. In addition, the Committee is holding a hearing today for four additional nominees. This year the Senate has confirmed 35 nominees, including eight nominees for the U.S. Courts of Appeals.

With eight court of appeals nominees already confirmed this year, it is clear that the Senate and the Judiciary Committee have acted fairly with regard to appeals court nominees. In presidential election years, the confirmation of appellate court nominees historically has slowed. In 1988, the Democrat-controlled Senate confirmed only seven of President Reagan's appellate court nominees; in 1992, the Democrat-controlled Senate confirmed eleven of President Bush's appellate court nominees. This year, the Senate already has confirmed eight circuit court nominees—evidence that we are right on track with regard to circuit court nominees.

While some may complain that the Republican Senate has not confirmed enough of President Clinton's judicial nominees, conservatives criticize us for confirming too many. An editorial in today's Washington Times argues that the Republican Senate has confirmed far too many federal judges since gaining control of the Senate in 1995. This view is typical many reactionary conservatives who, like their counterparts on the extreme left, serve in some respects as a check on our political system. I plan to respond to this particular editorial in a more formal man-

ner, but let me just say this—the notion that our Leader is not doing what he believes is best for our country's future is absurd.

The fact that the criticism comes from both sides leads me to believe that we probably are carrying out our advice and consent duties as most Americans would have us.

There are some on the political right who complain that we are not confirming conservative judges. They forget that we are in the midst of a liberal Presidency and that the President's power of nomination is more powerful than the Senate's power of advice and consent. I urge them to get on the ball and help elect a Republican President who will nominate judges that share our conservative judicial philosophy.

Finally, Democrats contend that things were much better when they controlled the Senate. Much better for them perhaps—it certainly was not better for many of the nominees of Presidents Reagan and Bush. At the end of the Bush administration, for example, the vacancy rate stood at nearly 12 percent. By contrast, as the Clinton administration draws to a close, the vacancy rate stands at just seven percent. The disparity between the vacancy rate at the end of the Bush Administration, as compared to the vacancy rate now, illustrates that the Republican Senate has, in fact, acted in good faith when it comes to President Clinton's nominees.

The Senate has carried out its advice and consent duties appropriately, in a manner that has been fair to all—to the President's nominees, to the federal judiciary, and to the American people. I stand ready to help Senators LOTT and DASCHLE undertake and complete work on the appropriations bills that are before us and on other legislation, much of which enjoys broad, bi-partisan support and should be acted on this year.

I am getting sick and tired of my colleagues on the other side just stopping everything—even bills that they agree with—to try and make the Senate look bad for their own political gain, so that they can take control of the Senate after the next election. If I were in their shoes, I would want to take control of the Senate honorably, rather than dishonorably.

I repeat, I stand ready to help Senators LOTT and DASCHLE undertake and complete work on the appropriations bills before the Senate and on other legislation which enjoys broad bipartisan support and should be acted on this year.

It is my hope that the important legislative work of the Senate will not be impeded by political gamesmanship over judicial confirmations. I particularly resent people indicating that the Senate is not doing its duty on judicial confirmations, or that there is some ulterior purpose behind what goes on, or that this President isn't being treated fairly, because he has been treated fairly. I am getting sick and tired of it and will not put up with it anymore.

I yield the floor.

Mr. REID. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. CRAPO). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

#### EXTENSION OF MORNING BUSINESS

Mr. REID. Mr. President, I ask unanimous consent that morning business be extended to the hour of 4 p.m. with the time equally divided between the majority and minority.

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

#### BETTING ON COLLEGE GAMES

Mr. REID. Mr. President, my good friend from the State of Kansas, Senator BROWNBACK, has come to the floor a number of times in recent weeks to talk about some legislation that he favors. He favors a ban on legal betting on college games in Nevada.

This legislation has received the following comments from respected publications from around the country. George F. Will:

Congress now is contemplating a measure that sets some sort of indoor record for missing the point.

Sports Illustrated columnist Rick Reilly:

In fact, passing the bill would be like trying to stop a statewide flood in Oklahoma by fixing a leaking faucet in Enid. Nevada handles only 1 percent of the action on college sports. Not that bookies and the mob wouldn't very much like to get their hands on that 1 percent.

A Chicago Sun Times editorial:

A Nevada ban is more likely to push wagers underground or on to the Internet. A ban would do little to stop betting on college games.

Sporting News, a columnist by the name of Mike DeCourcy:

The NCAA has put no thought whatsoever into this push. This is strictly a public relations move that offers no tangible benefit.

Business Week:

Now the NCAA is looking to fix its image with a bill only a bookie would love.

USA Today, founder Al Neuharth:

University and college presidents and coaches properly are concerned about the integrity of campus sports, but the solution to the problem is getting their own houses in order.

I understand the NCAA is based in Kansas City and they have some jobs there. I am sure this move ingratiate the NCAA to my friend from Kansas. The fact is, this issue does not come close to doing anything to solve the problem. No, Mr. President, I do not gamble. I live in the State of Nevada. I have been chairman of the Nevada Gaming Commission, the top regulator

of gaming. I do not gamble. I do not gamble on games or anything else, but I know a little bit about gambling, having been the chief regulator in the State of Nevada for 4 years.

While my friend says this legislation has widespread support, I have only read a few of the editorial comments. This legislation is held up to ridicule. Of course, we get college coaches coming in saying they do not want their kids playing and having people bet on them.

The NCAA makes billions—I am not misspeaking—not millions but billions of dollars from NCAA football and basketball. If they are so sincere in stopping betting on these games, why don't they not allow these games to be telecast? Just do not have any college games on television—no football games, no NCAA Final Four, no Rose Bowl, just outlaw them.

The NCAA is all powerful. They could do that, they think. They have been such a dismal, total failure regulating amateur athletics that they think now they have something they can finally win. What they are going to do is outlaw college betting in Nevada, the only place in the country where you can do it legally, and as has been said, less than 2 percent of the betting on college games takes place in Nevada. Over 98 percent of gambling on college games takes place in Washington, DC, in the State of Idaho—all over the country. It is done illegally. If the NCAA is so concerned about betting on college games, let's do something about the illegal betting that takes place; let's not go after the legal betting.

Lindsey Graham, on Hardball, a few weeks ago said:

You're not going to stop illegal betting by passing the bill.

Of course not. Originally, the NCAA, in all its wisdom, said if we take away the 1.5 percent of the legal betting and leave 98.5 percent and they do not allow the State of Nevada to post odds, it will stop all over the country. Everybody will stop running the lines on these games.

Again, of course, the NCAA, for lack of a better description, simply does not know what they are talking about. John Sturm, the president of the Newspaper Association of America said:

If Congress prohibits gambling on college sports, the association believes newspapers will continue to have an interest in publishing point spreads on college games, since point spreads appear to be useful, if not valuable, to newspaper readers who have no intention of betting on games.

I already established I do not bet on games, but I love to know what the point spread is on a game. It makes it more interesting. If UV is going to play in the Final Four and play Michigan State, Duke, or a team such as that, I want to know the point spread to see who is favored. That does not mean I am going to run down to the corner bookie and bet on the game or, if I am in Las Vegas, I will not go to the Hilton race book, MGM, or one of those places.

I would not know how to place a bet if you asked me to, but I do know the way they do it in Nevada is better than the way they do it in the service stations, bowling alleys, and bars because the illegal bookies base their game on credit, usually a week at a time. People place bets with their illegal bookie during the week. On Monday or Tuesday, they come around to collect that money. That is where the real trouble starts.

In Nevada, you could be Kirk Kirkorian, one of the richest men in the world—he owns the MGM and a number of other things around the world. As rich as he is, if he walked into his own race book, the rules are that he can get no credit. It has to be all cash. If he wants to bet on a ball game, he has to put up cash. There is no credit.

It goes without saying which is the better system. The better system is, in Nevada you can only bet what money you have in your pocket. No credit is allowed. For the illegal bookies around the country, credit is the name of the game. They do not break as many knuckles as they used to, but they sure put their loans out to people who ask to borrow the money. They pay exorbitant interest rates, and that is when people lose their homes, cars, and property.

When this bill comes up—and it will come up—this is not going to be a laydown. The merits are on the side of what is going on legally in the State of Nevada.

This issue is a sham, it is a farce, it is a diversion designed to deflect attention from an organization that while swimming in money itself, earned from the sweat of the college kids, is incapable, it seems, of doing anything positive.

My favorite—and it happened recently—is St. John's University. Their coach, who was almost hired by the local professional basketball team, is Mike Jarvis. He has a kid who had a used car. The kid trades in the used car for another used car. They suspended him from playing for three games.

That really helps the game a lot. A kid has a used car and trades it in on another used car, and they suspend him from playing. What the NCAA does is harass and intimidate people. We have an example in the State of Nevada, Jerry Tarkanian, one of the most successful coaches in the history of America. They eventually ran him out in the State of Nevada. He is now coaching at Fresno State. They harassed, did everything they could to embarrass him. He sued them. It took 8 or 9 years, but he won the lawsuit. They had to pay him money for what they did to him. By then he had already been run out of the State.

The NCAA recently signed a multi-billion dollar broadcasting contract. That is not a bad deal for a nonprofit organization. Players, coaches, athletes recognize the unaccountable and often unquestionable power of this organization. They have been sued lately.

They had to pay out millions of dollars to assistant coaches who they would only allow to receive—I forget what the ridiculous sum was—\$12,000 a year, \$8,000 a year. The coaches sued them and, of course, the NCAA lost. They had to pay that judgment. They lose all the time in court.

To avoid scrutiny on them, this is an effort to throw out a red herring, something maybe people will take after, rather than who they should take after, and that is them.

This legislation, supported by my friend from Kansas who comes here all the time and talks about it—I know Senator JOHN MCCAIN, the senior Senator from Arizona, also favors this legislation—does nothing to address the problem of illegal gambling on college sports. No one supports illegal gambling on college sports except illegal bookies. They will be the primary beneficiaries of the legislation. That is not me speaking. I read to the Senate a few excerpts from editorials around the country.

A friend of mine called me. I care a great deal about her. She has recently suffered the loss of her husband. She has some money as a result of that—not a lot but a little bit. Someone called her and said—I won't mention a name—if this legislation passes, talking about the Brownback legislation, if it passes, you give me \$20,000. At the end of 1 year I will give you \$200,000 because that is how much money I can make by taking illegal bets. I can't do it now because people who want to bet come from all over the country to bet legally in the State of Nevada.

Illegal bookies love this legislation. One who I heard from in the heartland of America told me—not in Kansas but very close to Kansas—this will be the best thing that Congress could ever do for his business.

I have spoken to law enforcement authorities. There is no question that one of the scandals—referring to Arizona State, where there was some illegal betting taking place on Arizona State—was discovered because Nevada reported it. They could tell something was wrong because of heavy betting on Arizona State. You can bet a little on Arizona State football, but their basketball team has never been much to bet on. They could tell because of the betting that took place at Arizona State that something was wrong. They notified authorities, and that is where the arrest took place. That is where they were able to make a case against the illegal betting taking place at Arizona State.

What we should do is look at a way to stop illegal betting on college campuses. College presidents are concerned about it, as well they should be. Remember, what is going on in Nevada is legal and involves less than 2 percent of gambling in our country. Eliminating gambling legally in the State of Nevada on college games will do nothing but help illegal gambling on college campuses. We don't need new laws. We need better enforcement.

John Sturm, whom I quoted earlier, President of the Newspapers Association of America, in a letter to the House Judiciary Committee, made clear, basically, if Congress prohibits gambling in Nevada on college sports, it is not going to stop anything that goes on in the rest of the country. Certainly it is not going to stop newspapers from publishing these lines.

President Sturm also dispels another myth perpetrated by the National Collegiate Athletic Association that people use the spreads to place illegal bets. In fact, a recent Harris poll found that 70 percent of those who look at point spreads do so only to obtain information, such as me, about a favorite college team, about information on upcoming college games.

Another myth paraded around by the proponents of banning legal wagering on college games is that this is done because of a unanimous vote by the members of the National Commission to Study Gambling. Wrong again. That vote was very close. One of the members of the committee was from Nevada. He abstained. He said if he had been called upon to vote, it would have been a 5-4 vote. That is far from unanimous. The reality is, this proposal was given little consideration by the commission. They had many other things to talk about. The proponents of the ban have the right to their opinion, but they are absolutely wrong. Their opinion in this case lacks substance.

We need to step back and take a look at this. We need to understand the legal business of America is not going to lay down and say, OK, run over us. There has been some criticism about not letting this bill go forward, not having a time agreement on it.

This is something we need to talk about. This involves not illegal gambling on college games—if they want to enforce the law that now prohibits illegal gambling or if they want to pass a new restriction on illegal gambling, I will stand beside them and do that—we are talking about less than 2 percent of the gambling that takes place on college games and it is done legally.

Danny Sheridan, one of the top oddsmakers in America, USA Today, sets the line. He came to Washington. He has talked to a number of Members of Congress. He said: I will talk to whomever you want to talk to. He said: I don't gamble but I set the line. I will continue to do it no matter what they do in Nevada.

We have had people parading on the floor—I shouldn't say "parading." We have had a couple people talk on several occasions about how bad what goes on in Nevada is. We are not going to go without offering a response to that. The time has come to offer that response.

The other thing that flabbergasts me about this is, we have people who have come to Congress who say their No. 1 issue is to make sure they protect States rights. States should be able to do what they want to be able to do.

Well, we find a real problem with that sometimes. Take, for example, products liability legislation. I practice law. The State of Nevada had a different set of standards than did Utah, Arizona, California, other States in the country. They are not all the same. But we developed those standards over the years in the State of Nevada. It is not right that Congress comes in and says: We are going to change them. We are going to have one standard system for everybody.

Well, that is what States rights is all about. It is not what States rights is all about in this instance. The State of Nevada made a decision in 1932 that they were going to allow legal gambling. People should leave the State of Nevada alone. There are no scandals involved in college betting in Nevada. We do our best to protect the integrity of what goes on there with strict requirements. Obtaining a gambling license in the State of Nevada is not a right; it is a privilege. They are very hard to get. Very strict scrutiny goes to anybody who can run one of these sports books. I must say there is not much scrutiny given to the illegal bookings and charging of exorbitant fees, making all this money, and having all this underreported income. It seems that people should be happy with what Nevada has done on its own. It is a matter of States rights. Why don't they leave us alone?

NCAA President Cedric Dempsey was quoted last year as estimating that illegal wagers would be closer to \$4 billion a year. In Nevada, they wager about \$60 million a year. That is a small part of \$4 billion. So I hope people of goodwill—Democrats and Republicans—will look at this legislation and try to understand how unfair it is and how it is going to only exacerbate a problem we have with people betting on college games illegally. It won't make it better; it will make it worse.

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

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

#### MEASURE READ THE FIRST TIME—S. 2912

Mr. REID. Mr. President, I understand S. 2912, introduced earlier today by Senator KENNEDY and others, is at the desk, and I ask for its first reading.

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

The legislative clerk read as follows:

A bill (S. 2912) to amend the Immigration and Nationality Act to remove certain limitations on the eligibility of aliens residing in the United States to obtain lawful permanent residency status.

Mr. REID. Mr. President, I ask for its second reading, and I object to my own request on behalf of the majority.

The PRESIDING OFFICER. Objection is heard. The bill will receive its second reading on the following legislative day.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

The Senator should be advised all remaining time is under the control of the majority.

Mr. KENNEDY. Mr. President, I ask unanimous consent to be able to proceed as if in morning business.

Mr. REID. Until a Member on the majority side shows up.

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

#### EDUCATION

Mr. KENNEDY. Mr. President, earlier in the day, I was pointing out that the pending business is the Elementary and Secondary Education Act of 1965. We are in the process of reauthorization and had more than 22 hearing days on that legislation. We had an extensive markup on that legislation. We began debate in early May. Over the period of 6 days, we had 2 days when we were not permitted to offer any amendments, and we ended up with rollcalls on 7 amendments; 2 of those were virtually unanimous votes. On May 1, we had floor debate only. May 2, we had floor debate only. On May 3, we had a Gorton amendment, changes in Straight A's, 98-0. A Democratic alternative, which was a completely different approach, was the first major amendment. On May 8, a Collins amendment was a voice vote, and on May 9, a Gregg amendment on teachers, 97-0. There were 8 amendments. We had 6 days of debate. Two were debate only. We had only 7 rollcalls; 2 of those rollcalls were unanimously accepted.

I believe this is a matter of significant priority for the American people. On the bankruptcy legislation, we had 16 days of debate and considered 55 amendments. With all respect to the importance of that particular issue, it seems to me the issue of good quality education in K through 12, and the role we have on that issue, is of central importance.

I am mindful that the majority leader himself said he believed this was an important matter. He gave the assurances to the Senate going back to January 6, 1999:

Education is going to be a central issue this year. . . . For starters, we must reauthorize the Elementary and Secondary Education Act. That is important.

January 29th, 1999:

But education is going to have a lot of attention, and it's not going to be just words.

Then on June 22, 1999:

Education is number one on the agenda for Republicans in the Congress this year.

In Remarks to the U.S. Chamber of Commerce, February 1, 2000:

We are going to work very hard on education. I have emphasized that every year I have been majority leader. . . . And Republicans are committed to doing that.

February 3, 2000:

We must reauthorize the Elementary and Secondary Education Act. . . . Education will be a high priority in this Congress.

April 20, 2000: The majority leader said his top priorities in May included agriculture sanctions, Elementary and Secondary Education Act reauthorization, and passage of four appropriations bills.

May 1, 2000:

This is very important legislation. I hope we can debate it seriously and have amendments in the education area. Let's talk education.

May 2, 2000: Senator LOTT was asked on ESEA: Have you scheduled a cloture vote on that?

No, I haven't scheduled a cloture vote. . . . But education is number one in the minds of American people all across this country and every State, including my own State. For us to have a good, healthy and even a protracted debate and amendments on education, I think, is the way to go.

That has been the end of it since May 2. Always something else has come up. Always something else came up in May. Always something else came up in June. Always something else came up in July.

It does seem, even with this week, we are now at 4 o'clock in the afternoon of a Tuesday. We could have had some debate on this on Monday or today.

#### CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER (Mr. GORTON). The hour of 4 o'clock having arrived, morning business is closed.

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

The PRESIDING OFFICER. The Presiding Officer, in his capacity as Senator from Washington, objects.

The legislative clerk continued with the call of the roll.

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

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

#### UNANIMOUS CONSENT REQUEST— H.R. 4733

Mr. LOTT. Mr. President, I had hoped we could come up with some compromise agreement about how to proceed to the energy-water appropriations bill, with regard to one section

that is very important to a lot of different Senators. We have not come to an understanding on that yet, but I have to take steps now to move toward the consideration of the energy and water appropriations substance.

So I ask unanimous consent that the Senate proceed to consideration of Calendar No. 688, H.R. 4733, the energy and water appropriations bill.

The PRESIDING OFFICER. Is there objection?

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. There is objection?

Mr. KENNEDY. Reserving the right to object, Mr. President. Am I recognized, Mr. President? I object. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. LOTT. Mr. President, let me renew my request for that, and under a reservation of the right to object, I would be glad to respond.

If the Senator would prefer, I would be glad to—

Mr. KENNEDY. I have to get recognition by the Chair in order to be able to proceed. I felt I was denied that recognition.

I had every intention to exchange—

Mr. LOTT. I say to the Senator from Massachusetts, I think there is a misunderstanding. I again ask unanimous consent that the Senate proceed to the consideration of Calendar No. 688, H.R. 4733, the energy and water appropriations bill.

The PRESIDING OFFICER. Is there objection?

Mr. REID. Objection.

Mr. KENNEDY. Objection.

The PRESIDING OFFICER. Objection is heard. The majority leader has the floor.

Mr. LOTT. Mr. President, I am disappointed there is an objection. It was my hope we could come to an agreement on how to proceed to this bill in a timely way. I hope we can at least proceed to the bill and begin the amendment process to resolve the differences that may be involved. The Democrats have mentioned section 103 involving the Missouri River is a problem. I understand that. I think once we get to the bill we can resolve that problem.

#### ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 2001—MOTION TO PROCEED

##### CLOTURE MOTION

Mr. LOTT. Mr. President, I move to proceed to the bill, and I send a cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The legislative clerk read as follows:

##### CLOTURE MOTION

We the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the motion to proceed to Calendar No. 688, H.R.

4733, the Energy and Water Development Appropriations Act, 2001:

Trent Lott, Pete Domenici, Frank Murkowski, Pat Roberts, Jesse Helms, Larry Craig, Ted Stevens, Kit Bond, George Voinovich, Kay Bailey Hutchison, Chuck Grassley, Sam Brownback, Don Nickles, Mike Crapo, Slade Gorton and Orrin Hatch.

Mr. LOTT. Mr. President, this cloture vote will occur on Thursday unless we are in a postcloture situation on the Treasury-Postal Service appropriations bill, the intelligence authorization bill, or on the energy and water appropriations bill under some other agreement.

I ask unanimous consent that the mandatory quorum be waived.

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

Mr. LOTT. I now withdraw the motion to proceed. I believe I have that right.

The PRESIDING OFFICER. The Senator has that right.

#### MORNING BUSINESS

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate proceed to a period for morning business for 90 minutes, equally divided in the usual form.

Mr. DOMENICI. How much time?

Mr. LOTT. Ninety minutes. I believe Senator KENNEDY reserved the right to object.

Mr. KENNEDY. I will not object. Mr. President, I will not object to that. I want to gain recognition to explain my position.

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

Mr. LOTT. We are now in a period for morning business.

The PRESIDING OFFICER. We are in a period for morning business.

Mr. LOTT. I know Senator KENNEDY seeks recognition at this time to explain his position. I will stay in the Chamber and will be glad to respond to questions he wants to ask.

The PRESIDING OFFICER. The Senator from Massachusetts.

#### ELEMENTARY AND SECONDARY EDUCATION ACT

Mr. KENNEDY. Mr. President, I thank the majority leader. I made the point earlier that we did have before the Senate the pending business, which is the Elementary and Secondary Education Act. It did seem, since it was the pending business, that under the rules generally, after the time expires under morning business, we would go back to that legislation.

I know the majority leader has attempted to work out a process with the minority leader to move forward the business of the Senate. The education bill has been the pending business since May of this year. That has taken us through May, through June, and through July.

I still think we can complete the ESEA prior to recessing this week. If

we are unable to get agreement on these appropriations bills—I know they are important and generally, as the year goes on, they receive a higher priority, but it does seem to me that education has a high priority as well. I had thought we were going to have an opportunity to deal with the education legislation during the evenings of last week. We were unable to do so. We got caught up in the Agriculture appropriations bill.

I am wondering whether the majority leader can give us any indication whether he has an intention of getting back to the Elementary and Secondary Education Act and, if so, when that might be because with the successful motion the Senator has made and with the invoking of cloture, as I understand, the elementary and secondary education bill is returned to the calendar and will not be before the Senate as the pending business. With those actions, we are returning the elementary and secondary education bill uncompleted to the calendar. It does seem to me to be a priority. I am wondering what assurances the leader might be able to give us on the issue.

Mr. LOTT. Mr. President, if I can respond to the Senator's questions and comments, he knows a major effort was made last Thursday evening to come up with an agreement on how to proceed further on the Elementary and Secondary Education Act.

One of the problems we had then, and we continue to have, is Senators on both sides of the aisle have nongermane, noneducation issues they want to get into or, conversely, amendments they do not want to be offered. I know there had been some suggestion that maybe the NCAA gaming issue would be offered, and there was a feeling on the Democratic side that should not be included in the package of what we proceed to consider.

There is at least one Senator on this side who is interested in being able to offer an IDEA amendment which, in fact, relates to education, but there was resistance to that Senator being able to offer his amendment.

Then it got into immigration, and we were close to working out an agreement that connected, in a way, this bill with H-1B. In the end, we could not get the agreement. A lot of time was put in on that by Senators on both sides. Senator DASCHLE and I worked very hard on it. We were up the hill, down the hill.

We will keep trying to find a way to go back to this legislation this year and get it completed. I have another idea I am considering right now that will get us back on it in a way that will actually get it to completion. That is my goal. I am not interested in only going back to it and playing games with it and having nongermane, non-education issues poured on this bill. I want to stick to education. I think we can have a good debate and a lot of amendments that are strictly related to elementary and secondary edu-

cation. I realize the ingenuity of Senators can stretch the idea of related amendments to education.

That is the way I would like to proceed. Right now we are having trouble getting agreement to do appropriations bills and the intelligence authorization bill. I am even worried about being able to go forward with the commitment to begin the proceedings on the China PNTR tomorrow, which I still hope to be able to do, but it is going to take some concessions, again, as to how we proceed to get that done.

I will be glad to keep working with Senator KENNEDY, Senator DASCHLE, Senator REID, Senator GREGG, and Senator ASHCROFT. I like the bill. I would like to get it done. I would like to vote on it just as it is myself. I do not think we need to fix it up anymore. It does not need more bells and whistles. Let's just vote. I know others have amendments, and we will try to find agreement.

Mr. KENNEDY. If the Senator will yield for one more observation.

Mr. LOTT. Yes.

Mr. KENNEDY. We do know children start back to school in late August and early September. Time is moving along. There were allocations of resources in appropriations bills where there has been absolutely no authorization or statement of policy. It does seem to me that parents, school boards, and schoolteachers are entitled to a full debate and discussion on these issues and for the Senate to work its will.

I appreciate what the Senator has said. I hope he understands we are going to continue to raise this issue as we move along because I do think it is a top priority. The American families who have 58 million children in schools across this country are entitled to a response. I thank the majority leader.

Mr. LOTT. I thank Senator KENNEDY, and I thank Senator DOMENICI for allowing us to have an exchange. I know he is anxious to get his bill done. It is an important bill, the energy and water appropriations bill. It means a great deal to our country. I know he is trying to find a way to proceed.

At this point, this is the only option I have. I yield the floor so he may comment on that.

The PRESIDING OFFICER. The Senator from New Mexico.

#### ENERGY AND WATER APPROPRIATIONS

Mr. DOMENICI. Mr. President, I might suggest—and I do this in the presence of my good friend from Massachusetts; I wish the distinguished Senator from Nevada, Mr. HARRY REID, were here. I have an observation. Maybe I am 2 weeks ahead of time, but I believe the plan is that the Democrats are not going to let us do anything of significance, literally nothing, unless and until they get everything they want.

The truth is, for this little period in history—I have been here 28 years, and

it is a small piece of that—the Republicans have controlled the Senate and the House. But the Democrats are bound and determined this year, in an election year, that we are not going to pass the regular appropriations bills, period. They call us “do nothing,” but they are obstructionists of the highest order.

I will just talk about one bill, then I will talk about the appropriations bill on education. I am just going to talk on one appropriations bill. We have heard from the beginning platitudes about working together to get all the appropriations bills done. The distinguished occupant of the chair has heard they want to get the Interior bill finished; they want to get the Treasury bill finished. For the American people, these are the bills you have to pass every year in order to keep certain big parts of our Government open. It comes down to October 1st, and if they aren't passed, you get the President of the United States talking about who is closing down the Government.

I am going to refer to just the energy and water bill. I am going to beg the Senator, the minority leader from the other side, in the same way he pleads with us to get something done that is right. This energy and water bill was not drafted by Senator PETE DOMENICI; it was drafted by Senator PETE DOMENICI and Senator HARRY REID of Nevada, who spends a great deal of time on the floor of the Senate and, I might say, for one who worked with him for years before he got to spend all his time on the Senate floor, he has been a very solid performer. I praise him for his leadership on the floor. I believe he has been fair, and I believe he has been nonpartisan. But I believe what he is seeing he can't even speak about because right down deep in that Senator's mind and heart he knows it is wrong to hold up appropriations bills for the reasons being stated by his colleagues and his leader who compel him to do it.

This energy and water bill is being held up. We can't even bring it up because the minority leader wants a provision that is within it taken out. He wants assurance we won't vote on it in the Senate. Who has ever heard of that? Take a provision out of a bill that is in a bill that has been voted in by a committee. And if you want that bill to see the light of day in the Senate, you take out a provision and you don't vote on it in the Senate.

I am not familiar with the contents or substance of the amendment, except it has to do with a dispute between the upper Missouri River and the lower Missouri River. But it is most interesting, that the provision that the minority leader speaks of has been in the appropriations bills at least two times. The President has signed it, and it has gone out of the Senate. Maybe something dramatically changed in the meantime, but it has been in the bill. It has been signed. Some who know more than I say it has been in more

than two times. I can tell the Senate, since I have been writing this bill, it has been in 2 years in a row.

All of a sudden, it isn't enough to have an up-or-down vote in the Senate. The only thing that will suffice is that we take it out and agree not to vote on it. That means if you don't want to do that, you don't get an energy and water bill for this fiscal year.

We are getting close because we still have to do this bill. It is different from the House bill. We need to get some new resources assigned to the committee on the House side. We might not be able to make it by the October deadline.

This little innocuous title, “energy and water,” is a very misperceived title. Energy doesn't mean energy. Energy means all of the nuclear weapons programs in the nuclear laboratories in America. By a strange coincidence, they are in the energy part of this bill. We have been asked by the Department of Energy to put \$100 million in new money in that bill to take care of production facilities in three cities, cities such as Kansas City, Missouri; Amarillo, Texas; Oak Ridge, Tennessee; and Aiken, South Carolina; where we have production facilities that are desperately in need of repair. We have cleanup in the State of the occupant of the chair that is ongoing because of our previous nuclear weapons reactor work. We have hundreds of millions of dollars in for that kind of cleanup.

We have all the water projects and dredging projects and flood protection programs in this country in this bill. We have all of the national laboratories and their special effort and all their employees' pay in this bill. I could go well beyond that.

Now I come to the conclusion: Why can't we take this bill up? Frankly, if ever there was an issue where there was something besides this bill that somebody has in mind, I have not heard of it. This has to be as bad as it is. What is it?

Is there some political issue we don't understand that has nothing to do with the fundamental needs this bill addresses in water, water safety, in dams, in diversions, in the dredging of harbors and, over on the nuclear side, all the safety programs for our nuclear weapons designs, for stockpile stewardship, which is an entire program aimed at making sure our nuclear bombs are safe and sound without us doing any underground testing? We can't turn that on and off and say, wait an extra month, close down the buildings, close down the people for a month or so because we have a little problem about the Missouri River that somebody doesn't even want to let you vote on. It is not a question of whether that provision is right or wrong, it is simply a question of whether you will vote on it.

I wonder, if we would have left it out and we would have brought it to the floor and this bill was rocking right along here on the floor and somebody offered an amendment to do just what

the committee did because it had done it 2 years before, what would the response have been? Would it have been, you can't do the amendment and you can't move on with the bill? I assume that would be the case. I think we would have a chance of convincing Senators that is not right.

I understand there are some other appropriations bills that are being held up. I am not aware of the specific reasons why, so I won't make the same kind of argument or evidence the same kind of concern as I have about the energy and water bill.

The Senator from Massachusetts talked about getting our education programs funded. We are talking about two things. We are talking about an elementary and secondary education authorization bill which has gotten tied up in all kinds of problems from both sides of the aisle on amendments. When can we pass it? Can we get agreement?

But over there in those new offices beneath the Senate, that are called “SC”—those offices out there that are really nice to work in—there is a whole batch of House Members. I was in there. I made up a very large group of Senators working on the Labor-Health and Human Services appropriations bill. I just have a hunch, from the little bit I have participated, that the White House does not intend to sign that bill no matter what we do. We have already put in that bill resources amounting to \$106 billion, the largest appropriations for those functions in the history of the Republic.

In fact, there is now in that bill, to be spent on education and other things, \$12 billion more than the Budget Committee contemplated. While our numbers aren't binding, the Senator who occupies the Chair knows we reported out a budget resolution, and we assumed all these pieces would fit together. We assumed about \$96 billion—\$94 billion or \$96 billion—for Labor, Health and Human Services. We have now gotten to the point where we have taken from others and we put \$106 billion in.

From what I gather in that committee, there is little we can do to convince the Democrats to be for that bill. My guess is if it rocks along as it is, it is going to be a partisan bill, and then no matter what we try to do, the President is going to say, “I want more,” and the President is going to say, “It is not a good enough bill”; and he will find some reasons to say it doesn't fund this enough or that enough. We are moving toward a real shipwreck. The issue is going to be, at some point, why are we where we are when we come to that shipwreck point?

I am going to start today, and I will watch everything I can, and I will come to the floor. But I am starting today taking just one bill and saying it would appear to me that on the energy and water bill, for some political reason, we can't take it up, and as time passes and moves on, whether or not we can get a bill and do all the things I have alluded



to or not will be in the hands of the Democrats and the President, and then we will see who is to blame.

I want to suggest that to the extent we are called "a Senate that doesn't do anything," I believe we have to put another mantra on somebody else and we have to talk about the marvelous obstructionism that is going on by the other side of the aisle. It is being done with such dignity, such ease, with such platitudes about "we are all working together," and "we are trying to get there," and "we are not trying to delay things." It really is that, unless they get their way on everything, there will be nothing moving in the Senate.

Now I never saw it run quite like that, and I have never seen anyone ever win an argument on a claim that the other group wasn't doing anything. We will see how it comes out. In the meantime, we ought to try to work together one more time, and I beg the minority leader on this bill—it is \$23 billion, not one of the biggest. I literally beg that he reconsider and let us vote and let us have our 2 days of debate. There are about five very serious problems in this bill that will be debated. But they will be debated and done with, just as the Missouri River issue will be debated and finished if they will let us do it.

I yield the floor.

**THE PRESIDING OFFICER.** The Senator from Nevada is recognized.

**Mr. REID.** Mr. President, my mind has been reflecting on the fact that now would be the time Senator Coverdell would come in. When we would have a real problem, he would wander in and help bring everything together. As we know, that will not be the case. We attended Paul's funeral on Saturday, and he is not here to help with the problems we are having here.

Let me just say to my friend, Senator DOMENICI, for whom I have the greatest respect, he is someone in this body who has great power. He is chairman of the Budget Committee, one of the senior members of the Appropriations Committee. He is chairman of the Energy and Water Subcommittee, and he is someone with whom I have had the pleasure of working for my entire time here in the Senate—on a very close basis in recent years on Energy and Water. He has been chairman and I am the ranking member. It has been our bill. He is right. The chairman always has, as we know, a little more latitude, as he should have. But I have had input on the bill, and I feel very comfortable with the bill we have.

I say to my friend from New Mexico, for whom I have the greatest respect, we have a problem with this bill that could be resolved just like that. The fact of the matter is that no one is compelling me. We are all free agents in the Senate, and we have that right. We are elected in our home States, and while Senators are very persuasive in helping us and trying to get us to go along with what they want, no one compels us to do things, and they should not. In spite of the fact that

this is a good bill, I think it could be made better. I will not go into detail, but I will explain the problems we have.

We have two leaders in the Senate, Senator LOTT and Senator DASCHLE. They both do tremendously good work under very difficult circumstances. An overused saying is that they both have a job of herding cats, trying to put jello in a bowl that doesn't have sides. They have a lot of problems, and we understand that. Very rarely in legislative matters do we have one of the leaders step forward.

The measure we have before us, the energy and water bill, is very important to this leader. There is a provision in it that is extremely bad for the upper Missouri basin States. One of those States, of course, is South Dakota. My friend from New Mexico stated—and rightfully so—that the provision is causing problems in the upper basin States not only to the minority leader, but it has been in the bill two times, on two different bills. Of course it has. But the fact is that it was meaningless in the bills initially because what this is all about is the Fish and Wildlife Service rewriting a manual, reissuing and having a new manual. It was first issued before World War II ended, in the early 1940s. They did a little revision in the 1970s—minor revisions. So for almost 60 years they have had the same manual. They have decided to rewrite it, and they are ready to publish this new manual. What this legislation does is prevent them from doing so.

Well, the fact of the matter is that is wrong; it is bad. The legislature should allow the administrative body to go forward and do their thing to control the Missouri River. The administrative agency is prevented from doing that. What Senator DASCHLE and others have said is: Take that provision out of the bill, and when that is taken out of the bill, we will move forward on the legislation. This is a bill involving \$23 billion, a very important bill. But this provision is something that should not prevent this bill from going forward. It should be removed from the bill, and there are all kinds of different steps. We are going to have conferences on this bill. We are going to revisit it at that time.

Let me also say that the history of the Senate is such that the interest of the minority is always protected. We talk about this great country of ours and we brag about our country, and we should do so. It is an imperfect country, but the best set of rules ever devised to rule the affairs of men and women comes from the U.S. Constitution.

What is the Constitution all about? The Constitution is not about protecting the rights of the majority; it is about protecting the rights of the minority. Where are those rights protected in our constitutional framework more than any other place? It is in the Senate. That is why the small State of

Nevada has as much right to do things in this Senate—Senators REID and BRYAN—as do Senators MOYNIHAN and SCHUMER from New York, or BOXER and FEINSTEIN from California, even though they have millions and millions more people than we have in the State of Nevada. That is what the Senate is all about. What Senator DASCHLE and others are trying to do with this bill is nothing that hasn't been done in centuries past, decades past.

So I say to my friend from New Mexico, take that out and we will move forward with this legislation and then deal with a few controversial issues. We don't have many controversial issues. This is a very good bill, and I think we can finish it in a day.

Let me also say this. We believe there should be certain rights protected. Also under this Constitution, we have a situation that was developed by our Founding Fathers in which Senators would give the executive branch—the President—recommendations for people to serve in the judiciary. Once these recommendations were given, the President would send the names back to the Senate and we would confirm or approve those names.

One of the problems we are having here is it is very difficult to get people approved, confirmed. We have one Senator from the State of Michigan, Mr. LEVIN, who for 1,300 days has been waiting to have a hearing for a very qualified, competent woman who wants to be confirmed and whose name has been sent to the White House by Senator LEVIN.

He wants a simple hearing before the Judiciary Committee. Senator HARKIN from Iowa is also waiting for a nominee to be reported out of the committee. We think that should be done. This has nothing to do with the energy and water bill. It does, however, have something to do with the other bills. We could have moved forward on the energy and water bill on Friday until this glitch came up.

There is lots and lots of work to do around here. We believe it would be extremely and vitally important to move the provision that allows the Fish and Wildlife Service to publish its manual, and not have a legislative roadblock for the management of the rivers in an appropriate fashion. The Fish and Wildlife Service is not for the upper basin States or against the lower basin States. They try to be an impartial ruler. That is what they are trying to do.

I say to my friend: Let the Fish and Wildlife Service go ahead and do what they need to do and get the energy and water bill brought before this body.

**Mr. President,** I have a parliamentary inquiry.

**THE PRESIDING OFFICER.** The Senator will state his parliamentary inquiry.

**Mr. REID.** Mr. President, tomorrow the cloture motion on the motion to proceed to the Treasury-Postal bill will ripen 1 hour after we convene. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. REID. Mr. President, during the 1 hour prior to the cloture vote, a motion to proceed to the China PNTR legislation is in order tomorrow morning. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. REID. Mr. President, we look forward to the majority leader making that motion, and filing cloture, as he indicated he would. We will have to wait and see when that cloture vote occurs—either this week or when we get back after the break.

I apologize for taking so much time. The Senator from Nevada wishes to speak, but the Senator from New Mexico would like to be heard.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I want to respond. The Senator from Nevada does so well that I was almost going to come over and sit beside him and say he is right. The fact is, he is not right.

At this late stage—when he knows there is hardly a risk of our being able to get appropriations bills finished in a timely manner to keep the Government open—to tie appropriations bills up because a judge has not been appointed is not right. It might be that there is an argument about the judicial appointment, but is it right in the waning days of Congress, when we have about 25 working days left, for somebody to come along and say: Now it is my turn. I will not let any appropriations bills be approved by the Senate unless certain people are appointed to the judicial and judge positions in this country? I think it is not.

Second, this is not a partisan issue. I don't know if it is a minority versus majority party issue, because I think in the final analysis there are some people on that side of the aisle who would like to vote on their issue and who may not agree with the distinguished minority leader as to their interests for their respective States.

My last point is that we protect minority rights. But I wonder in this case, when it is obvious that Missouri River upper and lower groups are going to argue about this, if it is a question of protecting minority rights. It stands in the way of getting a vote on the issue. If it is important enough to the upper Missouri that they think it is very important but it is also similarly important to those on the lower Missouri, it would seem that the way to settle it is to let our colleagues understand the issue—that is what this Senate is all about—and let us vote. I don't quite understand why we can't vote. I wonder what is worrying people. The Senate expresses its views on many things. It resolves disputes such as this regularly.

But, in this case until some future date, who knows when we will not be permitted to express the collective

Senate will by voting on this issue—which in 30 minutes could be known by all sides and all parties, and a good decision could be made by the Senate.

I thank the distinguished Senator for yielding.

The PRESIDING OFFICER. The distinguished Senator from Nevada is recognized.

Mr. BRYAN. I thank the distinguished occupant of the chair. Mr. President, I wish to change the focus of the discussion on the floor from the previous colloquy between the senior Senator from Nevada and the senior Senator from New Mexico.

#### ILLEGAL WAGERING ON COLLEGE SPORTS

Mr. BRYAN. Mr. President, earlier today, the Senator from Kansas, Mr. BROWNBACK, took to the floor and argued on behalf of a piece of legislation that would affect only my State and affect it in a very profound and negative way. The ostensible purpose of the legislation I think all of us can agree upon. I wish to put the discussion in context as I see it. We are talking about the illegal wagering on college sports, particularly wagering by underage college students, including student athletes. I think there is no disagreement that there is a serious problem and one that we recognize ought to be addressed in a very serious way.

The National Collegiate Athletic Association (NCAA) testified before the Commerce Committee, as they did before the National Gambling Impact Study Commission (NGISC), that there are illegal student bookies on virtually every college campus in the country, including some individuals with links to organized crime. I do not disagree with that assessment. The matter is so serious that some students have actually been threatened with bodily harm to collect gambling debts owed to illegal student bookies. I do not disagree with that assessment.

The NCAA has known at least since the three-part investigative series published by Sports Illustrated in 1995 that the illegal gambling problem on America's college campuses was widespread and growing. A recent University of Michigan survey found that nearly half of all male student-athletes nationwide—45 percent—gambled illegally on college and professional sports. A nationwide survey of NCAA Division I male basketball and football student-athletes conducted for the NCAA by a University of Cincinnati research team found that over one-fourth gambled in college sports. Sadly, a small number in each survey gambled on games in which they played. They were wrong.

Beyond the broader issue of the extent to which student-athletes, and students generally, gamble on sports illegally, there are the troubling cases of improper influence being exerted on student-athletes by those who seek financial gain from placing sports wagers on "fixed" games. This reprehensible

conduct has reared its ugly head on occasion since at least the 1940s, particularly in the context of college basketball.

While the NCAA's recent rhetoric leaves the impression that such "point-shaving" or "fixing" of games is rampant, we can be thankful that the record belies the rhetoric. The two recent scandals of this type (those at Northwestern University and Arizona State University) took place over five years ago in the mid-1990s. The integrity of virtually all those who compete in college athletics is verified by the fact that there were a handful of such scandals in the 1990s out of the thousands of games played. While not a single sports bribery scandal should be tolerated, we need to know why they occur and by what means. The record is clear for those student-athletes who have violated the trust of their teammates and school by engaging in illegal sports wagering. As a result of their illegal wagering, they put themselves in debt to the point where they committed heinous acts of betrayal to pay off those debts to illegal bookies.

If merely passing laws prohibiting unregulated sports gambling were enough to stop it, the practice would not be so widespread today. Sports gambling has been illegal for decades in almost every state, and Congress acted in 1992 to prevent states from adding sports-based games to their state lotteries. The same statute, the Professional and Amateur Sports Protection Act, also prohibits persons from engaging in sports-based wagering schemes, contests, and sweepstakes.

Similarly, wagering on sports of any kind, college or professional, is already a violation of NCAA bylaw 10.3. A review of the NCAA's publicly available computer database of rules infractions cases indicates that, as of 1998 (the last year for which cases are posted), enforcement of bylaw 10.3 is infrequent and spotty at best.

The database reveals that the NCAA brought only 23 enforcement actions against student-athletes from 1996 to 1998, even though the University of Michigan and University of Cincinnati studies indicate that thousands of violations occurred. In some of the 23 cases, the violations centered on such routine practices as students wagering team jerseys with each other. In the face of organized student bookmaking operations with links to organized crime handling large sums of cash wagers, such an enforcement "strategy" is at best misplaced.

Against this backdrop of a serious national problem with illegal sports gambling, the legislation to which I referred, S. 2340, takes the very peculiar approach of targeting the only place in America where sports wagering is legal, regulated, policed, taxed, and confined to adults over age 21—the State of Nevada. Furthermore, the facts are that legal wagering in Nevada amounts to only about one percent of all sports gambling nationwide, 99 percent of which is already illegal. The

NGISC estimated that illegal sports wagering in the United States ranged from \$80 billion to \$380 billion annually. In contrast, legal sports wagering in the State of Nevada last year totaled approximately \$2.5 billion, with roughly a third of that amount bet on college sporting events.

The central question then, which supporters of the legislation fail to answer adequately, is how does preventing adult tourists and conventioners from placing sports wagers in Nevada affect what happens on and off college campuses in the other 49 states. Each of the attempted answers to this central question is completely unpersuasive.

First, the central premise underlying this legislation is that eliminating the small amount of legal sports wagering in Nevada will cause newspapers across the country not to publish betting lines or point spreads, thereby curbing illegal gambling activity. This notion is further evidenced by the committee report accompanying S. 2340, the Amateur Sports Integrity Act, which states that “. . . point spreads are generated for no other reason than to facilitate betting on college sports.” It is important to note that neither the Commerce Committee nor the NGISC took testimony from newspapers to determine if in fact they would cease publishing betting lines if sports gambling were made illegal in Nevada. Similarly, no testimony was taken to determine whether illegal sports wagering would be reduced even if newspapers ceased publishing this information. I made the point at the time of the hearing on S. 2340 that it's not too much to ask that such due diligence be conducted before a legal industry and its employees are legislated out of existence.

Just recently the Newspaper Association of America broke their silence and shared their thoughts on this legislative proposal, and, not surprisingly, they completely refuted the primary argument put forth by the sponsors of this amendment. I'd like to share with my colleagues the content of their letter to the House Judiciary Committee.

This is a letter, dated June 7 of this year, addressed to the chairman and ranking member of the House Judiciary Committee. Let me read the operative provisions:

If Congress prohibits gambling on college sports, NAS believes newspapers will continue to have an interest in publishing point spreads on college games, since point spreads appear to be useful, if not valuable, to newspaper readers who have no intention of betting on games.

That is a pretty clear statement that this association, representing America's newspapers, believes, notwithstanding any legislative prohibition, that newspapers in America will continue to publish these point spreads on games.

The letter goes on to point out:

According to a national Harris Poll survey of 1,024 respondents conducted

during April 7–12, 70 percent of respondents who read or look at point spreads on college sports do so to obtain information about a favorite college team and to increase their knowledge about an upcoming sporting event. Only 11 percent of the respondents said that they read or look at point spreads on college sports to place a bet with a bookmaker. NAA believes that publication of point spreads provides useful information to millions of newspaper readers, of whom 96 percent are 21 and over (MRI Spring 2000 Study).

Second, pointing the spotlight on published point spreads in newspapers fails to acknowledge that an individual can obtain point spreads on college games through many different sources. These sources include sports talk shows on radio and television, magazines, toll-free telephone services and the Internet. Illegal bookies on college campuses and in the general population will continue to set the betting lines independent of any published point spread. Anyone who is intent on placing bets on games can and will obtain point spreads, even if they are not published in the newspaper.

Mr. President, I ask unanimous consent this letter be printed in the RECORD.

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

NEWSPAPER ASSOCIATION OF AMERICA,  
Vienna, VA, June 7, 2000.

Hon. HENRY HYDE,  
Chairman,

Hon. JOHN CONYERS,

Ranking Member,

Committee on the Judiciary, House of Representatives, Washington, DC.

DEAR CHAIRMAN HYDE AND CONGRESSMAN CONYERS: The purpose of this letter is to respond to your request for comment on H.R. 3575, the Student Athlete Protection Act, which prohibits high school and college sports gambling in all States, including Nevada, where gambling on college sports is currently legal.

The Newspaper Association of America (NAA) is a nonprofit organization representing more than 2,000 newspapers in the U.S. and Canada. Most NAA members are daily newspapers, accounting for 87 percent of the U.S. daily circulation.

NAA understands the concern Congress has with respect to illegal sports gambling on college campuses, including the existence of illegal bookmaking operations that involve student-athletes as well as members of the general student population. Our comments on the proposed legislation are limited to an issue that has been raised concerning publication of point spreads on college sporting events, and whether a prohibition on gambling on college games will persuade newspapers not to publish point spreads on these games.

First, like all editorial decisions, the decision on whether to publish point spreads for college sporting events is made by each newspaper and the decision to publish or not publish will vary from newspaper to newspaper. If Congress prohibits gambling on college sports, NAA believes newspapers will continue to have an interest in publishing point spreads on college games, since point spreads appear to be useful, if not valuable, to newspaper readers who have no intention of betting on games.

According to a national Harris Poll survey of 1,024 respondents conducted during April 7–12, 70 percent of respondents who read or look at point spreads on college sports do so to obtain information about a favorite college team and to increase their knowledge about an upcoming sporting event. Only 11 percent of the respondents said that they read or look at point spreads on college sports to place a bet with a bookmaker. NAA believes that publication of point spreads provides useful information to millions of newspaper readers, of whom 96 percent are 21 and over (MRI Spring 2000 Study).

Second, pointing the spotlight on published point spreads in newspapers fails to acknowledge that an individual can obtain point spreads on college games through many different sources. These sources include sports talk shows on radio and television, magazines, toll-free telephone services and the Internet. Illegal bookies on college campuses and in the general population will continue to set the betting lines independent of any published point spread. Anyone who is intent on placing bets on games can and will obtain point spreads, even if they are not published in the newspaper.

Finally, NAA applauds the sponsors of the legislation for resisting the temptation to impinge upon constitutionally protected freedoms of speech by proposing a prohibition on the publication or dissemination of point spreads on college games. Over the years, the Supreme Court consistently has recognized that a consumer's interest in the free flow of information “may be as keen, if not keener by far, than his interest in the day's most urgent political debate.” *Virginia State Bd Of Pharmacy v. Virginia Citizens Consumer Council, Inc.*, 425 U.S. 763 (1976). We commend you and your colleagues for being particularly sensitive to maintaining the free flow of information, which citizens of this country have come to expect and enjoy.

NAA appreciates the opportunity to comment on this legislation before your committee.

Respectfully submitted,

JOHN F. STERN,  
President and CEO.

Mr. BRYAN. Mr. President, the NCAA has threatened for years to deny NCAA-sponsored tournament press credentials to newspapers that publish lines, but they have never done so. These hollow threats are further evidence of the futility of this exercise.

Secondly, we have been told that this legislation, while admittedly no panacea, will “send a message” to students and others that sports gambling is illegal. Again, there is a complete absence of any empirical evidence or fact-based testimony that America's college students, or adults for that matter, will heed such a so-called “message.” By this logic, we should reinstate Prohibition on serving alcohol to adults over the age of 21 to “send a message” to minors about drinking and to reduce binge drinking by underage students on college campuses. The absurdity of such an approach is self-evident, and it applies with equal force to this legislation.

The real message that this legislation will send is that shirking responsibility and pointing fingers at others is the appropriate manner in which to handle a serious national problem. Everyone should agree that a problem so pervasive on college campuses should

be addressed comprehensively and with a serious commitment from the NCAA and its member institutions, including federal requirements enshrined in appropriate legislation.

While we heard considerable rhetoric at our Commerce Committee hearing concerning what the NCAA intends to do about illegal gambling on college campuses, there was very little testimony concerning what concrete steps at NCAA has taken to date. For example, the chairman of the NCAA's executive committee testified that during the ten years he has served as president of his university, he could not recall a single case of a student being expelled or otherwise disciplined for illegal gambling, even though he acknowledged there are illegal student bookies on his campus.

We are repeatedly told by the sponsors of this legislation that the NCAA has plans to set up its anti-gambling initiatives. The facts belie the accuracy of those assurances. For example, the NCAA's total operating revenue for 1998-99 was \$283 million. Within the overall budget, there was a line item for "sports agents and gambling" that equaled \$64,000. Similarly, the line item for 1999-2000 is \$139,000 out of revenue of \$303 million. Only three of nearly 300 NCAA employees are assigned to gambling issues, and those persons have other responsibilities in addition to illegal sports gambling.

The NCAA's own presentations to the NGISC and in other venues indicate that there are many other important steps that should be taken, beyond what this legislation would do, to address the problem of illegal gambling on college campuses. The NCAA and its members have failed to follow through on the very steps they recommended to the commission just one year ago. For example, much was made at our hearing about the NCAA's use of a new public service announcement during the telecast of the men's basketball tournament. There was little evidence that this PSA was shown either frequently or during times of maximum audience exposure. Furthermore, there is no indication that the NCAA followed the recommendation of the NGISC and specifics PSA commitments be written into the NCAA's television contracts. A \$6 billion, 11-year deal for the television rights to the men's "March Madness" basketball tournament was signed by the NCAA with CBS Sports after the NGISC made this recommendation in its Final Report.

There is a serious need for a combination of enforcement, education, and counseling initiatives to address illegal gambling by high school and college students. Unfortunately, the Commerce Committee took no testimony from those individuals on campus, in our states, and at the Federal level who are charged with enforcing the laws that already make this activity illegal. Similarly, we heard very little from professionals whose job it is to educate students about the dangers of

gambling abuse and to counsel those who suffer from such problems.

Finally, while this bill directly impacts Nevada, let me suggest to my colleagues we should be alarmed by the precedent that would be established if this bill becomes law. For over 200 years the Federal Government has deferred to the State to determine the scope and type of gaming that should be permitted within their borders. The Professional and Amateur Sports Protection Act preempted that authority as it relates to sports wagering, but only prospectively. If Congress sees fit to overturn Nevada's sports wagering statutes that have been on the books for many decades, it sets a dangerous precedent that should be cause for concern for the other 47 States with some form of legal gaming operations.

We all agree as to the serious nature of the problem. Unfortunately, the legislative proposal will do nothing to address that issue.

As I have said during my testimony before the Commerce Committee, this legislation is an illegal bookie's dream. I yield the floor.

THE PRESIDING OFFICER (Mr. L. CHAFEE). The Senator from Arizona.

Mr. McCAIN. Mr. President, before my friend from Nevada leaves the floor, I intend to make a couple of comments on his statement. One of the most valued members of the committee is Senator BRYAN from Nevada.

Senator REID and I came to the House of Representatives together many years ago. I consider us to have a very warm and excellent relationship over many years.

I will miss Senator BRYAN very much as he leaves—not only the Senate but as a much valued member of our committee. Coincidentally, on the issue of sports, Senator BRYAN and I were able to work together on a couple of boxing issues that a lot of our Members did not care much about. But hopefully we were able to assist some people who come from the lowest economic rung of our society and prevent, at least to some degree, the exploitation to which many of them are subjected.

I preface my comments with a brief response to both Senators from Nevada. Again, I say that with respect and affection.

I did not invent this legislation, nor did it come from any Member of this body. It came as a result of the National Gaming Impact Study Commission, a commission that met for a long time and came up with this strong recommendation. Then the issue was picked up by the NCAA coaches. Some of the most respected men and women in America, obviously, are our college coaches, people of the level of Dean Smith, Joe Paterno, Jim Calhoun, and so many others who have made this a high visibility and important issue, at least to them, including the presidents of the colleges and universities across the country.

I will not rebut their comments or try to respond to all the comments

made by Senator BRYAN, except to say I respect his view. But I do believe there is a compelling case that has been made, not by this Member but by the college coaches and the university presidents who say this is placing these young—as Coach Calhoun called them—kids in the path of temptation that is something that could be very unhealthy for them.

So I respect the views of my friends from Nevada. I hope we will have a vigorous debate on this issue, and hopefully we will be able to address it one way or another. But I do believe it is an issue of some importance, at least if you believe those who are closest to these young men and women, our college athletes.

Mr. BRYAN. Will the Senator yield for a moment?

Mr. McCAIN. I am happy to yield.

Mr. BRYAN. I will just acknowledge his very generous comments. I appreciate that.

Let me respond in turn. I have been privileged and honored to serve in that committee with him as chairman. We have worked on many, many issues, not only the athletic issues which we have addressed, but both of our respective jurisdictions are going to enjoy expanded air service as a result of his leadership, providing nonstop service to the Nation's Capital from our respective States. So I assure him my comments are in no way intended to be personal to him. It is a difference of opinion. The Senator from Arizona, who is a tenacious advocate and fearless defender of his own State, can understand the Senator from Nevada obviously has serious concerns. They are honest differences of opinion with the Senator from Arizona. I wanted to state that for the RECORD.

Again, I thank him for his very generous comments.

Mr. McCAIN. I thank Senator BRYAN. I will come to the floor sometime in September to chronicle his many accomplishments and the admiration and heartfelt affection I have for Senator BRYAN. But at the moment I say we will respectfully disagree. I think we will have both an interesting and, I hope, illuminating discussion of what has become, in the eyes of many, an important issue. I thank Senator BRYAN for his kind remarks. I will miss him, although I want to make it clear that he is not departing this Earth. In fact, he may be going to a much more rewarding and comfortable lifestyle.

#### THE SITUATION IN FIJI

Mr. McCAIN. Mr. President, let us imagine for a moment that a ragtag group of armed rebels in Australia was able to infiltrate the parliament in Canberra and put a gun to the head of the Australian Prime Minister. Let us imagine that these rebels, led by a failed indigenous businessman who claimed to speak for the native people and against those of European descent who had "colonized" the island, held

the Prime Minister and members of his government hostage for several months in the Parliament building. Let us also imagine that, during this period, central government authority across Australia withered as armed gangs set up roadblocks, occupied police stations and military barracks, torched homes and businesses owned by those with different ancestry, seized tourist resorts, and generally terrorized innocents across the country.

What would America's response be to such a violent takeover of a democratic government and the abduction of its prime minister by race-baiters who proclaimed that under their "new order," there would be no place in government or, indeed, in society for those with different ethnic roots, and who reveled in the armed chaos they had inspired? At a minimum, I would expect the United States to impose tough sanctions on the illegitimate regime; mobilize our allies in Asia and at the U.N. Security Council to speak forcefully and with one voice against the coup; and join like-minded nations in resolutely affirming that the country in question would suffer lasting isolation and international condemnation until constitutional governance and the rule of law were restored.

Unfortunately, this scenario is playing out as we speak in Australia's neighbor Fiji, an island nation in the South Pacific that is home to some of the warmest, most gentle people I have had the pleasure of meeting. George Speight, an ethnic Fijian and failed businessman, led a coup on May 19 that toppled Fiji's democratically elected government and its first Indo-Fijian prime minister, Mahendra Chaudhry. Speight, whom the Economist calls a "classic demagogue," is utterly disdainful of democracy, law, and Fijians of Indian descent, who constitute 44 percent of their nation's population.

If Speight has his way, democratic rule, racial harmony, and basic justice in Fiji have no future, and nearly half of Fiji's people, disenfranchised by the coup, will have been relegated to the status of second-class citizens and unwitting hostages of a government that abhors them for the color of their skin. As Speight bluntly puts it:

There will never be a government led by an Indian, ever, in Fiji. Constitutional democracy, the common-law version—that will never return.

The hostages, including the deposed Prime Minister, have been released, and Speight's forces have apparently cut a deal with Fiji's military and traditional leaders for the composition of a new government—a government led by an ailing figurehead controlled by the coup leader. The new cabinet will be comprised exclusively of ethnic Fijians, with the sole official of Indian descent relegated to a non-cabinet post as one of two assistant ministers for multi-ethnic affairs. The country's multi-racial constitution has been officially scrapped in favor of a document being prepared by the new government

that "is almost certain to reduce Indo-Fijians to political footnotes," in the words of one observer. The economy, and the tourist industry that sustains it, are in shambles.

Democracy is dead in Fiji. Rule by law has succumbed to the law of the jungle and one man, in league with armed criminals, has personally destroyed a successful experiment in representative, multi-ethnic rule. The United States must stand firm in our absolute refusal to ratify the results of a coup that ended democratic governance in Fiji. We cannot and shall not condone the violent establishment of a government and a constitution predicated on racial exclusion. We should be prepared to suspend what little amount of assistance we provide to Fiji if the government remains intransigent. More importantly, we and our allies in Asia and Europe should make clear that Fiji will remain isolated until the interim government in Suva establishes a clear blueprint for a return to democratic rule by an administration that does not include George Speight and his criminal allies. We cannot compromise on the principle that the Indo-Fijians who constitute nearly half of their nation's population must once again have a voice in its affairs.

The haunting words of an ethnic Fijian social worker vividly capture the agony of a nation that many people believe to be as close to paradise as can be found on this Earth. He laments: "Fiji was such a nice place. We promoted it as 'the way the world should be.' Now it is the devil's country."

Let us use the resources at our disposal as a great and moral nation to oust this devil and return Fiji's government to all of its people.

I ask unanimous consent that the text of an editorial from the July 19th edition of the Wall Street Journal entitled "Goodbye to Fiji" be printed in the RECORD following my remarks.

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

(See exhibit 1.)

Mr. MCCAIN. Mr. President, I have two additional comments.

There is a lot of unrest in Asia today. Indonesia is ridden with ethnic strife, a very important country that is the largest Moslem country in the world and one whose fortunes, economically and ethnically, have declined severely.

The Solomon Islands, an area where American blood was shed many years ago, has been mistreated by ethnic strife and armed gangs taking over and lawlessness and banditry being the order of the day there.

In Fiji, we see, again, ethnic unrest that is harmful not only to the country, but the people who are most affected first will be the poorest people in Fiji, many of them the ethnic Fijians whose livelihood is gained from the now disappearing tourist industry.

Finally, the United States has a special obligation as the world's leader. I think we as Americans are most proud that, following World War II, we began

to redress some of the wrongs we had inflicted on some of our own fellow citizens. After a titanic civil rights struggle, we are at least on the path to assuring equality for all in this great Nation of ours. For us to sit by and watch an ethnic group be subjected to a constitution and rulers that place them in a permanent inferior status, flies in the face of everything the United States has stood for and, clearly, in our assertion that all men and women are created equal and endowed by our Creator with certain inalienable rights.

I hope the administration, the American people, and those of our allies, in Asia and all over the world, including at the United Nations, will do whatever they can to restore equality and equal opportunity in this very lovely island.

It is important for me to note that I visited this beautiful country on several occasions, which is one reason why I have a very special feeling for it and a special sense of sadness because it is a beautiful country filled with very gentle people.

I yield the floor.

EXHIBIT 1

GOODBYE TO FIJI

Say goodbye to Fiji, and say it soon. The country is going rapidly down the tubes.

Two months ago, Fiji wasn't such a bad place. It ambled along at a South Pacific pace. The locals were laid back and well fed, and prone to a languor induced by regular cups of kava, the narcotic beverage of preference in those parts. Tourists flocked in from Australia and New Zealand, attracted to resorts with names like Buca Bay, Rukuruku and Turtle Island, where "The Blue Lagoon"—an execrable film that launched the cinema career of Brooke Shields—was shot 20 years ago. In a nutshell, Fiji was so serene that even honeymooners from the American Midwest were not ruffled by the grueling journey it took to get there.

All that changed on May 19, when a man called George Speight barged into parliament with a throng of thugs and took Mahendra Chaudhry, the Prime Minister, hostage—along with most of the country's cabinet. They were released only last week, and have all been stripped of office.

Mr. Speight is an ethnic Fijian, of Melanesian stock, and Mr. Chaudhry is of Indian descent, as is 44 percent of the country's population. The former maintains that he was acting in the interests of the Melanesian majority, who constitute just over half of all Fijians. The Indians, he declares, are "the exploiters" and "the enemy." Unabashedly racial in his vision of Fiji, he insists on the permanent exclusion of Indians from government office. He calls also for curbs on the commercial mobility of Indians, who control a lion's share of the Fijian economy.

The Indians, cast as "outsiders" by Mr. Speight, are descended from indentured plantation workers who were brought to the archipelago by the colonial British administration a century ago. Most Indians are fourth-generation Fijians. From where we stand, that makes them no less entitled to all the rights of citizenship—whether political or commercial—than an ethnic Fijian might be.

Mr. Speight doesn't see things that way. Neither, alas, does Fiji's Great Council of Chiefs, a body of tribal elders that enjoys ill-defined, but very real, powers under the country's racially skewed customary law. To their discredit, the chiefs have given their

imprimatur to Mr. Speight's objectives, as have sections of the armed forces.

The country's interim prime minister, appointed by the army chief while Mr. Chaudhry was hostage, last week unveiled a "Blueprint" for the "protection" of indigenous Fijians. The document comprises an ill-judged plan for commercial affirmative action, designed to "advance the interests of" the country's ethnic majority. Indians are to be excluded in areas where they are "over-represented," and ethnic Fijians are to get preferential royalties, subsidies, tax breaks, rents and licenses.

The problem with this ethnic gravy train, of course, is that Fiji will soon run out of gravy. The sugar industry, manned by Indians, is in disarray. Tourism, which contributes \$235 million per annum to the economy—and which is second only to sugar in Fiji's economic schema—has ground to a jarring halt. After the recent invasions of luxury resorts by knife-wielding "traditional landowners," it's hard to see those Aussies, Kiwis and Midwestern honeymooners coming back. A flight of disenfranchised Indo-Fijians to Australia and New Zealand is under way. This will drain Fiji of its best technical and entrepreneurial stock.

Mr. Speight and his cohorts will learn swiftly that running an economy is a lot harder than storming a parliament. There is no more than a blueprint for economic suicide.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. ASHCROFT. Mr. President, I thank my colleague, the Senator from Arizona, for his remarks in regard to this challenge, especially as it relates to the South Pacific.

Today, we have received very troublesome information about parts of Indonesia where there is this kind of tension which is threatening the peace, well-being, and the capacity of individuals to exercise their own religious beliefs in ways they see fit. This troublesome disorder is to be noted and understood, and we should speak out on it. I thank the Senator from Arizona for his remarks.

#### THE MISSOURI RIVER SYSTEM

Mr. ASHCROFT. Mr. President, I rise today to talk about something closer to home for me. Perhaps one of the most important things that has ever been known or understood in the economy of Missouri is the Missouri River. It is part of the lifeblood of our State. It transports commerce from one part of the State to another and from our State down through the Mississippi to the Gulf of Mexico and around the world.

There are some troublesome issues regarding the flows in the Missouri River. They relate to the energy and water appropriations bill which includes specific measures relating to language in this year's bill that is identical to language found in previous bills.

Under normal Senate procedure once a committee acts and reports out a bill, the bill comes to the floor, and if a Senator does not like a certain provision in the bill, then that Senator has the right to move to strike that position. That is a guaranteed right.

However, it appears that one of the provisions, which is totally consistent with language that has been in previous bills regarding flows in the Missouri River system, is not to the liking of some individual Senators. In particular, the minority leader has indicated his opposition to Section 103. Senator DASCHLE has done what he could to prevent debate on this section, and has worked to make sure the bill does not come to the floor at all.

That is a harsh and inappropriate way for us to act. If any Senator does not like a provision, then that Senator can move to strike the provision, and the Senate can vote on such a motion. Unfortunately, this election to stall; to interrupt the progress and business of the Senate; to say we do not want to allow a bill to come to the floor as it was reported by the committee and as it has come year after year is a way to interrupt the business of the Senate, is inappropriate.

I was pleased that earlier this afternoon the majority leader filed a cloture motion on the energy and water appropriations measure, but it is unfortunate that he had to do so. I regret the majority leader had to take such action, but because the Democrats insisted on stalling the normal legislative process, such action was necessary.

The Missouri River and the Mississippi River are the two most valued treasures of Missouri citizens. They are essential for not only transportation in our State but about 40 percent of all the people in our State get their drinking water out of those rivers. They are important for irrigation and for cost-efficient transportation.

I have had the privilege through the decades of fighting to protect that resource, not only for human consumption but for transportation as well. As attorney general, I was involved in litigation that went all the way to the Supreme Court. I was pleased to be part of that, to be a moving factor in that litigation which protected our waterflows at that time in the river.

I watched as the Missouri River, when it had inadequate flows, paralyzed a community. I remember years ago when I was Governor, an ice bridge developed. This was a natural impairment of the flow north of Missouri in the river and north of the city of St. Joseph. Instead of the water flowing down, the ice jam backed up the water.

The river levels fell and a great city such as St. Joseph, MO, was without water. When I went to look at the water intake facility for St. Joseph, I noticed the water was a foot or two below the intake. We worked night and day to get a new pump and a new system of drawing water out of the river. Proper river flows are essential to the well-being of our State.

In the committee report of the energy and water appropriations bill, Section 103 prohibits the expenditure of resources to diminish the flow or to otherwise tamper with the flow of the

river because the river flows are so essential to the well-being of our State. The Corps' plan for rewriting the way the river will be managed is known as the Missouri River Master Manual. It would send additional surges of water down in the spring, which would cause flooding, and withhold additional water in the fall, which would cause low levels in the river.

If you make the level of the river low in the fall, the crop which has been grown can't be shipped as efficiently when there is inadequate river flow for transportation. Of course, you may not have a crop to ship if in the spring you release so much water that you cause widespread flooding. This flooding potential concerns many of our communities. I have worked closely with the rest of the Missouri delegation in the Congress, the Missouri Farm Bureau, and the Mid-America Regional Council 2000. We uniformly oppose management of the river in a way that would cause flooding in the Spring, and then a restriction of the flow of the river in the fall which would make impossible the kind of transportation upon which our farm, agricultural, and other industries must rely.

The U.S. Fish and Wildlife Service has recently recommended to the Army Corps of Engineers a spring pulse or spring rise on the Missouri River. This recommendation is irresponsible and dangerous. The U.S. Fish and Wildlife Service wants to do this because it is interested in improving environmental conditions for certain species of fish and birds. We all are concerned about fish and birds, the shorebirds, the piping plover, and the shark-like pallid sturgeon fish. But this protection should not come at the expense of the lives of thousands of people living downstream.

Section 103 to H.R. 4733, forbids any funding in the bill from being used to revise the Missouri River Master Water Control Manual to allow for an increase in the springtime water release program during the spring heavy rainfall and snowmelt period in the States. This spring release, or spring rise, or spring pulse would be dangerous for all citizens living and working downstream from Gavins Point, located on the border of Nebraska and South Dakota.

It normally takes about 12 days for water to travel from Gavins Point to St. Louis. During the spring, weather in the Midwest is especially unpredictable. It is usually said if you don't like the weather, just wait a bit. If it is that unpredictable, especially in the spring, it is very difficult to correctly predict the weather for a 12-day period. And if you are going to send a big pulse of water down the river and then, as you are in the process of doing so, there is a substantial rainstorm or series of storms that develop, the very purpose of restricting flooding and providing a basis for reasonable flow in the river is defeated. If you are already sending a charge of water down the

river that is closer to the capacity of the river, any additional rain from nature would create widespread flooding in the downstream communities.

The combination of a spring rise and a heavy rain during the 12-day period would increase greatly the chances for downstream flooding. The spring rise would come at a time of the year when downstream citizens are the most vulnerable to flooding. The Corps' plan provides less flood control and less navigability than the current plan, thus it should not be imposed.

I oppose the Corps' plan for rewriting the Missouri River Master Manual, and I call on the Corps to adopt a plan that better suits a balance among water uses. If the President decides, after we have passed the bill with this same provision in it that we have had in it for the last several years, to veto it, it is his prerogative. But what that tells the citizens of the lower Missouri basin is that the Clinton-Gore administration is willing to flood downstream midwestern communities. It is that simple. Section 103 provides the necessary protection for all citizens downstream from the Gavins Point Dam who live and work along the banks of the Missouri River.

In closing, each Senator is entitled to his or her opinion on any piece of legislation, but the Senator should understand that that opinion should be reflected in the legislative process with opportunities to strike. That opinion should not be expressed by keeping legislation reported by committees from coming to the floor. We simply want to debate section 103 and any motion with regard to this commonsense provision. We are willing to live by the will of the Senate in determining what should be the outcome. We believe the availability of this legislation should not be curtailed, especially since it includes identical language found in the last several years of this same energy and water appropriations. As a matter of fact, it is the will of the committee which has sent it to the floor.

With that in mind, I look forward to working to protect the interests of Missouri citizens, to protect them against flooding in the spring and to protect the output and available water resources for a flow which will support navigation in the fall.

I yield the floor.

The PRESIDING OFFICER. The Senator from Vermont.

#### JUDICIAL NOMINEES

Mr. LEAHY. Mr. President, I am sorry I was not on the Senate floor to hear Chairman HATCH earlier this afternoon. I was attending an important confirmation hearing and chairing a meeting of the bipartisan Internet Caucus. I spoke to the issue of judicial nominations last Friday and say, again, with 60 current and long-standing vacancies within the federal judiciary, and seven more on the horizon, we cannot afford to stop or slow

down the little progress we are making.

Our hearing today included three nominees moved forward to fill positions on the District Court of Arizona that have all been declared judicial emergencies. Each of the nominees was nominated last Friday. They are now having their hearing, they look forward to being voted out of committee on Thursday and approved by the Senate before the week is out—within one week of nomination. This demonstrates what we can do when we want to take action. All the talk about needing six months or more to process and review nominees is just that—talk. If all goes according to schedule, these nominees will be in and out of the Senate in less than one week.

We could do that with a number of nominees. Instead, this is a Senate that has kept highly-qualified nominees, such as Richard Paez and Marsha Berzon, waiting for years before they get a vote. There is just no reason to have a qualified nominee like Judge Helene White of Michigan held hostage for over 42 months without a hearing.

I am disappointed to have seen another hearing come and go without even one nominee to fill one of the many vacancies to the Courts of Appeals around the country. I was encouraged to hear Senator LOTT recently say that he continues to urge the Judiciary Committee to make progress on judicial nominations. The Majority Leader said: "There are a number of nominations that have had hearings, nominations that are ready for a vote and other nominations that have been pending for quite some time and that should be considered." He went on to note that the groups of judges he expects us to report to the Senate will include "not only district judges but circuit judges." Unfortunately, the Committee has not honored the Majority Leader's representations and was only willing to consider a few District Court nominees at today's hearing. Pending before the Committee are a dozen nominees to the Federal Courts of Appeals who are awaiting a hearing—12 nominees, not one of which the Republican Majority saw fit to include in this hearing. Left off the agenda are Judge Helene White of Michigan, who is now the longest pending judicial nomination at over 42 months without even a hearing; Barry Goode, whose nomination to the Ninth Circuit was the subject of Senator FEINSTEIN's statements at our Committee meeting last Thursday and who has been pending for over two years; as well as a number of qualified minority nominees whom I have been speaking about throughout the year, including Kathleen McCree Lewis of Michigan, Enrique Moreno of Texas and Roger Gregory of Virginia.

I noted for the Senate last Friday that there continue to be multiple vacancies on the Fourth, Fifth, Sixth, Ninth, Tenth and District of Columbia Circuits. With 20 vacancies, our appellate courts have nearly half of the

total judicial emergency vacancies in the federal court system. I know how fond our Chairman is of percentages, so I note that the vacancy rate for our Courts of Appeals is more than 11 percent nationwide. Of course that vacancy rate does not begin to take into account the additional judgeships requested by the Judicial Conference to handle their increased workloads. If we added the 11 additional appellate judges being requested, the vacancy rate would be 16 percent. By comparison, the vacancy rate at the end of the Bush Administration, even after a Democratic Majority had acted in 1990 to add 11 new judgeships for the Courts of Appeals, was only 11 percent. Even though the Congress has not approved a single new Circuit Court position within the federal judiciary since 1990, the Republican Senate has by design lost ground in filling vacancies on our appellate courts.

At our first Judiciary Committee meeting of the year, I noted the opportunity we had to make bipartisan strides toward easing the vacancy crisis in our nation's federal courts. I believed that a confirmation total of 65 by the end of the year was achievable if we made the effort, exhibited the commitment, and did the work that was needed to be done. I urged that we proceed promptly with confirmations of a number of outstanding nominations to the Court of Appeals, including qualified minority and women candidates.

Yet only five nominees to the appellate courts around the country have had nomination hearings this year and only three of those five have been reported by the Committee to the Senate and confirmed—only three all year. The Committee included no Court of Appeals nominees at the hearings on April 27 and July 12, and there are no Court of Appeals nominee at the hearing today. The Committee has yet to report the nomination of Allen Snyder to the District of Columbia Circuit, although his hearing was 11 weeks ago, or the nomination of Bonnie Campbell to the Eighth Circuit, although her hearing was eight weeks ago. The Republican candidate for President talks about final Senate action on nominations within 60 days and we cannot get the Committee to report some nominations within 60 days of their hearing.

There is no good reason to have a qualified nominee such as Judge Helene White of Michigan held hostage for over 42 months without a hearing—42 months, and she has not even gotten a hearing. We had two men who were nominated last Friday, and they had a hearing today. They will probably be confirmed this week. Helene White has been held hostage for over 42 months without a hearing. She is the record holder for judicial nominees who have had to wait for a hearing—and her wait continues. It is insulting to the people of Michigan, insulting to the court, and insulting to her. The people of Michigan deserve a vote up or down on this outstanding lawyer and Judge from Michigan.

Now why do I keep mentioning this? I keep mentioning it because, frankly, we are doing a poor job in confirming judges. I compare this to the last year of President Bush's term. We had a Democratic majority in the Senate. We confirmed twice as many judges then as this Senate is confirming now with a Republican majority and a Democratic President. Something was said the other day that, well, the Democrats are in the minority, and that is probably why they complain so. Well, heavens, I would be happy to have the complaints of the Republicans when they were in the minority. The Democrats moved twice as many judges for a Republican President as Republicans are moving for a Democratic President. It is a simple fact.

The soon-to-be presidential nominee of the Republican Party has said—and I agree with him—that this is wrong, the Senate ought to vote these people up or down in 60 days. Of course, we could do that. There is a concern that has been expressed—and rightly so—that so many nominees are held without any vote. Nobody votes against them, but nobody gets an opportunity to vote for them; they just sit there. And even though the criticism stings, the fact is that, on average, women and minorities take longer to go through this Senate than white males do. Some women, some minorities have gone through very quickly, but most have taken longer.

I said earlier that I do not see any sense of bias or sexism in our chairman. I have known him for over 20 years, and I have never heard him make a biased remark or a sexist remark during that whole time. But something is happening, somewhere they are being held up. It is wrong. One of the things that most Republicans and Democrats ought to be able to agree on is what Governor Bush said: Do it and vote them up or down in 60 days. Let's make a decision.

Some of these people got held up for 2 or 3 or 4 years. When they finally got a vote, they passed overwhelmingly. But for 2 or 3 or 4 years they were humiliated, caused to dangle, have their law practices fall apart, have people question what was going on. Why? Because one or two Senators thought they should be held up. Well, let those one or two Senators vote against them. We are paid to vote yes or no, not maybe. I do not know whether it is because they are women, because they are Hispanic, because they are too liberal, or too conservative, too active, not active enough, that people don't want them to be confirmed. Let them vote against them.

I argued, when we had a very distinguished African American justice of a State supreme court, that we ought to let him at least have a vote. We had a vote after 2 years and, on a party line vote, he was voted down. Every single Republican voted against him, and every single Democrat voted for him, even though he had the highest rating

of the American Bar Association, even though he was a justice of his state's highest court, and even though he was one of the most outstanding nominees either of a Democratic or Republican President to come before the Senate. At least he had a vote. I think the vote was wrong; he should have been confirmed. But at least he had a vote.

I also worry about are all these people who are not even given a vote.

Senator HATCH compared this year's confirmation total against totals from other Presidential election years. The only year to which this can be favorably compared is 1996 when the Republican majority in the Senate refused to confirm even a single appellate court judge to the Federal bench. The total that year was zero. That is hardly a comparison in which to take pride. I say let us compare 1992, in which there was a Democratic majority in the Senate and a Republican President. We confirmed 11 court of appeals nominees during that Republican President's last year in office—11 court of appeals nominees, and 66 judges in all. In fact, we went out in October of that year. We were having hearings in September. We were having people confirmed in October.

So do not come here and say the Democrats are not well grounded in complaining about what is happening. We established the way nonpartisanship can work in confirming judges. We did it for Republican Presidents. Obviously, it is not being done for a Democratic President. What we did in 1992, between July 24 and October 8, was the Senate confirmed 32 judicial nominees. We ought to try to do the same here, basically, from now until about the time we go out. Again, the last time that happened at the end of a President's term, the Democrats helped get 32 judges through during that period of 10 weeks at the end of the Congress. Well, we ought to do the same here. The Republicans ought to be willing to do the same thing.

In fact, in 1992 the Committee held 15 hearings—twice as many as this Committee has found time to hold this year. Late that year, we met on July 29, August 4, August 11, and September 24, and all of the nominees who had hearings then were eventually confirmed before adjournment. We have a long way to go before we can think about resting on any laurels.

Having begun so slowly in the first half of this year, we have much more to do before the Senate takes its final action on judicial nominees this year. We cannot afford to follow the "Thurmond Rule" and stop acting on these nominees now in anticipation of the presidential election in November. We must use all the time until adjournment to remedy the vacancies that have been perpetuated on the courts to the detriment of the American people and the administration of justice. That should be a top priority for the Senate for the rest of this year. In the last 10 weeks of the 1992 session, between July

24 and October 8, 1992, the Senate confirmed 32 judicial nominations. I will work with the Republican Majority to try to match that record.

One of our most important constitutional responsibilities as United States Senators is to advise and consent on the scores of judicial nominations sent to us to fill the vacancies on the federal courts around the country. I continue to urge the Senate to meet its responsibilities to all nominees, including women and minorities. That these highly qualified nominees are being needlessly delayed is most regrettable. The President spoke to this situation earlier this month in his appearance before the NAACP. The Senate should join with the President to confirm these well-qualified, diverse and fair-minded nominees to fulfill the needs of the federal courts around the country.

The Arizona vacancies are each judicial emergency vacancies. Two were authorized in appropriations legislation last year when the Republicans Majority continued its refusal to consider a bill to meet the judicial Conference's recommendation for 72 additional judges around the country. All we were able to authorize were a few judgeships in Arizona, Florida and Nevada. That points out one of the reasons that the comparisons that Chairman HATCH is seeking to draw to the vacancy rates at the end of the Bush Administration are incorrect. During President Reagan's Administration and again during the Bush Administration, Congress added a significant number of new judgeships. The so-called vacancy rate that Senator HATCH is so fond of citing at the end of the Bush Administration is highly inflated by the addition of 85 new judgeships in 1990 and by the addition of 87 new judgeships in 1984, of which many were yet to be filled. By contrast the vacancies currently plaguing the federal courts are longstanding and in spite of Republican intransigence against authorizing additional judgeships requested by the Judicial Conference since 1996. If those additional judgeships were taken into account, the vacancy rate today would be over 13 percent with over 120 vacancies—hardly a comparison that the Republican majority would want to make, but that would be comparing comparable figures.

In addition, even running the gauntlet and getting a confirmation hearing does not automatically guarantee someone a vote before the current Judiciary Committee. Bonnie Campbell, nominated by the President on March 2, 2000, has completed the nomination and hearing process and is strongly supported by Senator GRASSLEY and Senator HARKIN from her home state. But her name continues to be left off the agenda at our executive meetings for the last several weeks. She is a former Iowa Attorney General and former high ranking Justice Department official who has worked extensively on domestic violence and crime



victims matters. Allen Snyder is another well-respected and highly-qualified nominee who got a hearing but no Committee vote. He was nominated on September 22, 1999, received the highest rating from the ABA, enjoys the full support of his home state Senators, and had his hearing on May 10, 2000. There are and have been many others.

I continue to urge the Senate to meet its responsibilities to all nominees, including women and minorities. That highly-qualified nominees are being needlessly delayed is most regrettable. The Senate should join with the President to confirm well-qualified, diverse and fair-minded nominees to fulfill the needs of the federal courts around the country.

More than two years ago Chief Justice William Rehnquist warned that "vacancies cannot remain at such high levels indefinitely without eroding the quality of justice that traditionally has been associated with the federal judiciary." The New York Times reported last year how the crushing workload in the federal appellate courts has led to what it calls a "two-tier system" for appeals, skipping oral arguments in more and more cases. Law clerks and attorney staff are being used more and more extensively in the determination of cases as backlogs grow. Bureaucratic imperatives seem to be replacing the judicial deliberation needed for the fair administration of justice. These are not the ways to continue the high quality of decision-making for which our federal courts are admired or to engender confidence in our justice system.

When the President and the Chief Justice spoke out, the Senate briefly got about its business of considering judicial nominations last year. Unfortunately, last year the Republican majority returned to the stalling tactics of 1996 and 1997 and judicial vacancies are again growing in both number and duration. Chief Justice Rehnquist wrote at the end of 1997: "The Senate is surely under no obligation to confirm any particular nominee, but after the necessary time for inquiry it should vote him up or vote him down." The Senate is not defeating judicial nominations in up or down votes on their qualifications but refusing to consider them and killing them through inaction.

During Republican control it has taken two-year periods for the Senate to match the one-year total of 101 judges confirmed in 1994, when we were on course to end the vacancies gap. Nominees like Judge Helene White, Barry Goode, Judge Legrome Davis, and J. Rich Leonard, deserve to be treated with dignity and dispatch—not delayed for two and three years. We are still seeing outstanding nominees nitpicked and delayed to the point that good women and men are being deterred from seeking to serve as federal judges. Nominees practicing law see their work put on hold while they await the outcome of their nomina-

tions. Their families cannot plan. They are left to twist in the wind. All of this despite the fact that, by all objective accounts and studies, the judges that President Clinton has appointed have been a moderate group, rendering moderate decisions, and certainly including far fewer ideologues than were nominated during the Reagan Administration.

Federal law enforcement relies on judges to hear criminal cases, and individuals and businesses pay taxes to exercise their right to resolve civil disputes in the federal courts. As workloads continue to grow and vacancies are perpetuated, the remaining judges are being overwhelmed and the work of the federal judiciary is suffering.

Our independent federal judiciary sets us apart from virtually all others in the world. Every nation that in this century has moved toward democracy has sent observers to the United States in their efforts to emulate our judiciary. Those fostering this slowdown of the confirmation process and other attacks on the judiciary are risking harm to institutions that protect our personal freedoms and independence.

What progress we started making two years ago has been lost and the Senate is again failing even to keep up with normal attrition. Far from closing the vacancies gap, the number of current vacancies has grown from 57, when Congress recessed last year, to 60. Since some like to speak in terms of percentage, I should note that the judicial vacancy rate now stands at over seven percent of the federal judiciary (60/852). If one considers the 63 additional judges recommended by the judicial conference, the vacancies rate would be over 13 percent (123/915).

What is most significant about the recent trend of judicial vacancies and vacancy rates is that the vacancies that existed in 1993 (after the creation of 85 new judgeships in 1990) had been cut almost in half in 1994, when the rate was reduced to 7.4% with 63 vacancies at the end of the 103rd Congress. We continued to make progress even into 1995. In fact, the vacancy rate was lowered to 5.8% after the 1995 session, and before the partisan attack on federal judges began in earnest in 1996 and 1997.

Progress in the reduction of judicial vacancies was reversed in 1996, when Congress adjourned leaving 64 vacancies, and in 1997, when Congress adjourned leaving 80 vacancies and a 9.5% rate. No one was happier than I that the Senate was able to make progress in 1998 toward reducing the vacancy rate. I praised Senator HATCH for his effort. Unfortunately, the vacancies are now growing again.

Let me also set the record straight, yet again, on the erroneous but oft-repeated argument that "the Clinton Administration is on record as having stated that a vacancy rate just over 7% is virtual full-employment of the judiciary." That is not true.

The statement can only be alluded to an October 1994 press release. That

press release cannot be construed or even fairly misconstrued in this manner. That press release was pointing out at the end of the 103rd Congress that if the Senate proceeded to confirm the 14 nominees then on the Senate calendar, it would have reduced the judicial vacancy rate to 4.7%, which the press release then proceeded to compare to a favorable unemployment rate of under 5%.

This was not a statement of administration position or even a policy statement but a poorly designed press release that included an ill-conceived comment. Job vacancy rates and unemployment rates are not comparable. Unemployment rates are measures of people who do not have jobs not of federal offices vacant without an appointed office holder.

When I learned that some Republicans had for partisan purposes seized upon this press release, taken it out of context, ignored what the press release actually said and were manipulating it into a misstatement of Clinton administration policy, I asked the Attorney General, in 1997, whether there was any level or percentage of judicial vacancies that the administration considered acceptable or equal to "full employment."

The Department responded:

There is no level or percentage of vacancies that justifies a slow down in the Senate on the confirmation of nominees for judicial positions. While the Department did once, in the fall of 1994, characterize a 4.7 percent vacancy rate in the federal judiciary as the equivalent of the Department of Labor 'full employment' standard, that characterization was intended simply to emphasize the hard work and productivity of the Administration and the Senate in reducing the extraordinary number of vacancies in the federal Article III judiciary in 1993 and 1994. Of course, there is a certain small vacancy rate, due to retirements and deaths and the time required by the appointment process, that will always exist. The current vacancy rate is 11.3 percent. It did reach 12 percent this past summer. The President and the Senate should continually be working diligently to fill vacancies as they arise, and should always strive to reach 100 percent capacity for the federal bench.

At no time has the Clinton administration stated that it believes that 7 percent vacancies on the federal bench is acceptable or a virtually full federal bench. Only Republicans have expressed that opinion. As the Justice Department noted two years ago in response to an inquiry on this very questions, the Senate should be "working diligently to fill vacancies as they arise, and should always strive to reach 100 percent capacity for the federal bench."

Indeed, I informed the Senate of these facts in a statement in the CONGRESSIONAL RECORD on July 7, 1998, so that there would be no future misunderstanding or misstatement of the record. Nonetheless, in spite of the facts and in spite of my July 1998 statement, these misleading statements continue to be repeated.

The Senate should get about the business of voting on the confirmation

of the scores of judicial nominations that have been delayed with justification for too long. We must redouble our efforts to work with the President to end the longstanding vacancies that plague the federal courts and disadvantage all Americans. That is our constitutional responsibility. It should not be shirked.

I am sorry that Senator HATCH feels that he is being attacked from all sides. I regret that some on his side of the aisle and other critics have sought to prevent him from doing his duty. I have gone out of my way to compliment the Chairman when praise was warranted and to keep my criticism from becoming personal.

With respect to the Senate's treatment of nominees who are women or minorities, I remain vigilant. I have said that I do not regard Senator HATCH as a biased person. I have also been outspoken in my concern about the manner in which we are failing to consider qualified minority and women nominees over the last four years. From Margaret Morrow and Margaret McKeown and Sonia Sotomayor, through Richard Paez and Marsha Berzon, and including Judge James Beatty, Judge James Wynn, Roger Gregory, Enrique Moreno and all the other qualified women and minority nominees who have been delayed and opposed over the last four years, I have spoken out. The Senate may never remove the blot that occurred last October when the Republican Senators emerged from a Republican Caucus to vote lockstep against Justice Ronnie White to be a Federal District Court Judge in Missouri.

The United States Senate is the scene where some 50 years ago, in October 1949, the Senate confirmed President Truman's nomination of William Henry Hastie to the Court of Appeals for the Third Circuit, the first Senate confirmation of an African American to our federal district courts and courts of appeal. This Senate is also where some 30 years ago the Senate confirmed President Johnson's nomination of Thurgood Marshall to the United States Supreme Court.

And this is where last October, the Senate wrongfully rejected President Clinton's nomination of Justice Ronnie White. That vote made me doubt seriously whether this Senate, serving at the end of a half century of progress, would have voted to confirm Judge Hastie or Justice Marshall.

On October 5, 1999, the Senate Republicans voted in lockstep to reject the nomination of Justice Ronnie White to the federal court in Missouri—a nomination that had been waiting 27 months for a vote. For the first time in almost 50 years a nominee to a federal district court was defeated by the United States Senate. There was no Senate debate that day on the nomination. There was no open discussion—just that which took place behind the closed doors of the Republican caucus lunch that led to the party-line vote.

It is unfortunate that the Republican Senate has on a number of occasions delayed consideration of too many women and minority nominees. The treatment of Judge Richard Paez and Marsha Berzon are examples from earlier this year. Both of these nominees were eventually confirmed this past March by wide margins.

I have been calling for the Senate to work to ensure that all nominees are given fair treatment, including a fair vote for the many minority and women candidates who remain pending. According to the report released last September by the Task Force on Judicial Selection of Citizens for Independent Courts, the time it has been taking for the Senate to consider nominees has grown significantly and during the 105th Congress, minorities and women nominees took significantly longer to gain Senate consideration than white male nominees: 60 days longer for non-whites, and 65 days longer for women than men. The study verified that the time to confirm female nominees was now significantly longer than that to confirm male nominees—a difference that has defied logical explanation. They recommend that "the responsible officials address this matter to assure that candidates for judgeships are not treated differently based on their gender."

On July 13, 2000, President Clinton spoke before the NAACP Convention in Baltimore and lamented the fact that the Senate has been slow to act on his judicial nominees who are women and minorities. He said: "The quality of justice suffers when highly-qualified women and minority candidates, fully vested, fully supported by the American Bar Association, are denied the opportunity to serve for partisan political reasons." He went on to say: "The face of injustice is not compassion; it is indifference, or worse. For the integrity of the courts and the strength of our Constitution, I ask the Republicans to give these people a vote. Vote them down if you don't want them on." I agree with the President.

The Senate should be moving forward to consider the nominations of Judge James Wynn, Jr. and Roger Gregory to the Fourth Circuit. When confirmed, Judge Wynn and Mr. Gregory will be the first African-Americans to serve on the Fourth Circuit and will each fill a judicial emergency vacancy. Fifty years has passed since the confirmation of Judge Hastie to the Third Circuit and still there has never been an African-American on the Fourth Circuit. The nomination of Judge James A. Beatty, Jr., was previously sent to us by President Clinton in 1995. That nomination was never considered by the Senate Judiciary Committee or the Senate and was returned to President Clinton without action at the end of 1998. It is time for the Senate to act on a qualified African-American nominee to the Fourth Circuit. President Clinton spoke powerfully about these matters last week. We should respond not

by misunderstanding or mischaracterizing what he said, but by taking action on this well-qualified nominee.

In addition, the Senate should act favorably on the nominations of Judge Helene White and Kathleen McCree Lewis to the Sixth Circuit, Bonnie Campbell to the Eighth Circuit, and Enrique Moreno to the Fifth Circuit. Mr. Moreno succeeded to the nomination of Jorge Rangel on which the Senate refused to act last Congress. These are well-qualified nominees who will add to the capabilities and diversity of those courts. In fact, the Chief Judge of the Fifth Circuit declared that a judicial emergency exists on that court, caused by the number of judicial vacancies, the lack of Senate action on pending nominations, and the overwhelming workload.

I am disappointed that the Committee has not reported the nomination of Bonnie Campbell to the Eighth Circuit. She completed the nomination and hearing process two months ago and is strongly supported by Senator GRASSLEY and Senator HARKIN from her home state. She will make an outstanding judge.

Filling these vacancies with qualified nominees is the concern of all Americans. The Senate should treat minority and women and all nominees fairly and proceed to consider them without delay.

I think it was unfortunate that the chairman tried to assign blame for the Senate's lack of progress on a number of legislative items. I disagree with that assessment. He knows, as I do, that the Democratic leader made a proposal that would have moved the H-1B legislation and allowed votes on the humanitarian immigration issues. The Republicans refused Senator DASCHLE's offer. We all know the Democrats have not opposed the religious liberty bill Senator KENNEDY helped develop. We all know we have been pressing for reauthorization of the Violence Against Women's Act for many months. It is not fair to suggest Democrats are holding that up.

I will give you one other example. I am getting calls from police organizations, and I see the distinguished assistant minority leader, the Senator from Nevada, who served as a police officer. He will understand this. I am getting calls from police organizations all over the country.

They ask me: Why hasn't the Campbell-Leahy bill to provide more bullet-proof vests passed? Why hasn't it gone through the Senate? I tell my friend from Nevada what I told them. I said: My friend from Nevada, who is the Democratic whip, has checked, as I have, with every single Democrat, and every single Democrat is willing to pass it this minute by unanimous consent. We said that to the Republican leader.

We were told there was an objection on the Republican side. My goodness. Have we gotten so partisan that a bill

sponsored by the distinguished Senator from Colorado, Mr. CAMPBELL, by myself and the distinguished chairman of the Senate Judiciary Committee, Mr. HATCH, a bill to provide bulletproof vests—cosponsored by the distinguished Senator from Nevada, Mr. REID, as well—that a bill to provide bulletproof vests for law enforcement officers is being stalled by Republican objections? That is wrong.

If that bill were allowed to come to the floor for a vote, I am willing to bet—in fact, I know because we have already checked—that every Democratic Senator would vote for it. But I am also willing to bet that virtually every Republican Senator would vote for it. This is not a Democrat or Republican bill. In fact, Senator CAMPBELL and I have specifically worked to make sure it is not a partisan bill.

So I tell my friends from law enforcement: Please call the other side of the aisle. I am convinced that a majority of Republicans support it, but somebody on the Republican side is holding it up. The Democrats are willing to pass it immediately.

The chairman of the Judiciary Committee knows we were working toward a bankruptcy bill until the Republicans decided to end bipartisan discussion and negotiate among themselves and not negotiate with the Democrats.

He knows we should have passed the Madrid Protocol Implementation Act weeks, if not months, ago. I tell the business community that continuously asks me that every single Democrat is willing to move forward with it. It has been stalled on the Republican side.

In fact, let me take a bill involving the two of us. The Hatch-Leahy juvenile crime bill passed the Senate in May of 1999. Again, I ask my friend from Nevada: As I recall, that passed with 73 votes, Democrats and Republicans, the majority of both parties. It passed the Senate with 73 votes.

My friend from Utah is the chair of the House-Senate conference. But we haven't convened in almost a year. It is a bill that should have been enacted last year. But we will not even have a conference. Seventy-three Senators voted for that bill—73. We can't get the conference to meet on it and the Senate controls the conference.

These are a lot of items, such as the H-1B legislation, the religious liberty bill, the Violence Against Women Act reauthorization, the bulletproof vest bill, the Madrid Protocol Implementation Act, the Hatch-Leahy juvenile crime bill, the bankruptcy bill. These are things that can move forward. But there seems to be no movement from the other side.

I will continue to try to find ways to work with the distinguished chairman, my friend from the Judiciary Committee, to make progress. I point out that we worked together on civil asset forfeiture reform, and it passed. We worked together on intellectual property and antitrust matters. Those measures pass with a majority of Re-

publicans and Democrats joining us. But now we find legislation on the bulletproof vest bill, which most of us agree on, that we cannot get passed. We find nominations on which we cannot get a vote—even when the soon to be Republican nominee for the Presidency, Governor Bush, said we ought to vote them up or down within 60 days. We can't get votes on them. Some stay stalled for months and years by humiliating delay.

I have spoken about how humiliating it must be to somebody who is nominated for a judgeship—the pinnacle of their legal career. They get nominated. The American Bar and others looked at them, and said: This is an outstanding person, an outstanding lawyer, and they would be a terrific jurist. Usually we get inundated with letters from lawyers—Republicans and Democrats alike—who say they know this man or woman and he or she would make a superb judge. The FBI and others do the background check—as thorough as you can imagine, such that most people in private life would never be able to put up with it. Their privacy is just shredded. They come back and say: This is an outstanding person.

If they are in private practice, they are congratulated by their partners in their firm. They say how wonderful it is. They realize, of course, that the nominee can't take on any more new cases because no one wants conflicts of interest. They kind of suggest as soon as they have this party that the nominee can sort of move out so the rest of the law firm can go forward.

The nominees wait and wait and wait and wait. Nobody is against them, but they can't get a hearing. They can't get a vote. Then, if the public pressure grows enough, if they are in a high profile, they may get a hearing. Then if the pressure continues, they may get a Committee vote. And then, if the pressure really builds and the Democratic leader and the Democratic caucus insist, they may get a Senate vote on confirmation. When they get voted, they get confirmed—with the exception of Justice White—by 90 to 10, or 95 to 5, and many times unanimously. But their lives has been put on hold for 2 or 3 years. Their authority as a judge has been diminished because of that. It is humiliating to them.

Frankly, it is humiliating to the Senate. It is beneath this great body. I have served here for over 25 years. I can't think of any greater honor that could come to me than to have the people of Vermont allow me to serve here. I should put on my tombstone, other than husband and father, that I was a United States Senator.

I have always thought of this Senate as the conscience of the Nation. We are not handling the conscience of this Nation very well.

We have a responsibility to uphold the judiciary. If we allow it to be tattered, if we allow it to be shredded, if we allow it to be humiliated, how can a democracy of a quarter of a billion

people uphold our laws? How can the country have respect both for the laws and the courts that administer them, if we in the Senate, the most powerful legislative body in this country, don't show that same respect? If we diminish that, it will be an example to be followed by the rest of the people in this country.

There are only 100 of us who have the privilege of serving here at any given time to represent a quarter of a billion Americans. Sometimes we should think more of that responsibility than partisan politics.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SANTORUM. 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. REID. 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, before my friend from Vermont leaves, let me say a few things. In this body, we tend not to give the accolades to our fellow Senators that we should. I want the Senator from Vermont to know how the entire Democratic caucus supports and follows the lead of this man on matters related to the judiciary. He has done an outstanding job leading the Democratic conference through this wide-ranging jurisdictional authority of the Judiciary Committee.

We are very proud of the work that PAT LEAHY does. The people of Vermont should know that, first of all, he is always looking after the people of Vermont. I am from a State 3,000 miles away from Vermont, the State of Nevada. People in Nevada should, every day, be thankful for the work the Senator does, not only for the State of Vermont but for the country.

I want the RECORD to be spread with the fact that we in the minority are so grateful for the work the Senator from Vermont does for our country. The statement made today certainly outlines many of the problems we are having in the Senate, none of which are caused by the Senator from Vermont.

Mr. LEAHY. Mr. President, I thank my friend from Nevada. I must admit, in my 25 years, nobody has handled the job as whip the way the Senator has. In having the Senator as an ally on the floor, I come well armed, indeed.

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

The PRESIDING OFFICER (Mr. INHOFE). Without objection, it is so ordered.

## MARRIAGE PENALTY RELIEF

Mr. NICKLES. Mr. President, in all likelihood tomorrow we will be sending the President a bill to eliminate the marriage penalty for most Americans. I urge the President to sign this bill.

This bill will provide tax relief for millions of married couples. For individuals or for couples who have incomes of \$52,000, they will see their take-home pay increase by a total of about \$1,400. Some of my colleagues on the Democratic side have said that is a tax cut for the wealthy. It is not. I don't consider a married couple who have an income of \$52,000 particularly wealthy. We want to eliminate the marriage penalty and allow them to keep more of their own money. They should not be taxed at a 28-percent rate.

That is what our bill does. Our bill says we should double the 15-percent rate on individuals for couples. Right now, people who have taxable incomes of \$26,000 as individuals pay taxes at 15 percent. We are saying married couples should pay taxes at 15 percent at twice that amount, up to \$52,000. That only makes sense. If you tax individuals at 15 percent up to \$26,000, for couples it should be double that amount, \$52,000, except that present law taxes couples at 28 percent beginning at \$43,000.

So if couples have taxable income above \$43,000, they start paying 28-percent income tax. If they happen to be self-employed on top of that, it is 28 percent plus 15.3 percent Social Security and Medicare tax. That is 43.3 percent. In most States, they have income tax rates of another 6 or 7 percent, State income tax. That is over 50 percent for a couple with taxable income of \$44-\$45-\$50,000. That is too high.

Congress has passed a bill—both the House and the Senate, identical bills—that says let's double that 15-percent rate for couples, the individual rate for couples, so the taxable income will be 15 percent up to \$52,000, 28 percent above that.

Again, I urge the President to sign it. It is not tax cuts for the wealthy; it is tax cuts for all married couples who have incomes of \$43,000, \$52,000, or \$60,000. The amount of benefit, maximum benefit, is about \$1,400.

I urge the President to sign that bill.

## MORNING BUSINESS

Mr. NICKLES. Mr. President, I now ask unanimous consent the Senate proceed to a period of morning business with Senators permitted to speak for up to 10 minutes each.

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

Mr. REID. Mr. President, will the Senator restate the unanimous consent request?

Mr. NICKLES. I asked unanimous consent that the Senate now proceed to a period of morning business with Senators permitted to speak for up to 10 minutes each.

Mr. REID. No objection.

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

## ACKNOWLEDGMENT OF SENATOR JIM BUNNING'S 100TH PRESIDING HOUR

Mr. LOTT. Mr. President, today, I have the pleasure to announce that another freshman has achieved the 100 hour mark as presiding officer. Senator JIM BUNNING is the latest recipient of the Senate's coveted Golden Gavel Award.

Since the 1960's, the Senate has recognized those dedicated members who preside over the Senate for 100 hours with the Golden Gavel. This award continues to represent our appreciation for the time these dedicated senators contribute to presiding over the U.S. Senate—a privileged and important duty.

On behalf of the Senate, I extend our sincere appreciation to Senator BUNNING and his diligent staff for their efforts and commitment to presiding duties during the 106th Congress.

## ACKNOWLEDGMENT OF SENATOR GORDON SMITH'S 100TH PRESIDING HOUR

Mr. LOTT. Mr. President, today, I have the pleasure to announce that Senator GORDON SMITH is the latest recipient of the Senate's Golden Gavel Award, marking his 100th hour of presiding over the U.S. Senate.

The Golden Gavel Award has long served as a symbol of appreciation for the time that Senators contribute to presiding over the U.S. Senate—a privileged and important duty. Since the 1960's, senators who preside for 100 hours have been recognized with this coveted award.

On behalf of the Senate, I extend our sincere appreciation to Senator SMITH for presiding during the 106th Congress.

## REMEMBERING SENATOR PAUL COVERDELL

Mr. JOHNSON. Mr. President, I rise today to add my condolences to that of my colleagues on the passing of our friend and colleague, Senator Paul Coverdell of Georgia.

Senator Coverdell was a model of proper conduct and decorum becoming of a Senator. He conducted himself in the quiet, deliberative manner that reflected his commitment to a thorough performance of his duties. He was a true leader, willing to do his best for all Americans.

Most recently, he and I worked together to keep our nation's promise to provide health care coverage to military retirees, when we introduced legislation together earlier this year. As my colleagues know, Senator Coverdell had extreme pride in this country. It was an honor to work with him on making good to those people who have served their nation and are now in the

years of declining health. It was also an honor to work with Senator Coverdell every day, for he was truly interested in ensuring our democracy remained strong and pushed forward confidently into the Twenty-first Century.

Mr. President, I wish to extend my condolences to the Coverdell family, including his many friends and his staff. The entire Senate family has lost a friend and the nation has lost a leader. However, we are all enriched by having known such an honorable man. His service and commitment will have a definite and lasting legacy.

## DEPARTMENT OF INTERIOR APPROPRIATIONS

## INDIAN TRIBAL SELF-GOVERNANCE REGULATIONS

Mr. MCCAIN. Mr. President, I rise to engage several of my colleagues in a colloquy about some regulations which the Department of the Interior is preparing to issue in final form. These regulations would govern the federal and tribal administration of the Tribal Self-Governance program. I understand there is strong opposition from American Indian and Alaska Native groups to a handful of the proposed provisions.

Mr. CAMPBELL. Mr. President, the Senator from Arizona is correct. The Committee on Indian Affairs has received a series of communications from Native American tribes and tribal organizations indicating their opposition to eight of the hundreds of proposed provisions. These eight "impasse" issues appear to involve particularly sensitive matters which the Indian tribes believe would seriously set back the advances these tribes have made in the field of tribal self-governance during the past decade.

Mr. MCCAIN. I share the concerns raised by the Indian tribes, and would note that in 1994 when we enacted the Tribal Self-Governance Act, the Congress expressly authorized the tribal self-governance effort to go forward without regulations. At the same time, we required the Department to engage in a negotiated rulemaking with tribal government representatives to develop mutually acceptable rules. Now it appears that this effort has been largely successful. There are hundreds of provisions that have been developed and mutually accepted by the tribal and federal representatives. These should be permitted to go forward. But as to the eight or so provisions upon which there is a negotiation impasse, I believe it would be contrary to the intent of the 1994 Act and to the negotiated rulemaking process to impose objectionable provisions upon the Indian tribes.

Mr. INOUE. I concur in the views of my colleagues, and add that the 1994 Act has been implemented without the benefit of any regulations for the past six years. Accordingly, I can imagine no undue hardship would come to the Department if the final regulations are silent as to eight of the hundreds of issues addressed in the draft regulations. As to these eight so-called "impasse" issues, I would encourage the

Department to simply not issue any regulatory provisions that touch upon these objectionable issues. As I understand it, the ninety-five percent of the remaining regulations that deal with other issues are acceptable to the Indian tribes. The Department should publish those as final and withhold from publication of the eight provisions that are objectionable. I would inquire of the Chairman of the Committee on Indian Affairs as to the nature of the eight objectionable provisions.

Mr. CAMPBELL. The tribal representatives have provided the Committee with a list of eight issues. They have asked the Department to agree to not publish any regulatory provision which: limits the reallocation authority of a Self-Governance Tribe/consortium by requiring that reallocation of funds may only be between programs in annual funding agreements; limits the local decision-making of a Self-Governance Tribe/consortium by requiring that funds in an annual funding agreement shall only be spent on specific programs listed in such funding agreement; prohibits Tribal Base funding from including other recurring funding within Tribal Priority Allocations; requires renegotiation or rejection of a previously executed Self-Governance Compact or Funding Agreement or a provision therein; prohibits a Self-Governance Tribe/consortium from investing funds received under Self-Governance Compacts in a manner consistent with the "prudent investor" standard; requires any Self-Governance Tribe/consortium to adopt "conflict of interest" standards which differ from those previously adopted by its governing body; applies project-specific construction requirements to a tribal assumption of project design and other construction management services or of road construction activities involving more than one project; or fails to provide that "Inherent Federal functions" for purposes of the published regulations shall mean those Federal functions that cannot be legally transferred to a Self-Governance Tribe/consortium.

Mr. MCCAIN. I want to inquire of the chairman on one of these eight impasse issues. Is it your understanding that the Department would have the regulatory authority, in one of the objectionable regulatory provisions, to delete unilaterally certain provisions in the various Compacts of Self-Governance that the Department has signed with various tribal governments and that have existed as long as nine years? I thought we expressly indicated in 1994 when we gave permanent authority to the Tribal Self-Governance Demonstration program that these Compacts and Annual Funding Agreements are to be bilateral agreements reached on a government-to-government basis that cannot be unilaterally amended by the Department?

Mr. CAMPBELL. The Senator is correct. In 1994, the Congress received a series of complaints from Indian tribes that the Department was attempting to unilaterally amend agreements it

had previously reached with Indian tribes who were assuming functions previously carried out by Federal officials. The Congress had to remind the Department in 1994 that it must treat the agreements it reached with Indian tribes as bilateral accords that cannot be amended except by mutual consent. Now, the Department is insisting on a regulation that would permit it to unilaterally revise agreements it had previously reached on a bilateral basis with individual Indian tribes. The American Indian and Alaska Native organizations find these and the remaining seven regulatory provisions objectionable, and I agree with them.

Mr. MCCAIN. I hope the Department will withdraw its proposals to regulate in each of these eight areas. The negotiated rulemaking process works best when it is based upon consensus, and in these eight instances the Department has failed to make its case for regulations.

Mr. INOUE. I thank my colleagues. I share their concerns. I am hopeful that in bringing affected parties together we can resolve these differences.

Mr. CAMPBELL. I thank the Senator and will work with him on this issue in the days and weeks ahead.

#### FLEXIBLE TRADE POLICY TOWARD CUBA

Mr. AKAKA. Mr. President, I rise to discuss American relations with Cuba. Recently, I had the opportunity to travel to Havana with Senators BAUCUS and ROBERTS. We spent ten hours with Fidel Castro, in what has been characterized by the press as a marathon meeting. But more importantly, we had meetings with dissidents and Catholic Church representatives.

It was my first time in Cuba, and I went there with no pre-conceived notions although I did have the opportunity to be thoroughly briefed prior to our departure.

I returned from Cuba convinced that lifting the trade embargo and restrictions on travel, especially for educational exchanges, are extremely important steps in an effort to foster economic and political liberalization in Cuba. They are important steps but not for the reasons which are generally assumed.

As one Cuban told us, ending the American economic embargo on Cuba will not produce economic change. The Castro government has no interest in economic reform—even along the lines of that now seen in China or Vietnam. As the Minister of Economics and Planning explained, there is no program for privatization in the economy, insisting that capitalism does not work but "pure socialism" does. The government allows some private investments, mainly in farming, but the intent of the State is still to control the economy. Indeed, President Castro told us that he believed Cuba could not survive if it was a member of the International Monetary Fund and called the IMF the "world's most subversive organization."

While this was denied by the Foreign Minister, I came away convinced that the government does not want the American embargo on Cuba lifted because the lack of economic ties allows the government to blame the United States for its own economic failures. If the embargo was lifted, Cuba's leaders might find another excuse for their failed policies but it might make it harder for them to find widely acceptable excuses.

The Cuban people have voted already for change. Many have fled to the United States. One Cuban told us that social and economic differences are increasing. The population has declined over the last decade in part because people sadly see no future for their children. The average Cuban salary is said to be \$11 per month. The Castro regime was described to us by those we spoke to in Havana as a dying dictatorship: aging, inefficient and corrupt.

In this environment we should not exaggerate America's influence. Castro will do everything to limit it. But we can start to build a basis for a future relationship with the Cuban people after Castro. The Congress can demonstrate our good will by a partial lifting of the trade embargo. We can demonstrate our good faith by allowing freer movement of Americans to Cuba and to do what we can to encourage Cubans, especially school children, to visit the United States on exchanges. The Congress should promote cultural ties and try to direct assistance to the Cuban people.

None of this will be easy. Nothing Castro said indicated to me that he was willing to permit, for example, Cuban school children to attend American elementary and secondary schools or colleges in significant numbers. Nothing Castro said indicated to me that he was willing to allow American aid, including medical supplies, to be given directly to the Cuban people.

But even if the hand of friendship is rejected, I believe we should still offer it. The future of Cuba is not Castro. President Castro said one clear truth: Cuba still suffers from an inherited history of four centuries of colonialism. Unfortunately, he does not understand that his form of paternal dictatorship perpetuates the same horrors he claims to abhor.

#### VICTIMS OF GUN VIOLENCE

Mrs. BOXER. Mr. President, it has been more than a year since the Columbine tragedy, but still this Republican Congress refuses to act on sensible gun legislation.

Since Columbine, thousands of Americans have been killed by gunfire. Until we act, Democrats in the Senate will read some of the names of those who lost their lives to gun violence in the past year, and we will continue to do so every day that the Senate is in session.

In the name of those who died, we will continue this fight. Following are the names of some of the people who

were killed by gunfire one year ago today.

Clyde E. Frazier, 40, Chicago, IL; Ernest Jones, 57, Knoxville, TN; Jose Lopez, 29, Houston, TX; Elva V. Manjarrez, 35, Chicago, IL; Kimberly Meeks-Penniman, 39, Detroit, MI; Anthony L. Moore, 28, Memphis, TN; Donald Pinkney, 23, Baltimore, MD; James Riley, 26, New Orleans, LA; Void Sampson, 24, Philadelphia, PA; Michael A. Williams, 35, New Orleans, LA; and Unidentified male, 22, Newark, NJ.

One of the gun violence victims I mentioned, thirty-five-year-old Elva Manjarrez of Chicago, was shot and killed in a drive-by shooting while she was sitting in a parked car. No motive was ever established for her death.

We cannot sit back and allow such senseless gun violence to continue. The deaths of Elva and the others I named are a reminder to all of us that we need to enact sensible gun legislation now.

#### THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Monday, July 24, 2000, the Federal debt stood at \$5,668,098,197,951.86 (Five trillion, six hundred sixty-eight billion, ninety-eight million, one hundred ninety-seven thousand, nine hundred fifty-one dollars and eighty-six cents).

Five years ago, July 24, 1995, the Federal debt stood at \$4,938,385,000,000 (Four trillion, nine hundred thirty-eight billion, three hundred eighty-five million).

Ten years ago, July 24, 1990, the Federal debt stood at \$3,161,847,000,000 (Three trillion, one hundred sixty-one billion, eight hundred forty-seven million).

Fifteen years ago, July 24, 1985, the Federal debt stood at \$1,796,347,000,000 (One trillion, seven hundred ninety-six billion, three hundred forty-seven million).

Twenty-five years ago, July 24, 1975, the Federal debt stood at \$535,417,000,000 (Five hundred thirty-five billion, four hundred seventeen million) which reflects a debt increase of more than \$5 trillion—\$5,132,681,197,951.86 (Five trillion, one hundred thirty-two billion, six hundred eighty-one million, one hundred ninety-seven thousand, nine hundred fifty-one dollars and eighty-six cents) during the past 25 years.

#### ADDITIONAL STATEMENTS

##### TRIBUTE TO INTERNS

• Mr. HARKIN. Mr. President, today I extend my appreciation to my summer 2000 class of interns: Anna Gullickson, Kayla John, Sara Low, Charles Wishman, Tom Mann, Alyssa Rotschafer, MayRose Wegmann, Eric Bridges, Monica Parekh, Michelle Levar, Joe Plambeck, Ben Rogers, Robert Barron, Morgan Whitlatch, Veronica Hernandez, Cary Cascino,

Daniel Myers, Linda Rosenbury, Ryan Howell, Jay Smith, SreyRam Kuy, and Jim Dunn. Each of them has been of tremendous assistance to me and to the people of Iowa over the past several months, and their efforts have not gone unnoticed.

Since I was first elected into the Senate in 1984, my office has offered internships to young Iowans and other interested students. Through their work in the Senate, our interns have not only seen the legislative process, but also personally contributed to our nation's democracy.

It is with much appreciation that I recognize Anna, Kayla, Sara, Charles, Tom, Alyssa, MayRose, Eric, Monica, Michelle, Joe, Ben, Robert, Morgan, Veronica, Cary, Daniel, Linda, Ryan, Jay, SreyRam, and Jim for their hard work this summer. It has been a delight to watch them take on their assignments with enthusiasm and hard work. I am very proud to have worked with each of them. I hope they take from their summer a sense of pride in what they've been able to accomplish and an increased interest in public service and our democratic system and process.●

#### IN RECOGNITION OF MR. DANIEL C. WALL

• Mr. ABRAHAM. Mr. President, I rise today to recognize Mr. Daniel C. Wall, who will leave his elected position as Commander of The Sons of The American Legion, Detachment of Michigan, in August. For the last year, Mr. Wall has led the Michigan Detachment of the S.A.L. with wisdom and with grace, and has used his time in this position to aid the Veterans of the United States Armed Forces in an exemplary fashion.

Mr. Wall has served in the Sons of The American Legion for many years, and holds a Life Membership card from Robert A. Demars Sons of The American Legion Squadron 67 of Lincoln Park, Michigan. During his time as a member, he has held many offices within the S.A.L., including all offices at the Squadron level; District Commander, Adjutant, and others; State Commander, Adjutant, and Zone 1 Commander.

Mr. Wall was elected to serve as the State of Michigan Commander in 1999. During his time in the position, Mr. Wall focused much of his attention upon the education of his fellow members, so that they might know more about the purpose, programs, awards, officer duties and the benefits of their organization. He believed that this would not only help to recruit new members, but would also give current members a better appreciation for the many beneficial things that the S.A.L. does on a daily basis.

As Commander, Mr. Wall has also presided over the many efforts of the S.A.L. in the State of Michigan, including assisting local posts in their activities, initiating programs for Veterans,

volunteering at V.A. homes and hospitals, and fundraising. In 1999, the S.A.L. raised over \$514,000 for V.A. homes and hospitals, and over \$181,000 for the American Legion Child Welfare Foundation. In addition, Mr. Wall has served as a member of national S.A.L. committees.

I applaud Mr. Daniel C. Wall on the job he has done as State of Michigan Commander of the Sons of the American Legion. He has dedicated much of his life to improving the lives of the Veterans of our great Nation, and for this he is to be commended. On behalf of the entire United States Senate, I thank Mr. Wall for his dedication, and wish him continued success in the future.●

#### A TRIBUTE TO "TALK OF VERMONT'S" JEFF KAUFMAN

• Mr. LEAHY. Mr. President, today I would like to mark the end of an era in Vermont. Jeff Kaufman, host of Vermont's award-winning program, "The Talk of Vermont," will hang up his headphones at the end of this week. After 5 years on the air in Middlebury, Jeff and his family are leaving the Green Mountain State for the arguably less green pastures of Southern California.

A fixture on Vermont morning radio and a catalyst for thoughtful and provocative discussion of the key issues facing our state and nation, Jeff has not only brought wit and wisdom to the airwaves, but he has consistently managed to recruit big-name guests—Lily Tomlin, Ted Williams, Supreme Court Chief Justice William Rehnquist—to our small-market corner of the world, while never neglecting lesser-known local voices. Above all else, Jeff does his homework—he is equally adept at understanding the intricacies of missile defense as he is the physics of baseball.

While living in Middlebury, Jeff did not just entertain his listeners on the radio, but he became a valued member of the community, whether it was raising money for flood victims or serving as a member of the Citizens of Middlebury.

I am certain that I speak for my colleagues in the Vermont Congressional delegation—each of us has had the pleasure of Jeff's unique brand of inquisition—when I say that he will be a tough act to follow. He has provided an extraordinary service to Vermonters who have benefitted from his professionalism, his insights and his curiosity. I would like to take this opportunity to congratulate Jeff for a job well done and to wish him and his family well in every future endeavor.

Mr. President, I ask to have printed in the RECORD a profile of Jeff from The Burlington Free Press, dated July 23, 2000.

The material follows:

[From the Burlington Free Press, July 23, 2000]

RADIO'S INVENTIVE "TALK OF VERMONT" IS ABOUT TO GROW SILENT  
(By Chris Bohjalian)

It is an overcast weekday morning smack in the center of summer. It is hot and sticky, and there's absolutely nothing in the air that might be mistaken for a breeze.

I am leaning against the side of a gazebo in Middlebury during the town's annual celebration on the green, waiting for Jeff Kaufman, host of the WFAD radio show "The Talk of Vermont," to arrive. The show is about to broadcast live from the commons.

Abruptly, a slim guy with hair the color of sand just after the surf has receded coasts across the grass on a bicycle with a copy of one of my books under his arm. He says something I can't hear to the engineer, who is battling with miles of wires and the sort of microphone that I thought existed only in radio and television museums, and the engineer laughs. Then he turns to me and introduces himself.

This is Kaufman, and no more than 90 seconds later—still without breaking a sweat, despite the heat and his last-minute arrival—he has me seated in a folding metal chair, and we are on the air. It is clear within minutes that he not only has read my most recent novel, he has read the ones that preceded it. All of them. He has read the column I write for this newspaper. He has read a surprising number of the articles I have written for different magazines.

You have no idea how rare this is.

I have done easily a hundred-plus radio and television interviews in my life, and the vast majority of the time the very first question I am asked is this: "So, tell us about your new book." The reason? There is a not a soul in the studio other than me, including the person with whom I am speaking, who has the slightest idea what the book is about.

In truth, why should they? How could they? Think of the number of guests who pass through a radio or television talk show every week. It's huge, and it takes time to read a novel.

Almost every weekday morning for the better part of a decade, Kaufman has done his homework on his guests and then offered the state some of the very best radio in Vermont. Sometimes his show has been broadcast on five stations, and sometimes it has been on only one, but it has never affected the first-rate quality of the program.

It was three years ago that I met Kaufman on the commons in Middlebury, and I have come to discover that day in, day out he corralled terrific guests. Lily Tomlin one day, Ted Williams the next. One morning he might be moderating a live debate between U.S. Senate hopefuls Jan Backus and Ed Flanagan, and the next he might be chatting with Middlebury biographer, poet and novelist Jay Parini about—basketball.

On any given day, he was as likely to have an acrobat from the Big Apple Circus performing—literally—on the stool in his studio as he was to have an expert from Washington, D.C., on the proposed "Star Wars" missile defense system.

Now, alas, we are about to begin Kaufman's last week. He and his family are leaving for California in early August, and Kaufman will no longer be a fixture on Vermont radio. There is no question in my mind that this is a real loss—and not simply because Kaufman is a first-rate interviewer and radio personality. He was also a part of the community. He used his show to find food and clothes for those families that had to leave their homes after the summer flood of 1998, and to raise money to help build a new Lincoln Library.

Sometimes I wonder if Kaufman had the ratings he deserved, but regardless of whether he had 12 or 1,200 people tuned in, he never gave his audience a small-market effort. Happy trails, my friend. We'll miss you.●

MS. LORIE FOOCE NAMED  
ACHIEVER OF THE MONTH

● Mr. ABRAHAM. Mr. President, in October of 1993, the State of Michigan Family Independence Agency commemorated the first anniversary of its landmark welfare reform initiative, "To Strengthen Michigan Families," by naming its first Achiever of the Month. In each month since, the award has been given to an individual who participates in the initiative and has shown outstanding progress toward self-sufficiency. I rise today to recognize Ms. Lorie Fooce, the recipient of the award for the month of July, 2000.

Ms. Fooce, a single mother, applied for assistance in August, 1994, in order to provide for her family. She was approved for ACD/FIP, food stamps, and Medicaid. At the time, Ms. Fooce lacked the necessary job skills and experience to maintain a steady, sufficient income. However, within that same month, she took the initiative to enroll in Certified Nurses Aid (C.N.A.) training through Work First.

Ms. Fooce was able to complete the training and was subsequently hired by Gogebic Medical Care. With the help of Work First, which paid for the C.N.A. training, testing fees, transportation, and uniforms, she has become a valued employee at Gogebic.

Ms. Fooce's FIP case closed in May, 1999. In order to best care for her family, she currently receives food stamps, Medicaid, and day care assistance to supplement her earnings.

I applaud Ms. Lorie Fooce for being named Achiever of the Month for July of 2000. She has shown a sincere dedication to her job and to the goals of self-improvement and self-sufficiency, and the progress she has made shows both great effort and great determination. On behalf of the entire United States Senate, I congratulate Ms. Fooce, and wish her continued success in the future.●

RECOGNITION OF STATE SENATOR  
JACKIE VAUGHN III

● Mr. LEVIN. Mr. President, I want to pay tribute today to a remarkable person from my home state of Michigan, Senator Jackie Vaughn III. On July 30, Senator Vaughn, the Associate President Pro Tempore for the Michigan State Senate, will be honored for his tireless public service to Detroit and the entire state of Michigan.

Senator Vaughn's history of public service is truly deserving of recognition. For the past twenty-two years this "Man of Peace" has represented the Fourth Senatorial District of Michigan with a sense of justice and concern for all members of society. He has drafted wide-ranging legislation

that has, among other things, sought to expand voting rights, promote peace and provide educational opportunities for all citizens.

Such a diverse array of interests and concerns should come as no surprise to those who know Jackie. Senator Vaughn is a renaissance man who has been educated at many of the world's finest institutions of higher learning. The recipient of a Fullbright Scholarship, Senator Vaughn has received the Oxon B. Litt from England's Oxford University, a Master's Degree from Oberlin College and a B.A. from Hillsdale College. In addition, has been awarded honorary doctorates from Highland Park College, Marygrove College, Shaw College and the Urban Bible Institute.

Senator Vaughn has sought to pass his love of learning on to subsequent generations through his teaching at the University of Detroit, Wayne State University and Hartford Memorial Church where he has led the Contemporary Issues Sunday School Class for twenty years.

Senator Vaughn can take pride in his long and honorable service in the Michigan State Senate. I hope my colleagues will join me in saluting Senator Jackie Vaughn for his commitment to Detroit, the State of Michigan and the entire Nation.●

IN RECOGNITION OF RABBI  
STEVEN WEIL

● Mr. ABRAHAM. Mr. President, I rise today to recognize Rabbi Steven Weil, who on August 20, 2000, will be honored for over six years of faithful service at Young Israel of Oak Park, the largest Orthodox synagogue in Michigan. Rabbi Weil will soon move to the Los Angeles area to pursue a large pulpit position in another Orthodox synagogue, and this occasion provides the Orthodox Jewish Community of Detroit with an opportunity not only to say good-bye to Rabbi Weil, but also to thank him for the wonderful work he has done during the past six years.

Under the guidance of Rabbi Weil, the congregation of Young Israel doubled in size, an accomplishment which can be directly attributed to his devotion to spreading the tenets of his faith. In addition to developing a lecture and discussion series within his own congregation, he and his wife, Yael, were frequent lecturers at the Agency for Jewish Education and at the Jewish Community Center. He also had an on-going cable television series on the topic of Jewish history.

Rabbi Weil had a vision of creating cohesiveness within the Jewish community and developing future Jewish leadership. He was able to achieve this goal by enacting several different programs, including a trip to Israel and Prague for young Jewish Orthodox, Conservative and Reform couples, as well as a March of the Living Youth Unity Mission. He also headed the Metropolitan Detroit Federation Young

Leadership Cabinet, an organization which tutors the future leaders of the Detroit Jewish community.

Rabbi Weil served on the boards of Yad Ezra, the Detroit kosher food bank, the Jewish Apartments and Services and the Neighborhood project. He was one of eight rabbis in North America selected to be a L.E.A.D fellow, with the responsibility of leading Orthodox rabbis into the 21st century. He was also on the executive committee of the Council of Orthodox rabbis in Detroit and of the National Rabbinical Council of America.

I applaud Rabbi Steven Weil for his many contributions to the Jewish community of the State of Michigan. He is a man dedicated to his faith, his family and his community, and he will be dearly missed. On behalf of the entire United States Senate, I congratulate Rabbi Weil on the great success he had at Young Israel, and wish him continued success as he moves on to Los Angeles, California.●

#### MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Evans, one of his secretaries.

##### EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

#### MESSAGES FROM THE HOUSE

At 11:57 a.m., a message from the House of Representatives, delivered by Mr. Hayes, one of its reading clerks, announced that the House has agreed to the amendment of the Senate to the bill (H.R. 1167) to amend the Indian Self-Determination and Education Assistance Act to provide for further self-governance by Indian tribes, and for other purposes, with amendments; in which it requests the concurrence of the Senate.

The message also announced that the House has passed the following concurrent resolution:

S. Con. Res. 81. A concurrent resolution expressing the sense of the Congress that the Government of the People's Republic of China should immediately release Rabiya Kadeer, her secretary, and her son, and permit them to move to the United States if they so desire.

The message further announced that the House has passed the following bills and joint resolutions, in which it requests the concurrence of the Senate:

H.R. 1800. An act to amend the Violent Crime Control and Law Enforcement Act of 1994 to ensure that certain information regarding prisoners is reported to the Attorney General.

H.R. 2773. An act to amend the Wild and Scenic Rivers Act to designate the Wekiwa

River and its tributaries of Wekiwa Springs Run, Rock Springs Run, and Black Water Creek in the State of Florida as components of the national wild and scenic rivers system.

H.R. 4002. An act to amend the Foreign Assistance Act of 1961 to revise and improve provisions relating to famine prevention and freedom from hunger.

H.R. 4110. An act to amend title 44, United States Code, to authorize appropriations for the National Historical Publications and Records Commission for fiscal years 2002 through 2005.

H.R. 4700. An act to grant the consent of the Congress to the Kansas and Missouri Metropolitan Culture District Compact.

H.R. 4919. An act to amend the Foreign Assistance Act of 1961 and the Arms Export Control Act to make improvements to certain defense and security assistance provisions under those Acts, to authorize the transfer of naval vessels to certain foreign countries, and for other purposes.

H.J. Res. 72. A joint resolution granting the consent of the Congress to the Red River Boundary Compact.

The message also announced that the House has agreed to the following concurrent resolutions, in which it requests the concurrence of the Senate:

H. Con. Res. 232. A concurrent resolution expressing the sense of Congress concerning the safety and well-being of United States citizens injured while traveling in Mexico.

H. Con. Res. 371. A concurrent resolution supporting the goals and ideas of National Alcohol and Drug Recovery Month.

At 6:27, a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has passed the following bills, in which its requests the concurrence of the Senate:

H.R. 1982. An act to name the Department of Veterans Affairs outpatient clinic located at 125 Brookley Drive, Rome, New York, as the "Donald J. Mitchell Department of Veterans Affairs Outpatient Clinic."

H.R. 2833. An act to establish the Yuma Crossing National Heritage Area.

H.R. 3676. An act to establish the Santa Rosa and San Jacinto Mountains National Monument in the State of California.

H.R. 3817. An act to redesignate the Big South Trail in the Comanche Peak Wilderness Area of Roosevelt National Forest in Colorado as the "Jaryd Atadero Legacy Trail."

H.R. 4275. An act to establish the Colorado Canyons National Conservation Area and the Black Ridge Canyons Wilderness, and for other purposes.

H.R. 4846. An act to establish the National Recording Registry in the Library of Congress to maintain and preserve recordings that are culturally, historically, or aesthetically significant, and for other purposes.

H.R. 4850. An act to provide a cost-of-living adjustment in rates of compensation paid to veterans with service-connected disabilities, to enhance programs providing compensation and life insurance benefits for veterans, and for other purposes.

H.R. 4864. An act to establish the National Recording Registry in the Library of Congress to maintain and preserve recordings that are culturally, historically, or aesthetically significant, and for other purposes.

H.R. 4888. An act to protect innocent children.

H.R. 4924. An act to establish a 3-year pilot project for the General Accounting Office to report to Congress on economically significant rules of Federal agencies, and for other purposes.

The message also announced that the House has passed the following bills:

S. 1629. An act to provide for the exchange of certain land in the State of Oregon.

S. 1910. An act to amend the Act establishing Women's Rights National Historical Park to permit the Secretary of the Interior to acquire title in fee simple to the Hunt House located in Waterloo, New York.

S. 2237. An act to amend the Internal Revenue Code of 1986 to provide for the deductibility of premiums for any medigap insurance policy or Medicare+Choice plan which contains an outpatient prescription drug benefit, and to amend title XVIII of the Social Security Act to provide authority to expand existing medigap insurance policies.

The message further announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 351. Concurrent resolution recognizing Heroes Plaza in the City of Pueblo, Colorado, as honoring recipients of the Medal of Honor.

#### MEASURES REFERRED

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

H.R. 1800. An act to amend the Violent Crime Control and Law Enforcement Act of 1994 to ensure that certain information regarding prisoners is reported to the Attorney General; to the Committee on the Judiciary.

H.R. 1982. An act to name the Department of Veterans Affairs outpatient clinic located at 125 Brookley Drive, Rome, New York, as the "Donald J. Mitchell Department of Veterans Affairs Outpatient Clinic"; to the Committee on Veterans' Affairs.

H.R. 3676. An act to establish the Santa Rosa and San Jacinto Mountains National Monument in the State of California; to the Committee on Energy and Natural Resources.

H.R. 3817. An act to redesignate the Big South Trail in the Comanche Peak Wilderness Area of Roosevelt National Forest in Colorado as the "Jaryd Atadero Legacy Trail"; to the Committee on Energy and Natural Resources.

H.R. 4002. An act to amend the Foreign Assistance Act of 1961 to revise and improve provisions relating to famine prevention and freedom from hunger; to the Committee on Foreign Relations.

H.R. 4110. An act to amend title 44, United States Code, to authorize appropriations for the National Historical Publications and Records Commission for fiscal years 2002 through 2005; to the Committee on Governmental Affairs.

H.R. 4275. An act to establish the Colorado Canyons National Conservation Area and the Black Ridge Canyons Wilderness, and for other purposes; to the Committee on Energy and Natural Resources.

H.R. 4850. An act to provide a cost-of-living adjustment in rates of compensation paid to veterans with service-connected disabilities, to enhance programs compensation and life insurance benefits for veterans, and for other purposes; to the Committee on Veterans' Affairs.

H.R. 4864. An act to establish the National Recording Registry in the Library of Congress to maintain and preserve recordings that are culturally, historically, or aesthetically significant, and for other purposes; to the Committee on Veterans' Affairs.

H.R. 4919. An act to amend the Foreign Assistance Act of 1961 and the Arms Export



Control Act to make improvements to certain defense and security assistance provisions under those Acts, to authorize the transfer of naval vessels to certain foreign countries, and for other purposes; to the Committee on Foreign Relations.

H.R. 4924. An act to establish a 3-year pilot project for the General Accounting Office to report to Congress an economically significant rules of Federal agencies, and for other purposes; to the Committee on Governmental Affairs.

The following concurrent resolutions were read and referred as indicated:

H. Con. Res. 232. A concurrent resolution expressing the sense of Congress concerning the safety and well-being of United States citizens injured while traveling in Mexico; to the Committee on Foreign Relations.

H. Con. Res. 351. A concurrent resolution recognizing Heroes Plaza in the City of Pueblo, Colorado, as honoring recipients of the Medal of Honor; to the Committee on Armed Services.

H. Con. Res. 371. A concurrent resolution supporting the goals and ideas of National Alcohol and Drug Recovery Month; to the Committee on Health, Education, Labor, and Pensions.

#### MEASURES PLACED ON THE CALENDAR

The following bills were read the first and second times by unanimous consent, and placed on the calendar:

H.R. 2773. An act to amend the Wild and Scenic Rivers Act to designate the Wekiva River and its tributaries of Wekiwa Springs Run, Rock Springs Run, and Black Water Creek in the State of Florida as components of the national wild and scenic rivers system.

H.R. 2833. An act to establish the Yuma Crossing National Heritage Area.

#### PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-607. A resolution adopted by the Legislature of the Commonwealth of Guam relative to the Visa Waiver Pilot Program; to the Committee on the Judiciary.

##### RESOLUTION NO. 357

Whereas, the Visa Waiver Pilot Program was initially enacted into law by the United States Congress in 1986; and

Whereas, as the Visa Waiver Pilot Program is considered only a "Pilot Program," Congress regularly extends the expiration date and has done so throughout the Pilot Program existence; and

Whereas, the current Visa Waiver Pilot Program expired on the 30th day of April, 2000; and

Whereas, the Immigration and Naturalization Service of the United States Department of Justice on the 25th day of May, 2000, issued a circular notifying all carriers, who are participating in the Visa Waiver Pilot Program, of an interim plan to provide entry privileges to travelers who would have applied for admission under the Visa Waiver Pilot Program; and

Whereas, under the interim plan, the Immigration and Naturalization Service will parole for a period of ninety (90) days all eligible Visa Waiver Pilot Program country nationals who arrive for legitimate business or travel purposes, and who would have been admitted under the Visa Waiver Pilot Program prior to its expiration; and

Whereas, the circular further provides, that Nationals of the Visa Waiver Pilot Program countries will still be required to complete "Form I-94W"; however, neither an additional application nor an additional fee will be required when arriving at an airport; and

Whereas, the Immigration and Naturalization Service also noted that this interim plan would change if Congress either extends the Visa Waiver Pilot Program, or makes it permanent before the 30th day of June, 2000; and

Whereas, on the 1st day of March, 2000, Representative Lamar Smith introduced H.R. 3767 in the United States House of Representatives, that would amend the Immigration and Nationality Act to make improvements to and permanently authorize, the Visa Waiver Pilot Program under §217 of the Act; and

Whereas, H.R. 3767 was referred to the House Committee on the Judiciary wherein, H.R. 3767 was placed before the Committee for consideration and Mark-Up and was subsequently reported out by the Committee and placed on the Union Calendar, as Calendar Number 308; and

Whereas, on the 11th day of April, 2000, H.R. 3767 was presented to the House for adoption, wherein H.R. 3767 passed as amended and agreed by a voice vote of the House; and

Whereas, H.R. 3767 was transmitted by the House and received by the Senate on the 12th day of April, 2000; and

Whereas, H.R. 3767 was read twice in the Senate and placed on the Senate Legislative Calendar under General Orders, designated, Calendar Number 524; and

Whereas, as a result of the expiration of the Visa Waiver Pilot Program, tourists arriving on Guam now endure long lines and added transit time in order for the INS Office to process their travel documents; and

Whereas, this delay has caused an economic impact on tour companies that have had to absorb additional costs because of the delay in Immigration processing; and

Whereas, tourism is our number one industry and has only recently reflected positive signs of growth; however, with the inordinate amount of time it now takes to go through the immigration procedures, this could discourage potential visitors to our Island; and

Whereas, H.R. 3767 has received bipartisan support in the House; unanimously passed by the Subcommittee on Immigration and Claims and the Committee on the Judiciary; and has received strong support from the tourism and travel industry; and

Whereas, the implementation of the Visa Waiver Pilot Program has enabled Guam to promote its number one industry—Tourism; now therefore, be it

*Resolved*, That I MináBente Singko Na Liheslaturan Guáhan does hereby, on behalf of the people of Guam, respectfully request that the United States Senate expeditiously act upon H.R. 3767; and be it further

*Resolved*, That the Speaker certify, and the Legislative Secretary attests to, the adoption hereof and that copies of the same be thereafter transmitted to the Honorable Albert Gore, Jr., President of the United States Senate; to the Honorable Trent Lott, Majority Leader of the United States Senate; to the Honorable Thomas Daschle, Minority Leader of the United States Senate; to the Honorable Lamar Smith, Member of Congress, U.S. House of Representatives; to the Honorable Robert A. Underwood, Member of Congress, U.S. House of Representatives; and to the Honorable Carl T.C. Gutierrez, I Magáláhen Guáhan.

POM-608. A concurrent resolution adopted by the Legislature of the State of Louisiana

relative to a single statewide reimbursement rate; to the Committee on Finance.

##### SENATE CONCURRENT RESOLUTION NO. 60

Whereas, the Health Care Financing Administration provides health insurance for over 74 million senior Americans through Medicare; and

Whereas, providers of the Medicare managed care plans are decreasing in Louisiana and other states; and

Whereas, some providers of managed care plans have withdrawn from certain parishes and withdrawn from the state of Louisiana because of low reimbursement rates; and

Whereas, Medicare reimbursement rates drastically vary between urban and rural parishes; and

Whereas, the reimbursement rates for rural parishes are drastically lower than those rates for urban parishes; and

Whereas, the cost to treat these enrollees does not significantly differ from parish to parish. Therefore, be it

*Resolved*, That the Legislature of Louisiana hereby memorializes the Congress of the United States to mandate that the Health Care Financing Administration revise the Medicare managed care plan rates so that the reimbursement rates do not vary significantly. Be it further

*Resolved*, That the Health Care Financing Administration institute a single statewide rate throughout the state to promote equal access for all citizens of the state of Louisiana. Be it further

*Resolved*, That a copy of this Resolution be transmitted to the secretary of the United States Senate and the clerk of the United States House of Representatives and to each member of the Louisiana delegation to the United States Congress.

POM-609. A concurrent resolution adopted by the Legislature of the State of Louisiana relative to providing funds under the River and Harbor Act; to the Committee on Environment and Public Works.

##### SENATE CONCURRENT RESOLUTION NO. 40

Whereas, for well over twenty years the Congress of the United States has funded monies for the U.S. Army Corps of Engineers' Aquatic Plant Control Program; and

Whereas, the monies for this program have been used to assist the various states in the control and eradication of such evasive plant species as water hyacinth, hydrilla and salvinia; and

Whereas, beginning in 1997 the Clinton administration terminated funding for the spraying aspect of the Aquatic Plant Control Program, providing money only for research purposes; and

Whereas, the cessation of this funding has resulted in the elimination of the spraying program so necessary to control the spread of evasive plants such as water hyacinth, hydrilla and salvinia; and

Whereas, it has been estimated that salvinia alone will infest over forty-five thousand acres in Louisiana in the year 2000; and

Whereas, it has been further estimated that two and one-half million dollars will be necessary to control the further spread of salvinia alone; and

Whereas, control and the eventual removal of these evasive plants is absolutely necessary if Louisiana is to control and maintain its waterways; and

Whereas, without the assistance of federal funding it will become extremely difficult, if not impossible, to continue the spraying program so necessary for the control of these plants. Therefore, be it

*Resolved*, That the Legislature of Louisiana does hereby memorialize the Congress of the United States to provide the necessary funding under the River and Harbor Act for the

U.S. Army Corps of Engineers; Aquatic Plant Control Program. Be it further

*Resolved*, That a copy of this Resolution shall be transmitted to the secretary of the United States Senate and the clerk of the United States House of Representatives and to each member of the Louisiana delegation to the United States Congress,

POM-610. A petition from a citizen of the State of Texas relative to border communities; to the Committee on the Judiciary.

#### REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. GRAMM, from the Committee on Banking, Housing, and Urban Affairs, with amendments:

S. 2107: A bill to amend the Securities Act of 1933 and the Securities Exchange Act of 1934 to reduce securities fees in excess of those required to fund the operations of the Securities and Exchange Commission, to adjust compensation provisions for employees of the Commission, and for other purposes (Rept. No. 106-360).

#### INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

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

By Mr. SCHUMER:

S. 2911. A bill to strengthen the system for notifying parents of violent sexual offenders in their communities; to the Committee on the Judiciary.

By Mr. KENNEDY (for himself, Mr. REID, Mr. DURBIN, and Mr. GRAHAM):

S. 2912. A bill to amend the Immigration and Nationality Act to remove certain limitations on the eligibility of aliens residing in the United States to obtain lawful permanent residency status; read the first time.

By Mr. CONRAD:

S. 2913. A bill to amend the Agricultural Trade Act of 1978 to require the Secretary of Agriculture to use the export enhancement program to encourage the commercial sale of United States wheat in world markets at competitive prices whenever the importation of Canadian wheat into the United States reaches certain triggers; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. ALLARD (for himself and Mr. GRAMM):

S. 2914. A bill to amend the National Housing Act to require partial rebates of FHA mortgage insurance premiums to certain mortgagors upon payment of their FHA-insured mortgages; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. GRASSLEY (for himself and Mr. TORRICELLI):

S. 2915. A bill to make improvements in the operation and administration of the Federal courts, and for other purposes; to the Committee on the Judiciary.

By Mr. DODD:

S. 2916. A bill to amend the Harmonized Tariff Schedule of the United States to provide separate subheadings for hair clippers used for animals; to the Committee on Finance.

By Mr. DOMENICI (for himself and Mr. INOUE):

S. 2917. A bill to settle the land claims of the Pueblo of Santo Domingo; to the Committee on Indian Affairs.

By Mr. ROCKEFELLER (for himself, Mr. DASCHLE, Mr. KENNEDY, Mr. HAR-

KIN, Mr. SARBANES, and Mr. LAUTENBERG):

S. 2918. A bill to amend title XVIII of the Social Security Act and the Employee Retirement Income Security Act of 1974 to improve access to health insurance and Medicare benefits for individuals ages 55 to 65 to be fully funded through premiums and anti-fraud provisions, to amend the Internal Revenue Code of 1986 to allow a credit against income tax for payment of such premiums and of premiums for certain COBRA continuation coverage, and for other purposes; to the Committee on Finance.

By Mr. CAMPBELL:

S. 2919. A bill to amend the Omnibus Parks and Public Lands Management Act of 1996 to extend the legislative authority for the Black Patriots Foundation to establish a commemorative work; to the Committee on Energy and Natural Resources.

By Mr. CAMPBELL:

S. 2920. A bill to amend the Indian Gaming Regulatory Act, and for other purposes; to the Committee on Indian Affairs.

By Mr. MCCAIN (for himself and Mr. INOUE):

S. 2921. A bill to provide for management and leadership training, the provision of assistance and resources for policy analysis, and other appropriate activities in the training of Native American and Alaska Native professionals in health care and public policy; to the Committee on Environment and Public Works.

#### SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. THURMOND:

S. Res. 342. A resolution designating the week beginning September 17, 2000, as "National Historically Black Colleges and Universities Week"; to the Committee on the Judiciary.

#### STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. CONRAD:

S. 2913. A bill to amend the Agricultural Trade Act of 1978 to require the Secretary of Agriculture to use the export enhancement program to encourage the commercial sale of United States wheat in world markets at competitive prices whenever the importation of Canadian wheat into the United States reaches certain triggers; to the Committee on Agriculture, Nutrition, and Forestry.

#### THE EXPORT ENHANCEMENT PROGRAM TRIGGER ACT OF 2000

Mr. CONRAD. Mr. President, today I am introducing legislation to help our farmers fight back against the unfair trade practices of state trading enterprises. As many of my colleagues know, state trading enterprises are government sanctioned monopolies that control commodity exports. Their unfair practices allow them to undercut prices of U.S. commodities, both in our market and in overseas markets where we compete for exports. My legislation, the Export Enhancement Program Trigger Act of 2000, would direct our government to fight back against these unfair practices.

I am introducing this legislation in response to the experience of farmers in North Dakota, who have been forced to compete not just with foreign farmers, but with foreign state trading enterprises. Ever since the U.S.-Canada Free Trade Agreement (CFTA) took effect, North Dakota farmers have been flooded with a rising tide of imports of Canadian grains.

These imports are coming into our country not because Canadian farmers are more competitive, but because of flaws in the CFTA and the unfair actions of the Canadian Wheat Board (CWB). As negotiated by then-USTR Clayton Yeutter, the CFTA allows the Canadian Wheat Board to sell into our market at less than the total cost of acquiring and selling its grain.

The fact is that the Canadian Wheat Board is a government created and government supported monopoly. Because Canadian farmers are required to sell their grain to the Wheat Board, the Wheat Board gets its wheat at below market prices and can then tell its customers in this country or overseas that it will undercut U.S. prices. These practices amount to de facto subsidies, but because the Wheat Board operates in secret, these unfair practices are not subjected to the normal rules of international trade.

This unfair competition caused imports of wheat from Canada to increase steadily until, in 1993-94, they reached a record 2.4 million tons of total wheat and 575,000 tons of durum. These levels of imports caused unacceptable damage to North Dakota farmers, so I convinced the Clinton Administration to impose limits on Canadian imports. Under the Memorandum of Understanding (MOU) negotiated with Canada, durum imports were limited to 300,000 tons and total wheat imports were limited to 1.5 million tons in 1994-95.

These limits worked. Imports of Canadian grain fell dramatically for several years. Unfortunately, however, the authority to impose these limits disappeared as a result of the Uruguay Round Agreements. As a result, our friends to the north are once again on the move, attacking our markets, using the monopoly power of the Canadian Wheat Board to undercut prices for our farmers.

Last year, imports from Canada again approached their 1993-94 peaks (2.2 million tons of total wheat and 560,000 tons of durum), and this year they are on track to stay far above the MOU level (2 million tons of total wheat and 480,000 tons of durum). This is unacceptable. It is far past time to send a clear and unmistakable message to our friends in Canada that the U.S. will not tolerate these practices any longer—that we will fight back.

The legislation I am introducing today will do exactly that. My legislation would require USDA to use the Export Enhancement Program—EEP—in either of two circumstances.

First, if imports of durum or wheat into the U.S. from Canada exceed the

limits set in the MOU—300,000 tons for durum and 1,500,000 tons for total wheat imports—USDA would be required to use EEP to export wheat or durum into markets where we compete with Canada in a quantity equal to at least twice the total amount of Canadian imports into the U.S. for that year.

This will clearly tell Canada that it will lose far more in its overseas markets than it gains in our markets if it persists in exporting more than the MOU levels. As a result, I expect that Canada will again voluntarily comply with the MOU limits as it did in 1995–96 and 1996–97. Even if Canada does not comply, though, this legislation will ensure that U.S. farmers do not bear the costs of Canadian imports. By requiring the U.S. to export twice as much wheat as we are importing from Canada, this legislation will ensure that total supply will be reduced and prices will strengthen.

Second, if the Secretary of Agriculture determines that a state trading enterprise (STE) like the Canadian Wheat Board is using unfair trade practices to reduce our exports of any agricultural commodity to overseas markets, the Secretary is required to respond by using EEP in an amount sufficient to ensure that prices received by U.S. farmers are not reduced as a result of the STE's actions. Too often, we have heard from our industry and our USDA officials that Canada is arbitrarily undercutting U.S. prices in overseas markets. My proposal would require USDA to respond, to ensure that we do not give up our export markets without a fight.

Taken together, these two provisions will support the efforts of our trade negotiators to discipline STES as part of the World Trade Organization (WTO) negotiations on agriculture. Disciplining STEs is a top priority for our negotiators, and this legislation, by defining the marketing practices of STES as unfair trade practices, will increase our negotiators' leverage to develop meaningful rules on STEs.

Moreover, I believe these provisions will support the efforts of North Dakota farmers, acting through the Wheat Commission, in bringing a trade case against Canada. I have always believed that, ultimately, Canadian agricultural trade issues will have to be resolved through negotiation. It is my hope that, in combination, this legislation and the trade case will provide short term relief for our farmers and help build sufficient pressure on Canada to negotiate a permanent resolution of Canadian grain issues.

I have no doubt that our friends to the north will not like this legislation. They do not like having a spotlight focused on their system, so they will complain about our use of EEP. I have a simple answer for them: If they do not want us to use EEP against them, they should stop dumping their grain into our market and stop using unfair trade practices in overseas markets.

I am pleased that this legislation has the support of every major farm group in North Dakota with an interest in these issues, including North Dakota Farmers Union, North Dakota Farm Bureau, North Dakota Wheat Commission, North Dakota Grain Growers, and the North Dakota Barley Council.

I hope that my colleagues will join me in supporting this important legislation.

By Mr. ALLARD (for himself and Mr. GRAMM):

S. 2914. A bill to amend the National Housing Act to require partial rebates of FHA mortgage insurance premiums to certain mortgagors upon payment of their FHA-insured mortgages; to the Committee on Banking, Housing, and Urban Affairs.

#### HOMEOWNERS REBATE ACT OF 2000

Mr. ALLARD. Mr. President, today I am introducing legislation to reduce the Federal Housing Administration (FHA) homeownership tax. I am joined in this effort by Senator GRAMM of Texas, the chairman of the Banking Committee. This legislation was introduced earlier in the month by Congressman RICK LAZIO of New York. Congressman LAZIO chairs the House Subcommittee on Housing and Community Opportunity.

This homeownership tax comes in the form of excess premiums paid by those who have FHA insured mortgages on their properties. The FHA Mutual Mortgage Insurance Fund (MMI fund) collects mortgage insurance premiums in order to cover any losses to the government that result from FHA-insured mortgage defaults and to fund the administrative costs of the FHA program.

FHA is an important program for first-time, low and moderate income, and minority homeowners. These families should not be overcharged in FHA premiums. Premiums in excess of an amount necessary to maintain an actuarially sound reserve ratio in the FHA Mutual Mortgage Insurance Fund can only be characterized as a tax on homeownership. The Congress has determined that a capital reserve ratio of 2 percent of the MMI fund's amortized insurance-in-force is necessary to ensure the safety and soundness of the MMI fund. According to the Department of Housing and Urban Development the FY 1999 capital reserve ratio is 3.66 percent and is estimated to rise to over 3.8 percent in FY 2000, nearly twice the reserve ratio mandated by Congress.

The FHA single family mortgage program was designed to operate as a mutual insurance program where homeowners were granted rebates of excess premiums. This rebate program was suspended at the direction of Congress in 1990 when the MMI fund was in the red—with the intent that the payment of distributive shares or rebates would resume when the Fund was again financially sound. Since 1990 a number of steps have been taken to strengthen the FHA program. The premiums were

increased (Congress mandated the addition of a risk-based annual premium to the one-time, up front premium), down-payment requirements were improved, oversight by HUD and the Congress was strengthened, and Congress mandated the minimum 2 percent capital reserve ratio. With a capital reserve ratio nearly twice that mandated by the Congress it is time to resume rebates and return the MMI program to its prior status as a mutual insurance fund. This legislation restores the rebates for mortgages insured for 7 years or more and paid off subsequent to the 1990 rebate suspension.

The legislatively mandated improvements in the FHA program have certainly been partially responsible for the strength of the MMI fund. But another major reason for this strength is the fact that we have experienced a near perfect economy in recent years. I recognize that this will not always be the case. We should therefore proceed carefully when we propose to lower or rebate premiums. This legislation takes the cautious approach of providing for rebates only when the reserve ratio is in excess of 3 percent, or 150 percent of the reserve level mandated by Congress. If the capital reserve ratio drops below 3 percent, the rebates will be suspended. The legislation also requires that the General Accounting Office evaluate the adequacy of the 2 percent capital reserve ratio for ensuring the safety and soundness of the MMI fund and make a recommendation to Congress regarding the most appropriate reserve ratio at which to trigger future premium rebates.

I invite my colleagues to review this important legislation and join with me in reducing this tax on homeownership. By enacting this homeownership rebate we will continue to help make homeownership affordable for more and more Americans.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD following this statement.

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

S. 2914

*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 "Homeowners Rebate Act of 2000".

#### SEC. 2. PAYMENT OF DISTRIBUTIVE SHARES FROM MUTUAL MORTGAGE INSURANCE FUND RESERVES.

(a) IN GENERAL.—Section 205(c) of the National Housing Act (12 U.S.C. 1711(c)) is amended to read as follows:

“(c) DISTRIBUTION OF RESERVES.—Upon termination of an insurance obligation of the Mutual Mortgage Insurance Fund by payment of the mortgage insured thereunder, if the Secretary determines (in accordance with subsection (e)) that there is a surplus for distribution under this section to mortgagors, the Participating Reserve Account shall be subject to distribution as follows:

“(1) REQUIRED DISTRIBUTION.—In the case of a mortgage paid after November 5, 1990, and

insured for 7 years or more before such termination, the Secretary shall distribute to the mortgagor a share of such Account in such manner and amount as the Secretary shall determine to be equitable and in accordance with sound actuarial and accounting practice, subject to paragraphs (3) and (4).

“(2) DISCRETIONARY DISTRIBUTION.—In the case of a mortgage not described in paragraph (1), the Secretary is authorized to distribute to the mortgagor a share of such Account in such manner and amount as the Secretary shall determine to be equitable and in accordance with sound actuarial and accounting practice, subject to paragraphs (3) and (4).

“(3) LIMITATION ON AMOUNT.—In no event shall the amount any such distributable share exceed the aggregate scheduled annual premiums of the mortgagor to the year of termination of the insurance.

“(4) APPLICATION REQUIREMENT.—The Secretary shall not distribute any share to an eligible mortgagor under this subsection beginning on the date which is 6 years after the date that the Secretary first transmitted written notification of eligibility to the last known address of the mortgagor, unless the mortgagor has applied in accordance with procedures prescribed by the Secretary for payment of the share within the 6-year period. The Secretary shall transfer from the Participating Reserve Account to the General Surplus Account any amounts that, pursuant to the preceding sentence, are no longer eligible for distribution.”.

(b) DETERMINATION OF SURPLUS.—

(1) IN GENERAL.—Section 205(e) of the National Housing Act (12 U.S.C. 1711(e)) is amended by adding at the end the following: “Notwithstanding any other provision of this section, if, at the time of such a determination, the capital ratio (as defined in subsection (f)) for the Fund is 3.0 percent or greater, the Secretary shall determine that there is a surplus for distribution under this section to mortgagors.”.

(2) GAO REPORT.—Not later than 1 year after the date of enactment of this Act, the Comptroller General shall submit a report to the Congress that evaluates the adequacy of the capital ratio requirement under section 205(f)(2) of the National Housing Act (12 U.S.C. 1711(f)(2)) for ensuring the safety and soundness of the Mutual Mortgage Insurance Fund. Such report shall also evaluate the adequacy of the capital ratio level established under section 205(e)(1) of the National Housing Act, as amended by paragraph (1) of this section and shall include a recommendation of a capital ratio level that, if made effective under such section upon the expiration of the 2-year period beginning on the date of enactment of this Act, would provide for distributions of shares under section 205(c) of such Act in a manner adequate to ensure the safety and soundness of such Fund.

(c) RETROACTIVE PAYMENTS.—

(1) TIMING.—Not later than 3 months after the date of enactment of this Act, the Secretary of Housing and Urban Development shall determine the amount of each distributable share for each mortgage described in paragraph (2) to be paid and shall make payment of such share.

(2) MORTGAGES COVERED.—A mortgage described in this paragraph is a mortgage for which—

(A) the insurance obligation of the Mutual Mortgage Insurance Fund was terminated by payment of the mortgage before the date of enactment of this Act;

(B) a distributable share is required to be paid to the mortgagor under section 205(c)(1) of the National Housing Act (12 U.S.C.

1711(c)(1)), as amended by subsection (a) of this section; and

(C) no distributable share was paid pursuant to section 205(c) of the National Housing Act upon termination of the insurance obligation of such Fund.

By Mr. GRASSLEY:

S. 2915. A bill to make improvements in the operation and administration of the Federal courts, and for other purposes; to the Committee on the Judiciary.

THE FEDERAL COURTS IMPROVEMENT ACT OF 2000

Mr. GRASSLEY. Mr. President, I am introducing a bill today entitled the “Federal Courts Improvement Act of 2000.” Every few years, the Judicial Conference, the governing body of the federal courts, contacts Congress regarding changes to the law the Judicial Conference believes are necessary to improve the functions of the courts. As chairman of the Judiciary Subcommittee with jurisdiction over the courts, I have the responsibility to review the operation of the federal court process and procedures. In the past, I have also been in the forefront of advocating that the federal judicial system be administered in the most efficient and cost-effective manner possible while maintaining a high level of quality in the administration of justice. The bill I am introducing, along with Senator TORRICELLI, the Ranking Member of my subcommittee, is a consensus bill that includes many of the recommendations made by the Judicial Conference.

The Judicial Conference has noted a problem that continues to plague the Federal judicial system is the lack of up-to-date technologies that would reduce costs while at the same time improve the efficiency of its administration along with a wide range of judicial branch programs. The “Federal Courts Improvement Act of 2000” attempts to address this problem. In accordance with federal policy to defray the cost of providing services by assessing a fee for their use, sections of this bill provide the judiciary with the authority to set, collect, and retain fees to be used to acquire information technologies, such as electronic filing, video conferencing, and electronic evidence presentation devices. This section requires that the fees collected are to be deposited into the Judiciary Information Technology Fund and used for reinvestment in information technology. I feel that granting the judiciary the authority to collect and retain these fees will go a long way toward improving the efficiency of the judicial system while providing substantial savings for litigants and attorneys.

This bill addresses two areas in which I have taken a personal interest, over the years: reducing unnecessary expenses and improving the efficiency of the judicial system. This bill would help achieve both. Traditionally, the safeguards applicable to criminal defendants charged with more serious crimes have not been applicable to petty offense cases because the burdens

were deemed undesirable and impractical in dealing with such minor offenses. Currently, U.S. Magistrate Judges may preside over petty offense cases charging a motor vehicle offense and infractions, without the consent of the defendant. This bill removes the consent requirement in all other petty cases—a position repeatedly supported by the Judicial Conference of the United States. Additionally, this bill authorizes magistrate judges to try misdemeanor cases involving juveniles currently tried in district court. Removing the consent requirement from these petty offense cases and authorizing magistrate judges to preside over all juvenile misdemeanors would free up valuable district court resources that could be used to deal with more serious crimes and offenders while reducing the time and expense necessary in dealing with these offenses.

Another section of the bill also contains provisions that would free up district court resources and allow federal judges more time to deal with their civil and criminal dockets. These provisions raise the maximum compensation level paid to federal or community defenders representing defendants appearing before United States magistrates or the district courts before they must seek a waiver for payment in excess of the prescribed maximum. Payment in excess of the maximum currently requires the approval of both the judge who presided over the case and the chief judge of the circuit. This procedure in turn increases the amount of time judges must devote to non-judicial matters. The last increase was instituted fourteen years ago. During this time, the effects of inflation have significantly eroded the compensation paid to federal and community defenders.

The Judicial Conference has expressed to me their concern over a growing trend of “Criminal Justice Act” (CJA) panel attorneys being subject to unfounded suits by the defendants they previously represented and the financial damage these attorneys have to deal with when they must pay to defend themselves in these actions. These unfair costs have the potential of having a chilling effect on the willingness of attorneys to participate as panel attorneys and will only make it more difficult to obtain adequate representation for defendants. Currently, the CJA authorizes the Director of the Administrative Office of the United States Courts to provide representation and indemnify federal and community defender organizations for malpractice claims that arise as a result of furnishing representational services. Panel attorneys are the only component of the appointed counsel program who are not permitted to receive CJA-funded coverage for any costs associated with defending against a malpractice claim by a CJA client. Our bill rectifies this oversight in the CJA, and provides CJA panel attorneys the same protection as other federal defenders.

Provisions in our bill authorize the judge who presides over a case, at his discretion, to reimburse panel attorneys for out-of-pocket expenses for civil claims arising for their CJA services. The judge would exercise his discretion limiting the amount of reimbursement available for a panel attorney as he views appropriate under the circumstances, as has been the practice with respect to malpractice claims against other federal defenders.

In addition, the "Federal Courts Improvement Act of 2000" also contains provisions designed to assist handicapped employees working for the federal judiciary. These provisions bring the federal judicial system in-line with the Executive Branch and other governmental bodies.

The bill also contains a number of other provisions that we believe are necessary to improve the Federal Courts' administration, judicial process and matters relating to public defenders, as well as other items that enhance the operation of the Federal judiciary. I urge my colleagues to join us and support these improvements to our Federal Court system.

By Mr. DODD:

S. 2916. A bill to amend the Harmonized Tariff Schedule of the United States to provide separate subheadings for hair clippers used for animals; to the Committee on Finance.

TARIFF CLASSIFICATION CORRECTION FOR HAIR CLIPPERS

Mr. DODD. Mr. President, today I am introducing a bill that would amend the Harmonized Tariff Schedule to allow for a separate subheading for hair clippers used for animals.

As a result of the ongoing beef hormone dispute with the European Union (EU), the United States Trade Representative has released a list of products upon which retaliatory duties of 100 percent will be placed. The proposed list was issued pursuant to Section 407 of the Trade and Development Act of 2000. Furthermore, Section 407 explicitly states that the products on this list must be goods of industries that are affected by the EU's non-compliance in the beef hormone dispute.

Since beard trimmers used by humans and hair clippers for animals for use on the farm are both currently included under the same subheading within the Harmonized Tariff Schedule, human beard trimmers could potentially be subject to the retaliatory duties. However, the personal care industry, and specifically human beard trimmers, has no relationship with the beef hormone industry as is required by Section 407.

To address this problem, and to ensure that products are not inadvertently subjected to these retaliatory tariffs, I am introducing legislation that would provide a separate subheading to clippers used for animals. This legislation would prevent imposing duties on products that have no significant bearing or connection to

the EU beef hormone case and would assist in the fair and equitable application of our trade laws. I urge my colleagues to support enactment of this simple clarification of our tariff schedule.

By Mr. DOMENICI (for himself and Mr. INOUE):

S. 2917. A bill to settle the land claims of the Pueblo of Santo Domingo; to the Committee on Indian Affairs.

SANTO DOMINGO PUEBLO CLAIMS SETTLEMENT ACT OF 2000

Mr. DOMENICI. Mr. President, Santo Domingo Pueblo is one of the largest Indian pueblos in New Mexico. It is located north of Albuquerque and South of Santa Fe, about midway between the two. For about 150 years, some 80,000 acres have been in dispute with neighboring Indian pueblos, Spanish land grants, and private land holders. Many of these disputes have been in court, but remain unsettled.

I am pleased to inform my colleagues that three years of negotiations have produced a settlement agreement. Our legislation would ratify that agreement, thus resolving a complex land ownership situation in New Mexico.

The initial Spanish land grant establishing the Santo Domingo Pueblo Grant was issued in 1689. When this Spanish grant was surveyed in the mid-19th century, approximately 24,000 acres of land to the east of the current reservation boundary were erroneously excluded. The excluded lands are now held in private deeds and public lands, but not by Santo Domingo Pueblo.

The Pueblo of Santo Domingo purchased the Diego Gallegos Spanish Land Grant to expand its reservation on the west end. That purchase excluded some privately held lands and overlapped with both the San Felipe and Cochiti Pueblos.

Forest Service and Bureau of Land Management (BLM) lands have also been claimed by Santo Domingo Pueblo.

The global settlement we are endorsing, resolves the complex set of title disputes between Santo Domingo, the Pueblos of San Felipe and Cochiti, the federal government, and private land holders.

In return for both money and land, the Santo Domingo Pueblo will waive their land claims and remove the clouded title for private land holders. This settlement envisions a monetary settlement of \$23 million. Of that amount, \$8 million would be payable from the Judgment Fund. The remaining \$15 million would be from appropriated accounts over a three year period at \$5 million per year, beginning in FY 2002.

Approximately 4500 acres of BLM land would be conveyed to Santo Domingo Pueblo, and the Pueblo would have an option to purchase 7000 acres of Forest Service land for the agreed upon price of \$3.7 million.

Three lawsuits will be settled by this legislation. The first is Pueblo of Santo

Domingo v. United States. This case is over 50 years old and was filed under the Indian Claims Commission Act (ICCA). In this action, the Pueblo asserts monetary claims against the United States for trespass, lost use, and breach of the ICCA's "fair and honorable dealings" provision by the United States. The Pueblo's claims, based on its Spanish land grants, involve more than 80,000 acres of land. Our legislation affirms the compromise award of \$8 million for these claims and also includes the Pueblo's stipulated settlement of the ICCA case.

The second lawsuit is Pueblo of Santo Domingo v. Rael. This issue stems from the Pueblo's purchase of the Diego Gallegos Grant. The Pueblo sought possession of land from a private landowner in the same grant. The Federal District court for the District of New Mexico entered judgment for the Pueblo. On appeal, the Tenth Circuit ordered the Rael action held in abeyance until the Government intervened in Rael or judgment was entered in the overlapping ICCA case. To date, neither has occurred. The settlement legislation will resolve the issues in the Rael case.

The third lawsuit to be settled by this legislation is United States v. Thompson. In this case, the United States sought to enforce the Pueblo's title against third-party owners who trace their titles to overlapping land grants. In 1991, the Tenth Circuit held that the United States' claim for the Pueblo was time-barred. The Court of Appeals, however, found that the Pueblo Lands Board had ignored an express Congressional directive in its determination that the overlap lands were not the Pueblo's lands.

The Court of Appeals did not resolve the ownership question, again due to the time bar. These overlap lands are currently in the possession of non-Indians and in the Army Corps of Engineers. This global settlement will resolve the ownership questions in favor of the private landowners and the Army Corps of Engineers in the overlap area.

The global nature of this settlement will put all these issues to rest. Assuming the Congress agrees with our legislation, the next step would be entry of the stipulated settlement of the ICCA case and dismissal with prejudice of the Pueblo's existing quiet title action in Rael. The Pueblo of Santo Domingo would then receive both the money and the lands agreed to in this settlement agreement. In addition to waiving its ICCA claims and the Rael case, the Pueblo agrees to waive other existing land claims.

In this settlement agreement, the Congress would ratify and resolve the Pueblo's land claims with finality and do so in a principled way which serves the interests of all parties. The Pueblo of Santo Domingo boundaries have been in dispute since the mid-19th century. This settlement resolves the Pueblo of Santo Domingo claims once

and for all, and clearly delineates the Pueblo's boundaries. I urge my colleagues to support this legislation.

By Mr. ROCKEFELLER:

S. 2918. A bill to amend title XVIII of the Social Security Act and the Employee Retirement Income Security Act of 1974 to improve access to health insurance and Medicare benefits for individuals ages 55 to 65 to be fully funded through premiums and anti-fraud provisions, to amend the Internal Revenue Code of 1986 to allow a credit against income tax for payment of such premiums and of premiums for certain COBRA continuation coverage, and for other purposes; to the Committee on Finance.

MEDICARE EARLY ACCESS AND TAX CREDIT ACT  
OF 2000

Mr. ROCKEFELLER. Mr. President, I ask unanimous consent that the text of the bill, the Medicare Early Access and Tax Credit Act of 2000, be printed in the RECORD.

S. 2918

*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 "Medicare Early Access and Tax Credit Act of 2000".

(b) TABLE OF CONTENTS.—

Sec. 1. Short title; table of contents.

**TITLE I—ACCESS TO MEDICARE BENEFITS FOR INDIVIDUALS 62-TO-65 YEARS OF AGE**

Sec. 101. Access to Medicare benefits for individuals 62-to-65 years of age.

**"PART D—PURCHASE OF MEDICARE BENEFITS BY CERTAIN INDIVIDUALS AGE 62-TO-65 YEARS OF AGE**

"Sec. 1859. Program benefits; eligibility.

"Sec. 1859A. Enrollment process; coverage.

"Sec. 1859B. Premiums.

"Sec. 1859C. Payment of premiums.

"Sec. 1859D. Medicare Early Access Trust Fund.

"Sec. 1859E. Oversight and accountability.

"Sec. 1859F. Administration and miscellaneous.

**TITLE II—ACCESS TO MEDICARE BENEFITS FOR DISPLACED WORKERS 55-TO-62 YEARS OF AGE**

Sec. 201. Access to Medicare benefits for displaced workers 55-to-62 years of age.

**TITLE III—COBRA PROTECTION FOR EARLY RETIREES**

Subtitle A—Amendments to the Employee Retirement Income Security Act of 1974

Sec. 301. COBRA continuation benefits for certain retired workers who lose retiree health coverage.

Subtitle B—Amendments to the Public Health Service Act

Sec. 311. COBRA continuation benefits for certain retired workers who lose retiree health coverage.

Subtitle C—Amendments to the Internal Revenue Code of 1986

Sec. 321. COBRA continuation benefits for certain retired workers who lose retiree health coverage.

**TITLE IV—FINANCING**

Sec. 401. Reference to financing provisions.

**TITLE V—CREDIT AGAINST INCOME TAX FOR MEDICARE BUY-IN PREMIUMS AND FOR CERTAIN COBRA CONTINUATION COVERAGE PREMIUMS**

Sec. 501. Credit for medicare buy-in premiums and for certain COBRA continuation coverage premiums.

**TITLE I—ACCESS TO MEDICARE BENEFITS FOR INDIVIDUALS 62-TO-65 YEARS OF AGE**

**SEC. 101. ACCESS TO MEDICARE BENEFITS FOR INDIVIDUALS 62-TO-65 YEARS OF AGE.**

(a) IN GENERAL.—Title XVIII of the Social Security Act is amended—

(1) by redesignating section 1859 and part D as section 1858 and part E, respectively; and

(2) by inserting after such section the following new part:

**"PART D—PURCHASE OF MEDICARE BENEFITS BY CERTAIN INDIVIDUALS AGE 62-TO-65 YEARS OF AGE**

**"SEC. 1859. PROGRAM BENEFITS; ELIGIBILITY.**

"(a) ENTITLEMENT TO MEDICARE BENEFITS FOR ENROLLED INDIVIDUALS.—

"(1) IN GENERAL.—An individual enrolled under this part is entitled to the same benefits under this title as an individual entitled to benefits under part A and enrolled under part B.

"(2) DEFINITIONS.—For purposes of this part:

"(A) FEDERAL OR STATE COBRA CONTINUATION PROVISION.—The term 'Federal or State COBRA continuation provision' has the meaning given the term 'COBRA continuation provision' in section 2791(d)(4) of the Public Health Service Act and includes a comparable State program, as determined by the Secretary.

"(B) FEDERAL HEALTH INSURANCE PROGRAM DEFINED.—The term 'Federal health insurance program' means any of the following:

"(i) MEDICARE.—Part A or part B of this title (other than by reason of this part).

"(ii) MEDICAID.—A State plan under title XIX.

"(iii) FEHBP.—The Federal employees health benefit program under chapter 89 of title 5, United States Code.

"(iv) TRICARE.—The TRICARE program (as defined in section 1072(7) of title 10, United States Code).

"(v) ACTIVE DUTY MILITARY.—Health benefits under title 10, United States Code, to an individual as a member of the uniformed services of the United States.

"(C) GROUP HEALTH PLAN.—The term 'group health plan' has the meaning given such term in section 2791(a)(1) of the Public Health Service Act.

"(b) ELIGIBILITY OF INDIVIDUALS AGE 62-TO-65 YEARS OF AGE.—

"(1) IN GENERAL.—Subject to paragraph (2), an individual who meets the following requirements with respect to a month is eligible to enroll under this part with respect to such month:

"(A) AGE.—As of the last day of the month, the individual has attained 62 years of age, but has not attained 65 years of age.

"(B) MEDICARE ELIGIBILITY (BUT FOR AGE).—The individual would be eligible for benefits under part A or part B for the month if the individual were 65 years of age.

"(C) NOT ELIGIBLE FOR COVERAGE UNDER GROUP HEALTH PLANS OR FEDERAL HEALTH INSURANCE PROGRAMS.—The individual is not eligible for benefits or coverage under a Federal health insurance program (as defined in subsection (a)(2)(B)) or under a group health plan (other than such eligibility merely through a Federal or State COBRA continuation provision) as of the last day of the month involved.

"(2) LIMITATION ON ELIGIBILITY IF TERMINATED ENROLLMENT.—If an individual de-

scribed in paragraph (1) enrolls under this part and coverage of the individual is terminated under section 1859A(d) (other than because of age), the individual is not again eligible to enroll under this subsection unless the following requirements are met:

"(A) NEW COVERAGE UNDER GROUP HEALTH PLAN OR FEDERAL HEALTH INSURANCE PROGRAM.—After the date of termination of coverage under such section, the individual obtains coverage under a group health plan or under a Federal health insurance program.

"(B) SUBSEQUENT LOSS OF NEW COVERAGE.—The individual subsequently loses eligibility for the coverage described in subparagraph (A) and exhausts any eligibility the individual may subsequently have for coverage under a Federal or State COBRA continuation provision.

"(3) CHANGE IN HEALTH PLAN ELIGIBILITY DOES NOT AFFECT COVERAGE.—In the case of an individual who is eligible for and enrolls under this part under this subsection, the individual's continued entitlement to benefits under this part shall not be affected by the individual's subsequent eligibility for benefits or coverage described in paragraph (1)(C), or entitlement to such benefits or coverage.

**"SEC. 1859A. ENROLLMENT PROCESS; COVERAGE.**

"(a) IN GENERAL.—An individual may enroll in the program established under this part only in such manner and form as may be prescribed by regulations, and only during an enrollment period prescribed by the Secretary consistent with the provisions of this section. Such regulations shall provide a process under which—

"(1) individuals eligible to enroll as of a month are permitted to pre-enroll during a prior month within an enrollment period described in subsection (b); and

"(2) each individual seeking to enroll under section 1859(b) is notified, before enrolling, of the deferred monthly premium amount the individual will be liable for under section 1859C(b) upon attaining 65 years of age as determined under section 1859B(c)(3).

"(b) ENROLLMENT PERIODS.—

"(1) INDIVIDUALS 62-TO-65 YEARS OF AGE.—In the case of individuals eligible to enroll under this part under section 1859(b)—

"(A) INITIAL ENROLLMENT PERIOD.—If the individual is eligible to enroll under such section for January 2001, the enrollment period shall begin on November 1, 2000, and shall end on February 28, 2001. Any such enrollment before January 1, 2001, is conditioned upon compliance with the conditions of eligibility for January 2001.

"(B) SUBSEQUENT PERIODS.—If the individual is eligible to enroll under such section for a month after January 2001, the enrollment period shall begin on the first day of the second month before the month in which the individual first is eligible to so enroll and shall end four months later. Any such enrollment before the first day of the third month of such enrollment period is conditioned upon compliance with the conditions of eligibility for such third month.

"(2) AUTHORITY TO CORRECT FOR GOVERNMENT ERRORS.—The provisions of section 1837(h) apply with respect to enrollment under this part in the same manner as they apply to enrollment under part B.

"(c) DATE COVERAGE BEGINS.—

"(1) IN GENERAL.—The period during which an individual is entitled to benefits under this part shall begin as follows, but in no case earlier than January 1, 2001:

"(A) In the case of an individual who enrolls (including pre-enrolls) before the month in which the individual satisfies eligibility for enrollment under section 1859, the first day of such month of eligibility.

“(B) In the case of an individual who enrolls during or after the month in which the individual first satisfies eligibility for enrollment under such section, the first day of the following month.

“(2) AUTHORITY TO PROVIDE FOR PARTIAL MONTHS OF COVERAGE.—Under regulations, the Secretary may, in the Secretary’s discretion, provide for coverage periods that include portions of a month in order to avoid lapses of coverage.

“(3) LIMITATION ON PAYMENTS.—No payments may be made under this title with respect to the expenses of an individual enrolled under this part unless such expenses were incurred by such individual during a period which, with respect to the individual, is a coverage period under this section.

“(d) TERMINATION OF COVERAGE.—

“(1) IN GENERAL.—An individual’s coverage period under this part shall continue until the individual’s enrollment has been terminated at the earliest of the following:

“(A) GENERAL PROVISIONS.—

“(i) NOTICE.—The individual files notice (in a form and manner prescribed by the Secretary) that the individual no longer wishes to participate in the insurance program under this part.

“(ii) NONPAYMENT OF PREMIUMS.—The individual fails to make payment of premiums required for enrollment under this part.

“(iii) MEDICARE ELIGIBILITY.—The individual becomes entitled to benefits under part A or enrolled under part B (other than by reason of this part).

“(B) TERMINATION BASED ON AGE.—The individual attains 65 years of age.

“(2) EFFECTIVE DATE OF TERMINATION.—

“(A) NOTICE.—The termination of a coverage period under paragraph (1)(A)(i) shall take effect at the close of the month following for which the notice is filed.

“(B) NONPAYMENT OF PREMIUM.—The termination of a coverage period under paragraph (1)(A)(ii) shall take effect on a date determined under regulations, which may be determined so as to provide a grace period in which overdue premiums may be paid and coverage continued. The grace period determined under the preceding sentence shall not exceed 60 days; except that it may be extended for an additional 30 days in any case where the Secretary determines that there was good cause for failure to pay the overdue premiums within such 60-day period.

“(C) AGE OR MEDICARE ELIGIBILITY.—The termination of a coverage period under paragraph (1)(A)(iii) or (1)(B) shall take effect as of the first day of the month in which the individual attains 65 years of age or becomes entitled to benefits under part A or enrolled for benefits under part B (other than by reason of this part).

**“SEC. 1859B. PREMIUMS.**

“(a) AMOUNT OF MONTHLY PREMIUMS.—

“(1) BASE MONTHLY PREMIUMS.—The Secretary shall, during September of each year (beginning with 1998), determine the following premium rates which shall apply with respect to coverage provided under this title for any month in the succeeding year:

“(A) BASE MONTHLY PREMIUM FOR INDIVIDUALS 62 YEARS OF AGE OR OLDER.—A base monthly premium for individuals 62 years of age or older, equal to  $\frac{1}{2}$  of the base annual premium rate computed under subsection (b) for each premium area.

“(2) DEFERRED MONTHLY PREMIUMS FOR INDIVIDUALS 62 YEARS OF AGE OR OLDER.—The Secretary shall, during September of each year (beginning with 1998), determine under subsection (c) the amount of deferred monthly premiums that shall apply with respect to individuals who first obtain coverage under this part under section 1859(b) in the succeeding year.

“(3) ESTABLISHMENT OF PREMIUM AREAS.—For purposes of this part, the term ‘premium area’ means such an area as the Secretary shall specify to carry out this part. The Secretary from time to time may change the boundaries of such premium areas. The Secretary shall seek to minimize the number of such areas specified under this paragraph.

“(b) BASE ANNUAL PREMIUM FOR INDIVIDUALS 62 YEARS OF AGE OR OLDER.—

“(1) NATIONAL, PER CAPITA AVERAGE.—The Secretary shall estimate the average, annual per capita amount that would be payable under this title with respect to individuals residing in the United States who meet the requirement of section 1859(b)(1)(A) as if all such individuals were eligible for (and enrolled) under this title during the entire year (and assuming that section 1862(b)(2)(A)(i) did not apply).

“(2) GEOGRAPHIC ADJUSTMENT.—The Secretary shall adjust the amount determined under paragraph (1) for each premium area (specified under subsection (a)(3)) in order to take into account such factors as the Secretary deems appropriate and shall limit the maximum premium under this paragraph in a premium area to assure participation in all areas throughout the United States.

“(3) BASE ANNUAL PREMIUM.—The base annual premium under this subsection for months in a year for individuals 62 years of age or older residing in a premium area is equal to the average, annual per capita amount estimated under paragraph (1) for the year, adjusted for such area under paragraph (2).

“(c) DEFERRED PREMIUM RATE FOR INDIVIDUALS 62 YEARS OF AGE OR OLDER.—The deferred premium rate for individuals with a group of individuals who obtain coverage under section 1859(b) in a year shall be computed by the Secretary as follows:

“(1) ESTIMATION OF NATIONAL, PER CAPITA ANNUAL AVERAGE EXPENDITURES FOR ENROLLMENT GROUP.—The Secretary shall estimate the average, per capita annual amount that will be paid under this part for individuals in such group during the period of enrollment under section 1859(b). In making such estimate for coverage beginning in a year before 2004, the Secretary may base such estimate on the average, per capita amount that would be payable if the program had been in operation over a previous period of at least 4 years.

“(2) DIFFERENCE BETWEEN ESTIMATED EXPENDITURES AND ESTIMATED PREMIUMS.—Based on the characteristics of individuals in such group, the Secretary shall estimate during the period of coverage of the group under this part under section 1859(b) the amount by which—

“(A) the amount estimated under paragraph (1); exceeds

“(B) the average, annual per capita amount of premiums that will be payable for months during the year under section 1859C(a) for individuals in such group (including premiums that would be payable if there were no terminations in enrollment under clause (i) or (ii) of section 1859A(d)(1)(A)).

“(3) ACTUARIAL COMPUTATION OF DEFERRED MONTHLY PREMIUM RATES.—The Secretary shall determine deferred monthly premium rates for individuals in such group in a manner so that—

“(A) the estimated actuarial value of such premiums payable under section 1859C(b), is equal to

“(B) the estimated actuarial present value of the differences described in paragraph (2). Such rate shall be computed for each individual in the group in a manner so that the rate is based on the number of months between the first month of coverage based on enrollment under section 1859(b) and the

month in which the individual attains 65 years of age.

“(4) DETERMINANTS OF ACTUARIAL PRESENT VALUES.—The actuarial present values described in paragraph (3) shall reflect—

“(A) the estimated probabilities of survival at ages 62 through 84 for individuals enrolled during the year; and

“(B) the estimated effective average interest rates that would be earned on investments held in the trust funds under this title during the period in question.

**“SEC. 1859C. PAYMENT OF PREMIUMS.**

“(a) PAYMENT OF BASE MONTHLY PREMIUM.—

“(1) IN GENERAL.—The Secretary shall provide for payment and collection of the base monthly premium, determined under section 1859B(a)(1) for the age (and age cohort, if applicable) of the individual involved and the premium area in which the individual principally resides, in the same manner as for payment of monthly premiums under section 1840, except that, for purposes of applying this section, any reference in such section to the Federal Supplementary Medical Insurance Trust Fund is deemed a reference to the Trust Fund established under section 1859D.

“(2) PERIOD OF PAYMENT.—In the case of an individual who participates in the program established by this title, the base monthly premium shall be payable for the period commencing with the first month of the individual’s coverage period and ending with the month in which the individual’s coverage under this title terminates.

“(b) PAYMENT OF DEFERRED PREMIUM FOR INDIVIDUALS COVERED AFTER ATTAINING AGE 62.—

“(1) RATE OF PAYMENT.—

“(A) IN GENERAL.—In the case of an individual who is covered under this part for a month pursuant to an enrollment under section 1859(b), subject to subparagraph (B), the individual is liable for payment of a deferred premium in each month during the period described in paragraph (2) in an amount equal to the full deferred monthly premium rate determined for the individual under section 1859B(c).

“(B) SPECIAL RULES FOR THOSE WHO DISENROLL EARLY.—

“(i) IN GENERAL.—If such an individual’s enrollment under such section is terminated under clause (i) or (ii) of section 1859A(d)(1)(A), subject to clause (ii), the amount of the deferred premium otherwise established under this paragraph shall be pro-rated to reflect the number of months of coverage under this part under such enrollment compared to the maximum number of months of coverage that the individual would have had if the enrollment were not so terminated.

“(ii) ROUNDING TO 12-MONTH MINIMUM COVERAGE PERIODS.—In applying clause (i), the number of months of coverage (if not a multiple of 12) shall be rounded to the next highest multiple of 12 months, except that in no case shall this clause result in a number of months of coverage exceeding the maximum number of months of coverage that the individual would have had if the enrollment were not so terminated.

“(2) PERIOD OF PAYMENT.—The period described in this paragraph for an individual is the period beginning with the first month in which the individual has attained 65 years of age and ending with the month before the month in which the individual attains 85 years of age.

“(3) COLLECTION.—In the case of an individual who is liable for a premium under this subsection, the amount of the premium shall be collected in the same manner as the premium for enrollment under such part is collected under section 1840, except that any

reference in such section to the Federal Supplementary Medical Insurance Trust Fund is deemed to be a reference to the Medicare Early Access Trust Fund established under section 1859D.

“(C) APPLICATION OF CERTAIN PROVISIONS.—The provisions of section 1840 (other than subsection (h)) shall apply to premiums collected under this section in the same manner as they apply to premiums collected under part B, except that any reference in such section to the Federal Supplementary Medical Insurance Trust Fund is deemed a reference to the Trust Fund established under section 1859D.

**“SEC. 1859D. MEDICARE EARLY ACCESS TRUST FUND.**

“(a) ESTABLISHMENT OF TRUST FUND.—

“(1) IN GENERAL.—There is hereby created on the books of the Treasury of the United States a trust fund to be known as the ‘Medicare Early Access Trust Fund’ (in this section referred to as the ‘Trust Fund’). The Trust Fund shall consist of such gifts and bequests as may be made as provided in section 201(i)(1) and such amounts as may be deposited in, or appropriated to, such fund as provided in this title.

“(2) PREMIUMS.—Premiums collected under section 1859B shall be transferred to the Trust Fund.

“(3) TRANSFER OF SAVINGS FROM NEW FRAUD AND ABUSE INITIATIVES.—

“(A) IN GENERAL.—There is hereby transferred to the Trust Fund from the Federal Hospital Insurance Trust Fund and from the Federal Supplementary Medical Insurance Trust Fund amounts equivalent to the amounts (specified under subparagraph (B)) of the reductions in expenditures under such respective trust fund as may be attributable to the enactment of the Medicare Fraud and Reimbursement Reform Act of 1999 (H.R. 2229).

“(B) USE OF CBO ESTIMATES.—For each fiscal year during the 10-fiscal-year period beginning with fiscal year 2001, the amounts under subparagraph (A) shall be the amounts described in such subparagraph as determined by the Congressional Budget Office at the time of, and in connection with, the enactment of the Medicare Early Access and Tax Credit Act of 2000. For subsequent fiscal years, the amounts under subparagraph (A) shall be the amount determined under this subparagraph for the previous fiscal year increased by the same percentage as the percentage increase in aggregate expenditures under this title from the second previous fiscal year to the previous fiscal year.

“(b) INCORPORATION OF PROVISIONS.—

“(1) IN GENERAL.—Subject to paragraph (2), subsections (b) through (i) of section 1841 shall apply with respect to the Trust Fund and this title in the same manner as they apply with respect to the Federal Supplementary Medical Insurance Trust Fund and part B, respectively.

“(2) MISCELLANEOUS REFERENCES.—In applying provisions of section 1841 under paragraph (1) —

“(A) any reference in such section to ‘this part’ is construed to refer to this part D;

“(B) any reference in section 1841(h) to section 1840(d) and in section 1841(i) to sections 1840(b)(1) and 1842(g) are deemed references to comparable authority exercised under this part; and

“(C) payments may be made under section 1841(g) to the Trust Funds under sections 1817 and 1841 as reimbursement to such funds for payments they made for benefits provided under this part.

**“SEC. 1859E. OVERSIGHT AND ACCOUNTABILITY.**

“(a) THROUGH ANNUAL REPORTS OF TRUSTEES.—The Board of Trustees of the Medicare Early Access Trust Fund under section

1859D(b)(1) shall report on an annual basis to Congress concerning the status of the Trust Fund and the need for adjustments in the program under this part to maintain financial solvency of the program under this part.

“(b) PERIODIC GAO REPORTS.—The Comptroller General of the United States shall periodically submit to Congress reports on the adequacy of the financing of coverage provided under this part. The Comptroller General shall include in such report such recommendations for adjustments in such financing and coverage as the Comptroller General deems appropriate in order to maintain financial solvency of the program under this part.

**“SEC. 1859F. ADMINISTRATION AND MISCELLANEOUS.**

“(a) TREATMENT FOR PURPOSES OF TITLE.—Except as otherwise provided in this part—

“(1) individuals enrolled under this part shall be treated for purposes of this title as though the individual were entitled to benefits under part A and enrolled under part B; and

“(2) benefits described in section 1859 shall be payable under this title to such individuals in the same manner as if such individuals were so entitled and enrolled.

“(b) NOT TREATED AS MEDICARE PROGRAM FOR PURPOSES OF MEDICAID PROGRAM.—For purposes of applying title XIX (including the provision of medicare cost-sharing assistance under such title), an individual who is enrolled under this part shall not be treated as being entitled to benefits under this title.

“(c) NOT TREATED AS MEDICARE PROGRAM FOR PURPOSES OF COBRA CONTINUATION PROVISIONS.—In applying a COBRA continuation provision (as defined in section 2791(d)(4) of the Public Health Service Act), any reference to an entitlement to benefits under this title shall not be construed to include entitlement to benefits under this title pursuant to the operation of this part.”.

(b) CONFORMING AMENDMENTS TO SOCIAL SECURITY ACT PROVISIONS.—

(1) Section 201(i)(1) of the Social Security Act (42 U.S.C. 401(i)(1)) is amended by striking “or the Federal Supplementary Medical Insurance Trust Fund” and inserting “the Federal Supplementary Medical Insurance Trust Fund, and the Medicare Early Access Trust Fund”.

(2) Section 201(g)(1)(A) of such Act (42 U.S.C. 401(g)(1)(A)) is amended by striking “and the Federal Supplementary Medical Insurance Trust Fund established by title XVIII” and inserting “, the Federal Supplementary Medical Insurance Trust Fund, and the Medicare Early Access Trust Fund established by title XVIII”.

(3) Section 1820(i) of such Act (42 U.S.C. 1395f-4(i)) is amended by striking “part D” and inserting “part E”.

(4) Part C of title XVIII of such Act is amended—

(A) in section 1851(a)(2)(B) (42 U.S.C. 1395w-21(a)(2)(B)), by striking “1859(b)(3)” and inserting “1858(b)(3)”;

(B) in section 1851(a)(2)(C) (42 U.S.C. 1395w-21(a)(2)(C)), by striking “1859(b)(2)” and inserting “1858(b)(2)”;

(C) in section 1852(a)(1) (42 U.S.C. 1395w-22(a)(1)), by striking “1859(b)(3)” and inserting “1858(b)(3)”;

(D) in section 1852(a)(3)(B)(ii) (42 U.S.C. 1395w-22(a)(3)(B)(ii)), by striking “1859(b)(2)(B)” and inserting “1858(b)(2)(B)”;

(E) in section 1853(a)(1)(A) (42 U.S.C. 1395w-23(a)(1)(A)), by striking “1859(e)(4)” and inserting “1858(e)(4)”;

(F) in section 1853(a)(3)(D) (42 U.S.C. 1395w-23(a)(3)(D)), by striking “1859(e)(4)” and inserting “1858(e)(4)”.

(5) Section 1853(c) of such Act (42 U.S.C. 1395w-23(c)) is amended—

(A) in paragraph (1), by striking “or (7)” and inserting “, (7), or (8)”, and

(B) by adding at the end the following:

“(8) ADJUSTMENT FOR EARLY ACCESS.—In applying this subsection with respect to individuals entitled to benefits under part D, the Secretary shall provide for an appropriate adjustment in the Medicare+Choice capitation rate as may be appropriate to reflect differences between the population served under such part and the population under parts A and B.”.

(c) OTHER CONFORMING AMENDMENTS.—

(1) Section 138(b)(4) of the Internal Revenue Code of 1986 is amended by striking “1859(b)(3)” and inserting “1858(b)(3)”.

(2)(A) Section 602(2)(D)(ii) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1162(2)) is amended by inserting “(not including an individual who is so entitled pursuant to enrollment under section 1859A)” after “Social Security Act”.

(B) Section 2202(2)(D)(ii) of the Public Health Service Act (42 U.S.C. 300bb-2(2)(D)(ii)) is amended by inserting “(not including an individual who is so entitled pursuant to enrollment under section 1859A)” after “Social Security Act”.

(C) Section 4980B(f)(2)(B)(i)(V) of the Internal Revenue Code of 1986 is amended by inserting “(not including an individual who is so entitled pursuant to enrollment under section 1859A)” after “Social Security Act”.

**TITLE II—ACCESS TO MEDICARE BENEFITS FOR DISPLACED WORKERS 55-TO-62 YEARS OF AGE**

**SEC. 201. ACCESS TO MEDICARE BENEFITS FOR DISPLACED WORKERS 55-TO-62 YEARS OF AGE.**

(a) ELIGIBILITY.—Section 1859 of the Social Security Act, as inserted by section 101(a)(2), is amended by adding at the end the following new subsection:

“(c) DISPLACED WORKERS AND SPOUSES.—

“(1) DISPLACED WORKERS.—Subject to paragraph (3), an individual who meets the following requirements with respect to a month is eligible to enroll under this part with respect to such month:

“(A) AGE.—As of the last day of the month, the individual has attained 55 years of age, but has not attained 62 years of age.

“(B) MEDICARE ELIGIBILITY (BUT FOR AGE).—The individual would be eligible for benefits under part A or part B for the month if the individual were 65 years of age.

“(C) LOSS OF EMPLOYMENT-BASED COVERAGE.—

“(i) ELIGIBLE FOR UNEMPLOYMENT COMPENSATION.—The individual meets the requirements relating to period of covered employment and conditions of separation from employment to be eligible for unemployment compensation (as defined in section 85(b) of the Internal Revenue Code of 1986), based on a separation from employment occurring on or after July 1, 2000. The previous sentence shall not be construed as requiring the individual to be receiving such unemployment compensation.

“(ii) LOSS OF EMPLOYMENT-BASED COVERAGE.—Immediately before the time of such separation of employment, the individual was covered under a group health plan on the basis of such employment, and, because of such loss, is no longer eligible for coverage under such plan (including such eligibility based on the application of a Federal or State COBRA continuation provision) as of the last day of the month involved.

“(iii) PREVIOUS CREDITABLE COVERAGE FOR AT LEAST 1 YEAR.—As of the date on which the individual loses coverage described in clause (ii), the aggregate of the periods of creditable coverage (as determined under section 2701(c) of the Public Health Service Act) is 12 months or longer.

“(D) EXHAUSTION OF AVAILABLE COBRA CONTINUATION BENEFITS.—



“(i) IN GENERAL.—In the case of an individual described in clause (ii) for a month described in clause (iii)—

“(I) the individual (or spouse) elected coverage described in clause (ii); and

“(II) the individual (or spouse) has continued such coverage for all months described in clause (iii) in which the individual (or spouse) is eligible for such coverage.

“(ii) INDIVIDUALS TO WHOM COBRA CONTINUATION COVERAGE MADE AVAILABLE.—An individual described in this clause is an individual—

“(I) who was offered coverage under a Federal or State COBRA continuation provision at the time of loss of coverage eligibility described in subparagraph (C)(ii); or

“(II) whose spouse was offered such coverage in a manner that permitted coverage of the individual at such time.

“(iii) MONTHS OF POSSIBLE COBRA CONTINUATION COVERAGE.—A month described in this clause is a month for which an individual described in clause (ii) could have had coverage described in such clause as of the last day of the month if the individual (or the spouse of the individual, as the case may be) had elected such coverage on a timely basis.

“(E) NOT ELIGIBLE FOR COVERAGE UNDER FEDERAL HEALTH INSURANCE PROGRAM OR GROUP HEALTH PLANS.—The individual is not eligible for benefits or coverage under a Federal health insurance program or under a group health plan (whether on the basis of the individual’s employment or employment of the individual’s spouse) as of the last day of the month involved.

“(2) SPOUSE OF DISPLACED WORKER.—Subject to paragraph (3), an individual who meets the following requirements with respect to a month is eligible to enroll under this part with respect to such month:

“(A) AGE.—As of the last day of the month, the individual has not attained 62 years of age.

“(B) MARRIED TO DISPLACED WORKER.—The individual is the spouse of an individual at the time the individual enrolls under this part under paragraph (1) and loses coverage described in paragraph (1)(C)(ii) because the individual’s spouse lost such coverage.

“(C) MEDICARE ELIGIBILITY (BUT FOR AGE); EXHAUSTION OF ANY COBRA CONTINUATION COVERAGE; AND NOT ELIGIBLE FOR COVERAGE UNDER FEDERAL HEALTH INSURANCE PROGRAM OR GROUP HEALTH PLAN.—The individual meets the requirements of subparagraphs (B), (D), and (E) of paragraph (1).

“(3) CHANGE IN HEALTH PLAN ELIGIBILITY AFFECTS CONTINUED ELIGIBILITY.—For provision that terminates enrollment under this section in the case of an individual who becomes eligible for coverage under a group health plan or under a Federal health insurance program, see section 1859A(d)(1)(C).

“(4) REENROLLMENT PERMITTED.—Nothing in this subsection shall be construed as preventing an individual who, after enrolling under this subsection, terminates such enrollment from subsequently reenrolling under this subsection if the individual is eligible to enroll under this subsection at that time.”

(b) ENROLLMENT.—Section 1859A of such Act, as so inserted, is amended—

(1) in subsection (a), by striking “and” at the end of paragraph (1), by striking the period at the end of paragraph (2) and inserting “; and”, and by adding at the end the following new paragraph:

“(3) individuals whose coverage under this part would terminate because of subsection (d)(1)(B)(ii) are provided notice and an opportunity to continue enrollment in accordance with section 1859E(c)(1).”;

(2) in subsection (b), by inserting after Notwithstanding any other provision of law, (1) the following:

“(2) DISPLACED WORKERS AND SPOUSES.—In the case of individuals eligible to enroll under this part under section 1859(c), the following rules apply:

“(A) INITIAL ENROLLMENT PERIOD.—If the individual is first eligible to enroll under such section for January 2001, the enrollment period shall begin on November 1, 2000, and shall end on February 28, 2001. Any such enrollment before January 1, 2001, is conditioned upon compliance with the conditions of eligibility for January 2001.

“(B) SUBSEQUENT PERIODS.—If the individual is eligible to enroll under such section for a month after January 2001, the enrollment period based on such eligibility shall begin on the first day of the second month before the month in which the individual first is eligible to so enroll (or reenroll) and shall end four months later.”;

(3) in subsection (d)(1), by amending subparagraph (B) to read as follows:

“(B) TERMINATION BASED ON AGE.—

“(i) AT AGE 65.—Subject to clause (ii), the individual attains 65 years of age.

“(ii) AT AGE 62 FOR DISPLACED WORKERS AND SPOUSES.—In the case of an individual enrolled under this part pursuant to section 1859(c), subject to subsection (a)(1), the individual attains 62 years of age.”;

(4) in subsection (d)(1), by adding at the end the following new subparagraph:

“(C) OBTAINING ACCESS TO EMPLOYMENT-BASED COVERAGE OR FEDERAL HEALTH INSURANCE PROGRAM FOR INDIVIDUALS UNDER 62 YEARS OF AGE.—In the case of an individual who has not attained 62 years of age, the individual is covered (or eligible for coverage) as a participant or beneficiary under a group health plan or under a Federal health insurance program.”;

(5) in subsection (d)(2), by amending subparagraph (C) to read as follows:

“(C) AGE OR MEDICARE ELIGIBILITY.—

“(i) IN GENERAL.—The termination of a coverage period under paragraph (1)(A)(iii) or (1)(B)(i) shall take effect as of the first day of the month in which the individual attains 65 years of age or becomes entitled to benefits under part A or enrolled for benefits under part B.

“(ii) DISPLACED WORKERS.—The termination of a coverage period under paragraph (1)(B)(ii) shall take effect as of the first day of the month in which the individual attains 62 years of age, unless the individual has enrolled under this part pursuant to section 1859(b) and section 1859E(c)(1).”;

(6) in subsection (d)(2), by adding at the end the following new subparagraph:

“(D) ACCESS TO COVERAGE.—The termination of a coverage period under paragraph (1)(C) shall take effect on the date on which the individual is eligible to begin a period of creditable coverage (as defined in section 2701(c) of the Public Health Service Act) under a group health plan or under a Federal health insurance program.”.

(c) PREMIUMS.—Section 1859B of such Act, as so inserted, is amended—

(1) in subsection (a)(1), by adding at the end the following:

“(B) BASE MONTHLY PREMIUM FOR INDIVIDUALS UNDER 62 YEARS OF AGE.—A base monthly premium for individuals under 62 years of age, equal to 1/2 of the base annual premium rate computed under subsection (d)(3) for each premium area and age cohort.”; and

(2) by adding at the end the following new subsection:

“(d) BASE MONTHLY PREMIUM FOR INDIVIDUALS UNDER 62 YEARS OF AGE.—

“(1) NATIONAL, PER CAPITA AVERAGE FOR AGE GROUPS.—

“(A) ESTIMATE OF AMOUNT.—The Secretary shall estimate the average, annual per capita amount that would be payable under this title with respect to individuals residing in

the United States who meet the requirement of section 1859(c)(1)(A) within each of the age cohorts established under subparagraph (B) as if all such individuals within such cohort were eligible for (and enrolled) under this title during the entire year (and assuming that section 1862(b)(2)(A)(i) did not apply).

“(B) AGE COHORTS.—For purposes of subparagraph (A), the Secretary shall establish separate age cohorts in 5 year age increments for individuals who have not attained 60 years of ages and a separate cohort for individuals who have attained 60 years of age.

“(2) GEOGRAPHIC ADJUSTMENT.—The Secretary shall adjust the amount determined under paragraph (1)(A) for each premium area (specified under subsection (a)(3)) in the same manner and to the same extent as the Secretary provides for adjustments under subsection (b)(2).

“(3) BASE ANNUAL PREMIUM.—The base annual premium under this subsection for months in a year for individuals in an age cohort under paragraph (1)(B) in a premium area is equal to 165 percent of the average, annual per capita amount estimated under paragraph (1) for the age cohort and year, adjusted for such area under paragraph (2).

“(4) PRO-RATION OF PREMIUMS TO REFLECT COVERAGE DURING A PART OF A MONTH.—If the Secretary provides for coverage of portions of a month under section 1859A(c)(2), the Secretary shall pro-rate the premiums attributable to such coverage under this section to reflect the portion of the month so covered.”.

(d) ADMINISTRATIVE PROVISIONS.—Section 1859F of such Act, as so inserted, is amended by adding at the end the following:

“(d) ADDITIONAL ADMINISTRATIVE PROVISIONS.—

“(1) PROCESS FOR CONTINUED ENROLLMENT OF DISPLACED WORKERS WHO ATTAIN 62 YEARS OF AGE.—The Secretary shall provide a process for the continuation of enrollment of individuals whose enrollment under section 1859(c) would be terminated upon attaining 62 years of age. Under such process such individuals shall be provided appropriate and timely notice before the date of such termination and of the requirement to enroll under this part pursuant to section 1859(b) in order to continue entitlement to benefits under this title after attaining 62 years of age.

“(2) ARRANGEMENTS WITH STATES FOR DETERMINATIONS RELATING TO UNEMPLOYMENT COMPENSATION ELIGIBILITY.—The Secretary may provide for appropriate arrangements with States for the determination of whether individuals in the State meet or would meet the requirements of section 1859(c)(1)(C)(i).”.

(e) CONFORMING AMENDMENT TO HEADING TO PART.—The heading of part D of title XVIII of the Social Security Act, as so inserted, is amended by striking “62” and inserting “55”.

### TITLE III—COBRA PROTECTION FOR EARLY RETIREES

#### Subtitle A—Amendments to the Employee Retirement Income Security Act of 1974

#### SEC. 301. COBRA CONTINUATION BENEFITS FOR CERTAIN RETIRED WORKERS WHO LOSE RETIREE HEALTH COVERAGE.

(a) ESTABLISHMENT OF NEW QUALIFYING EVENT.—

(1) IN GENERAL.—Section 603 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1163) is amended by inserting after paragraph (6) the following new paragraph:

“(7) The termination or substantial reduction in benefits (as defined in section 607(7)) of group health plan coverage as a result of plan changes or termination in the case of a covered employee who is a qualified retiree.”.

(2) QUALIFIED RETIREE; QUALIFIED BENEFICIARY; AND SUBSTANTIAL REDUCTION DEFINED.—Section 607 of such Act (29 U.S.C. 1167) is amended—

(A) in paragraph (3)—

(i) in subparagraph (A), by inserting “except as otherwise provided in this paragraph,” after “means,”; and

(ii) by adding at the end the following new subparagraph:

“(D) SPECIAL RULE FOR QUALIFYING RETIREES AND DEPENDENTS.—In the case of a qualifying event described in section 603(7), the term ‘qualified beneficiary’ means a qualified retiree and any other individual who, on the day before such qualifying event, is a beneficiary under the plan on the basis of the individual’s relationship to such qualified retiree.”; and

(B) by adding at the end the following new paragraphs:

“(6) QUALIFIED RETIREE.—The term ‘qualified retiree’ means, with respect to a qualifying event described in section 603(7), a covered employee who, at the time of the event—

“(A) has attained 55 years of age; and

“(B) was receiving group health coverage under the plan by reason of the retirement of the covered employee.

“(7) SUBSTANTIAL REDUCTION.—The term ‘substantial reduction’—

“(A) means, as determined under regulations of the Secretary and with respect to a qualified beneficiary, a reduction in the average actuarial value of benefits under the plan (through reduction or elimination of benefits, an increase in premiums, deductibles, copayments, and coinsurance, or any combination thereof), since the date of commencement of coverage of the beneficiary by reason of the retirement of the covered employee (or, if later, January 6, 2000), in an amount equal to at least 50 percent of the total average actuarial value of the benefits under the plan as of such date (taking into account an appropriate adjustment to permit comparison of values over time); and

“(B) includes an increase in premiums required to an amount that exceeds the premium level described in the fourth sentence of section 602(3).”.

(b) DURATION OF COVERAGE THROUGH AGE 65.—Section 602(2)(A) of such Act (29 U.S.C. 1162(2)(A)) is amended—

(1) in clause (ii), by inserting “or 603(7)” after “603(6)”;

(2) in clause (iv), by striking “or 603(6)” and inserting “, 603(6), or 603(7)”;

(3) by redesignating clause (iv) as clause (vi);

(4) by redesignating clause (v) as clause (iv) and by moving such clause to immediately follow clause (iii); and

(5) by inserting after such clause (iv) the following new clause:

“(v) SPECIAL RULE FOR CERTAIN DEPENDENTS IN CASE OF TERMINATION OR SUBSTANTIAL REDUCTION OF RETIREE HEALTH COVERAGE.—In the case of a qualifying event described in section 603(7), in the case of a qualified beneficiary described in section 607(3)(D) who is not the qualified retiree or spouse of such retiree, the later of—

“(I) the date that is 36 months after the earlier of the date the qualified retiree becomes entitled to benefits under title XVIII of the Social Security Act, or the date of the death of the qualified retiree; or

“(II) the date that is 36 months after the date of the qualifying event.”.

(c) TYPE OF COVERAGE IN CASE OF TERMINATION OR SUBSTANTIAL REDUCTION OF RETIREE HEALTH COVERAGE.—Section 602(1) of such Act (29 U.S.C. 1162(1)) is amended—

(1) by striking “The coverage” and inserting the following:

“(A) IN GENERAL.—Except as provided in subparagraph (B), the coverage”; and

(2) by adding at the end the following:

“(B) CERTAIN RETIREES.—In the case of a qualifying event described in section 603(7), in applying the first sentence of subparagraph (A) and the fourth sentence of paragraph (3), the coverage offered that is the most prevalent coverage option (as determined under regulations of the Secretary) continued under the group health plan (or, if none, under the most prevalent other plan offered by the same plan sponsor) shall be treated as the coverage described in such sentence, or (at the option of the plan and qualified beneficiary) such other coverage option as may be offered and elected by the qualified beneficiary involved.”.

(d) INCREASED LEVEL OF PREMIUMS PERMITTED.—Section 602(3) of such Act (29 U.S.C. 1162(3)) is amended by adding at the end the following new sentence: “In the case of an individual provided continuation coverage by reason of a qualifying event described in section 603(7), any reference in subparagraph (A) of this paragraph to ‘102 percent of the applicable premium’ is deemed a reference to ‘125 percent of the applicable premium for employed individuals (and their dependents, if applicable) for the coverage option referred to in paragraph (1)(B)’.”.

(e) NOTICE.—Section 606(a) of such Act (29 U.S.C. 1166) is amended—

(1) in paragraph (4)(A), by striking “or (6)” and inserting “(6), or (7)”;

(2) by adding at the end the following:

“The notice under paragraph (4) in the case of a qualifying event described in section 603(7) shall be provided at least 90 days before the date of the qualifying event.”.

(f) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by this section (other than subsection (e)(2)) shall apply to qualifying events occurring on or after January 6, 2000. In the case of a qualifying event occurring on or after such date and before the date of the enactment of this Act, such event shall be deemed (for purposes of such amendments) to have occurred on the date of the enactment of this Act.

(2) ADVANCE NOTICE OF TERMINATIONS AND REDUCTIONS.—The amendment made by subsection (e)(2) shall apply to qualifying events occurring after the date of the enactment of this Act, except that in no case shall notice be required under such amendment before such date.

#### Subtitle B—Amendments to the Public Health Service Act

##### SEC. 311. COBRA CONTINUATION BENEFITS FOR CERTAIN RETIRED WORKERS WHO LOSE RETIREE HEALTH COVERAGE.

(a) ESTABLISHMENT OF NEW QUALIFYING EVENT.—

(1) IN GENERAL.—Section 2203 of the Public Health Service Act (42 U.S.C. 300bb-3) is amended by inserting after paragraph (5) the following new paragraph:

“(6) The termination or substantial reduction in benefits (as defined in section 2208(6)) of group health plan coverage as a result of plan changes or termination in the case of a covered employee who is a qualified retiree.”.

(2) QUALIFIED RETIREE; QUALIFIED BENEFICIARY; AND SUBSTANTIAL REDUCTION DEFINED.—Section 2208 of such Act (42 U.S.C. 300bb-8) is amended—

(A) in paragraph (3)—

(i) in subparagraph (A), by inserting “except as otherwise provided in this paragraph,” after “means,”; and

(ii) by adding at the end the following new subparagraph:

“(C) SPECIAL RULE FOR QUALIFYING RETIREES AND DEPENDENTS.—In the case of a qualifying event described in section 2203(6), the

term ‘qualified beneficiary’ means a qualified retiree and any other individual who, on the day before such qualifying event, is a beneficiary under the plan on the basis of the individual’s relationship to such qualified retiree.”; and

(B) by adding at the end the following new paragraphs:

“(5) QUALIFIED RETIREE.—The term ‘qualified retiree’ means, with respect to a qualifying event described in section 2203(6), a covered employee who, at the time of the event—

“(A) has attained 55 years of age; and

“(B) was receiving group health coverage under the plan by reason of the retirement of the covered employee.

“(6) SUBSTANTIAL REDUCTION.—The term ‘substantial reduction’—

“(A) means, as determined under regulations of the Secretary of Labor and with respect to a qualified beneficiary, a reduction in the average actuarial value of benefits under the plan (through reduction or elimination of benefits, an increase in premiums, deductibles, copayments, and coinsurance, or any combination thereof), since the date of commencement of coverage of the beneficiary by reason of the retirement of the covered employee (or, if later, January 6, 2000), in an amount equal to at least 50 percent of the total average actuarial value of the benefits under the plan as of such date (taking into account an appropriate adjustment to permit comparison of values over time); and

“(B) includes an increase in premiums required to an amount that exceeds the premium level described in the fourth sentence of section 2202(3).”.

(b) DURATION OF COVERAGE THROUGH AGE 65.—Section 2202(2)(A) of such Act (42 U.S.C. 300bb-2(2)(A)) is amended—

(1) by redesignating clause (iii) as clause (iv); and

(2) by inserting after clause (ii) the following new clause:

“(iii) SPECIAL RULE FOR CERTAIN DEPENDENTS IN CASE OF TERMINATION OR SUBSTANTIAL REDUCTION OF RETIREE HEALTH COVERAGE.—In the case of a qualifying event described in section 2203(6), in the case of a qualified beneficiary described in section 2208(3)(C) who is not the qualified retiree or spouse of such retiree, the later of—

“(I) the date that is 36 months after the earlier of the date the qualified retiree becomes entitled to benefits under title XVIII of the Social Security Act, or the date of the death of the qualified retiree; or

“(II) the date that is 36 months after the date of the qualifying event.”.

(c) TYPE OF COVERAGE IN CASE OF TERMINATION OR SUBSTANTIAL REDUCTION OF RETIREE HEALTH COVERAGE.—Section 2202(1) of such Act (42 U.S.C. 300bb-2(1)) is amended—

(1) by striking “The coverage” and inserting the following:

“(A) IN GENERAL.—Except as provided in subparagraph (B), the coverage”; and

(2) by adding at the end the following:

“(B) CERTAIN RETIREES.—In the case of a qualifying event described in section 2203(6), in applying the first sentence of subparagraph (A) and the fourth sentence of paragraph (3), the coverage offered that is the most prevalent coverage option (as determined under regulations of the Secretary of Labor) continued under the group health plan (or, if none, under the most prevalent other plan offered by the same plan sponsor) shall be treated as the coverage described in such sentence, or (at the option of the plan and qualified beneficiary) such other coverage option as may be offered and elected by the qualified beneficiary involved.”.

(d) INCREASED LEVEL OF PREMIUMS PERMITTED.—Section 2202(3) of such Act (42

U.S.C. 300bb-2(3)) is amended by adding at the end the following new sentence: "In the case of an individual provided continuation coverage by reason of a qualifying event described in section 2203(6), any reference in subparagraph (A) of this paragraph to '102 percent of the applicable premium' is deemed a reference to '125 percent of the applicable premium for employed individuals (and their dependents, if applicable) for the coverage option referred to in paragraph (1)(B)'."

(e) NOTICE.—Section 2206(a) of such Act (42 U.S.C. 300bb-6(a)) is amended—

(1) in paragraph (4)(A), by striking "or (4)" and inserting "(4), or (6)"; and

(2) by adding at the end the following:

"The notice under paragraph (4) in the case of a qualifying event described in section 2203(6) shall be provided at least 90 days before the date of the qualifying event."

(f) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by this section (other than subsection (e)(2)) shall apply to qualifying events occurring on or after January 6, 2000. In the case of a qualifying event occurring on or after such date and before the date of the enactment of this Act, such event shall be deemed (for purposes of such amendments) to have occurred on the date of the enactment of this Act.

(2) ADVANCE NOTICE OF TERMINATIONS AND REDUCTIONS.—The amendment made by subsection (e)(2) shall apply to qualifying events occurring after the date of the enactment of this Act, except that in no case shall notice be required under such amendment before such date.

#### Subtitle C—Amendments to the Internal Revenue Code of 1986

#### SEC. 321. COBRA CONTINUATION BENEFITS FOR CERTAIN RETIRED WORKERS WHO LOSE RETIREE HEALTH COVERAGE.

(a) ESTABLISHMENT OF NEW QUALIFYING EVENT.—

(1) IN GENERAL.—Section 4980B(f)(3) of the Internal Revenue Code of 1986 is amended by inserting after subparagraph (F) the following new subparagraph:

"(G) The termination or substantial reduction in benefits (as defined in subsection (g)(6)) of group health plan coverage as a result of plan changes or termination in the case of a covered employee who is a qualified retiree."

(2) QUALIFIED RETIREE; QUALIFIED BENEFICIARY; AND SUBSTANTIAL REDUCTION DEFINED.—Section 4980B(g) of such Code is amended—

(A) in paragraph (1)—

(i) in subparagraph (A), by inserting "except as otherwise provided in this paragraph," after "means,"; and

(ii) by adding at the end the following new subparagraph:

"(E) SPECIAL RULE FOR QUALIFYING RETIREES AND DEPENDENTS.—In the case of a qualifying event described in subsection (f)(3)(G), the term 'qualified beneficiary' means a qualified retiree and any other individual who, on the day before such qualifying event, is a beneficiary under the plan on the basis of the individual's relationship to such qualified retiree."; and

(B) by adding at the end the following new paragraphs:

"(5) QUALIFIED RETIREE.—The term 'qualified retiree' means, with respect to a qualifying event described in subsection (f)(3)(G), a covered employee who, at the time of the event—

"(A) has attained 55 years of age; and

"(B) was receiving group health coverage under the plan by reason of the retirement of the covered employee.

"(6) SUBSTANTIAL REDUCTION.—The term 'substantial reduction'—

"(A) means, as determined under regulations of the Secretary of Labor and with re-

spect to a qualified beneficiary, a reduction in the average actuarial value of benefits under the plan (through reduction or elimination of benefits, an increase in premiums, deductibles, copayments, and coinsurance, or any combination thereof), since the date of commencement of coverage of the beneficiary by reason of the retirement of the covered employee (or, if later, January 6, 2000), in an amount equal to at least 50 percent of the total average actuarial value of the benefits under the plan as of such date (taking into account an appropriate adjustment to permit comparison of values over time); and

"(B) includes an increase in premiums required to an amount that exceeds the premium level described in the fourth sentence of subsection (f)(2)(C)."

(b) DURATION OF COVERAGE THROUGH AGE 65.—Section 4980B(f)(2)(B)(i) of such Code is amended—

(1) in subclause (II), by inserting "or (3)(G)" after "(3)(F)";

(2) in subclause (IV), by striking "or (3)(F)" and inserting "(3)(F), or (3)(G)";

(3) by redesignating subclause (IV) as subclause (VI);

(4) by redesignating subclause (V) as subclause (IV) and by moving such clause to immediately follow subclause (III); and

(5) by inserting after such subclause (IV) the following new subclause:

"(V) SPECIAL RULE FOR CERTAIN DEPENDENTS IN CASE OF TERMINATION OR SUBSTANTIAL REDUCTION OF RETIREE HEALTH COVERAGE.—In the case of a qualifying event described in paragraph (3)(G), in the case of a qualified beneficiary described in subsection (g)(1)(E) who is not the qualified retiree or spouse of such retiree, the later of—

"(a) the date that is 36 months after the earlier of the date the qualified retiree becomes entitled to benefits under title XVIII of the Social Security Act, or the date of the death of the qualified retiree; or

"(b) the date that is 36 months after the date of the qualifying event."

(c) TYPE OF COVERAGE IN CASE OF TERMINATION OR SUBSTANTIAL REDUCTION OF RETIREE HEALTH COVERAGE.—Section 4980B(f)(2)(A) of such Code is amended—

(1) by striking "The coverage" and inserting the following:

"(i) IN GENERAL.—Except as provided in clause (ii), the coverage"; and

(2) by adding at the end the following:

"(ii) CERTAIN RETIREES.—In the case of a qualifying event described in paragraph (3)(G), in applying the first sentence of clause (i) and the fourth sentence of subparagraph (C), the coverage offered that is the most prevalent coverage option (as determined under regulations of the Secretary of Labor) continued under the group health plan (or, if none, under the most prevalent other plan offered by the same plan sponsor) shall be treated as the coverage described in such sentence, or (at the option of the plan and qualified beneficiary) such other coverage option as may be offered and elected by the qualified beneficiary involved."

(d) INCREASED LEVEL OF PREMIUMS PERMITTED.—Section 4980B(f)(2)(C) of such Code is amended by adding at the end the following new sentence: "In the case of an individual provided continuation coverage by reason of a qualifying event described in paragraph (3)(G), any reference in clause (i) of this subparagraph to '102 percent of the applicable premium' is deemed a reference to '125 percent of the applicable premium for employed individuals (and their dependents, if applicable) for the coverage option referred to in subparagraph (A)(ii)'."

(e) NOTICE.—Section 4980B(f)(6) of such Code is amended—

(1) in subparagraph (D)(i), by striking "or (F)" and inserting "(F), or (G)"; and

(2) by adding at the end the following:

"The notice under subparagraph (D)(i) in the case of a qualifying event described in paragraph (3)(G) shall be provided at least 90 days before the date of the qualifying event."

(f) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by this section (other than subsection (e)(2)) shall apply to qualifying events occurring on or after January 6, 2000. In the case of a qualifying event occurring on or after such date and before the date of the enactment of this Act, such event shall be deemed (for purposes of such amendments) to have occurred on the date of the enactment of this Act.

(2) ADVANCE NOTICE OF TERMINATIONS AND REDUCTIONS.—The amendment made by subsection (e)(2) shall apply to qualifying events occurring after the date of the enactment of this Act, except that in no case shall notice be required under such amendment before such date.

#### TITLE IV—FINANCING

#### SEC. 401. REFERENCE TO FINANCING PROVISIONS.

Any increase in payments under the Medicare program under title XVIII of the Social Security Act that results from the enactment of this Act shall be offset by reductions in payments under such program pursuant to the anti-fraud and anti-abuse provisions enacted as part of the Medicare Fraud and Reimbursement Reform Act of 1999 (H.R. 2229).

#### TITLE V—CREDIT AGAINST INCOME TAX FOR MEDICARE BUY-IN PREMIUMS AND FOR CERTAIN COBRA CONTINUATION COVERAGE PREMIUMS

#### SEC. 501. CREDIT FOR MEDICARE BUY-IN PREMIUMS AND FOR CERTAIN COBRA CONTINUATION COVERAGE PREMIUMS.

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to nonrefundable personal credits) is amended by inserting after section 25A the following new section:

#### "SEC. 25B. MEDICARE BUY-IN PREMIUMS AND CERTAIN COBRA CONTINUATION COVERAGE PREMIUMS.

"(a) IN GENERAL.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 25 percent of the amount paid during such year as—

"(1) qualified continuation health coverage premiums, and

"(2) Medicare buy-in coverage premiums.

"(b) DEFINITIONS.—For purposes of this section—

"(1) QUALIFIED CONTINUATION HEALTH COVERAGE PREMIUMS.—The term 'qualified continuation health coverage premiums' means, for any period, premiums paid for continuation coverage (as defined in section 4980B(f)) under a group health plan for such period but only if failure to offer such coverage to the taxpayer for such period would constitute a failure by such health plan to meet the requirements of section 4980B(f) and only if the continuation coverage is provided because of a qualifying event described in section 4980B(f)(3)(G).

"(2) MEDICARE BUY-IN COVERAGE PREMIUMS.—The term 'Medicare buy-in coverage premiums' means premiums paid under part D of title XVIII of the Social Security Act."

(b) CLERICAL AMENDMENT.—The table of sections for subpart A of part IV of subchapter A of chapter 1 of such Code is amended by inserting after the item relating to section 25A the following new item:

"Sec. 25B. Medicare buy-in premiums and certain COBRA continuation coverage premiums."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

Mr. KENNEDY. Mr. President, too many Americans nearing age 65 face a crisis in health care. They are too young for Medicare, and unable to obtain private coverage they can afford. Often, they are victims of corporate down-sizing, or of a company's decision to cancel its health insurance. These Americans have been left out and left behind through no fault of their own—often after decades of loyal work—and it is time for Congress to provide a helping hand.

Almost three and a half million Americans ages 55 to 64 have no health insurance today, including more than 60,000 in Massachusetts. Many of these Americans have serious health problems that threaten to destroy the savings of a lifetime and that prevent them from finding or keeping a job. Even those without significant health problems know that a serious illness could wipe out their savings.

Even those with good coverage today can't be certain it will be there tomorrow. No one nearing retirement can be confident that the health insurance they have now will protect them until they qualify for Medicare at 65.

The health and financial well-being of these near-elderly are often at risk because of the serious gaps in our health care system. Those without coverage are twice as likely to be in fair or poor health than persons with coverage. They are four times as likely not to receive a recommended medical test or treatment, and five times as likely to forego needed medical care when they are sick.

The bill that Senators ROCKEFELLER, DASCHLE, and I are introducing today is a lifeline for these Americans. It is a constructive step toward the day when every American will be guaranteed the fundamental right to health care. It will enable uninsured Americans ages 62 to 65 to buy into Medicare by paying monthly premiums. It will also enable those ages 55 to 61 who lose their jobs to buy in. In addition, it will help retirees ages 55 and older whose health insurance is terminated by their employers by extending COBRA.

Finally, tax credits equal to 25% of the premium will be available for enrollees in all three programs to help them afford to buy into the programs. The estimated cost of the tax credits is \$8.4 billion over the next ten years.

In the past, opponents have used scare tactics to claim that these proposals pose a threat to Medicare. They are nothing of the kind. There is no additional burden of Medicare as a result of this legislation. The tax credits are paid for by general treasury funds. The Medicare costs are paid for through enrollee premiums. The existing Medicare Trust Fund is protected by placing the programs in their own trust fund. The Medicare Trustees will monitor the program to ensure that it is self-financing.

The number of near-elderly who are uninsured is growing every year. Relief of this kind was originally proposed by President Clinton, and it deserves broad bipartisan support. The health and financial consequences of the lack of insurance are significant—especially for the near-elderly. These Americans need and deserve the help that this bill provides. We intend to do all we can to see that this proposal is enacted as soon as possible.

By Mr. CAMPBELL:

S. 2919. A bill to amend the Omnibus Parks and Public Lands Management Act of 1996 to extend the legislative authority for the Black Patriots Foundation to establish a commemorative work; to the Committee on Energy and Natural Resources.

BLACK PATRIOTS FOUNDATION LEGISLATION

Mr. CAMPBELL. 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. 2919

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

**SECTION 1. BLACK REVOLUTIONARY WAR PATRIOTS MEMORIAL.**

Section 506 of the Omnibus Parks and Public Lands Management Act of 1996 (40 U.S.C. 1003 note; 110 Stat. 4155) is amended by striking “2000” and inserting “2002”.

By Mr. CAMPBELL:

S. 2920. A bill to amend the Indian Gaming Regulatory Act, and for other purposes; to the Committee on Indian Affairs.

INDIAN GAMING REGULATORY IMPROVEMENT ACT  
OF 2000

Mr. CAMPBELL. Mr. President today I am pleased to introduce the Indian Gaming Regulatory Improvement Act of 2000 to make specific and what I feel are needed changes to the Indian Gaming Regulatory Act of 1988, 25 U.S.C. §2701, et seq. (“IGRA”).

The IGRA was signed into law in 1988 with two broad goals in mind: First, to provide for the continued economic opportunities tribal gaming presents to Indian tribes, and second, to provide a regulatory framework for tribal gaming to ensure the integrity of such gaming for the benefit of tribes as well as customers of tribal gaming operations.

In 1988, tribal gaming was a relative new activity and in 12 years tribal gaming gross revenues have grown from \$500 million to \$8.26 billion. By statute these revenues are spent by tribal governments on physical infrastructure, general welfare and the betterment of Indian and surrounding non-Indian communities.

For the 198 tribes that now conduct some form of gaming the economic benefits for the tribes as well as surrounding communities cannot be ignored. For these communities collectively, unemployment has dropped and tribes who operate gaming have been

able to provide for housing, health care and education for their members and to generate hundreds of thousands of jobs for Indians and non-Indians alike.

The legislation I am introducing today is not intended and should not be viewed as a comprehensive attempt to remedy all matters that have arisen in the past 12 years. Rather, this bill takes aim at very specific items.

1. With regard to gaming fees assessed against tribal operations, this bill will require the Federal National Indian Gaming Commission to levy fees that are reasonably related to the duties of and services provided by the Commission to tribes, and in certain instances to reduce the level of fees payable by those operations;

2. It establishes a Trust Fund for such fees that can only be tapped for the specific activities of the Commission mandated by the IGRA;

3. It provides statutory authority for the Commission to establish through a negotiated rule-making process, Minimum Standards for the conduct of tribal gaming, acknowledging that for class III gaming the standards are to be determined by the tribe and the state through negotiated gaming compacts;

4. It authorizes technical assistance to tribes for a number of purposes including strengthening tribal regulatory regimes; assessing the feasibility of non-gaming economic development activities on Indian lands; providing treatment services for problem gamblers; and for other purposes not inconsistent with the IGRA;

5. It launches a negotiated rule-making to eventually clarify the current conflict between the IGRA and other Federal law with regard to the classification of certain games conducted by tribes; and

6. Last, to bring the Commission in line with all other Federal agencies it specifically subjects the Commission to the reporting and other requirements of the Federal Government Performance and Results Act.

Mr. President, while there are other matters that Indian tribes and others wish to address that are not included in this bill, I am hopeful that people of good will find this legislation to be appropriate, reasonable and targeted to specific issues that he arisen in the part 12 years.

It is my hope that we can debate and discuss the bill in Committee to get the views of affected parties and iron out whatever differences there may be.

I ask unanimous consent that a copy of the legislation be printed in the RECORD. I thank the Chair and I yield the floor.

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

S. 2920

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

**SECTION 1. SHORT TITLE.**

This Act may be cited as the “Indian Gaming Regulatory Improvement Act of 2000”.

**SEC. 2. AMENDMENTS TO THE INDIAN GAMING REGULATORY ACT.**

The Indian Gaming Regulatory Act (25 U.S.C. 2701 et seq.) is amended—

(1) in section 7 (25 U.S.C. 2706)—  
 (A) in subsection (c)—  
 (i) in paragraph (3), by striking “and” at the end thereof;  
 (ii) by redesignating paragraph (4) as paragraph (5); and  
 (iii) by inserting after paragraph (3), the following:  
 “(4) performance plans created under subsection (d), including copies of such plans; and”;

(B) by adding at the end the following:  
 “(d) PERFORMANCE PLANS.—The Commission shall be subject to the requirements of section 306 of title 5, United States Code, and sections 1115 and 1116 of title 31, United States Code (as added by the Government Performance and Results Act (Public Law 130–62)). Not later than 1 year after the date of enactment of the Indian Gaming Regulatory Improvement Act of 2000, the Commission shall prepare and submit the initial strategic plan required under such section 306 to the Director of the Office of Management and Budget.”;

(2) in section 11(b)(2)(F)(i) (25 U.S.C. 2710(b)(2)(F)(i)), by striking “primary management” and all that follows through “such officials” and inserting “tribal gaming commissioners, tribal gaming commission employees, and primary management officials and key employees of the gaming enterprise and that oversight of primary management officials and key employees”;

(3) by redesignating section 22 (25 U.S.C. 2721) as section 26; and

(4) by inserting after section 21 (25 U.S.C. 2720) the following:

**“SEC. 22 FEE ASSESSMENTS.**

“(a) ESTABLISHMENT OF SCHEDULE OF FEES.—

“(1) IN GENERAL.—Except as provided in this section, the Commission shall establish a schedule of fees to be paid annually to the Commission by each gaming operation that conducts a class II or class III gaming activity that is regulated by this Act.

“(2) RATES.—The rate of fees under the schedule established under paragraph (1) that are imposed on the gross revenues from each activity described in such paragraph shall be as follows:

“(A) A fee of not more than 2.5 percent shall be imposed on the first \$1,500,000 of such gross revenues.

“(B) A fee of not more than 5 percent shall be imposed on amounts in excess of the first \$1,500,000 of such gross revenues.

“(3) Total amount.—The total amount of all fees imposed during any fiscal year under the schedule established under paragraph (1) shall not exceed \$8,000,000.

“(b) COMMISSION AUTHORIZATION.—

“(1) IN GENERAL.—By a vote of not less than 2 members of the Commission the Commission shall adopt the schedule of fees provided for under this section. Such fees shall be payable to the Commission on a quarterly basis.

“(2) FEES ASSESSED FOR SERVICES.—The aggregate amount of fees assessed under this section shall be reasonably related to the costs of services provided by the Commission to Indian tribes under this Act (including the cost of issuing regulations necessary to carry out this Act). In assessing and collecting fees under this section, the Commission shall take into account the duties of, and services provided by, the Commission under this Act.

“(3) FACTORS FOR CONSIDERATION.—In making a determination of the amount of fees to be assessed for any class II or class III gaming activity under the schedule of fees under

this section, the Commission may provide for a reduction in the amount of fees that otherwise would be collected on the basis of the following factors:

“(A) The extent of the regulation of the gaming activity involved by a State or Indian tribe (or both).

“(B) The extent of self-regulating activities, as defined by this Act, conducted by the Indian tribe.

“(C) Other factors determined by the Commission, including

“(i) the unique nature of tribal gaming as compared to commercial gaming, other governmental gaming, and charitable gaming;

“(ii) the broad variations in the nature, scale, and size of tribal gaming activity;

“(iii) the inherent sovereign rights of Indian tribes with respect to regulating the affairs of Indian tribes;

“(iv) the findings and purposes under sections 2 and 3; and

“(v) any other matter that is consistent with the purposes under section 3.

“(4) Consultation.—In establishing a schedule of fees under this section, the Commission shall consult with Indian tribes.

“(c) TRUST FUND.—

“(1) ESTABLISHMENT.—There is established in the Treasury of the United States a fund to be known as the Indian Gaming Trust Fund (referred to in this subsection as the ‘Trust Fund’), consisting of such amounts as are—

“(A) transferred to the Trust Fund under paragraph (2)(A);

“(B) appropriated to the Trust Fund; and

“(C) any interest earned on the investment of amounts in the Trust Fund under subsection (d).

“(2) TRANSFER OF AMOUNTS EQUIVALENT TO FEES.—

“(A) IN GENERAL.—The Secretary of the Treasury shall transfer to the Trust Fund an amount equal to the aggregate amount of fees collected under this section.

“(B) Transfers based on estimates.—The amounts required to be transferred to the Trust Fund under subparagraph (A) shall be transferred not less frequently than quarterly from the general fund of the Treasury to the Trust Fund on the basis of estimates made by the Secretary of the Treasury. Proper adjustment shall be made in amounts subsequently transferred to the extent prior estimates were in excess of or less than the amounts required to be transferred.

“(d) INVESTMENTS.—

“(1) IN GENERAL.—It shall be the duty of the Secretary of the Treasury to invest such portion of the Trust Fund as is not, in the judgment of the Secretary of the Treasury, required to meet current withdrawals. The Secretary of the Treasury shall invest the amounts deposited under subsection (c) only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States.

“(2) SALE OF OBLIGATIONS.—Any obligation acquired by the Trust Fund, except special obligations issued exclusively to the Trust Fund, may be sold by the Secretary of the Treasury at the market price, and such special obligations may be redeemed at par plus accrued interest.

“(3) CREDITS TO TRUST FUND.—The interest on, and proceeds from, the sale or redemption of, any obligations held in the Trust Fund shall be credited to and form a part of the Trust Fund.

“(e) EXPENDITURES FROM TRUST FUND.—

“(1) IN GENERAL.—Amounts in the Trust Fund shall be available to the Commission, as provided for in appropriations Acts, for carrying out the duties of the Commission under this Act.

“(2) WITHDRAWAL AND TRANSFER OF FUNDS.—Upon request of the Commission,

the Secretary of the Treasury shall withdraw amounts from the Trust Fund and transfer such amounts to the Commission for use in accordance with paragraph (1).

“(f) LIMITATION ON TRANSFERS AND WITHDRAWALS.—Except as provided in subsection (e)(2), the Secretary of the Treasury may not transfer or withdraw any amount deposited under subsection (c).

**“SEC. 23. MINIMUM STANDARDS.**

“(a) CLASS I GAMING.—Notwithstanding any other provision of law, class I gaming on Indiana lands shall be within the exclusive jurisdiction of the Indian tribes and shall not be subject to the provisions of this Act.

“(b) CLASS II GAMING.—Effective on the date of enactment of this section, an Indian tribe shall retain the rights of that Indian tribe, with respect to class II gaming and in a manner that meets or exceeds the minimum Federal standards established under section 11, to—

“(1) monitor and regulate that gaming;

“(2) conduct background investigations; and

“(3) establish and regulate internal control systems.

“(c) CLASS III GAMING UNDER A COMPACT.—With respect to class III gaming that is conducted under a compact entered into under this Act, an Indian tribe or a State (or both), as provided for in such a compact or a related tribal ordinance or resolution shall, in a manner that meets or exceeds the minimum Federal standards established by the Commission under section 11—

“(1) monitor and regulate that gaming;

“(2) conduct background investigations; and

“(3) establish and regulate internal control systems.

“(d) RULEMAKING.—The Commission may promulgate such regulations as may be necessary to carry out this section.

**“SEC. 24. USE OF NATIONAL INDIAN GAMING COMMISSION CIVIL FINES.**

“(a) USE OF FUNDS.—The Secretary may provide grants and technical assistance to Indian tribes from any funds secured by the Commission pursuant to section 14, which funds shall be made available only for the following purposes:

“(1) To provide technical training and other assistance to Indian tribes to strengthen the regulatory integrity of Indian gaming.

“(2) To provide assistance to Indian tribes to assess the feasibility of non-gaming economic development activities on Indian lands.

“(3) To provide assistance to Indian tribes to devise and implement programs and treatment services for individuals diagnosed as problem gamblers.

“(4) To provide other forms of assistance to Indian tribes not inconsistent with the Indian Gaming Regulatory Act.

“(b) CONSULTATION.—In carrying out this section, the Secretary shall consult with Indian tribes and any other appropriate tribal or Federal officials.

“(c) REGULATIONS.—The Secretary may promulgate such regulations as may be necessary to carry out this section.

**“SEC. 25. REGULATIONS.**

“(a) IN GENERAL.—

“(1) PROMULGATION.—Not later than 90 days after the date of enactment of the Indian Gaming Regulatory Improvement Act of 2000, the Secretary shall develop procedures under subchapter III of chapter 5 of title 5, United States Code, to negotiate and promulgate regulations relating to the classification of games conducted by Indian tribes pursuant to this Act.

“(2) PUBLICATION OF PROPOSED REGULATIONS.—Not later than 1 year after the date

of enactment of the Indian Gaming Regulatory Improvement Act of 2000, the Secretary shall publish in the Federal Register proposed regulations to implement the amendments made by such Act.

“(b) COMMITTEE.—A negotiated rulemaking committee established pursuant to section 565 of title 5, United States Code, to carry out this section shall be composed only of Federal and Indian tribal government representatives, a majority of whom shall be nominated by and be representative of Indian tribes that conduct gaming pursuant to this Act.”.

**SEC. 3. APPLICATION OF GOVERNMENT PERFORMANCE AND RESULTS ACT.**

Section 306(f) of title 5, United States Code, is amended by inserting “and includes the National Indian Gaming Commission,” after “section 105.”.

By Mr. MCCAIN (for himself and Mr. INOUE):

S. 2921. A bill to provide for management and leadership training, the provision of assistance and resources for policy analysis, and other appropriate activities in the training of Native American and Alaska Native professionals in health care and public policy; to the Committee on Environment and Public Works.

LEGISLATION EXPANDING THE UDALL FOUNDATION MISSION

Mr. MCCAIN. Mr. President, I rise to introduce legislation that will amend the Morris K. Udall Scholarship and Excellence in National Environmental and Native America Public Policy Act of 1992 to expand opportunities for the Morris K. Udall Foundation to assist tribal governments with leadership and management training. I am pleased that Senator INOUE is an original cosponsor of this legislation.

This legislation is mostly technical in nature. It extends the authority of the Udall Foundation, located at the University of Arizona in Tucson, to implement a leadership and management training program, to be called the “Native Nations Institute for Leadership, Management and Policy.”

The 1992 Act which created the Udall Foundation is already authorized to implement programs to assist tribal governments with training for Native American and Alaska Native professionals in public policy. This legislation simply authorizes the Udall Foundation to carry out another step in its mission.

The Native Nations Institute will provide practical leadership and management training as well as policy analysis, in a variety of fields, for native people and communities to further the goals of tribal self-governance. The Native Nations Institute will facilitate this training through a unique partnership between the University of Arizona, the Udall Foundation and the Harvard Project on American Indian Economic Development.

Mr. President, the Native Nations Institute will enable tribal leaders and decision-makers to access professional leadership and management training to prepare current and future tribal leaders to tackle the socioeconomic, edu-

cational and other fundamental challenges facing tribal communities.

Companion legislation has been introduced in the House with bipartisan support. In the short time remaining in this Congressional session, I hope that we can proceed with prompt passage of this legislation.

I ask unanimous consent to include the text of the legislation in the RECORD immediately following my remarks.

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

S. 2921

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

**SECTION 1. MORRIS K. UDALL SCHOLARSHIP AND EXCELLENCE IN NATIONAL ENVIRONMENTAL POLICY FOUNDATION.**

(a) AUTHORITY.—Section 6(7) of the Morris K. Udall Scholarship and Excellence in National Environmental and Native American Public Policy Act of 1992 (20 U.S.C. 5604(7)) is amended by inserting before the semicolon at the end the following: “, by conducting management and leadership training of Native Americans, Alaska Natives, and others involved in tribal leadership, providing assistance and resources for policy analysis, and carrying out other appropriate activities.”.

(b) ADMINISTRATIVE PROVISIONS.—Section 12(b) of the Morris K. Udall Scholarship and Excellence in National Environmental and Native American Public Policy Act of 1992 (20 U.S.C. 5608(b)) is amended by inserting before the period at the end the following: “and to the activities of the Foundation under section 6(7)”.

(c) AUTHORIZATION OF APPROPRIATIONS.—Section 13 of the Morris K. Udall Scholarship and Excellence in National Environmental and Native American Public Policy Act of 1992 (20 U.S.C. 5609) is amended by adding at the end the following:

“(c) TRAINING OF PROFESSIONALS IN HEALTH CARE AND PUBLIC POLICY.—There is authorized to be appropriated to carry out section 6(7) \$12,300,000 for the 5-year period beginning with the first fiscal year that begins after the date of enactment of this subsection.”.

ADDITIONAL COSPONSORS

S. 74

At the request of Mr. DASCHLE, the name of the Senator from Michigan (Mr. LEVIN) was added as a cosponsor of S. 74, a bill to amend the Fair Labor Standards Act of 1938 to provide more effective remedies to victims of discrimination in the payment of wages on the basis of sex, and for other purposes.

S. 1016

At the request of Mr. DEWINE, the names of the Senator from Iowa (Mr. HARKIN) and the Senator from Rhode Island (Mr. REED) were added as cosponsors of S. 1016, a bill to provide collective bargaining for rights for public safety officers employed by States or their political subdivisions.

S. 1536

At the request of Mr. DEWINE, the name of the Senator from Vermont (Mr. JEFFORDS) was added as a cosponsor of S. 1536, a bill to amend the Older

Americans Act of 1965 to extend authorizations of appropriations for programs under the Act, to modernize programs and services for older individuals, and for other purposes.

S. 2340

At the request of Mr. BROWNBACK, the name of the Senator from Ohio (Mr. VOINOVICH) was added as a cosponsor of S. 2340, a bill to direct the National Institute of Standards and Technology to establish a program to support research and training in methods of detecting the use of performance-enhancing substances by athletes, and for other purposes.

S. 2408

At the request of Mr. BINGAMAN, the names of the Senator from Iowa (Mr. HARKIN), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Ohio (Mr. DEWINE), and the Senator from Indiana (Mr. LUGAR) were added as cosponsors of S. 2408, a bill to authorize the President to award a gold medal on behalf of the Congress to the Navajo Code Talkers in recognition of their contributions to the Nation.

S. 2610

At the request of Mr. HARKIN, the names of the Senator from Minnesota (Mr. GRAMS) and the Senator from Vermont (Mr. LEAHY) were added as cosponsors of S. 2610, a bill to amend title XVIII of the Social Security Act to improve the provision of items and services provided to medicare beneficiaries residing in rural areas.

S. 2644

At the request of Mr. GORTON, the name of the Senator from Montana (Mr. BAUCUS) was added as a cosponsor of S. 2644, a bill to amend title XVIII of the Social Security Act to expand medicare coverage of certain self-injected biologicals.

S. 2698

At the request of Mr. MOYNIHAN, the names of the Senator from Indiana (Mr. BAYH) and the Senator from North Dakota (Mr. DORGAN) were added as cosponsors of S. 2698, a bill to amend the Internal Revenue Code of 1986 to provide an incentive to ensure that all Americans gain timely and equitable access to the Internet over current and future generations of broadband capability.

S. 2714

At the request of Mrs. LINCOLN, the name of the Senator from California (Mrs. FEINSTEIN) was added as a cosponsor of S. 2714, a bill to amend the Internal Revenue Code of 1986 to provide a higher purchase price limitation applicable to mortgage subsidy bonds based on median family income.

S. 2726

At the request of Mr. HELMS, the name of the Senator from New Hampshire (Mr. SMITH) was added as a cosponsor of S. 2726, a bill to protect United States military personnel and other elected and appointed officials of the United States Government against criminal prosecution by an international criminal court to which the United States is not a party.

S. 2787

At the request of Mr. BIDEN, the name of the Senator from North Dakota (Mr. CONRAD) was added as a cosponsor of S. 2787, a bill to reauthorize the Federal programs to prevent violence against women, and for other purposes.

S. 2793

At the request of Mr. HOLLINGS, the name of the Senator from Georgia (Mr. CLELAND) was added as a cosponsor of S. 2793, a bill to amend the Communications Act of 1934 to strengthen the limitation on holding and transfer of broadcast licenses to foreign persons, and to apply a similar limitation to holding and transfer of other telecommunications media by or to foreign governments.

S. 2800

At the request of Mr. LAUTENBERG, the name of the Senator from Connecticut (Mr. LIEBERMAN) was added as a cosponsor of S. 2800, a bill to require the Administrator of the Environmental Protection Agency to establish an integrated environmental reporting system.

S. 2872

At the request of Mr. CAMPBELL, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 2872, a bill to improve the cause of action for misrepresentation of Indian arts and crafts.

S. 2878

At the request of Mr. SMITH of New Hampshire, the name of the Senator from New Hampshire (Mr. GREGG) was added as a cosponsor of S. 2878, a bill to commemorate the centennial of the establishment of the first national wildlife refuge in the United States on March 14, 1903, and for other purposes.

S. 2887

At the request of Mr. GRASSLEY, the name of the Senator from North Carolina (Mr. EDWARDS) was added as a cosponsor of S. 2887, a bill to amend the Internal Revenue Code of 1986 to exclude from gross income amounts received on account of claims based on certain unlawful discrimination and to allow income averaging for backpay and frontpay awards received on account of such claims, and for other purposes.

S. CON. RES. 117

At the request of Mr. ROTH, the name of the Senator from Iowa (Mr. HARKIN) was added as a cosponsor of S. Con. Res. 117, a concurrent resolution commending the Republic of Slovenia for its partnership with the United States and NATO, and expressing the sense of Congress that Slovenia's accession to NATO would enhance NATO's security, and for other purposes.

S. CON. RES. 130

At the request of Mrs. LINCOLN, the names of the Senator from Oklahoma (Mr. NICKLES), the Senator from Connecticut (Mr. DODD), the Senator from North Carolina (Mr. EDWARDS), the Senator from Wisconsin (Mr. KOHL),

and the Senator from Minnesota (Mr. WELLSTONE) were added as cosponsors of S. Con. Res. 130, concurrent resolution establishing a special task force to recommend an appropriate recognition for the slave laborers who worked on the construction of the United States Capitol.

S. CON. RES. 131

At the request of Mr. ROTH, the name of the Senator from Delaware (Mr. BIDEN) was added as a cosponsor of S. Con. Res. 131, a concurrent resolution commemorating the 20th anniversary of the workers' strikes in Poland that lead to the creation of the independent trade union Solidarnose, and for other purposes.

S. J. RES. 50

At the request of Mr. CRAPO, the name of the Senator from Minnesota (Mr. GRAMS) was added as a cosponsor of S. J. Res. 50, a joint resolution to disapprove a final rule promulgated by the Environmental Protection Agency concerning water pollution.

S. RES. 278

At the request of Mr. KERREY, the names of the Senator from Utah (Mr. BENNETT), the Senator from New York (Mr. MOYNIHAN), the Senator from New York (Mr. SCHUMER), the Senator from Massachusetts (Mr. KERRY), the Senator from Georgia (Mr. CLELAND), the Senator from Oklahoma (Mr. INHOFE), the Senator from Hawaii (Mr. INOUE), the Senator from Hawaii (Mr. AKAKA), the Senator from Mississippi (Mr. COCHRAN), the Senator from Pennsylvania (Mr. SPECTER), and the Senator from Massachusetts (Mr. KENNEDY) were added as cosponsors of S. Res. 278, a resolution commending Ernest Burgess, M.D., for his service to the Nation and international community.

S. RES. 301

At the request of Mr. THURMOND, the name of the Senator from Nebraska (Mr. KERREY) was added as a cosponsor of S. Res. 301, a resolution designating August 16, 2000, as "National Airborne Day."

S. RES. 304

At the request of Mr. BIDEN, the names of the Senator from Nevada (Mr. BRYAN), the Senator from Rhode Island (Mr. L. CHAFEE), the Senator from Florida (Mr. GRAHAM), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Oklahoma (Mr. INHOFE), the Senator from Hawaii (Mr. INOUE), and the Senator from Connecticut (Mr. DODD) were added as cosponsors of S. Res. 304, a resolution expressing the sense of the Senate regarding the development of educational programs on veterans' contributions to the country and the designation of the week that includes Veterans Day as "National Veterans Awareness Week" for the presentation of such educational programs.

S. RES. 334

At the request of Mr. INOUE, the names of the Senator from Wyoming (Mr. THOMAS), the Senator from Wisconsin (Mr. FEINGOLD), the Senator

from Illinois (Mr. DURBIN), the Senator from Hawaii (Mr. AKAKA), the Senator from Washington (Mrs. MURRAY), the Senator from North Dakota (Mr. CONRAD), the Senator from Georgia (Mr. CLELAND), and the Senator from Delaware (Mr. BIDEN) were added as cosponsors of S. Res. 334, a resolution expressing appreciation to the people of Okinawa for hosting United States defense facilities, commending the Government of Japan for choosing Okinawa as the site for hosting the summit meeting of the G-8 countries, and for other purposes.

AMENDMENT NO. 3459

At the request of Mr. DODD, the names of the Senator from Pennsylvania (Mr. SANTORUM), the Senator from North Dakota (Mr. CONRAD), the Senator from Vermont (Mr. LEAHY), the Senator from Wisconsin (Mr. KOHL), the Senator from Wisconsin (Mr. FEINGOLD), the Senator from Connecticut (Mr. LIEBERMAN), and the Senator from West Virginia (Mr. BYRD) were added as cosponsors of amendment No. 3459 proposed to S. 2549, an original bill to authorize appropriations for fiscal year 2001 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

SENATE RESOLUTION 342—A RESOLUTION DESIGNATING THE WEEK BEGINNING SEPTEMBER 17, 2000, AS "NATIONAL HISTORICALLY BLACK COLLEGES AND UNIVERSITIES WEEK"

Mr. THURMOND submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 342

Whereas there are 105 historically black colleges and universities in the United States;

Whereas black colleges and universities provide the quality education so essential to full participation in a complex, highly technological society;

Whereas black colleges and universities have a rich heritage and have played a prominent role in American history;

Whereas black colleges and universities have allowed many underprivileged students to attain their full potential through higher education; and

Whereas the achievements and goals of historically black colleges and universities are deserving of national recognition: Now, therefore, be it

*Resolved*, That the Senate—

(1) designates the week beginning September 17, 2000, as "National Historically Black Colleges and Universities Week"; and

(2) requests that the President issue a proclamation calling on the people of the United States and interested groups to observe the week with appropriate ceremonies, activities, and programs to demonstrate support for historically black colleges and universities.

Mr. THURMOND. Mr. President, I am pleased to rise today to introduce a Senate resolution which authorizes and

requests the President to designate the week beginning September 17, 2000, as "National Historically Black Colleges and Universities Week."

It is my privilege to sponsor this legislation for the 15th time honoring the historically black colleges of our country.

Eight of the 105 historically black colleges, namely Allen University, Benedict College, Claflin College, South Carolina State University, Morris College, Voorhees College, Denmark Technical College, and Clinton Junior College, are located in my home State. These colleges are vital to the higher education system of South Carolina. They have provided thousands of young people with the opportunity to obtain a college education.

Mr. President, these institutions have a long and distinguished history of providing the training necessary for participation in a rapidly changing society. Historically black colleges offer our citizens a variety of curricula and programs through which young people develop skills and talents, thereby expanding opportunities for a lifetime of achievement.

Mr. President, through passage of this Senate resolution, Congress can reaffirm its support for historically black colleges, and appropriately recognize their important contributions to our Nation. I look forward to the speedy passage of this resolution.

#### AUTHORITY FOR COMMITTEES TO MEET

##### COMMITTEE ON ARMED SERVICES

Mr. GRAMS. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Tuesday, July 25, 2000, at 9:30 a.m., in open session to receive testimony on the National Missile Defense Program.

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

##### COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. GRAMS. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet Tuesday, July 25, 2000, at 2:15 p.m., on pilot shortage.

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

##### COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. GRAMS. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet on Tuesday, July 25, 2000, at 9:30 a.m., on S. 1941—Fire Act.

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

##### COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. GRAMS. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Re-

sources be authorized to meet during the session of the Senate on Tuesday, July 25, for purposes of conducting a full committee business meeting which is scheduled to begin at 9 a.m.

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

##### COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. GRAMS. Mr. President, I ask unanimous consent that the Committee on Environment and Public Works be authorized to meet during the session of the Senate on Tuesday, July 25, at 9:30 a.m., hearing room (SD-406), to receive testimony on the disposal of low activity radioactive waste.

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

##### COMMITTEE ON FOREIGN RELATIONS

Mr. GRAMS. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, July 25, 2000, at 9:30 a.m., and 3 p.m. to hold two hearings.

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

##### COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS

Mr. GRAMS. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions be authorized to meet for a hearing on public safety officers' collective bargaining during the session of the Senate on Tuesday, July 25, 2000, at 9:30 a.m.

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

##### COMMITTEE ON INDIAN AFFAIRS

Mr. GRAMS. Mr. President, I ask unanimous consent that the Committee on Indian Affairs be authorized to meet on Tuesday, July 25, 2000 at 10:00 a.m., in room 485 of the Russell Senate Building to conduct an oversight hearing on the Native American Graves Protection and Repatriation Act.

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

##### COMMITTEE ON THE JUDICIARY

Mr. GRAMS. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet to conduct a hearing on Tuesday, July 25, 2000, at 2 p.m., in SD226.

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

##### SUBCOMMITTEE ON SOCIAL SECURITY AND FAMILY POLICY

Mr. GRAMS. Mr. President, I ask unanimous consent that the Subcommittee on Social Security and Family Policy of the Committee on Finance be authorized to meet during the session of the Senate on Tuesday, July 25, 2000, for a public hearing on fatherhood initiatives.

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

##### SUBCOMMITTEE ON TAXATION AND IRS OVERSIGHT

Mr. GRAMS. Mr. President, I ask unanimous consent that the Subcommittee on Taxation and IRS Over-

sight of the Committee on Finance be authorized to meet during the session of the Senate on Tuesday, July 25, 2000, for a public hearing on Federal income tax issues relating to proposals to encourage the creation of public open spaces in urban areas and the preservation of farm and other rural lands for conservation purposes.

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

#### PRIVILEGE OF THE FLOOR

Mr. WELLSTONE. Mr. President, I ask unanimous consent that the privilege of the floor be granted for the remainder of today to the following interns in Senator JOHNSON's office: Terry Garcia, Brad Mollet, Leif Oveson, Anna Turner, and Katy Ziegler.

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

#### AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2001

On July 20, 2000, the Senate amended and passed H.R. 4461, as follows:

*Resolved*, That the bill from the House of Representatives (H.R. 4461) entitled "An Act making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 2001, and for other purposes," do pass with the following amendment:

Strike out all after the enacting clause and insert:

#### DIVISION A

*That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 2001, and for other purposes, namely:*

#### TITLE I

#### AGRICULTURAL PROGRAMS

#### PRODUCTION, PROCESSING, AND MARKETING

#### OFFICE OF THE SECRETARY

#### (INCLUDING TRANSFERS OF FUNDS)

*For necessary expenses of the Office of the Secretary of Agriculture, and not to exceed \$75,000 for employment under 5 U.S.C. 3109, \$27,914,000, of which, \$25,000,000, to remain available until expended, shall be available only for the development and implementation of a common computing environment: Provided, That not to exceed \$11,000 of this amount shall be available for official reception and representation expenses, not otherwise provided for, as determined by the Secretary: Provided further, That the funds made available for the development and implementation of a common computing environment shall only be available upon prior notice to the Committee on Appropriations of both Houses of Congress: Provided further, That none of the funds appropriated or otherwise made available by this Act may be used to pay the salaries and expenses of personnel of the Department of Agriculture to carry out section 793(c)(1)(C) of Public Law 104-127: Provided further, That none of the funds made available by this Act may be used to enforce section 793(d) of Public Law 104-127.*



EXECUTIVE OPERATIONS  
CHIEF ECONOMIST

For necessary expenses of the Chief Economist, including economic analysis, risk assessment, cost-benefit analysis, energy and new uses, and the functions of the World Agricultural Outlook Board, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1622g), and including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed \$5,000 is for employment under 5 U.S.C. 3109, \$7,462,000.

NATIONAL APPEALS DIVISION

For necessary expenses of the National Appeals Division, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed \$25,000 is for employment under 5 U.S.C. 3109, \$12,421,000.

OFFICE OF BUDGET AND PROGRAM ANALYSIS

For necessary expenses of the Office of Budget and Program Analysis, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed \$5,000 is for employment under 5 U.S.C. 3109, \$6,765,000.

OFFICE OF THE CHIEF INFORMATION OFFICER

For necessary expenses of the Office of the Chief Information Officer, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed \$10,000 is for employment under 5 U.S.C. 3109, \$10,046,000.

OFFICE OF THE CHIEF FINANCIAL OFFICER

For necessary expenses of the Office of the Chief Financial Officer, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed \$10,000 is for employment under 5 U.S.C. 3109, \$5,171,000; Provided, That the Chief Financial Officer shall actively market cross-servicing activities of the National Finance Center.

OFFICE OF THE ASSISTANT SECRETARY FOR ADMINISTRATION

For necessary salaries and expenses of the Office of the Assistant Secretary for Administration to carry out the programs funded by this Act, \$629,000.

AGRICULTURE BUILDINGS AND FACILITIES AND RENTAL PAYMENTS

(INCLUDING TRANSFERS OF FUNDS)

For payment of space rental and related costs pursuant to Public Law 92-313, including authorities pursuant to the 1984 delegation of authority from the Administrator of General Services to the Department of Agriculture under 40 U.S.C. 486, for programs and activities of the Department which are included in this Act, and for the operation, maintenance, improvement, and repair of Agriculture buildings, \$182,747,000, to remain available until expended: Provided, That in the event an agency within the Department should require modification of space needs, the Secretary of Agriculture may transfer a share of that agency's appropriation made available by this Act to this appropriation, or may transfer a share of this appropriation to that agency's appropriation, but such transfers shall not exceed 5 percent of the funds made available for space rental and related costs to or from this account.

HAZARDOUS MATERIALS MANAGEMENT

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Department of Agriculture, to comply with the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. 9601, et seq., and the Resource Conservation and Recovery Act, 42 U.S.C. 6901, et seq., \$15,700,000, to remain available until expended: Provided, That appropriations and funds available herein to the Department for Hazardous Materials Management may

be transferred to any agency of the Department for its use in meeting all requirements pursuant to the above Acts on Federal and non-Federal lands.

DEPARTMENTAL ADMINISTRATION

(INCLUDING TRANSFERS OF FUNDS)

For Departmental Administration, \$36,840,000, to provide for necessary expenses for management support services to offices of the Department and for general administration and disaster management of the Department, repairs and alterations, and other miscellaneous supplies and expenses not otherwise provided for and necessary for the practical and efficient work of the Department, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed \$10,000 is for employment under 5 U.S.C. 3109; Provided, That this appropriation shall be reimbursed from applicable appropriations in this Act for travel expenses incident to the holding of hearings as required by 5 U.S.C. 551-558.

OUTREACH FOR SOCIALLY DISADVANTAGED FARMERS

For grants and contracts pursuant to section 2501 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279), \$3,000,000, to remain available until expended.

OFFICE OF THE ASSISTANT SECRETARY FOR CONGRESSIONAL RELATIONS

(INCLUDING TRANSFERS OF FUNDS)

For necessary salaries and expenses of the Office of the Assistant Secretary for Congressional Relations to carry out the programs funded by this Act, including programs involving intergovernmental affairs and liaison within the executive branch, \$3,568,000: Provided, That no other funds appropriated to the Department by this Act shall be available to the Department for support of activities of congressional relations: Provided further, That not less than \$2,202,000 shall be transferred to agencies funded by this Act to maintain personnel at the agency level.

OFFICE OF COMMUNICATIONS

For necessary expenses to carry on services relating to the coordination of programs involving public affairs, for the dissemination of agricultural information, for the coordination of information, work, and programs authorized by Congress in the Department, \$8,873,000, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed \$10,000 shall be available for employment under 5 U.S.C. 3109, and not to exceed \$2,000,000 may be used for farmers' bulletins.

OFFICE OF THE INSPECTOR GENERAL

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Office of the Inspector General, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and the Inspector General Act of 1978, \$66,867,000, including such sums as may be necessary for contracting and other arrangements with public agencies and private persons pursuant to section 6(a)(9) of the Inspector General Act of 1978, including not to exceed \$50,000 for employment under 5 U.S.C. 3109; and including not to exceed \$125,000 for certain confidential operational expenses, including the payment of informants, to be expended under the direction of the Inspector General pursuant to Public Law 95-452 and section 1337 of Public Law 97-98.

OFFICE OF THE GENERAL COUNSEL

For necessary expenses of the Office of the General Counsel, \$31,080,000.

OFFICE OF THE UNDER SECRETARY FOR RESEARCH, EDUCATION AND ECONOMICS

For necessary salaries and expenses of the Office of the Under Secretary for Research, Education and Economics to administer the laws enacted by the Congress for the Economic Re-

search Service, the National Agricultural Statistics Service, the Agricultural Research Service, and the Cooperative State Research, Education, and Extension Service, \$556,000.

ECONOMIC RESEARCH SERVICE

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Economic Research Service in conducting economic research and analysis, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627) and other laws, \$67,038,000: Provided, That \$1,500,000 shall be transferred to and merged with the appropriation for "Food and Nutrition Service, Food Program Administration" for studies and evaluations: Provided further, That not more than \$500,000 of the amount transferred under the preceding proviso shall be available to conduct, not later than 180 days after the date of enactment of this Act, a study, based on all available administrative data and onsite inspections conducted by the Secretary of Agriculture of local food stamp offices in each State, of (1) any problems that households with eligible children have experienced in obtaining food stamps, and (2) reasons for the decline in participation in the food stamp program, and to 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: Provided further, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225).

NATIONAL AGRICULTURAL STATISTICS SERVICE

For necessary expenses of the National Agricultural Statistics Service in conducting statistical reporting and service work, including crop and livestock estimates, statistical coordination and improvements, marketing surveys, and the Census of Agriculture, as authorized by 7 U.S.C. 1621-1627, Public Law 105-113, and other laws, \$100,615,000, of which up to \$15,000,000 shall be available until expended for the Census of Agriculture: Provided, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$40,000 shall be available for employment under 5 U.S.C. 3109.

AGRICULTURAL RESEARCH SERVICE

SALARIES AND EXPENSES

For necessary expenses to enable the Agricultural Research Service to perform agricultural research and demonstration relating to production, utilization, marketing, and distribution (not otherwise provided for); home economics or nutrition and consumer use including the acquisition, preservation, and dissemination of agricultural information; and for acquisition of lands by donation, exchange, or purchase at a nominal cost not to exceed \$100, and for land exchanges where the lands exchanged shall be of equal value or shall be equalized by a payment of money to the grantor which shall not exceed 25 percent of the total value of the land or interests transferred out of Federal ownership, \$871,593,000: Provided, That appropriations hereunder shall be available for temporary employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$115,000 shall be available for employment under 5 U.S.C. 3109: Provided further, That appropriations hereunder shall be available for the operation and maintenance of aircraft and the purchase of not to exceed one for replacement only: Provided further, That appropriations hereunder shall be available pursuant to 7 U.S.C. 2250 for the construction, alteration, and repair of buildings and improvements, but unless otherwise provided, the cost of constructing any one building shall not exceed \$375,000, except for headhouses or greenhouses which shall each be limited to \$1,200,000, and except for 10 buildings to be constructed or improved at a cost not to exceed

\$750,000 each, and the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building or \$375,000, whichever is greater: Provided further, That the limitations on alterations contained in this Act shall not apply to modernization or replacement of existing facilities at Beltsville, Maryland: Provided further, That appropriations hereunder shall be available for granting easements at the Beltsville Agricultural Research Center, including an easement to the University of Maryland to construct the Transgenic Animal Facility which upon completion shall be accepted by the Secretary as a gift: Provided further, That the foregoing limitations shall not apply to replacement of buildings needed to carry out the Act of April 24, 1948 (21 U.S.C. 113a): Provided further, That funds may be received from any State, other political subdivision, organization, or individual for the purpose of establishing or operating any research facility or research project of the Agricultural Research Service, as authorized by law.

None of the funds in the foregoing paragraph shall be available to carry out research related to the production, processing or marketing of tobacco or tobacco products.

In fiscal year 2001, the agency is authorized to charge fees, commensurate with the fair market value, for any permit, easement, lease, or other special use authorization for the occupancy or use of land and facilities (including land and facilities at the Beltsville Agricultural Research Center) issued by the agency, as authorized by law, and such fees shall be credited to this account, and shall remain available until expended for authorized purposes.

#### BUILDINGS AND FACILITIES

For acquisition of land, construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities as necessary to carry out the agricultural research programs of the Department of Agriculture, where not otherwise provided, \$56,330,000, to remain available until expended (7 U.S.C. 2209b): Provided, That funds may be received from any State, other political subdivision, organization, or individual for the purpose of establishing any research facility of the Agricultural Research Service, as authorized by law.

#### COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION SERVICE

##### RESEARCH AND EDUCATION ACTIVITIES

For payments to agricultural experiment stations, for cooperative forestry and other research, for facilities, and for other expenses, including \$180,545,000 to carry into effect the provisions of the Hatch Act (7 U.S.C. 361a-i); \$21,932,000 for grants for cooperative forestry research (16 U.S.C. 582a-a7); \$30,676,000 for payments to the 1890 land-grant colleges, including Tuskegee University (7 U.S.C. 3222), of which \$1,000,000 shall be made available to West Virginia State College in Institute, West Virginia; \$64,157,000 for special grants for agricultural research (7 U.S.C. 450i(c)); \$13,721,000 for special grants for agricultural research on improved pest control (7 U.S.C. 450i(c)); \$118,700,000 for competitive research grants (7 U.S.C. 450i(b)); \$5,109,000 for the support of animal health and disease programs (7 U.S.C. 3195); \$750,000 for supplemental and alternative crops and products (7 U.S.C. 3319d); \$650,000 for grants for research pursuant to the Critical Agricultural Materials Act of 1984 (7 U.S.C. 178) and section 1472 of the Food and Agriculture Act of 1977 (7 U.S.C. 3318), to remain available until expended; \$1,000,000 for the 1994 research program (7 U.S.C. 301 note), to remain available until expended; \$3,000,000 for higher education graduate fellowship grants (7 U.S.C. 3152(b)(6)), to remain available until expended (7 U.S.C. 2209b); \$4,350,000 for higher education challenge grants (7 U.S.C. 3152(b)(1)); \$1,000,000 for a higher education multicultural scholars program (7 U.S.C. 3152(b)(5)), to remain available until expended (7 U.S.C. 2209b); \$3,500,000 for an edu-

cation grants program for Hispanic-serving Institutions (7 U.S.C. 3241); \$3,000,000 for a program of noncompetitive grants, to be awarded on an equal basis, to Alaska Native-serving and Native Hawaiian-serving Institutions to carry out higher education programs (7 U.S.C. 3242); \$1,000,000 for a secondary agriculture education program and 2-year post-secondary education (7 U.S.C. 3152(h)); \$4,000,000 for aquaculture grants (7 U.S.C. 3322); \$9,500,000 for sustainable agriculture research and education (7 U.S.C. 5811); \$9,500,000 for a program of capacity building grants (7 U.S.C. 3152(b)(4)) to colleges eligible to receive funds under the Act of August 30, 1890 (7 U.S.C. 321-326 and 328), including Tuskegee University, to remain available until expended (7 U.S.C. 2209b); \$1,552,000 for payments to the 1994 Institutions pursuant to section 534(a)(1) of Public Law 103-382; and \$16,402,000 for necessary expenses of Research and Education Activities, of which not to exceed \$100,000 shall be for employment under 5 U.S.C. 3109; in all, \$494,044,000.

None of the funds in the foregoing paragraph shall be available to carry out research related to the production, processing or marketing of tobacco or tobacco products: Provided, That this paragraph shall not apply to research on the medical, biotechnological, food, and industrial uses of tobacco.

#### NATIVE AMERICAN INSTITUTIONS ENDOWMENT FUND

For the Native American institutions endowment fund authorized by Public Law 103-382 (7 U.S.C. 301 note), \$7,100,000: Provided, That hereafter, any distribution of the adjusted income from the Native American institutions endowment fund is authorized to be used for facility renovation, repair, construction, and maintenance, in addition to other authorized purposes.

#### EXTENSION ACTIVITIES

Payments to States, the District of Columbia, Puerto Rico, Guam, the Virgin Islands, Micronesia, Northern Marianas, and American Samoa: For payments for cooperative extension work under the Smith-Lever Act, to be distributed under sections 3(b) and 3(c) of said Act, and under section 208(c) of Public Law 93-471, for retirement and employees' compensation costs for extension agents and for costs of penalty mail for cooperative extension agents and State extension directors, \$276,548,000; payments for extension work at the 1994 Institutions under the Smith-Lever Act (7 U.S.C. 343(b)(3)), \$3,500,000; payments for the nutrition and family education program for low-income areas under section 3(d) of the Act, \$58,695,000; payments for the pest management program under section 3(d) of the Act, \$10,783,000; payments for the farm safety program under section 3(d) of the Act, \$4,100,000; payments to upgrade research, extension, and teaching facilities at the 1890 land-grant colleges, including Tuskegee University, as authorized by section 1447 of Public Law 95-113 (7 U.S.C. 3222b), \$12,400,000, to remain available until expended; payments for the rural development centers under section 3(d) of the Act, \$908,000; payments for youth-at-risk programs under section 3(d) of the Act, \$9,000,000; payments for carrying out the provisions of the Renewable Resources Extension Act of 1978, \$3,192,000; payments for Indian reservation agents under section 3(d) of the Act, \$2,500,000; payments for sustainable agriculture programs under section 3(d) of the Act, \$4,000,000; payments for rural health and safety education as authorized by section 2390 of Public Law 101-624 (7 U.S.C. 2661 note, 2662), \$2,628,000; payments for cooperative extension work by the colleges receiving the benefits of the second Morrill Act (7 U.S.C. 321-326 and 328) and Tuskegee University, \$26,843,000, of which \$1,000,000 shall be made available to West Virginia State College in Institute, West Virginia; and for the Oregon State University Agriculture Extension Service, \$176,000 for the Food Elec-

tronically and Effectively Distributed (FEED) website demonstration project; and for Federal administration and coordination including administration of the Smith-Lever Act, and the Act of September 29, 1977 (7 U.S.C. 341-349), and section 1361(c) of the Act of October 3, 1980 (7 U.S.C. 301 note), and to coordinate and provide program leadership for the extension work of the Department and the several States and insular possessions, \$12,283,000; in all, \$427,380,000: Provided, That funds hereby appropriated pursuant to section 3(c) of the Act of June 26, 1953, and section 506 of the Act of June 23, 1972, shall not be paid to any State, the District of Columbia, Puerto Rico, Guam, or the Virgin Islands, Micronesia, Northern Marianas, and American Samoa prior to availability of an equal sum from non-Federal sources for expenditure during the current fiscal year.

#### INTEGRATED ACTIVITIES

For the integrated research, education, and extension competitive grants programs, including necessary administrative expenses, \$43,365,000, as follows: payments for the water quality program, \$13,000,000; payments for the food safety program, \$15,000,000; payments for the national agriculture pesticide impact assessment program, \$4,541,000; payments for the Food Quality Protection Act risk mitigation program for major food crop systems, \$5,824,000; payments for crops affected by the Food Quality Protection Act implementation, \$2,000,000; and payments for the methyl bromide transition program, \$3,000,000, as authorized under section 406 of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7626).

#### OFFICE OF THE UNDER SECRETARY FOR MARKETING AND REGULATORY PROGRAMS

For necessary salaries and expenses of the Office of the Under Secretary for Marketing and Regulatory Programs to administer programs under the laws enacted by the Congress for the Animal and Plant Health Inspection Service; the Agricultural Marketing Service; and the Grain Inspection, Packers and Stockyards Administration, \$635,000.

#### ANIMAL AND PLANT HEALTH INSPECTION SERVICE SALARIES AND EXPENSES

##### (INCLUDING TRANSFERS OF FUNDS)

For expenses, not otherwise provided for, including those pursuant to the Act of February 28, 1947 (21 U.S.C. 114b-c), necessary to prevent, control, and eradicate pests and plant and animal diseases; to carry out inspection, quarantine, and regulatory activities; to discharge the authorities of the Secretary of Agriculture under the Act of March 2, 1931 (46 Stat. 1468; 7 U.S.C. 426-426b); and to protect the environment, as authorized by law, \$458,149,000, of which \$4,105,000 shall be available for the control of outbreaks of insects, plant diseases, animal diseases and for control of pest animals and birds to the extent necessary to meet emergency conditions: Provided, That no funds shall be used to formulate or administer a brucellosis eradication program for the current fiscal year that does not require minimum matching by the States of at least 40 percent: Provided further, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$40,000 shall be available for employment under 5 U.S.C. 3109: Provided further, That this appropriation shall be available for the operation and maintenance of aircraft and the purchase of not to exceed four, of which two shall be for replacement only: Provided further, That, in addition, in emergencies which threaten any segment of the agricultural production industry of this country, the Secretary may transfer from other appropriations or funds available to the agencies or corporations of the Department such sums as may be deemed necessary, to be available only in such emergencies for the arrest and eradication of contagious or infectious disease or

pests of animals, poultry, or plants, and for expenses in accordance with the Act of February 28, 1947, and section 102 of the Act of September 21, 1944, and any unexpended balances of funds transferred for such emergency purposes in the preceding fiscal year shall be merged with such transferred amounts: Provided further, That appropriations hereunder shall be available pursuant to 7 U.S.C. 2250 for the repair and alteration of leased buildings and improvements, but unless otherwise provided the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building: Provided further, That not less than \$1,000,000 of the funds available under this heading made available for wildlife services methods development, the Secretary of Agriculture shall conduct pilot projects in no less than four States representative of wildlife predation of livestock in connection with farming operations for direct assistance in the application of non-lethal predation control methods: Provided further, That the General Accounting Office shall report to the Committee on Appropriations by November 30, 2001, on the Department's compliance with this provision and on the effectiveness of the non-lethal measures.

In fiscal year 2001, the agency is authorized to collect fees to cover the total costs of providing technical assistance, goods, or services requested by States, other political subdivisions, domestic and international organizations, foreign governments, or individuals, provided that such fees are structured such that any entity's liability for such fees is reasonably based on the technical assistance, goods, or services provided to the entity by the agency, and such fees shall be credited to this account, to remain available until expended, without further appropriation, for providing such assistance, goods, or services.

Of the total amount available under this heading in fiscal year 2001, \$87,000,000 shall be derived from user fees deposited in the Agricultural Quarantine Inspection User Fee Account.

#### BUILDINGS AND FACILITIES

For plans, construction, repair, preventive maintenance, environmental support, improvement, extension, alteration, and purchase of fixed equipment or facilities, as authorized by 7 U.S.C. 2250, and acquisition of land as authorized by 7 U.S.C. 428a, \$9,870,000, to remain available until expended.

#### AGRICULTURAL MARKETING SERVICE

##### MARKETING SERVICES

For necessary expenses to carry on services related to consumer protection, agricultural marketing and distribution, transportation, and regulatory programs, as authorized by law, and for administration and coordination of payments to States, including field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225) and not to exceed \$90,000 for employment under 5 U.S.C. 3109, \$64,696,000, including funds for the wholesale market development program for the design and development of wholesale and farmer market facilities for the major metropolitan areas of the country: Provided, That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building: Provided further, That \$639,000 may be transferred to the Expenses and Refunds, Inspection and Grading of Farm Products fund account for the cost of the National Organic Production Program and that such funds shall remain available until expended.

Fees may be collected for the cost of standardization activities, as established by regulation pursuant to law (31 U.S.C. 9701).

##### LIMITATION ON ADMINISTRATIVE EXPENSES

Not to exceed \$60,730,000 (from fees collected) shall be obligated during the current fiscal year for administrative expenses: Provided, That if crop size is understated and/or other uncontrol-

lable events occur, the agency may exceed this limitation by up to 10 percent with notification to the Committee on Appropriations of both Houses of Congress.

#### FUNDS FOR STRENGTHENING MARKETS, INCOME, AND SUPPLY (SECTION 32)

##### (INCLUDING TRANSFERS OF FUNDS)

Funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), shall be used only for commodity program expenses as authorized therein, and other related operating expenses, except for: (1) transfers to the Department of Commerce as authorized by the Fish and Wildlife Act of August 8, 1956; (2) transfers otherwise provided in this Act; and (3) not more than \$13,438,000 for formulation and administration of marketing agreements and orders pursuant to the Agricultural Marketing Agreement Act of 1937 and the Agricultural Act of 1961.

##### PAYMENTS TO STATES AND POSSESSIONS

For payments to departments of agriculture, bureaus and departments of markets, and similar agencies for marketing activities under section 204(b) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1623(b)), \$1,200,000.

#### GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION

##### SALARIES AND EXPENSES

For necessary expenses to carry out the provisions of the United States Grain Standards Act, for the administration of the Packers and Stockyards Act, for certifying procedures used to protect purchasers of farm products, and the standardization activities related to grain under the Agricultural Marketing Act of 1946, including field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$25,000 for employment under 5 U.S.C. 3109, \$27,269,000: Provided, That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building.

##### LIMITATION ON INSPECTION AND WEIGHING SERVICE EXPENSES

Not to exceed \$42,557,000 (from fees collected) shall be obligated during the current fiscal year for inspection and weighing services: Provided, That if grain export activities require additional supervision and oversight, or other uncontrollable factors occur, this limitation may be exceeded by up to 10 percent with notification to the Committee on Appropriations of both Houses of Congress.

#### OFFICE OF THE UNDER SECRETARY FOR FOOD SAFETY

For necessary salaries and expenses of the Office of the Under Secretary for Food Safety to administer the laws enacted by the Congress for the Food Safety and Inspection Service, \$460,000.

#### FOOD SAFETY AND INSPECTION SERVICE

For necessary expenses to carry out services authorized by the Federal Meat Inspection Act, the Poultry Products Inspection Act, and the Egg Products Inspection Act, \$678,011,000, of which no less than \$578,544,000 shall be available for Federal food inspection; and in addition, \$1,000,000 may be credited to this account from fees collected for the cost of laboratory accreditation as authorized by section 1017 of Public Law 102-237: Provided, That this appropriation shall not be available for shell egg surveillance under section 5(d) of the Egg Products Inspection Act (21 U.S.C. 1034(d)): Provided further, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$75,000 shall be available for employment under 5 U.S.C. 3109: Provided further, That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of

buildings and improvements, but the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building.

#### OFFICE OF THE UNDER SECRETARY FOR FARM AND FOREIGN AGRICULTURAL SERVICES

For necessary salaries and expenses of the Office of the Under Secretary for Farm and Foreign Agricultural Services to administer the laws enacted by Congress for the Farm Service Agency, the Foreign Agricultural Service, the Risk Management Agency, and the Commodity Credit Corporation, \$589,000.

#### FARM SERVICE AGENCY

##### SALARIES AND EXPENSES

##### (INCLUDING TRANSFERS OF FUNDS)

For necessary expenses for carrying out the administration and implementation of programs administered by the Farm Service Agency, \$828,385,000: Provided, That the Secretary is authorized to use the services, facilities, and authorities (but not the funds) of the Commodity Credit Corporation to make program payments for all programs administered by the Agency: Provided further, That other funds made available to the Agency for authorized activities may be advanced to and merged with this account: Provided further, That these funds shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$1,000,000 shall be available for employment under 5 U.S.C. 3109.

##### STATE MEDIATION GRANTS

For grants pursuant to section 502(b) of the Agricultural Credit Act of 1987 (7 U.S.C. 5101-5106), \$3,000,000.

#### DAIRY INDEMNITY PROGRAM

##### (INCLUDING TRANSFERS OF FUNDS)

For necessary expenses involved in making indemnity payments to dairy farmers for milk or cows producing such milk and manufacturers of dairy products who have been directed to remove their milk or dairy products from commercial markets because it contained residues of chemicals registered and approved for use by the Federal Government, and in making indemnity payments for milk, or cows producing such milk, at a fair market value to any dairy farmer who is directed to remove his milk from commercial markets because of: (1) the presence of products of nuclear radiation or fallout if such contamination is not due to the fault of the farmer; or (2) residues of chemicals or toxic substances not included under the first sentence of the Act of August 13, 1968 (7 U.S.C. 450j), if such chemicals or toxic substances were not used in a manner contrary to applicable regulations or labeling instructions provided at the time of use and the contamination is not due to the fault of the farmer, \$450,000, to remain available until expended (7 U.S.C. 2209b): Provided, That none of the funds contained in this Act shall be used to make indemnity payments to any farmer whose milk was removed from commercial markets as a result of the farmer's willful failure to follow procedures prescribed by the Federal Government: Provided further, That this amount shall be transferred to the Commodity Credit Corporation: Provided further, That the Secretary is authorized to utilize the services, facilities, and authorities of the Commodity Credit Corporation for the purpose of making dairy indemnity disbursements.

#### AGRICULTURAL CREDIT INSURANCE FUND PROGRAM ACCOUNT

##### (INCLUDING TRANSFERS OF FUNDS)

For gross obligations for the principal amount of direct and guaranteed loans as authorized by 7 U.S.C. 1928-1929, to be available from funds in the Agricultural Credit Insurance Fund, as follows: farm ownership loans, \$559,373,000, of which \$431,373,000 shall be for guaranteed loans; operating loans, \$2,397,842,000, of which

\$1,697,842,000 shall be for unsubsidized guaranteed loans and \$200,000,000 shall be for subsidized guaranteed loans; Indian tribe land acquisition loans as authorized by 25 U.S.C. 488, \$1,028,000; for emergency insured loans, \$25,000,000 to meet the needs resulting from natural disasters; and for boll weevil eradication program loans as authorized by 7 U.S.C. 1989, \$100,000,000.

For the cost of direct and guaranteed loans, including the cost of modifying loans as defined in section 502 of the Congressional Budget Act of 1974, as follows: farm ownership loans, \$15,986,000, of which \$2,200,000 shall be for guaranteed loans; operating loans, \$84,680,000, of which \$23,260,000 shall be for unsubsidized guaranteed loans and \$16,320,000 shall be for subsidized guaranteed loans; Indian tribe land acquisition loans as authorized by 25 U.S.C. 488, \$166,000; and for emergency insured loans, \$6,133,000 to meet the needs resulting from natural disasters.

In addition, for administrative expenses necessary to carry out the direct and guaranteed loan programs, \$269,454,000, of which \$265,315,000 shall be transferred to and merged with the appropriation for "Farm Service Agency, Salaries and Expenses".

Funds appropriated by this Act to the Agricultural Credit Insurance Program Account for farm ownership and operating direct loans and guaranteed loans may be transferred among these programs with the prior approval of the Committee on Appropriations of both Houses of Congress.

#### RISK MANAGEMENT AGENCY

For administrative and operating expenses, as authorized by the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 6933), \$65,597,000: Provided, That not to exceed \$700 shall be available for official reception and representation expenses, as authorized by 7 U.S.C. 1506(i).

#### CORPORATIONS

The following corporations and agencies are hereby authorized to make expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act as may be necessary in carrying out the programs set forth in the budget for the current fiscal year for such corporation or agency, except as hereinafter provided.

#### FEDERAL CROP INSURANCE CORPORATION FUND

For payments as authorized by section 516 of the Federal Crop Insurance Act, such sums as may be necessary, to remain available until expended (7 U.S.C. 2209b).

#### COMMODITY CREDIT CORPORATION FUND

##### REIMBURSEMENT FOR NET REALIZED LOSSES

For fiscal year 2001, such sums as may be necessary to reimburse the Commodity Credit Corporation for net realized losses sustained, but not previously reimbursed, pursuant to section 2 of the Act of August 17, 1961 (15 U.S.C. 713a-11).

#### OPERATIONS AND MAINTENANCE FOR HAZARDOUS WASTE MANAGEMENT

For fiscal year 2001, the Commodity Credit Corporation shall not expend more than \$5,000,000 for site investigation and cleanup expenses, and operations and maintenance expenses to comply with the requirement of section 107(g) of the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. 9607(g), and section 6001 of the Resource Conservation and Recovery Act, 42 U.S.C. 6961.

#### TITLE II

#### CONSERVATION PROGRAMS

##### OFFICE OF THE UNDER SECRETARY FOR NATURAL RESOURCES AND ENVIRONMENT

For necessary salaries and expenses of the Office of the Under Secretary for Natural Resources and Environment to administer the laws enacted by the Congress for the Forest Service and the Natural Resources Conservation Service, \$711,000.

For necessary salaries and expenses of the Office of the Under Secretary for Natural Resources and Environment to administer the laws enacted by the Congress for the Forest Service and the Natural Resources Conservation Service, \$711,000.

#### NATURAL RESOURCES CONSERVATION SERVICE CONSERVATION OPERATIONS

For necessary expenses for carrying out the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-f), including preparation of conservation plans and establishment of measures to conserve soil and water (including farm irrigation and land drainage and such special measures for soil and water management as may be necessary to prevent floods and the siltation of reservoirs and to control agricultural related pollutants); operation of conservation plant materials centers; classification and mapping of soil; dissemination of information; acquisition of lands, water, and interests therein for use in the plant materials program by donation, exchange, or purchase at a nominal cost not to exceed \$100 pursuant to the Act of August 3, 1956 (7 U.S.C. 428a); purchase and erection or alteration or improvement of permanent and temporary buildings; and operation and maintenance of aircraft, \$714,116,000, to remain available until expended (7 U.S.C. 2209b), of which not less than \$5,990,000 is for snow survey and water forecasting and not less than \$9,975,000 is for operation and establishment of the plant materials centers: Provided, That appropriations hereunder shall be available pursuant to 7 U.S.C. 2250 for construction and improvement of buildings and public improvements at plant materials centers, except that the cost of alterations and improvements to other buildings and other public improvements shall not exceed \$250,000: Provided further, That when buildings or other structures are erected on non-Federal land, that the right to use such land is obtained as provided in 7 U.S.C. 2250a: Provided further, That this appropriation shall be available for technical assistance and related expenses to carry out programs authorized by section 202(c) of title II of the Colorado River Basin Salinity Control Act of 1974 (43 U.S.C. 1592(c)): Provided further, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$25,000 shall be available for employment under 5 U.S.C. 3109: Provided further, That qualified local engineers may be temporarily employed at per diem rates to perform the technical planning work of the Service (16 U.S.C. 590e-2).

#### WATERSHED SURVEYS AND PLANNING

For necessary expenses to conduct research, investigation, and surveys of watersheds of rivers and other waterways, and for small watershed investigations and planning, in accordance with the Watershed Protection and Flood Prevention Act approved August 4, 1954 (16 U.S.C. 1001-1009), \$10,705,000: Provided, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$110,000 shall be available for employment under 5 U.S.C. 3109.

#### WATERSHED AND FLOOD PREVENTION OPERATIONS

For necessary expenses to carry out preventive measures, including but not limited to research, engineering operations, methods of cultivation, the growing of vegetation, rehabilitation of existing works and changes in use of land, in accordance with the Watershed Protection and Flood Prevention Act approved August 4, 1954 (16 U.S.C. 1001-1005 and 1007-1009), the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-f), and in accordance with the provisions of laws relating to the activities of the Department, \$99,443,000, to remain available until expended (7 U.S.C. 2209b) (of which up to \$15,000,000 may be available for the watersheds authorized under the Flood Control Act approved June 22, 1936 (33 U.S.C. 701 and 16 U.S.C. 1006a)): Provided, That this appropriation shall be available for employment pursuant to the second sentence

of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$200,000 shall be available for employment under 5 U.S.C. 3109: Provided further, That not to exceed \$1,000,000 of this appropriation is available to carry out the purposes of the Endangered Species Act of 1973 (Public Law 93-205), including cooperative efforts as contemplated by that Act to relocate endangered or threatened species to other suitable habitats as may be necessary to expedite project construction: Provided further, That of the funds available for Emergency Watershed Protection activities, \$4,000,000 shall be available for Mississippi and Wisconsin for financial and technical assistance for pilot rehabilitation projects of small, upstream dams built under the Watershed and Flood Prevention Act (16 U.S.C. 1001 et seq., section 13 of the Act of December 22, 1994; Public Law 78-534; 58 Stat. 905), and the pilot watershed program authorized under the heading "FLOOD PREVENTION" of the Department of Agriculture Appropriation Act, 1954 (Public Law 83-156; 67 Stat. 214): Provided further, That of the funds made available for watershed and flood prevention activities, \$500,000 shall be available for a study to be conducted by the Natural Resources Conservation Service in cooperation with the town of Johnston, Rhode Island, on floodplain management for the Pocasset River, Rhode Island.

#### RESOURCE CONSERVATION AND DEVELOPMENT

For necessary expenses in planning and carrying out projects for resource conservation and development and for sound land use pursuant to the provisions of section 32(e) of title III of the Bankhead-Jones Farm Tenant Act (7 U.S.C. 1010-1011; 76 Stat. 607); the Act of April 27, 1935 (16 U.S.C. 590a-f); and the Agriculture and Food Act of 1981 (16 U.S.C. 3451-3461), \$36,265,000, to remain available until expended (7 U.S.C. 2209b): Provided, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$50,000 shall be available for employment under 5 U.S.C. 3109.

#### FORESTRY INCENTIVES PROGRAM

For necessary expenses, not otherwise provided for, to carry out the program of forestry incentives, as authorized by the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2101), including technical assistance and related expenses, \$6,325,000, to remain available until expended, as authorized by that Act.

#### TITLE III

#### RURAL DEVELOPMENT PROGRAMS

##### OFFICE OF THE UNDER SECRETARY FOR RURAL DEVELOPMENT

For necessary salaries and expenses of the Office of the Under Secretary for Rural Development to administer programs under the laws enacted by the Congress for the Rural Housing Service, the Rural Business-Cooperative Service, and the Rural Utilities Service of the Department of Agriculture, \$605,000.

#### RURAL COMMUNITY ADVANCEMENT PROGRAM

##### (INCLUDING TRANSFERS OF FUNDS)

For the cost of direct loans, loan guarantees, and grants, as authorized by 7 U.S.C. 1926, 1926a, 1926c, 1926d, and 1932, except for sections 381E-H, 381N, and 381O of the Consolidated Farm and Rural Development Act (7 U.S.C. 2009f), \$759,284,000, to remain available until expended, of which \$53,225,000 shall be for rural community programs described in section 381E(d)(1) of such Act; of which \$644,360,000 shall be for the rural utilities programs described in sections 381E(d)(2), 306C(a)(2), and 306D of such Act; and of which \$61,699,000 shall be for the rural business and cooperative development programs described in section 381E(d)(3) of such Act: Provided, That of the total amount appropriated in this account, \$24,000,000 shall be for loans and grants to benefit Federally Recognized Native American Tribes, of which (1) \$1,000,000 shall be available for rural business

opportunity grants under section 306(a)(11) of that Act (7 U.S.C. 1926(a)(11)), (2) \$5,000,000 shall be available for community facilities grants for tribal college improvements under section 306(a)(19) of that Act (7 U.S.C. 1926(a)(19)), (3) \$15,000,000 shall be available for grants for drinking water and waste disposal systems under section 306C of that Act (7 U.S.C. 1926c) to Federally Recognized Native American Tribes that are not eligible to receive funds under any other rural utilities program set-aside under the rural community advancement program, and (4) \$3,000,000 shall be available for rural business enterprise grants under section 310B(c) of that Act (7 U.S.C. 1932(c)): Provided further, That of the amount appropriated for rural community programs, \$6,000,000 shall be available for a Rural Community Development Initiative: Provided further, That such funds shall be used solely to develop the capacity and ability of private, nonprofit community-based housing and community development organizations, and low-income rural communities to undertake projects to improve housing, community facilities, community and economic development projects in rural areas: Provided further, That such funds shall be made available to qualified private and public (including tribal) intermediary organizations proposing to carry out a program of technical assistance: Provided further, That such intermediary organizations shall provide matching funds from other sources in an amount not less than funds provided: Provided further, That of the amount appropriated for the rural business and cooperative development programs, not to exceed \$500,000 shall be made available for a grant to a qualified national organization to provide technical assistance for rural transportation in order to promote economic development; and \$2,000,000 shall be for grants to Mississippi Delta Region counties: Provided further, That of the amount appropriated for rural utilities programs, not to exceed \$20,000,000 shall be for water and waste disposal systems to benefit the Colonias along the United States/Mexico borders, including grants pursuant to section 306C of such Act; not to exceed \$20,000,000 shall be for water and waste disposal systems for rural and native villages in Alaska pursuant to section 306D of such Act, with up to one percent available to administer the program and up to one percent available to improve interagency coordination; not to exceed \$16,215,000 shall be for technical assistance grants for rural waste systems pursuant to section 306(a)(14) of such Act; and not to exceed \$9,500,000 shall be for contracting with qualified national organizations for a circuit rider program to provide technical assistance for rural water systems: Provided further, That of the total amount appropriated, not to exceed \$42,574,650 shall be available through June 30, 2001, for authorized empowerment zones and enterprise communities and communities designated by the Secretary of Agriculture as Rural Economic Area Partnership Zones; of which \$34,704,000 shall be for the rural utilities programs described in section 381E(d)(2) of such Act; and of which \$8,435,000 shall be for the rural business and cooperative development programs described in section 381E(d)(3) of such Act.

**RURAL DEVELOPMENT SALARIES AND EXPENSES**  
(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of administering Rural Development programs as authorized by the Rural Electrification Act of 1936; the Consolidated Farm and Rural Development Act; title V of the Housing Act of 1949; section 1323 of the Food Security Act of 1985; the Cooperative Marketing Act of 1926 for activities related to marketing aspects of cooperatives, including economic research findings, authorized by the Agricultural Marketing Act of 1946; for activities with institutions concerning the development and operation of agricultural cooperatives; and for cooperative agreements: \$130,371,000: Provided, That this appropriation shall be available

for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$1,000,000 may be used for employment under 5 U.S.C. 3109: Provided further, That not more than \$10,000 may be expended to provide modest nonmonetary awards to non-USDA employees: Provided further, That any balances available from prior years for the Rural Utilities Service, Rural Housing Service, and the Rural Business-Cooperative Service salaries and expenses accounts shall be transferred to and merged with this account.

**RURAL HOUSING SERVICE**  
**RURAL HOUSING INSURANCE FUND PROGRAM**  
**ACCOUNT**

(INCLUDING TRANSFERS OF FUNDS)

For gross obligations for the principal amount of direct and guaranteed loans as authorized by title V of the Housing Act of 1949, to be available from funds in the rural housing insurance fund, as follows: \$4,300,000,000 for loans to section 502 borrowers, as determined by the Secretary, of which \$3,200,000,000 shall be for unsubsidized guaranteed loans; \$32,396,000 for section 504 housing repair loans; \$100,000,000 for section 538 guaranteed multi-family housing loans; \$114,321,000 for section 515 rental housing; \$5,152,000 for section 524 site loans; \$7,503,000 for credit sales of acquired property, of which up to \$1,250,000 may be for multi-family credit sales; and \$5,000,000 for section 523 self-help housing land development loans.

For the cost of direct and guaranteed loans, including the cost of modifying loans, as defined in section 502 of the Congressional Budget Act of 1974, as follows: section 502 loans, \$215,060,000, of which \$38,400,000 shall be for unsubsidized guaranteed loans; section 504 housing repair loans, \$11,481,000; section 538 multi-family housing guaranteed loans, \$1,520,000; section 515 rental housing, \$56,326,000; multi-family credit sales of acquired property, \$613,000; and section 523 self-help housing land development loans, \$279,000: Provided, That of the total amount appropriated in this paragraph, \$13,832,000 shall be available through June 30, 2001, for authorized empowerment zones and enterprise communities and communities designated by the Secretary of Agriculture as Rural Economic Area Partnership Zones.

In addition, for administrative expenses necessary to carry out the direct and guaranteed loan programs, \$409,233,000, which shall be transferred to and merged with the appropriation for "Rural Development, Salaries and Expenses".

**RENTAL ASSISTANCE PROGRAM**

For rental assistance agreements entered into or renewed pursuant to the authority under section 521(a)(2) or agreements entered into in lieu of debt forgiveness or payments for eligible households as authorized by section 502(c)(5)(D) of the Housing Act of 1949, \$680,000,000; and, in addition, such sums as may be necessary, as authorized by section 521(c) of the Act, to liquidate debt incurred prior to fiscal year 1992 to carry out the rental assistance program under section 521(a)(2) of the Act: Provided, That of this amount, not more than \$5,900,000 shall be available for debt forgiveness or payments for eligible households as authorized by section 502(c)(5)(D) of the Act, and not to exceed \$10,000 per project for advances to nonprofit organizations or public agencies to cover direct costs (other than purchase price) incurred in purchasing projects pursuant to section 502(c)(5)(C) of the Act: Provided further, That agreements entered into or renewed during fiscal year 2001 shall be funded for a 5-year period, although the life of any such agreement may be extended to fully utilize amounts obligated.

**MUTUAL AND SELF-HELP HOUSING GRANTS**

For grants and contracts pursuant to section 523(b)(1)(A) of the Housing Act of 1949 (42

U.S.C. 1490c), \$34,000,000, to remain available until expended (7 U.S.C. 2209b): Provided, That of the total amount appropriated, \$1,000,000 shall be available through June 30, 2001, for authorized empowerment zones and enterprise communities and communities designated by the Secretary of Agriculture as Rural Economic Area Partnership Zones.

**RURAL HOUSING ASSISTANCE GRANTS**

For grants and contracts for very low-income housing repair, supervisory and technical assistance, compensation for construction defects, and rural housing preservation made by the Rural Housing Service, as authorized by 42 U.S.C. 1474, 1479(c), 1490e, and 1490m, \$44,000,000, to remain available until expended: Provided, That of the total amount appropriated, \$5,000,000 shall be for a housing demonstration program for agriculture, aquaculture, and seafood processor workers: Provided further, That of the total amount appropriated, \$1,200,000 shall be available through June 30, 2001, for authorized empowerment zones and enterprise communities and communities designated by the Secretary of Agriculture as Rural Economic Area Partnership Zones.

**FARM LABOR PROGRAM ACCOUNT**

For the cost of direct loans, grants, and contracts, as authorized by 42 U.S.C. 1484 and 1486, \$28,750,000, to remain available until expended for direct farm labor housing loans and domestic farm labor housing grants and contracts.

**RURAL BUSINESS-COOPERATIVE SERVICE**

**RURAL DEVELOPMENT LOAN FUND PROGRAM**  
**ACCOUNT**

(INCLUDING TRANSFERS OF FUNDS)

For the cost of direct loans, \$19,476,000, as authorized by the Rural Development Loan Fund (42 U.S.C. 9812(a)), of which \$2,036,000 shall be for Federally Recognized Native American Tribes; and of which \$4,072,000 shall be for the Mississippi Delta Region Counties (as defined by Public Law 100-460): 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 of \$38,256,000: Provided further, That of the total amount appropriated, \$3,216,000 shall be available through June 30, 2001, for the cost of direct loans for authorized empowerment zones and enterprise communities and communities designated by the Secretary of Agriculture as Rural Economic Area Partnership Zones.

In addition, for administrative expenses to carry out the direct loan programs, \$3,640,000 shall be transferred to and merged with the appropriation for "Rural Development, Salaries and Expenses".

**RURAL ECONOMIC DEVELOPMENT LOANS PROGRAM**  
**ACCOUNT**

(INCLUDING RESCISSION OF FUNDS)

For the principal amount of direct loans, as authorized under section 313 of the Rural Electrification Act, for the purpose of promoting rural economic development and job creation projects, \$15,000,000.

For the cost of direct loans, including the cost of modifying loans as defined in section 502 of the Congressional Budget Act of 1974, \$3,911,000.

Of the funds derived from interest on the cushion of credit payments in fiscal year 2001, as authorized by section 313 of the Rural Electrification Act of 1936, \$3,911,000 shall not be obligated and \$3,911,000 are rescinded.

**RURAL COOPERATIVE DEVELOPMENT GRANTS**

For rural cooperative development grants authorized under section 310B(e) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932), \$6,000,000, of which \$1,500,000 shall be available for cooperative agreements for the appropriate technology transfer for rural areas program: Provided, That not to exceed \$1,500,000 of the total amount appropriated shall be made

available to cooperatives or associations of cooperatives whose primary focus is to provide assistance to small, minority producers.

#### RURAL UTILITIES SERVICE

##### RURAL ELECTRIFICATION AND TELECOMMUNICATIONS LOANS PROGRAM ACCOUNT (INCLUDING TRANSFERS OF FUNDS)

Insured loans pursuant to the authority of section 305 of the Rural Electrification Act of 1936 (7 U.S.C. 935) shall be made as follows: 5 percent rural electrification loans, \$121,500,000; 5 percent rural telecommunications loans, \$75,000,000; cost of money rural telecommunications loans, \$300,000,000; municipal rate rural electric loans, \$295,000,000; and loans made pursuant to section 306 of that Act, rural electric, \$1,700,000,000 and rural telecommunications, \$120,000,000; and \$500,000,000 for Treasury rate direct electric loans.

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, including the cost of modifying loans, of direct and guaranteed loans authorized by the Rural Electrification Act of 1936 (7 U.S.C. 935 and 936), as follows: cost of direct loans, \$19,871,000; and cost of municipal rate loans, \$20,503,000: Provided, That notwithstanding section 305(d)(2) of the Rural Electrification Act of 1936, borrower interest rates may exceed 7 percent per year.

In addition, for administrative expenses necessary to carry out the direct and guaranteed loan programs, \$34,716,000, which shall be transferred to and merged with the appropriation for "Rural Development, Salaries and Expenses".

##### RURAL TELEPHONE BANK PROGRAM ACCOUNT (INCLUDING TRANSFERS OF FUNDS)

The Rural Telephone Bank is hereby authorized to make such expenditures, within the limits of funds available to such corporation 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 may be necessary in carrying out its authorized programs. During fiscal year 2001 and within the resources and authority available, gross obligations for the principal amount of direct loans shall be \$175,000,000.

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, including the cost of modifying loans, of direct loans authorized by the Rural Electrification Act of 1936 (7 U.S.C. 935), \$2,590,000.

In addition, for administrative expenses necessary to carry out the loan programs, \$3,000,000, which shall be transferred to and merged with the appropriation for "Rural Development, Salaries and Expenses".

##### DISTANCE LEARNING AND TELEMEDICINE PROGRAM

For the cost of direct loans and grants, as authorized by 7 U.S.C. 950aaa et seq., \$27,000,000, to remain available until expended, to be available for loans and grants for telemedicine and distance learning services in rural areas, of which not more than \$3,000,000 may be used to make grants to rural entities to promote employment of rural residents through teleworking, including to provide employment-related services, such as outreach to employers, training, and job placement, and to pay expenses relating to providing high-speed communications services, and of which \$2,000,000 may be available for a pilot program to finance broadband transmission and local dial-up Internet service in areas that meet the definition of "rural area" contained in section 203(b) of the Rural Electrification Act (7 U.S.C. 924(b)): Provided, That the cost of direct loans shall be as defined in section 502 of the Congressional Budget Act of 1974.

#### TITLE IV

##### DOMESTIC FOOD PROGRAMS

##### OFFICE OF THE UNDER SECRETARY FOR FOOD, NUTRITION AND CONSUMER SERVICES

For necessary salaries and expenses of the Office of the Under Secretary for Food, Nutrition

and Consumer Services to administer the laws enacted by the Congress for the Food and Nutrition Service, \$570,000.

##### FOOD AND NUTRITION SERVICE CHILD NUTRITION PROGRAMS

##### (INCLUDING TRANSFERS OF FUNDS)

For necessary expenses to carry out the National School Lunch Act (42 U.S.C. 1751 et seq.), except section 21, and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.), except sections 17 and 21; \$9,541,539,000, to remain available through September 30, 2002, of which \$4,413,960,000 is hereby appropriated and \$5,127,579,000 shall be derived by transfer from funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c): Provided, That, except as specifically provided under this heading, none of the funds made available under this heading shall be used for studies and evaluations: Provided further, That of the funds made available under this heading, up to \$6,000,000 shall be for school breakfast pilot projects, including the evaluation required under section 18(e) of the National School Lunch Act: Provided further, That of the funds made available under this heading, \$500,000 shall be for a School Breakfast Program startup grant pilot program for the State of Wisconsin: Provided further, That up to \$4,511,000 shall be available for independent verification of school food service claims.

##### SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN (WIC)

For necessary expenses to carry out the special supplemental nutrition program as authorized by section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786), \$4,052,000,000, to remain available through September 30, 2002: Provided, That none of the funds made available under this heading shall be used for studies and evaluations: Provided further, That of the total amount available, the Secretary shall obligate \$15,000,000 for the farmers' market nutrition program within 45 days of the enactment of this Act, and an additional \$5,000,000 for the farmers' market nutrition program from any funds not needed to maintain current caseload levels: Provided further, That notwithstanding section 17(h)(10)(A) of such Act, up to \$14,000,000 shall be available for the purposes specified in section 17(h)(10)(B), no less than \$6,000,000 of which shall be used for the development of electronic benefit transfer systems: Provided further, That none of the funds in this Act shall be available to pay administrative expenses of WIC clinics except those that have an announced policy of prohibiting smoking within the space used to carry out the program: Provided further, That none of the funds provided in this account shall be available for the purchase of infant formula except in accordance with the cost containment and competitive bidding requirements specified in section 17 of such Act: Provided further, That none of the funds provided shall be available for activities that are not fully reimbursed by other Federal Government departments or agencies unless authorized by section 17 of such Act: Provided further, That funds made available under this heading shall be made available for sites participating in the special supplemental nutrition program for women, infants, and children to determine whether a child eligible to participate in the program has received a blood lead screening test, using a test that is appropriate for age and risk factors, upon the enrollment of the child in the program.

##### FOOD STAMP PROGRAM

For necessary expenses to carry out the Food Stamp Act (7 U.S.C. 2011 et seq.), \$21,221,293,000, of which \$100,000,000 shall be placed in reserve for use only in such amounts and at such times as may become necessary to carry out program operations: Provided, That none of the funds made available under this heading shall be used for studies and evaluations: Provided further, That funds provided herein shall be expended in

accordance with section 16 of the Food Stamp Act: Provided further, That this appropriation shall be subject to any work registration or workfare requirements as may be required by law: Provided further, That funds made available for Employment and Training under this heading shall remain available until expended, as authorized by section 16(h)(1) of the Food Stamp Act: Provided further, That, of funds made available under this heading and not already appropriated to the Food Distribution Program on Indian Reservations (FDPIR) established under section 4(b) of the Food Stamp Act of 1977 (7 U.S.C. 2013(b)), an additional amount not to exceed \$7,300,000 shall be used to purchase bison for the FDPIR and to provide a mechanism for the purchases from Native American producers and cooperative organizations.

##### COMMODITY ASSISTANCE PROGRAM

For necessary expenses to carry out the commodity supplemental food program as authorized by section 4(a) of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c note); and the Emergency Food Assistance Act of 1983, \$140,300,000, to remain available through September 30, 2002: Provided, That none of these funds shall be available to reimburse the Commodity Credit Corporation for commodities donated to the program.

##### FOOD DONATIONS PROGRAMS

For necessary expenses to carry out section 4(a) of the Agriculture and Consumer Protection Act of 1973; special assistance for the nuclear affected islands as authorized by section 103(h)(2) of the Compacts of Free Association Act of 1985, as amended; and section 311 of the Older Americans Act of 1965, \$141,081,000, to remain available through September 30, 2002.

##### FOOD PROGRAM ADMINISTRATION

For necessary administrative expenses of the domestic food programs funded under this Act, \$116,807,000, of which \$5,000,000 shall be available only for simplifying procedures, reducing overhead costs, tightening regulations, improving food stamp benefit delivery, and assisting in the prevention, identification, and prosecution of fraud and other violations of law and of which not less than \$4,500,000 shall be available to improve integrity in the Food Stamp and Child Nutrition programs: Provided, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$150,000 shall be available for employment under 5 U.S.C. 3109.

#### TITLE V

##### FOREIGN ASSISTANCE AND RELATED PROGRAMS

##### FOREIGN AGRICULTURAL SERVICE

##### SALARIES AND EXPENSES

##### (INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Foreign Agricultural Service, including carrying out title VI of the Agricultural Act of 1954 (7 U.S.C. 1761-1768), market development activities abroad, and for enabling the Secretary to coordinate and integrate activities of the Department in connection with foreign agricultural work, including not to exceed \$158,000 for representation allowances and for expenses pursuant to section 8 of the Act approved August 3, 1956 (7 U.S.C. 1766), \$113,424,000: Provided, That the Service may utilize advances of funds, or reimburse this appropriation for expenditures made on behalf of Federal agencies, public and private organizations and institutions under agreements executed pursuant to the agricultural food production assistance programs (7 U.S.C. 1737) and the foreign assistance programs of the United States Agency for International Development.

None of the funds in the foregoing paragraph shall be available to promote the sale or export of tobacco or tobacco products.

##### PUBLIC LAW 480 TITLE I PROGRAM ACCOUNT

##### (INCLUDING TRANSFERS OF FUNDS)

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, of agreements

under the Agricultural Trade Development and Assistance Act of 1954, and the Food For Progress Act of 1985, including the cost of modifying credit arrangements under said Acts, \$114,186,000, to remain available until expended.

In addition, for administrative expenses to carry out the credit program of title I, Public Law 83-480, and the Food for Progress Act of 1985, to the extent funds appropriated for Public Law 83-480 are utilized, \$1,850,000, of which \$1,035,000 may be transferred to and merged with the appropriation for "Foreign Agricultural Service, Salaries and Expenses", and of which \$815,000 may be transferred to and merged with the appropriation for "Farm Service Agency, Salaries and Expenses".

**PUBLIC LAW 480 TITLE I OCEAN FREIGHT  
DIFFERENTIAL GRANTS**

**(INCLUDING TRANSFERS OF FUNDS)**

For expenses during the current fiscal year, not otherwise recoverable, and unrecovered prior years' costs, including interest thereon, under the Agricultural Trade Development and Assistance Act of 1954, \$20,322,000, to remain available until expended, for ocean freight differential costs for the shipment of agricultural commodities under title I of said Act: Provided, That funds made available for the cost of title I agreements and for title I ocean freight differential may be used interchangeably between the two accounts with prior notice to the Committee on Appropriations of both Houses of Congress.

**PUBLIC LAW 480 TITLES II AND III GRANTS**

For expenses during the current fiscal year, not otherwise recoverable, and unrecovered prior years' costs, including interest thereon, under the Agricultural Trade Development and Assistance Act of 1954, \$837,000,000, to remain available until expended, for commodities supplied in connection with dispositions abroad under title II of said Act.

**COMMODITY CREDIT CORPORATION EXPORT LOANS  
PROGRAM ACCOUNT**

**(INCLUDING TRANSFERS OF FUNDS)**

For administrative expenses to carry out the Commodity Credit Corporation's export guarantee program, GSM 102 and GSM 103, \$3,820,000; to cover common overhead expenses as permitted by section 11 of the Commodity Credit Corporation Charter Act and in conformity with the Federal Credit Reform Act of 1990, of which \$3,231,000 may be transferred to and merged with the appropriation for "Foreign Agricultural Service, Salaries and Expenses", and of which \$589,000 may be transferred to and merged with the appropriation for "Farm Service Agency, Salaries and Expenses".

**TITLE VI**

**RELATED AGENCIES AND FOOD AND DRUG  
ADMINISTRATION**

**DEPARTMENT OF HEALTH AND HUMAN  
SERVICES**

**FOOD AND DRUG ADMINISTRATION**

**SALARIES AND EXPENSES**

For necessary expenses of the Food and Drug Administration, including hire and purchase of passenger motor vehicles; for payment of space rental and related costs pursuant to Public Law 92-313 for programs and activities of the Food and Drug Administration which are included in this Act; for rental of special purpose space in the District of Columbia or elsewhere; and for miscellaneous and emergency expenses of enforcement activities, authorized and approved by the Secretary and to be accounted for solely on the Secretary's certificate, not to exceed \$25,000; \$1,210,796,000, of which not to exceed \$149,273,000 in prescription drug user fees authorized by 21 U.S.C. 379(h) may be credited to this appropriation and remain available until expended: Provided, That fees derived from applications received during fiscal year 2001 shall be subject to the fiscal year 2001 limitation: Provided further, That none of these funds shall be used to develop, establish, or operate any pro-

gram of user fees authorized by 31 U.S.C. 9701: Provided further, That of the total amount appropriated: (1) \$292,934,000 shall be for the Center for Food Safety and Applied Nutrition and related field activities in the Office of Regulatory Affairs; (2) \$315,143,000 shall be for the Center for Drug Evaluation and Research and related field activities in the Office of Regulatory Affairs, of which no less than \$12,534,000 shall be available for grants and contracts awarded under section 5 of the Orphan Drug Act (21 U.S.C. 360ee); (3) \$141,368,000 shall be for the Center for Biologics Evaluation and Research and for related field activities in the Office of Regulatory Affairs; (4) \$59,349,000 shall be for the Center for Veterinary Medicine and for related field activities in the Office of Regulatory Affairs; (5) \$164,762,000 shall be for the Center for Devices and Radiological Health and for related field activities in the Office of Regulatory Affairs; (6) \$35,842,000 shall be for the National Center for Toxicological Research; (7) \$25,855,000 shall be for Rent and Related activities, other than the amounts paid to the General Services Administration; (8) \$104,954,000 shall be for payments to the General Services Administration for rent and related costs; and (9) \$70,589,000 shall be for other activities, including the Office of the Commissioner; the Office of Management and Systems; the Office of the Senior Associate Commissioner; the Office of International and Constituent Relations; the Office of Policy, Legislation, and Planning; and central services for these offices: Provided further, That funds may be transferred from one specified activity to another with the prior approval of the Committee on Appropriations of both Houses of Congress: Provided further, That in addition to amounts otherwise appropriated under this heading to the Food and Drug Administration, an additional \$6,000,000 shall be made available of which \$5,000,000 shall be made available for the Centers for Food Safety and Applied Nutrition and related field activities in the Office of Regulatory Affairs, and \$1,000,000 shall be made available to the National Center for Toxicological Research.

In addition, mammography user fees authorized by 42 U.S.C. 263(b) may be credited to this account, to remain available until expended.

In addition, export certification user fees authorized by 21 U.S.C. 381 may be credited to this account, to remain available until expended.

**BUILDINGS AND FACILITIES**

For plans, construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities of or used by the Food and Drug Administration, where not otherwise provided, \$31,350,000, to remain available until expended (7 U.S.C. 2209b).

**INDEPENDENT AGENCIES**

**COMMODITY FUTURES TRADING COMMISSION**

For necessary expenses to carry out the provisions of the Commodity Exchange Act (7 U.S.C. 1 et seq.), including the purchase and hire of passenger motor vehicles; the rental of space (to include multiple year leases) in the District of Columbia and elsewhere; and not to exceed \$25,000 for employment under 5 U.S.C. 3109, \$67,100,000, including not to exceed \$1,000 for official reception and representation expenses.

**FARM CREDIT ADMINISTRATION**

**LIMITATION ON ADMINISTRATIVE EXPENSES**

Not to exceed \$36,800,000 (from assessments collected from farm credit institutions and from the Federal Agricultural Mortgage Corporation) shall be obligated during the current fiscal year for administrative expenses as authorized under 12 U.S.C. 2249: Provided, That this limitation shall not apply to expenses associated with receiverships.

**TITLE VII—GENERAL PROVISIONS**

SEC. 701. Within the unit limit of cost fixed by law, appropriations and authorizations made for the Department of Agriculture for fiscal year 2001 under this Act shall be available for the

purchase, in addition to those specifically provided for, of not to exceed 389 passenger motor vehicles, of which 385 shall be for replacement only, and for the hire of such vehicles.

SEC. 702. Funds in this Act available to the Department of Agriculture shall be available for uniforms or allowances therefor as authorized by law (5 U.S.C. 5901-5902).

SEC. 703. Not less than \$1,500,000 of the appropriations of the Department of Agriculture in this Act for research and service work authorized by sections 1 and 10 of the Act of June 29, 1935 (7 U.S.C. 427, 427i; commonly known as the Bankhead-Jones Act), subtitle A of title II and section 302 of the Act of August 14, 1946 (7 U.S.C. 1621 et seq.), and chapter 63 of title 31, United States Code, shall be available for contracting in accordance with such Acts and chapter.

SEC. 704. The cumulative total of transfers to the Working Capital Fund for the purpose of accumulating growth capital for data services and National Finance Center operations shall not exceed \$2,000,000: Provided, That no funds in this Act appropriated to an agency of the Department shall be transferred to the Working Capital Fund without the approval of the agency administrator.

SEC. 705. New obligational authority provided for the following appropriation items in this Act shall remain available until expended: Animal and Plant Health Inspection Service, the contingency fund to meet emergency conditions, fruit fly program, boll weevil program, up to 10 percent of the screwworm program, and up to \$2,000,000 for costs associated with colocating regional offices; Food Safety and Inspection Service, field automation and information management project; Cooperative State Research, Education, and Extension Service, funds for competitive research grants (7 U.S.C. 450i(b)) and funds for the Native American Institutions Endowment Fund; Farm Service Agency, salaries and expenses funds made available to county committees; Foreign Agricultural Service, middle-income country training program, and up to \$2,000,000 of the Foreign Agricultural Service appropriation solely for the purpose of offsetting fluctuations in international currency exchange rates, subject to documentation by the Foreign Agricultural Service.

SEC. 706. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 707. Not to exceed \$50,000 of the appropriations available to the Department of Agriculture in this Act shall be available to provide appropriate orientation and language training pursuant to section 606C of the Act of August 28, 1954 (7 U.S.C. 1766b; commonly known as the Agricultural Act of 1954).

SEC. 708. No funds appropriated by this Act may be used to pay negotiated indirect cost rates on cooperative agreements or similar arrangements between the United States Department of Agriculture and nonprofit institutions in excess of 10 percent of the total direct cost of the agreement when the purpose of such cooperative arrangements is to carry out programs of mutual interest between the two parties. This does not preclude appropriate payment of indirect costs on grants and contracts with such institutions when such indirect costs are computed on a similar basis for all agencies for which appropriations are provided in this Act.

SEC. 709. None of the funds in this Act shall be available to restrict the authority of the Commodity Credit Corporation to lease space for its own use or to lease space on behalf of other agencies of the Department of Agriculture when such space will be jointly occupied.

SEC. 710. None of the funds in this Act shall be available to pay indirect costs charged against competitive agricultural research, education, or extension grant awards issued by the Cooperative State Research, Education, and Extension Service that exceed 19 percent of total

Federal funds provided under each award: Provided, That notwithstanding section 1462 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3310), funds provided by this Act for grants awarded competitively by the Cooperative State Research, Education, and Extension Service shall be available to pay full allowable indirect costs for each grant awarded under section 9 of the Small Business Act (15 U.S.C. 638).

SEC. 711. Notwithstanding any other provision of this Act, all loan levels provided in this Act shall be considered estimates, not limitations.

SEC. 712. Appropriations to the Department of Agriculture for the cost of direct and guaranteed loans made available in fiscal year 2001 shall remain available until expended to cover obligations made in fiscal year 2001 for the following accounts: the rural development loan fund program account; the Rural Telephone Bank program account; the rural electrification and telecommunications loans program account; the Rural Housing Insurance Fund Program Account; and the rural economic development loans program account.

SEC. 713. Notwithstanding chapter 63 of title 31, United States Code, marketing services of the Agricultural Marketing Service; Grain Inspection, Packers and Stockyards Administration; the Animal and Plant Health Inspection Service; and the food safety activities of the Food Safety and Inspection Service may use cooperative agreements to reflect a relationship between the Agricultural Marketing Service; the Grain Inspection, Packers and Stockyards Administration; the Animal and Plant Health Inspection Service; or the Food Safety and Inspection Service and a State or Cooperator to carry out agricultural marketing programs, to carry out programs to protect the Nation's animal and plant resources, or to carry out educational programs or special studies to improve the safety of the Nation's food supply.

SEC. 714. Notwithstanding any other provision of law, the Secretary of Agriculture may enter into cooperative agreements (which may provide for the acquisition of goods or services, including personal services) with a State, political subdivision, or agency thereof, a public or private agency, organization, or any other person, if the Secretary determines that the objectives of the agreement will (1) serve a mutual interest of the parties to the agreement in carrying out the programs administered by the Natural Resources Conservation Service; and (2) all parties will contribute resources to the accomplishment of these objectives.

SEC. 715. None of the funds in this Act may be used to retire more than 5 percent of the Class A stock of the Rural Telephone Bank or to maintain any account or subaccount within the accounting records of the Rural Telephone Bank the creation of which has not specifically been authorized by statute: Provided, That notwithstanding any other provision of law, none of the funds appropriated or otherwise made available in this Act may be used to transfer to the Treasury or to the Federal Financing Bank any unobligated balance of the Rural Telephone Bank telephone liquidating account which is in excess of current requirements and such balance shall receive interest as set forth for financial accounts in section 505(c) of the Federal Credit Reform Act of 1990.

SEC. 716. Of the funds made available by this Act, not more than \$1,800,000 shall be used to cover necessary expenses of activities related to all advisory committees, panels, commissions, and task forces of the Department of Agriculture, except for panels used to comply with negotiated rule makings and panels used to evaluate competitively awarded grants: Provided, That interagency funding is authorized to carry out the purposes of the National Drought Policy Commission.

SEC. 717. None of the funds appropriated by this Act may be used to carry out section 410 of the Federal Meat Inspection Act (21 U.S.C.

679a) or section 30 of the Poultry Products Inspection Act (21 U.S.C. 471).

SEC. 718. No employee of the Department of Agriculture may be detailed or assigned from an agency or office funded by this Act to any other agency or office of the Department for more than 30 days unless the individual's employing agency or office is fully reimbursed by the receiving agency or office for the salary and expenses of the employee for the period of assignment.

SEC. 719. None of the funds appropriated or otherwise made available to the Department of Agriculture shall be used to transmit or otherwise make available to any non-Department of Agriculture employee questions or responses to questions that are a result of information requested for the appropriations hearing process.

SEC. 720. None of the funds made available to the Department of Agriculture by this Act may be used to acquire new information technology systems or significant upgrades, as determined by the Office of the Chief Information Officer, without the approval of the Chief Information Officer and the concurrence of the Executive Information Technology Investment Review Board: Provided, That notwithstanding any other provision of law, none of the funds appropriated or otherwise made available by this Act may be transferred to the Office of the Chief Information Officer without the prior approval of the Committee on Appropriations of both Houses of Congress.

SEC. 721. (a) None of the funds provided by this Act, or provided by previous Appropriations Acts to the agencies funded by this Act that remain available for obligation or expenditure in fiscal year 2001, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditure through a reprogramming of funds which: (1) creates new programs; (2) eliminates a program, project, or activity; (3) increases funds or personnel by any means for any project or activity for which funds have been denied or restricted; (4) relocates an office or employees; (5) reorganizes offices, programs, or activities; or (6) contracts out or privatizes any functions or activities presently performed by Federal employees; unless the Committee on Appropriations of both Houses of Congress are notified 15 days in advance of such reprogramming of funds.

(b) None of the funds provided by this Act, or provided by previous Appropriations Acts to the agencies funded by this Act that remain available for obligation or expenditure in fiscal year 2001, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditure for activities, programs, or projects through a reprogramming of funds in excess of \$500,000 or 10 percent, whichever is less, that: (1) augments existing programs, projects, or activities; (2) reduces by 10 percent funding for any existing program, project, or activity, or numbers of personnel by 10 percent as approved by Congress; or (3) results from any general savings from a reduction in personnel which would result in a change in existing programs, activities, or projects as approved by Congress; unless the Committee on Appropriations of both Houses of Congress are notified 15 days in advance of such reprogramming of funds.

SEC. 722. None of the funds appropriated or otherwise made available by this Act or any other Act may be used to pay the salaries and expenses of personnel to carry out the transfer or obligation of fiscal year 2001 funds under section 793 of Public Law 104-127 (7 U.S.C. 2204f).

SEC. 723. None of the funds appropriated or otherwise made available by this Act shall be used to pay the salaries and expenses of personnel who carry out an environmental quality incentives program authorized by chapter 4 of

subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3839aa et seq.) in excess of \$174,000,000.

SEC. 724. None of the funds appropriated or otherwise made available by this or any other Act shall be used to pay the salaries and expenses of personnel to carry out the transfer or obligation of fiscal year 2001 funds under the provisions of section 401 of Public Law 105-185, the Initiative for Future Agriculture and Food Systems (7 U.S.C. 7621).

SEC. 725. None of the funds appropriated or otherwise made available by this Act shall be used to carry out any commodity purchase program that would prohibit eligibility or participation by farmer-owned cooperatives.

SEC. 726. None of the funds appropriated or otherwise made available by this Act shall be used to pay the salaries and expenses of personnel to carry out a conservation farm option program, as authorized by section 1240M of the Food Security Act of 1985 (16 U.S.C. 3839bb).

SEC. 727. None of the funds made available to the Food and Drug Administration by this Act shall be used to close or relocate, or to plan to close or relocate, the Food and Drug Administration Division of Drug Analysis in St. Louis, Missouri.

SEC. 728. None of the funds made available to the Food and Drug Administration by this Act shall be used to reduce the Detroit, Michigan, Food and Drug Administration District Office below the operating and full-time equivalent staffing level of July 31, 1999; or to change the Detroit District Office to a station, residence post or similarly modified office; or to reassign residence posts assigned to the Detroit District Office: Provided, That this section shall not apply to Food and Drug Administration field laboratory facilities or operations currently located in Detroit, Michigan, except that field laboratory personnel shall be assigned to locations in the general vicinity of Detroit, Michigan, pursuant to cooperative agreements between the Food and Drug Administration and other laboratory facilities associated with the State of Michigan.

SEC. 729. Hereafter, none of the funds appropriated by this Act or any other Act may be used to:

(1) carry out the proviso under 7 U.S.C. 1622(f); or

(2) carry out 7 U.S.C. 1622(h) unless the Secretary of Agriculture inspects and certifies agricultural processing equipment, and imposes a fee for the inspection and certification, in a manner that is similar to the inspection and certification of agricultural products under that section, as determined by the Secretary: Provided, That this provision shall not affect the authority of the Secretary to carry out the Federal Meat Inspection Act (21 U.S.C. 601 et seq.), the Poultry Products Inspection Act (21 U.S.C. 451 et seq.), or the Egg Products Inspection Act (21 U.S.C. 1031 et seq.).

SEC. 730. None of the funds appropriated by this Act or any other Act shall be used to pay the salaries and expenses of personnel who prepare or submit appropriations language as part of the President's Budget submission to the Congress of the United States for programs under the jurisdiction of the Appropriations Subcommittees on Agriculture, Rural Development, and Related Agencies that assumes revenues or reflects a reduction from the previous year due to user fees proposals that have not been enacted into law prior to the submission of the Budget unless such Budget submission identifies which additional spending reductions should occur in the event the user fees proposals are not enacted prior to the date of the convening of a committee of conference for the fiscal year 2001 appropriations Act.

SEC. 731. None of the funds appropriated or otherwise made available by this Act shall be used to establish an Office of Community Food Security or any similar office within the United States Department of Agriculture without the



prior approval of the Committee on Appropriations of both Houses of Congress.

SEC. 732. None of the funds appropriated or otherwise made available by this or any other Act may be used to carry out provision of section 612 of Public Law 105-185.

SEC. 733. None of the funds appropriated or otherwise made available by this Act may be used to declare excess or surplus all or part of the lands and facilities owned by the Federal Government and administered by the Secretary of Agriculture at Fort Reno, Oklahoma, or to transfer or convey such lands or facilities prior to July 1, 2001, without the specific authorization of Congress.

SEC. 734. None of the funds appropriated or otherwise made available by this Act or any other Act shall be used for the implementation of a Support Services Bureau or similar organization.

SEC. 735. Notwithstanding any other provision of law, for any fiscal year, in the case of a high cost, isolated rural area of the State of Alaska that is not connected to a road system—

(1) in the case of assistance provided by the Rural Housing Service for single family housing under title V of the Housing Act of 1949 (7 U.S.C. 1471 et seq.), the maximum income level for the assistance shall be 150 percent of the average income level in metropolitan areas of the State;

(2) in the case of community facility loans and grants provided under paragraphs (1) and (19), respectively, of section 306(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)) and assistance provided under programs carried out by the Rural Utilities Service, the maximum income level for the loans, grants, and assistance shall be 150 percent of the average income level in nonmetropolitan areas of the State;

(3) in the case of a business and industry guaranteed loan made under section 310B(a)(1) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932(a)(1)), to the extent permitted under that Act, the Secretary of Agriculture shall—

(A) guarantee the repayment of 90 percent of the principal and interest due on the loan; and

(B) charge a loan origination and servicing fee in an amount not to exceed 1 percent of the amount of the loan; and

(4) in the case of assistance provided under the Rural Community Development Initiative for fiscal year 2000 carried out under the rural community advancement program established under subtitle E of the Consolidated Farm and Rural Development Act (7 U.S.C. 2009 et seq.), the median household income level, and the not employed rate, with respect to applicants for assistance under the Initiative shall be scored on a community-by-community basis.

SEC. 736. Hereafter, notwithstanding any other provision of law, no housing or residence in a foreign country purchased by an agent or instrumentality of the United States, for the purpose of housing the agricultural attaché, shall be sold or disposed of without the approval of the Foreign Agricultural Service of the United States Department of Agriculture, including property purchased using foreign currencies generated under the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480) and used or occupied by agricultural attachés of the Foreign Agricultural Service: Provided, That the Department of State/Office of Foreign Buildings may sell such properties with the concurrence of the Foreign Agricultural Service if the proceeds are used to acquire suitable properties of appropriate size for Foreign Agricultural Service agricultural attachés: Provided further, That the Foreign Agricultural Service shall have the right to occupy such residences in perpetuity with costs limited to appropriate maintenance expenses.

SEC. 737. Hereafter, funds appropriated to the Department of Agriculture may be used to employ individuals to perform services outside the

United States as determined by the agencies to be necessary or appropriate for carrying out programs and activities abroad; and such employment actions, hereafter referred to as Personal Service Agreements (PSA), are authorized to be negotiated, the terms of the PSA to be prescribed and work to be performed, where necessary, without regard to such statutory provisions as related to the negotiation, making and performance of contracts and performance of work in the United States: Provided, That individuals employed under a PSA to perform such services outside the United States shall not, by virtue of such employment, be considered employees of the United States government for purposes of any law administered by the Office of Personnel Management: Provided further, That such individuals may be considered employees within the meaning of the Federal Employee Compensation Act, 5 U.S.C. 8101 et seq.: Provided further, That Government service credit shall be accrued for the time employed under a PSA should the individual later be hired into a permanent U.S. Government position if their authorities so permit.

SEC. 738. None of the funds made available by this Act or any other Act may be used to close or relocate a state Rural Development office unless or until cost effectiveness and enhancement of program delivery have been determined.

SEC. 739. Of any shipments of commodities made pursuant to Section 416(b) of the Agricultural Act of 1949 (7 U.S.C. 1431(b)), the Secretary of Agriculture shall, to the extent practicable, direct that tonnage equal in value to not less than \$25,000,000 shall be made available to foreign countries to assist in mitigating the effects of the Human Immunodeficiency Virus and Acquired Immune Deficiency Syndrome on communities, including the provision of—

(1) agricultural commodities to—

(A) individuals with Human Immunodeficiency Virus or Acquired Immune Deficiency Syndrome in the communities, and

(B) households in the communities, particularly individuals caring for orphaned children; and

(2) agricultural commodities monetized to provide other assistance (including assistance under microcredit and microenterprise programs) to create or restore sustainable livelihoods among individuals in the communities, particularly individuals caring for orphaned children.

SEC. 740. AMENDMENT TO FEDERAL FOOD, DRUG, AND COSMETIC ACT. (a) SHORT TITLE.—This section may be cited as the “Medicine Equity and Drug Safety Act of 2000”.

(b) FINDINGS.—Congress makes the following findings:

(1) The cost of prescription drugs for Americans continues to rise at an alarming rate.

(2) Millions of Americans, including Medicare beneficiaries on fixed incomes, face a daily choice between purchasing life-sustaining prescription drugs, or paying for other necessities, such as food and housing.

(3) Many life-saving prescription drugs are available in countries other than the United States at substantially lower prices, even though such drugs were developed and are approved for use by patients in the United States.

(4) Many Americans travel to other countries to purchase prescription drugs because the medicines that they need are unaffordable in the United States.

(5) Americans should be able to purchase medicines at prices that are comparable to prices for such medicines in other countries, but efforts to enable such purchases should not endanger the gold standard for safety and effectiveness that has been established and maintained in the United States.

(c) AMENDMENT.—Chapter VIII of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 381 et seq.) is amended—

(1) in section 801(d)(1), by inserting “and section 804” after “paragraph (2)”; and

(2) by adding at the end the following:

**“SEC. 804. IMPORTATION OF COVERED PRODUCTS.**

“(a) REGULATIONS.—

“(1) IN GENERAL.—Notwithstanding sections 301(d), 301(t), and 801(t), the Secretary, after consultation with the United States Trade Representative and the Commissioner of Customs, shall promulgate regulations permitting importation into the United States of covered products.

“(2) LIMITATION.—Regulations promulgated under paragraph (1) shall—

“(A) require that safeguards are in place that provide a reasonable assurance to the Secretary that each covered product that is imported is safe and effective for its intended use;

“(B) require that the pharmacist or wholesaler importing a covered product complies with the provisions of subsection (b); and

“(C) contain such additional safeguards as the Secretary may specify in order to ensure the protection of the public health of patients in the United States.

“(3) RECORDS.—Regulations promulgated under paragraph (1) shall require that records regarding such importation described in subsection (b) be provided to and maintained by the Secretary for a period of time determined to be necessary by the Secretary.

“(b) IMPORTATION.—

“(1) IN GENERAL.—The Secretary shall promulgate regulations permitting a pharmacist or wholesaler to import into the United States a covered product.

“(2) REGULATIONS.—Regulations promulgated under paragraph (1) shall require such pharmacist or wholesaler to provide information and records to the Secretary, including—

“(A) the name and amount of the active ingredient of the product and description of the dosage form;

“(B) the date that such product is shipped and the quantity of such product that is shipped, points of origin and destination for such product, the price paid for such product, and the resale price for such product;

“(C) documentation from the foreign seller specifying the original source of the product and the amount of each lot of the product originally received;

“(D) the manufacturer’s lot or control number of the product imported;

“(E) the name, address, and telephone number of the importer, including the professional license number of the importer, if the importer is a pharmacist or pharmaceutical wholesaler;

“(F) for a product that is—

“(i) coming from the first foreign recipient of the product who received such product from the manufacturer—

“(I) documentation demonstrating that such product came from such recipient and was received by such recipient from such manufacturer;

“(II) documentation of the amount of each lot of the product received by such recipient to demonstrate that the amount being imported into the United States is not more than the amount that was received by such recipient;

“(III) documentation that each lot of the initial imported shipment was statistically sampled and tested for authenticity and degradation by the importer or manufacturer of such product;

“(IV) documentation demonstrating that a statistically valid sample of all subsequent shipments from such recipient was tested at an appropriate United States laboratory for authenticity and degradation by the importer or manufacturer of such product; and

“(V) certification from the importer or manufacturer of such product that the product is approved for marketing in the United States and meets all labeling requirements under this Act; and

“(ii) not coming from the first foreign recipient of the product, documentation that each lot in all shipments offered for importation into the

United States was statistically sampled and tested for authenticity and degradation by the importer or manufacturer of such product, and meets all labeling requirements under this Act;

“(G) laboratory records, including complete data derived from all tests necessary to assure that the product is in compliance with established specifications and standards; and

“(H) any other information that the Secretary determines is necessary to ensure the protection of the public health of patients in the United States.

“(c) TESTING.—Testing referred to in subparagraphs (F) and (G) of subsection (b)(2) shall be done by the pharmacist or wholesaler importing such product, or the manufacturer of the product. If such tests are conducted by the pharmacist or wholesaler, information needed to authenticate the product being tested and confirm that the labeling of such product complies with labeling requirements under this Act shall be supplied by the manufacturer of such product to the pharmacist or wholesaler, and as a condition of maintaining approval by the Food and Drug Administration of the product, such information shall be kept in strict confidence and used only for purposes of testing under this Act.

“(d) STUDY AND REPORT.—

“(1) STUDY.—The Secretary shall conduct, or contract with an entity to conduct, a study on the imports permitted under this section, taking into consideration the information received under subsections (a) and (b). In conducting such study, the Secretary or entity shall—

“(A) evaluate importers' compliance with regulations, and the number of shipments, if any, permitted under this section that have been determined to be counterfeit, misbranded, or adulterated; and

“(B) consult with the United States Trade Representative and United States Patent and Trademark Office to evaluate the effect of importations permitted under this Act on trade and patent rights under Federal law.

“(2) REPORT.—Not later than 5 years after the effective date of final regulations issued pursuant to this section, the Secretary shall prepare and submit to Congress a report containing the study described in paragraph (1).

“(e) CONSTRUCTION.—Nothing in this section shall be construed to limit the statutory, regulatory, or enforcement authority of the Secretary relating to importation of covered products, other than the importation described in subsections (a) and (b).

“(f) DEFINITIONS.—In this section:

“(1) COVERED PRODUCT.—The term ‘covered product’ means a prescription drug under section 503(b)(1) that meets the applicable requirements of section 505, and is approved by the Food and Drug Administration and manufactured in a facility identified in the approved application and is not adulterated under section 501 or misbranded under section 502.

“(2) PHARMACIST.—The term ‘pharmacist’ means a person licensed by a State to practice pharmacy in the United States, including the dispensing and selling of prescription drugs.

“(3) WHOLESALER.—The term ‘wholesaler’ means a person licensed as a wholesaler or distributor of prescription drugs in the United States.

“(g) CONDITIONS.—This section shall become effective only if the Secretary of the Department of Health and Human Services certifies to the Congress that the implementation of this section will—

“(1) pose no risk to the public's health and safety; and

“(2) result in a significant reduction in the cost of covered products to the American consumer.”

SEC. 741. Section 2111(a)(3) of the Organic Foods Production Act of 1990 (7 U.S.C. 651(a)(3)) is amended by adding after “sulfites,” “except in the production of wine.”

SEC. 742. None of the funds made available by this Act may be used to require an office of the

Farm Service Agency that is using FINPACK on May 17, 1999, for financial planning and credit analysis, to discontinue use of FINPACK for six months from the date of enactment of this Act.

SEC. 743. Hereafter, the Secretary of Agriculture shall consider any borrower whose income does not exceed 115 percent of the median family income of the United States as meeting the eligibility requirements for a borrower contained in section 502(h)(2) of the Housing Act of 1949 (42 U.S.C. 1472(h)(2)).

SEC. 744. SENSE OF THE SENATE REGARDING PREFERENCE FOR ASSISTANCE FOR VICTIMS OF DOMESTIC VIOLENCE. It is the sense of the Senate that the Secretary of Agriculture, in selecting public agencies and nonprofit organizations to provide transitional housing under section 592(c) of subtitle G of title IV of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11408a(c)), should consider preferences for agencies and organizations that provide transitional housing for individuals and families who are homeless as a result of domestic violence.

SEC. 745. NATURAL CHEESE STANDARD.—(a) PROHIBITION.—Section 401 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 341) is amended—

(1) by striking “Whenever” and inserting “(a) Whenever”; and

(2) by adding at the end the following:

“(b) The Commissioner may not use any Federal funds to amend section 133.3 of title 21, Code of Federal Regulations (or any corresponding similar regulation or ruling), to include dry ultra-filtered milk or casein in the definition of the term ‘milk’ or ‘nonfat milk’, as specified in the standards of identity for cheese and cheese products published at part 133 of title 21, Code of Federal Regulations (or any corresponding similar regulation or ruling).”

(b) IMPORTATION STUDY.—Not later than 90 days after the date of enactment of this Act, the Comptroller General of the United States shall—

(1) conduct a study to determine—

(A) the quantity of ultra-filtered milk that is imported annually into the United States; and

(B) the end use of that imported milk; and

(2) submit to Congress a report that describes the results of the study.

SEC. 746. None of the funds appropriated by this Act to the United States Department of Agriculture may be used to implement or administer the final rule issued in docket number 97-110, at 65 Federal Register 37608-37669 until such time as the USDA completes an independent peer review of the rule and the risk assessment underlying the rule.

SEC. 747. DAIRY EXPORT INCENTIVE PROGRAM.—Section 153(c) of the Food Security Act of 1985 (15 U.S.C. 713a-14(c)) is amended—

(1) in paragraph (3), by striking “and” at the end;

(2) in paragraph (4), by striking the period at the end and inserting “; and”; and

(3) by adding at the end the following:

“(5)(A) any award entered into under the program that is canceled or voided after June 30, 1995, is made available for reassignment under the program as long as a World Trade Organization violation is not incurred; and

“(B) any reassignment under subparagraph (A) is not reported as a new award when reporting the use of the reassigned tonnage to the World Trade Organization.”

SEC. 748. STATE AGRICULTURAL MEDIATION PROGRAMS. (a) ELIGIBLE PERSON; MEDIATION SERVICES.—Section 501 of the Agricultural Credit Act of 1987 (7 U.S.C. 5101) is amended—

(1) in subsection (c), by striking paragraphs (1) and (2) and inserting the following:

“(1) ISSUES COVERED.—

“(A) IN GENERAL.—To be certified as a qualifying State, the mediation program of the State must provide mediation services to persons described in paragraph (2) that are involved in agricultural loans (regardless of whether the loans are made or guaranteed by the Secretary or made by a third party).

“(B) OTHER ISSUES.—The mediation program of a qualifying State may provide mediation services to persons described in paragraph (2) that are involved in 1 or more of the following issues under the jurisdiction of the Department of Agriculture:

“(i) Wetlands determinations.

“(ii) Compliance with farm programs, including conservation programs.

“(iii) Agricultural credit.

“(iv) Rural water loan programs.

“(v) Grazing on National Forest System land.

“(vi) Pesticides.

“(vii) Such other issues as the Secretary considers appropriate.

“(2) PERSONS ELIGIBLE FOR MEDIATION.—The persons referred to in paragraph (1) include—

“(A) agricultural producers;

“(B) creditors of producers (as applicable); and

“(C) persons directly affected by actions of the Department of Agriculture.”; and

(2) by adding at the end the following:

“(d) DEFINITION OF MEDIATION SERVICES.—In this section, the term ‘mediation services’, with respect to mediation or a request for mediation, may include all activities related to—

“(1) the intake and scheduling of cases;

“(2) the provision of background and selected information regarding the mediation process;

“(3) financial advisory and counseling services (as appropriate) performed by a person other than a State mediation program mediator; and

“(4) the mediation session.”.

(b) USE OF MEDIATION GRANTS.—Section 502(c) of the Agricultural Credit Act of 1987 (7 U.S.C. 5102(c)) is amended—

(1) by striking “Each” and inserting the following:

“(1) IN GENERAL.—Each”; and

(2) by adding at the end the following:

“(2) OPERATION AND ADMINISTRATION EXPENSES.—For purposes of paragraph (1), operation and administration expenses for which a grant may be used include—

“(A) salaries;

“(B) reasonable fees and costs of mediators;

“(C) office rent and expenses, such as utilities and equipment rental;

“(D) office supplies;

“(E) administrative costs, such as workers' compensation, liability insurance, the employer's share of Social Security, and necessary travel;

“(F) education and training;

“(G) security systems necessary to ensure the confidentiality of mediation sessions and records of mediation sessions;

“(H) costs associated with publicity and promotion of the mediation program;

“(I) preparation of the parties for mediation; and

“(J) financial advisory and counseling services for parties requesting mediation.”.

(c) AUTHORIZATION OF APPROPRIATIONS.—Section 506 of the Agricultural Credit Act of 1987 (7 U.S.C. 5106) is amended by striking “2000” and inserting “2005”.

SEC. 749. GOOD FAITH RELIANCE. The Food Security Act of 1985 is amended by inserting after section 1230 (16 U.S.C. 3830) the following:

“SEC. 1230A. GOOD FAITH RELIANCE.

“(a) IN GENERAL.—Except as provided in subsection (d) and notwithstanding any other provision of this chapter, the Secretary shall provide equitable relief to an owner or operator that has entered into a contract under this chapter, and that is subsequently determined to be in violation of the contract, if the owner or operator in attempting to comply with the terms of the contract and enrollment requirements took actions in good faith reliance on the action or advice of an authorized representative of the Secretary.

“(b) TYPES OF RELIEF.—The Secretary shall—

“(1) to the extent the Secretary determines that an owner or operator has been injured by

good faith reliance described in subsection (a), allow the owner or operator to do any one or more of the following—

“(A) to retain payments received under the contract;

“(B) to continue to receive payments under the contract;

“(C) to keep all or part of the land covered by the contract enrolled in the applicable program under this chapter;

“(D) to reenroll all or part of the land covered by the contract in the applicable program under this chapter; or

“(E) or any other equitable relief the Secretary deems appropriate; and

“(2) require the owner or operator to take such actions as are necessary to remedy any failure to comply with the contract.

“(c) **RELATION TO OTHER LAW.**—The authority to provide relief under this section shall be in addition to any other authority provided in this or any other Act.

“(d) **EXCEPTION.**—This section shall not apply to a pattern of conduct in which an authorized representative of the Secretary takes actions or provides advice with respect to an owner or operator that the representative and the owner or operator know are inconsistent with applicable law (including regulations).

“(e) **APPLICABILITY OF RELIEF.**—Relief under this section shall be available for contracts in effect on January 1, 2000 and for all subsequent contracts.”.

**SEC. 750. AVAILABILITY OF DATA ON IMPORTED HERBS.** The Secretary of Agriculture and the Secretary of the Treasury shall publish and otherwise make available (including through electronic media) data collected monthly by each Secretary on herbs imported into the United States.

#### DIVISION B

The following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2000, and for other purposes, namely:

##### TITLE I

#### NATURAL DISASTER ASSISTANCE AND OTHER EMERGENCY APPROPRIATIONS

##### CHAPTER 1

#### DEPARTMENT OF AGRICULTURE

#### ANIMAL AND PLANT HEALTH INSPECTION SERVICE

##### SALARIES AND EXPENSES

For an additional amount for “Salaries and Expenses”, \$59,400,000, to be available until September 30, 2001: Provided, That this amount shall be used for the boll weevil eradication program for cost share purposes or for debt retirement for active eradication zones: Provided, That the entire amount shall be available only to the extent an official budget request for \$59,400,000, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: Provided further, That the entire amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(A) of such Act.

##### GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION

For an additional amount for the Grain Inspection, Packers and Stockyards Administration, \$600,000 for completion of a biotechnology reference facility: Provided, That the entire amount shall be available only to the extent an official budget request for \$600,000, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: Provided further, That the entire amount is designated by Congress as an emergency requirement in accordance with section 251(b)(2)(A) of that Act.

##### FEDERAL CROP INSURANCE CORPORATION FUND

For an additional amount for the Federal Crop Insurance Corporation Fund, up to \$13,000,000, to provide premium discounts to purchasers of crop insurance reinsured by the Corporation (except for catastrophic risk protection coverage), as authorized under section 1102(g)(2) of the Agriculture, Rural Development, Food and Drug Administration and Related Agencies Appropriations Act, 1999 (Public Law 105-277): Provided, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

##### NATURAL RESOURCES CONSERVATION SERVICE WATERSHED AND FLOOD PREVENTION OPERATIONS

For an additional amount for “Watershed and Flood Prevention Operations”, to repair damages to the waterways and watersheds, including the purchase of floodplain easements, resulting from natural disasters, \$70,000,000, to remain available until expended: Provided, That funds shall be used for activities identified by July 18, 2000: Provided further, That the entire amount shall be available only to the extent an official budget request for \$70,000,000, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: Provided further, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of such Act.

##### RURAL COMMUNITY ADVANCEMENT PROGRAM

For an additional amount for the Rural Community Advancement Program, \$50,000,000 to provide grants pursuant to the Rural Community Facilities Grant Program for areas of extreme unemployment or economic depression, subject to authorization: Provided, That the entire amount shall be available only to the extent an official budget request for \$50,000,000, that includes designation of the entire amount of the request as an emergency requirement as defined by the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: Provided further, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

For an additional amount for the Rural Community Advancement Program, \$30,000,000 to provide grants pursuant to the Rural Utility Service Grant Program for rural communities with extremely high energy costs, subject to authorization: Provided, That the entire amount shall be available only to the extent an official budget request for \$30,000,000, that includes designation of the entire amount of the request as an emergency requirement as defined by the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: Provided further, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

For an additional amount for the Rural Community Advancement Program, \$50,000,000, for the cost of direct loans and grants of the rural utilities programs described in section 381E(d)(2) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2009f), as provided in 7 U.S.C. 1926(a) and 7 U.S.C. 1926C for distributions through the national reserve for applications associated with a risk to public health or the environment or a natural emergency: Provided, That of the amount provided by this paragraph, \$10,000,000 may only be used in counties which have received an emergency designation by the President or the Secretary after

January 1, 2000, for applications responding to water shortages resulting from the designated emergency: Provided further, That the entire amount necessary to carry out this section shall be available only to the extent that an official budget request for \$50,000,000, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: Provided further, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of such Act.

For an additional amount for the rural community advancement program under subtitle E of the Consolidated Farm and Rural Development Act (7 U.S.C. 2009 et seq.), \$50,000,000, to remain available until expended, to provide loans under the community facility direct and guaranteed loans program and grants under the community facilities grant program under paragraphs (1) and (19), respectively, of section 306(a) of that Act (7 U.S.C. 1926(a)) with respect to areas in the State of North Carolina subject to a declaration of a major disaster under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) as a result of Hurricane Floyd, Hurricane Dennis, or Hurricane Irene: Provided, That the \$50,000,000 shall be available only to the extent that the President submits to Congress an official budget request for a specific dollar amount that includes designation of the entire amount of the request as an emergency requirement for the purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 900 et seq.): Provided further, That the \$50,000,000 is designated by Congress as an emergency requirement under section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(b)(2)(A)).

##### RURAL UTILITIES SERVICE

##### RURAL ELECTRIFICATION AND

##### TELECOMMUNICATIONS LOANS PROGRAM ACCOUNT

For additional five percent rural electrification loans pursuant to the authority of section 305 of the Rural Electrification Act of 1936 (7 U.S.C. 935), \$111,111,000.

For the additional cost, as defined in section 502 of the Congressional Budget Act of 1974, including the cost of modifying loans, of five percent rural electrification loans authorized by the Rural Electrification Act of 1936 (7 U.S.C. 935), \$1,000,000: Provided, That the entire amount shall be available only to the extent an official budget request for \$1,000,000, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: Provided further, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of such Act.

##### GENERAL PROVISIONS—THIS CHAPTER

**SEC. 1101.** Notwithstanding section 11 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714i), an additional \$35,000,000, to remain available until expended, shall be provided through the Commodity Credit Corporation in fiscal year 2000 for technical assistance activities performed by any agency of the Department of Agriculture in carrying out the Conservation Reserve Program and the Wetlands Reserve Program funded by the Commodity Credit Corporation: Provided, That the entire amount shall be available only to the extent an official budget request for \$35,000,000, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: Provided further, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of such Act.

SEC. 1102. The paragraph under the heading "Livestock Assistance" in chapter 1, title I of H.R. 3425 of the 106th Congress, enacted by section 1000(a)(5) of Public Law 106-113 (113 Stat. 1536) is amended by striking "during 1999" and inserting "from January 1, 1999, through February 7, 2000": Provided, That the entire amount necessary to carry out this section shall be available only to the extent that an official budget request for the entire amount, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: Provided further, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of such Act.

SEC. 1103. Hereafter, for the purposes of the Livestock Indemnity Program authorized in Public Law 105-18, the term "livestock" shall have the same meaning as the term "livestock" under section 104 of Public Law 106-31.

SEC. 1104. The Secretary shall use the funds, facilities and authorities of the Commodity Credit Corporation to make and administer supplemental payments to dairy producers who received a payment under section 805 of Public Law 106-78 in an amount equal to thirty-five percent of the reduction in market value of milk production in 2000, as determined by the Secretary, based on price estimates as of the date of enactment of this Act, from the previous five-year average and on the base production of the producer used to make a payment under section 805 of Public Law 106-78: Provided, That the Secretary shall make payments to producers under this section in a manner consistent with and subject to the same limitations on payments and eligible production as the payments to dairy producers under section 805 of Public Law 106-78: Provided further, That the Secretary shall make a determination as to whether a dairy producer is considered a new producer for purposes of section 805 by taking into account the number of months such producer has operated as a dairy producer in order to calculate a payment rate for such producer: Provided further, That the entire amount necessary to carry out this section shall be available only to the extent that an official budget request for the entire amount, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: Provided further, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of such Act.

SEC. 1105. Notwithstanding any other provision of law, the Secretary of Agriculture may use the funds, facilities and authorities of the Commodity Credit Corporation to administer and make payments to: (a) compensate growers whose crops could not be sold due to Mexican fruit fly quarantines in San Diego and San Bernardino/Riverside counties in California since their imposition on November 16, 1999, and September 10, 1999, respectively; (b) compensate growers in relation to the Secretary's "Declaration of Extraordinary Emergency" on March 2, 2000, regarding the plum pox virus; (c) compensate growers for losses due to Pierce's disease; and (d) compensate growers for losses incurred due to infestations of grasshoppers and mormon crickets: Provided, That the entire amount necessary to carry out this section shall be available only to the extent that an official budget request for the entire amount, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: Provided further, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of such Act.

SEC. 1106. The Secretary shall use the funds, facilities and authorities of the Commodity Credit Corporation to make and administer supplemental payments to dairy producers who received a payment under section 805 of Public Law 106-78 in an amount equal to 35 percent of the reduction in market value of milk production in 2000, as determined by the Secretary, based on price estimates as of the date of enactment of this Act, from the previous 5-year average and on the base production of the producer used to make a payment under section 805 of Public Law 106-78: Provided, That these funds shall be available until September 30, 2001: Provided further, That the Secretary shall make payments to producers under this section in a manner consistent with and subject to the same limitations on payments and eligible production as, the payments to dairy producers under section 805 of Public Law 106-78: Provided further, That the Secretary shall make provisions for making payments, in addition, to new producers: Provided further, That for any producers, including new producers, whose base production was less than twelve months for purposes of section 805 of Public Law 106-78, the producer's base production for the purposes of payments under this section may be, at the producer's option, the production of that producer in the 12 months preceding the enactment of this section or the producer's base production under the program operated under section 805 of Public Law 106-78 subject to such limitations as apply to other producers: Provided further, That the entire amount necessary to carry out this section shall be available only to the extent that an official budget request for the entire amount, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: Provided further, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of such Act.

SEC. 1107. The Secretary shall use the funds, facilities and authorities of the Commodity Credit Corporation in an amount equal to \$450,000,000 to make and administer payments for livestock losses using the criteria established to carry out the 1999 Livestock Assistance Program (except for application of the national percentage reduction factor) to producers for 2000 losses in a county which has received an emergency designation by the President or the Secretary after January 1, 2000, and shall be available until September 30, 2001: Provided, That the Secretary shall give consideration to the effect of recurring droughts in establishing the level of payments to producers under this section: Provided further, That of the \$450,000,000 amount, the Secretary shall use not less than \$5,000,000 to provide assistance for emergency haying and feed operations in the State of Alabama: Provided further, That of the funds made available by this section, up to \$40,000,000 may be used to carry out the Pasture Recovery Program: Provided further, That the payments to a producer made available through the Pasture Recovery Program shall be no less than 65 percent of the average cost of reseeded: Provided further, That the entire amount necessary to carry out this section shall be available only to the extent that an official budget request for \$450,000,000, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: Provided further, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of such Act.

SEC. 1108. In using amounts made available under section 801(a) of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000

(7 U.S.C. 1421 note; Public Law 106-78), or under the matter under the heading "CROP LOSS ASSISTANCE" under the heading "COMMODITY CREDIT CORPORATION FUND" of H.R. 3425 of the 106th Congress, as enacted by section 1001(a)(5) of Public Law 106-113 (113 Stat. 1536, 1501A-289), to provide emergency financial assistance to producers on a farm that have incurred losses in a 1999 crop due to a disaster, the Secretary of Agriculture shall consider nursery stock losses caused by Hurricane Irene on October 16 and 17, 1999, to be losses to the 1999 crop of nursery stock: Provided, That the entire amount necessary to carry out this section shall be available only to the extent that an official budget request for the entire amount, that includes designation of the entire amount of the request as an emergency requirement under the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 900 et seq.), is transmitted by the President to the Congress: Provided further, That the entire amount necessary to carry out this section is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(A) of that Act (2 U.S.C. 901(b)(2)(A)).

SEC. 1109. Notwithstanding section 1237(b)(1) of the Food Security Act of 1985 (16 U.S.C. 3837(b)(1)), the Secretary of Agriculture may permit the enrollment of not to exceed 1,075,000 acres in the wetlands reserve program: Provided, That notwithstanding section 11 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714i), such sums as may be necessary, to remain available until expended, shall be provided through the Commodity Credit Corporation in fiscal year 2000 for technical assistance activities performed by any agency of the Department of Agriculture in carrying out this section: Provided further, That the entire amount necessary to carry out this section shall be available only to the extent that an official budget request for the entire amount, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: Provided further, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of such Act.

SEC. 1110. In addition to other compensation paid by the Secretary of Agriculture, the Secretary shall compensate or otherwise seek to make whole, from funds of the Commodity Credit Corporation, not to exceed \$4,000,000, the owners of all sheep destroyed from flocks under the Secretary's declarations of July 14, 2000 for lost income, or other business interruption losses, due to actions of the Secretary with respect to such sheep: Provided, That the entire amount necessary to carry out this section shall be available only to the extent that an official budget request for the entire amount, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: Provided further, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of such Act.

SEC. 1111. Notwithstanding any other provision of law (including the Federal Grants and Cooperative Agreements Act) the Secretary of Agriculture shall use not more than \$40,000,000 of Commodity Credit Corporation funds for a cooperative program with the State of Florida to replace commercial trees removed to control citrus canker and to compensate for lost production: Provided, That the entire amount necessary to carry out this section shall be available only to the extent that an official budget request for the entire amount, that includes designation of the entire amount of the request as an emergency requirement under the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. et seq.), is transmitted by the President to Congress: Provided further, That

the entire amount necessary to carry out this section is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(A) of that Act (2 U.S.C. 901(b)(2)(A)).

SEC. 1112. For an additional amount for the Secretary of Agriculture to provide financial assistance to the State of South Carolina in capitalizing the South Carolina Grain Dealers Guaranty Fund, \$2,500,000: Provided, That, these funds shall only be available if the State of South Carolina provides an equal amount to the South Carolina Grain Dealers Guaranty Fund: Provided further, That the entire amount necessary to carry out this section shall be available only to the extent that an official budget request for the entire amount, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: Provided further, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of such Act.

SEC. 1113. (a) None of the funds appropriated or otherwise made available by this Act may be used to pay the salaries and expenses of personnel of the Department of Agriculture to carry out section 211 of the Agricultural Risk Protection Act of 2000 (16 U.S.C. 3830 note; Public Law 106-224) unless—

(1) the Secretary permits funds made available under section 211(b) of the Agricultural Risk Protection Act of 2000 to be used to provide financial or technical assistance to farmers and ranchers for the purposes described in section 211(b) of that Act; and

(2) notwithstanding section 387(c) of the Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 3836a(c)), the Secretary permits funds made available under section 211 of the Agricultural Risk Protection Act of 2000 (16 U.S.C. 3830 note; Public Law 106-224) to be used to provide additional funding for the Wildlife Habitat Incentive Program established under that section 387 in such sums as the Secretary considers necessary to carry out that Program.

(b) The entire amount necessary to carry out this section shall be available only to the extent that an official budget request for the entire amount, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: Provided, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of such Act.

SEC. 1114. CROP LOSS ASSISTANCE. (a) IN GENERAL.—The Secretary of Agriculture shall use such sums as are necessary of funds of the Commodity Credit Corporation (not to exceed \$450,000,000) to make emergency financial assistance available to producers on a farm that have incurred losses in a 2000 crop due to a disaster, as determined by the Secretary.

(b) ADMINISTRATION.—The Secretary shall make assistance available under this section in the same manner as provided under section 1102 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (7 U.S.C. 1421 note; Public Law 105-277), including using the same loss thresholds as were used in administering that section.

(c) QUALIFYING LOSSES.—Assistance under this section may be made available for losses due to damaging weather or related condition (including losses due to scab, sclerotinia, aflatoxin, and other crop diseases) associated with crops that are, as determined by the Secretary—

(1) quantity losses (including quantity losses as a result of quality losses);

(2) quality losses; or

(3) severe economic losses.

(d) CROPS COVERED.—Assistance under this section shall be applicable to losses for all crops, as determined by the Secretary, due to disasters.

(e) CROP INSURANCE.—In carrying out this section, the Secretary shall not discriminate against or penalize producers on a farm that have purchased crop insurance under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.).

(f) LIVESTOCK INDEMNITY PAYMENTS.—The Secretary may use such sums as are necessary of funds made available under this section to make livestock indemnity payments to producers on a farm that have incurred losses during calendar year 2000 for livestock losses due to a disaster, as determined by the Secretary.

(g) HAY LOSSES.—The Secretary may use such sums as are necessary of funds made available under this section to make payments to producers on a farm that have incurred losses of hay stock during calendar year 2000 due to a disaster, as determined by the Secretary.

(h) EMERGENCY REQUIREMENT.—

(1) IN GENERAL.—The entire amount necessary to carry out this section shall be available only to the extent that an official budget request for the entire amount, that includes designation of the entire amount of the request as an emergency requirement under the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 900 et seq.), is transmitted by the President to Congress.

(2) DESIGNATION.—The entire amount necessary to carry out this section is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(A) of that Act (2 U.S.C. 901(b)(2)(A)).

SEC. 1115. SPECIALTY CROPS. (a) IN GENERAL.—The Secretary of Agriculture shall use such sums as are necessary of funds of the Commodity Credit Corporation to make emergency financial assistance available to producers of fruits, vegetables, and other specialty crops, as determined by the Secretary, that incurred losses during the 1999 crop year due to a disaster, as determined by the Secretary.

(b) QUALIFYING LOSSES.—Assistance under this section may be made available for losses due to a disaster associated with specialty crops that are, as determined by the Secretary—

(1) quantity losses;

(2) quality losses; or

(3) severe economic losses.

(c) ELIGIBILITY.—Assistance under this section shall be applicable to losses for all specialty crops, as determined by the Secretary, due to disasters.

(d) CROP INSURANCE.—In carrying out this section, the Secretary shall not discriminate against or penalize producers on a farm that have purchased crop insurance under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.).

(e) EMERGENCY REQUIREMENT.—

(1) IN GENERAL.—The entire amount necessary to carry out this section shall be available only to the extent that an official budget request for the entire amount, that includes designation of the entire amount of the request as an emergency requirement under the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 900 et seq.), is transmitted by the President to Congress.

(2) DESIGNATION.—The entire amount necessary to carry out this section is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(A) of that Act (2 U.S.C. 901(b)(2)(A)).

SEC. 1116. Notwithstanding any other provision of law, the Secretary of Agriculture shall make a payment in the amount \$7,200,000 to the State of Hawaii from the Commodity Credit Corporation for assistance to an agricultural transportation cooperative in Hawaii, the members of which are eligible to participate in the Farm Service Agency administered Commodity Loan Program and have suffered extraordinary market losses due to unprecedented low prices.

SEC. 1117. APPLE MARKET LOSS ASSISTANCE AND QUALITY LOSS PAYMENTS FOR APPLES AND POTATOES.—(a) APPLE MARKET LOSS ASSISTANCE.—

(1) IN GENERAL.—In order to provide relief for loss of markets for apples, the Secretary of Agri-

culture shall use \$100,000,000 of funds of the Commodity Credit Corporation to make payments to apple producers.

(2) PAYMENT QUANTITY.—

(A) IN GENERAL.—Subject to subparagraph (B), the payment quantity of apples for which the producers on a farm are eligible for payments under this subsection shall be equal to the average quantity of the 1994 through 1999 crops of apples produced by the producers on the farm.

(B) MAXIMUM QUANTITY.—The payment quantity of apples for which the producers on a farm are eligible for payments under this subsection shall not exceed 1,600,000 pounds of apples produced on the farm.

(b) QUALITY LOSS PAYMENTS FOR APPLES AND POTATOES.—In addition to the assistance provided under subsection (a), the Secretary shall use \$60,000,000 of funds of the Commodity Credit Corporation to make payments to apple producers, and potato producers, that suffered quality losses to the 1999 and 2000 crop of potatoes and apples, respectively, due to, or related to, a 1999 or 2000 hurricane, fireblight or other weather related disaster.

(c) NONDUPLICATION OF PAYMENTS.—A producer shall be ineligible for payments under this section with respect to a market or quality loss for apples or potatoes to the extent that the producer is eligible for compensation or assistance for the loss under any other Federal program, other than the Federal crop insurance program established under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.).

(d) EMERGENCY REQUIREMENT.—

(1) IN GENERAL.—The entire amount necessary to carry out this section shall be available only to the extent that an official budget request for the entire amount, that includes designation of the entire amount of the request as an emergency requirement under the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 900 et seq.) is transmitted by the President to Congress.

(2) DESIGNATION.—The entire amount necessary to carry out this section is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(A) of that Act (2 U.S.C. 901(b)(2)(A)).

## CHAPTER 2

### DEPARTMENT OF DEFENSE—CIVIL

#### DEPARTMENT OF THE ARMY

##### CORPS OF ENGINEERS—CIVIL

FLOOD CONTROL, MISSISSIPPI RIVER AND TRIBUTARIES, ARKANSAS, ILLINOIS, KENTUCKY, LOUISIANA, MISSISSIPPI, MISSOURI, AND TENNESSEE

For an additional amount for emergency repairs and dredging due to the effects of drought and other conditions, \$10,000,000, to remain available until expended, which shall be available only to the extent an official budget request for a specific dollar amount that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: Provided, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

##### OPERATION AND MAINTENANCE, GENERAL

For an additional amount for emergency repairs and dredging due to storm damages, \$35,000,000, to remain available until expended, of which such amounts for eligible navigation projects which may be derived from the Harbor Maintenance Trust Fund pursuant to Public Law 99-662, shall be derived from that Fund: Provided, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

## INDEPENDENT AGENCIES

## APPALACHIAN REGIONAL COMMISSION

For an additional amount necessary to carry out the programs authorized by the Appalachian Regional Development Act of 1965, as amended, \$11,000,000, to remain available until expended, which shall be available only to the extent an official budget request for \$11,000,000, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: Provided, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

## CHAPTER 3

## DEPARTMENT OF THE INTERIOR

## BUREAU OF LAND MANAGEMENT

## MANAGEMENT OF LANDS AND RESOURCES

For an additional amount for "Management of Lands and Resources", \$17,172,000 to remain available until expended, of which \$15,687,000 shall be used to address restoration needs caused by wildland fires and \$1,485,000 shall be used for the treatment of grasshopper and Mormon Cricket infestations on lands managed by the Bureau of Land Management: Provided, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: Provided further, That the entire amount shall be available only to the extent an official budget request for a specific dollar amount, that includes designation of the entire amount of the request as an emergency requirement as defined by such Act, is transmitted by the President to the Congress.

## UNITED STATES FISH AND WILDLIFE SERVICE

## RESOURCE MANAGEMENT

For an additional amount for "Resource Management", \$1,500,000, to remain available until expended, for support of the preparation and implementation of plans, programs, or agreements, identified by the State of Idaho, that address habitat for freshwater aquatic species on nonfederal lands in the State voluntarily enrolled in such plans, programs, or agreements, of which \$200,000 shall be made available to the Boise, Idaho field office to participate in the preparation and implementation of the plans, programs or agreements, of which \$300,000 shall be made available to the State of Idaho for preparation of the plans, programs, or agreements, including data collection and other activities associated with such preparation, and of which \$1,000,000 shall be made available to the State of Idaho to fund habitat enhancement, maintenance, or restoration projects consistent with such plans, programs, or agreements: Provided, That the entire amount made available is designated by the Congress as an emergency requirement under section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

## CONSTRUCTION

For an additional amount for "Construction", \$8,500,000, to remain available until expended, to repair or replace buildings, equipment, roads, bridges, and water control structures damaged by natural disasters and conduct critical habitat restoration directly necessitated by natural disasters: Provided, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: Provided further, That \$3,500,000 shall be available only to the extent that an official budget request that includes designation of the entire amount as an emergency as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as

amended, is transmitted by the President to the Congress.

## NATIONAL PARK SERVICE

## CONSTRUCTION

For an additional amount for "Construction", \$5,300,000, to remain available until expended, to repair or replace visitor facilities, equipment, roads and trails, and cultural sites and artifacts at national park units damaged by natural disasters: Provided, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: Provided further, That \$1,300,000 shall be available only to the extent that an official budget request that includes designation of the entire amount as an emergency as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress.

## BUREAU OF INDIAN AFFAIRS

## OPERATION OF INDIAN PROGRAMS

For an additional amount for "Operation of Indian Programs", \$1,200,000, to remain available until expended, for repair of the portions of the Yakama Nation's Signal Peak Road that have the most severe damage: Provided, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: Provided further, That the entire amount shall be available only to the extent that an official budget request that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress.

## CHAPTER 4

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

## HEALTH CARE FINANCING ADMINISTRATION

## PROGRAM MANAGEMENT

For an additional amount for "Program Management", \$15,000,000 to be available through September 30, 2001: Provided, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: Provided further, That the entire amount provided shall be available only to the extent an official budget request that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress.

## CHAPTER 5

## LEGISLATIVE BRANCH

## JOINT ITEMS

## CAPITOL POLICE BOARD

## SECURITY ENHANCEMENTS

For an additional amount for costs associated with security enhancements, as appropriated under chapter 5 of title II of division B of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (Public Law 105-277), \$11,874,000, to remain available until expended, of which—

(1) \$10,000,000 shall be for security enhancements in connection with the initial implementation of the United States Capitol Police master plan: Provided, That notwithstanding such chapter 5, such funds shall be available for facilities located within or outside of the Capitol Grounds, and such security enhancements shall be subject to the approval of the Committee on Appropriations of the House of Representatives and the Committee on Appropriations of the Senate; and

(2) \$1,874,000 shall be for security enhancements to the buildings and grounds of the Library of Congress:

Provided, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

## CAPITOL POLICE

## SALARIES

For an additional amount for costs of overtime, \$2,700,000, to be available to increase, in equal amounts, the amounts provided to the House of Representatives and the Senate: Provided, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

## GENERAL PROVISION—THIS CHAPTER

SEC. 1501. (a) Section 201 of the Legislative Branch Appropriations Act, 1993 (40 U.S.C. 216c note) is amended by striking "\$10,000,000" each place it appears and inserting "\$14,500,000".

(b) Section 201 of such Act is amended—

(1) by inserting "(a)" before "Pursuant", and

(2) by adding at the end the following:

"(b) The Architect of the Capitol is authorized to solicit, receive, accept, and hold amounts under section 307E(a)(2) of the Legislative Branch Appropriations Act, 1989 (40 U.S.C. 216c(a)(2)) in excess of the \$14,500,000 authorized under subsection (a), but such amounts (and any interest thereon) shall not be expended by the Architect without approval in appropriation Acts as required under section 307E(b)(3) of such Act (40 U.S.C. 216c(b)(3))."

## CHAPTER 6

## GENERAL PROVISION—THIS TITLE

SEC. 1601. In addition to amounts appropriated or otherwise made available in Public Law 106-58 to the Department of the Treasury, Department-wide Systems and Capital Investments Programs, \$123,000,000, to remain available until September 30, 2001, for maintaining and operating the current Customs Service Automated Commercial System: Provided, That the funds shall not be obligated until the Customs Service has submitted to the Committees on Appropriations an expenditure plan which has been approved by the Treasury Investment Review Board, the Department of the Treasury, and the Office of Management and Budget: Provided further, That none of the funds may be obligated to change the functionality of the Automated Commercial System itself: Provided further, That the entire amount shall be available only to the extent that an official budget request for \$123,000,000, that includes designation of the entire amount as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: Provided further, That the entire amount made available under this section is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

## TITLE II

## SUPPLEMENTAL APPROPRIATIONS AND OFFSETS

## CHAPTER 1

## DEPARTMENT OF AGRICULTURE

## FOOD SAFETY AND INSPECTION SERVICE

From amounts appropriated under this heading in Public Law 106-78 not needed for federal food inspection, up to \$6,000,000 may be used to liquidate obligations incurred in previous years, to the extent approved by the Director of the Office of Management and Budget based on documentation provided by the Secretary of Agriculture.

## GENERAL PROVISIONS—THIS CHAPTER

SEC. 2101. Section 381A(1) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2009(1)) is amended as follows:

“(1) RURAL AND RURAL AREA.—The terms ‘rural and rural area’ mean, subject to 306(a)(7), a city or town that has a population of 50,000 inhabitants or less, other than an urbanized area immediately adjacent to a city or town that has a population in excess of 50,000 inhabitants, except for business and industry projects or facilities described in section 310(B)(a)(1), a city or town with a population in excess of 50,000 inhabitants and its immediately adjacent urbanized area shall be eligible for funding when the primary economic beneficiaries of such projects or facilities are producers of agriculture commodities.”.

SEC. 2102. Notwithstanding any other provision of law, the Natural Resources Conservation Service shall provide financial and technical assistance to the Long Park Dam in Utah from funds available for the Emergency Watershed Program, not to exceed \$4,500,000.

SEC. 2103. Notwithstanding any other provision of law, the Natural Resources Conservation Service shall provide financial and technical assistance to the Kuhn Bayou (Point Remove) Project in Arkansas from funds available for the Emergency Watershed Program, not to exceed \$3,300,000.

SEC. 2104. Notwithstanding any other provision of law, the Natural Resources Conservation Service shall provide financial and technical assistance to the Snake River Watershed project in Minnesota from funds available for the Emergency Watershed Program, not to exceed \$4,000,000.

SEC. 2105. None of the funds made available in this Act or in any other Act may be used to recover part or all of any payment erroneously made to any oyster fisherman in the State of Connecticut for oyster losses under the program established under section 1102(b) of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (as contained in section 101(a) of Division A of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (Public Law 105-277)), and the regulations issued pursuant to such section 1102(b).

SEC. 2106. Section 321(b) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961(b)) is amended by adding at the end the following:

“(3) LOANS TO POULTRY FARMERS.—

“(A) INABILITY TO OBTAIN INSURANCE.—

“(i) IN GENERAL.—Notwithstanding any other provision of this subtitle, the Secretary may make a loan to a poultry farmer under this subtitle to cover the loss of a chicken house for which the farmer did not have hazard insurance at the time of the loss, if the farmer—

“(I) applied for, but was unable, to obtain hazard insurance for the chicken house;

“(II) uses the loan to rebuild the chicken house in accordance with industry standards in effect on the date the farmer submits an application for the loan (referred to in this paragraph as ‘current industry standards’);

“(III) obtains, for the term of the loan, hazard insurance for the full market value of the chicken house; and

“(IV) meets the other requirements for the loan under this subtitle.

“(ii) AMOUNT.—Subject to the limitation contained in section 324(a)(2), the amount of a loan made to a poultry farmer under clause (i) shall be an amount that will allow the farmer to rebuild the chicken house in accordance with current industry standards.

“(B) LOANS TO COMPLY WITH CURRENT INDUSTRY STANDARDS.—

“(i) IN GENERAL.—Notwithstanding any other provision of this subtitle, the Secretary may make a loan to a poultry farmer under this subtitle to cover the loss of a chicken house for which the farmer had hazard insurance at the time of the loss, if—

“(I) the amount of the hazard insurance is less than the cost of rebuilding the chicken house in accordance with current industry standards;

“(II) the farmer uses the loan to rebuild the chicken house in accordance with current industry standards;

“(III) the farmer obtains, for the term of the loan, hazard insurance for the full market value of the chicken house; and

“(IV) the farmer meets the other requirements for the loan under this subtitle.

“(ii) AMOUNT.—Subject to the limitation contained in section 324(a)(2), the amount of a loan made to a poultry farmer under clause (i) shall be the difference between—

“(I) the amount of the hazard insurance obtained by the farmer; and

“(II) the cost of rebuilding the chicken house in accordance with current industry standards.”.

SEC. 2107. Notwithstanding any other provision of law, the Sea Island Health Clinic located on Johns Island, South Carolina, shall remain eligible for assistance and funding from the Rural Development Community facilities programs administered by the Department of Agriculture until such time new population data is available from the 2000 Census.

#### CHAPTER 2

#### DEPARTMENT OF JUSTICE

##### DRUG ENFORCEMENT ADMINISTRATION (DOMESTIC ENHANCEMENTS)

##### METHAMPHETAMINE LAB CLEANUP ASSISTANCE FOR STATE AND LOCAL LAW ENFORCEMENT

For an additional amount for drug enforcement administration, \$5,000,000 for the Drug Enforcement Agency to assist in State and local methamphetamine lab cleanup (including reimbursement for costs incurred by State and local governments for lab cleanup since March 2000): Provided, That the entire amount shall be available only to the extent an official budget request for \$5,000,000, that includes designation of the entire amount of the request as an emergency requirement as defined by the Balanced Budget and Emergency Deficit Control Act of 1985 is transmitted by the President to the Congress: Provided further, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985.

##### RADIATION EXPOSURE COMPENSATION

PAYMENT TO RADIATION EXPOSURE COMPENSATION TRUST FUND  
For an additional amount for “Payment to Radiation Exposure Compensation Trust Fund”, \$7,246,000.

#### DEPARTMENT OF COMMERCE

##### NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

##### OPERATIONS, RESEARCH, AND FACILITIES

For an additional amount for the account entitled “Operations, Research, and Facilities”, \$3,000,000.

#### DEPARTMENT OF STATE

##### PRESIDENTIAL ADVISORY COMMISSION ON HOLOCAUST ASSETS IN THE UNITED STATES

For an additional amount for the “Presidential Advisory Commission on Holocaust Assets in the United States”, as authorized by Public Law 105-186, as amended, \$1,400,000, to remain available until March 31, 2001, for the direct funding of the activities of the Commission: Provided, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: Provided further, That the entire amount provided shall be available only to the extent an official budget request that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress.

#### CHAPTER 3

#### DEPARTMENT OF LABOR

##### EMPLOYMENT AND TRAINING ADMINISTRATION

##### TRAINING AND EMPLOYMENT SERVICES

For an additional amount for “Training and Employment Services”, \$40,000,000, to be available for obligation for the period April 1, 2000, through June 30, 2001, to be distributed by the Secretary of Labor to States for youth activities in the local areas containing the 50 cities with the largest populations, as determined by the latest available Census data, in accordance with the formula criteria for allocations to local areas contained in section 128(b)(2)(A)(i) of the Workforce Investment Act: Provided, That the amounts distributed to the States shall be distributed within each State to the designated local areas without regard to section 127(a) and (b)(1) and section 128(a) of such Act.

#### CHAPTER 4

#### DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES

##### GENERAL PROVISIONS—THIS CHAPTER

SEC. 2401. Under the heading “Discretionary Grants” in Public Law 105-66, “\$4,000,000 for the Salt Lake City regional commuter system project;” is amended to read “\$4,000,000 for the transit and other transportation-related portions of the Salt Lake City regional commuter system and Gateway Intermodal Terminal;”.

SEC. 2402. Notwithstanding any other provision of law, the Commandant shall transfer \$8,000,000 identified in the conference report accompanying Public Law 106-69 for “Unalaska, AK—pier” to the City of Unalaska, Alaska for the construction of a municipal pier and other harbor improvements: Provided, That the City of Unalaska enter into an agreement with the United States to accommodate Coast Guard vessels and support Coast Guard operations at Unalaska, Alaska.

SEC. 2403. From amounts previously made available in Public Law 106-69 (Department of Transportation and Related Agencies Appropriations Act, 2000) for “Research, Engineering, and Development”, \$600,000 shall be available only for testing the potential for ultra-wideband signals to interfere with global positioning system receivers by the National Telecommunications and Information Administration (NTIA): Provided, That the results of said test be reported to the House and Senate Committees on Appropriations not later than six months from the date of enactment of this act.

SEC. 2404. Notwithstanding any other provision of law, there is appropriated to the Federal Highway Administration for transfer to the Utah Department of Transportation, \$35,000,000 for Interstate 15 reconstruction; such sums to remain available until expended: Provided, That the Utah Department of Transportation shall make available from state funds \$35,000,000 for transportation planning, and temporary and permanent transportation infrastructure improvements for the Salt Lake City 2002 Olympic Winter Games: Provided further, That the specific planning activities and transportation infrastructure projects identified for state funding shall be limited to the following projects included in the Olympic Transportation Concept Plan approved by the Secretary of Transportation:

- (1) Planning
- (2) Venue Load and Unload
- (3) Transit Bus Project
- (4) Bus Maintenance Facilities
- (5) Olympic Park & Ride Lots
- (6) North-South Light Rail Park & Ride Lot Expansion.

SEC. 2405. Notwithstanding any other provision of law, the Secretary of Transportation may hereafter use Federal Highway Administration Emergency Relief funds as authorized under 23 U.S.C. 125, to reconstruct or modify to a higher elevation roads that are currently impounding water within a closed basin lake

greater than fifty thousand acres: Provided, That the structures on which the roadways are to be built shall be constructed to applicable approved United States Army Corps of Engineers design standards.

SEC. 2406. Amtrak is authorized to obtain services from the Administrator of General Services, and the Administrator is authorized to provide services to Amtrak, under sections 201(b) and 211(b) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 481(b) and 491(b)) for fiscal year 2001 and each fiscal year thereafter until the fiscal year that Amtrak operates without Federal operating grant funds appropriated for its benefit, as required by sections 24101(d) and 24104(a) of title 49, United States Code.

CHAPTER 5  
OFFSETS

DEPARTMENT OF AGRICULTURE

OFFICE OF THE CHIEF INFORMATION OFFICER

Of the funds transferred to "Office of the Chief Information Officer" for year 2000 conversion of Federal information technology systems and related expenses pursuant to Division B, Title III of Public Law 105-277, \$2,435,000 of the unobligated balances are hereby canceled.

DEPARTMENT OF JUSTICE

UNITED STATES PAROLE COMMISSION

SALARIES AND EXPENSES

(RESCISSION)

Of the unobligated balances available under this heading, \$1,147,000 are rescinded.

LEGAL ACTIVITIES

SALARIES AND EXPENSES, GENERAL LEGAL  
ACTIVITIES

(RESCISSION)

Of the unobligated balances available under this heading for the Civil Division, \$2,000,000 are rescinded.

ASSET FORFEITURE FUND

(RESCISSION)

Of the unobligated balances available under this heading, \$13,500,000 are rescinded.

FEDERAL BUREAU OF INVESTIGATION

SALARIES AND EXPENSES

(RESCISSION)

Of the unobligated balances available under this heading for the Information Sharing Initiative, \$15,000,000 are rescinded.

IMMIGRATION AND NATURALIZATION SERVICE

SALARIES AND EXPENSES

ENFORCEMENT AND BORDER AFFAIRS

(RESCISSION)

Of the unobligated balances available under this heading for Washington headquarters operations, including all unobligated balances available for the Office of the Chief of the Border Patrol, \$5,000,000 are rescinded.

CITIZENSHIP AND BENEFITS, IMMIGRATION  
SUPPORT AND PROGRAM DIRECTION

(RESCISSION)

Of the unobligated balances available under this heading for Washington headquarters operations, \$5,000,000 are rescinded.

VIOLENT CRIME REDUCTION PROGRAMS

(RESCISSION)

Of the unobligated balances available under this heading for Washington headquarters operations, \$5,000,000 are rescinded.

OFFICE OF JUSTICE PROGRAMS

JUSTICE ASSISTANCE

(RESCISSION)

Of the amounts made available under this heading for the Bureau of Justice Assistance, \$500,000 are rescinded from the Management and Administration activity.

DEPARTMENT OF HEALTH AND HUMAN  
SERVICES

DEPARTMENTAL MANAGEMENT

PUBLIC HEALTH AND SOCIAL SERVICES EMERGENCY  
FUND

Of the funds appropriated for the Department's year 2000 computer conversion activities under this heading in the Department of Health and Human Services Appropriations Act, 2000, as enacted by section 1000(a)(4) of the Consolidated Appropriations Act, 2000 (Public Law 106-113), \$40,000,000 is hereby canceled.

EXECUTIVE OFFICE OF THE PRESIDENT

UNANTICIPATED NEEDS

INFORMATION TECHNOLOGY SYSTEMS AND  
RELATED EXPENSES

Under this heading in division B, title III of Public Law 105-277, strike "\$2,250,000,000" and insert "\$2,015,000,000".

CHAPTER 6

GENERAL PROVISIONS—THIS TITLE

SEC. 2601. Under the heading "Federal Communications Commission, Salaries and Expenses" in title V of H.R. 3421 of the 106th Congress, as enacted by section 1000(a)(1) of Public Law 106-113, delete "\$210,000,000" and insert "\$215,800,000"; in the first and third provisos delete "\$185,754,000" and insert "\$191,554,000" in each such proviso.

SEC. 2602. At the end of the paragraph under the heading "Justice prisoner and alien transportation system fund, United States Marshals Service" in title I of H.R. 3421 of the 106th Congress, as enacted by section 1000(a)(1) of Public Law 106-113, add the following: "In addition, \$13,500,000, to remain available until expended, shall be available only for the purchase of two Sabreliner-class aircraft."

SEC. 2603. Title IV of the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 2000 (as contained in Public Law 106-113) is amended in the paragraph entitled "Diplomatic and consular programs" by inserting after the fourth proviso: "Provided further, That of the amount made available under this heading, \$5,000,000, less any costs already paid, shall be used to reimburse the City of Seattle and other Washington state jurisdictions for security costs incurred in hosting the Third World Trade Organization Ministerial Conference."

SEC. 2604. Of the discretionary funds appropriated to the Edward Byrne Memorial State and Local Law Enforcement Assistance Program in fiscal year 2000, \$1,000,000 shall be transferred to the Violent Offender Incarceration and Truth In Sentencing Incentive Grants Program to be used for the construction costs of the Hoonah Spirit Camp, as authorized under section 20109(a) of subtitle A of title II of the 1994 Act.

SEC. 2605. Title I of the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 2000 (as contained in Public Law 106-113) is amended in the paragraph entitled "Federal Bureau of Investigation, Salaries and Expenses" by inserting after the third proviso the following new proviso: "Provided further, That in addition to amounts made available under this heading, \$3,000,000 shall be available for the creation of a new site for the National Domestic Preparedness Office outside of FBI Headquarters and the implementation of the 'Blueprint' with regard to the National Domestic Preparedness Office."

SEC. 2606. Of the funds made available in fiscal year 2000 for the Department of Commerce, \$1,000,000 shall be derived from the account entitled "General Administration" and \$500,000 from the account entitled "Office of the Inspector General" and made available for the Commission on Online Child Protection as established under Title XIII of Public Law 105-825, and extended by subsequent law.

TITLE III

GENERAL PROVISIONS—THIS DIVISION

SEC. 3101. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 3102. None of the funds made available under this Act or any other Act shall be used by the Secretary of the Interior, in this or the succeeding fiscal year, to promulgate final rules to revise or amend 43 C.F.R. Subpart 3809, except that the Secretary may finalize amendments to that Subpart that are limited to only the specific regulatory gaps identified at pages 7 through 9 of the National Research Council report entitled "Hardrock Mining on Federal Lands" and that are consistent with existing statutory authorities. Nothing in this section shall be construed to expand the existing statutory authority of the Secretary.

SEC. 3103. No funds may be expended in fiscal year 2000 by the Federal Communications Commission to conduct competitive bidding procedures that involve mutually exclusive applications where one or more of the applicants in a station, including an auxiliary radio booster or translator station or television translator station, licensed under section 397(6) of the Communications Act, whether broadcasting on reserved or non-reserved spectrum.

SEC. 3104. STUDY OF OREGON INLET, NORTH CAROLINA, NAVIGATION PROJECT. (a) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Secretary of the Army shall have conducted, and submitted to Congress, a restudy of the project for navigation, Manteo (Shallowbag) Bay, North Carolina, authorized by section 101 of the River and Harbor Act of 1970 (84 Stat. 1818), to evaluate all reasonable alternatives, including nonstructural alternatives, to the authorized inlet stabilization project at Oregon Inlet.

(b) REQUIRED ELEMENTS.—In carrying out subsection (a), the Secretary of the Army shall—

(1) take into account the views of affected interests; and

(2)(A) take into account objectives in addition to navigation, including—

(i) complying with the policies of the State of North Carolina regarding construction of structural measures along State shores; and

(ii) avoiding or minimizing adverse impacts to, or benefiting, the Cape Hatteras National Seashore and the Pea Island National Wildlife Refuge; and

(B) develop options that meet those objectives.

TITLE IV—FOOD AND MEDICINE FOR THE  
WORLD ACT

SEC. 4001. SHORT TITLE.

This title may be cited as the "Food and Medicine for the World Act".

SEC. 4002. DEFINITIONS.

In this title:

(1) AGRICULTURAL COMMODITY.—The term "agricultural commodity" has the meaning given the term in section 102 of the Agricultural Trade Act of 1978 (7 U.S.C. 5602).

(2) AGRICULTURAL PROGRAM.—The term "agricultural program" means—

(A) any program administered under the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1691 et seq.);

(B) any program administered under section 416 of the Agricultural Act of 1949 (7 U.S.C. 1431);

(C) any program administered under the Agricultural Trade Act of 1978 (7 U.S.C. 5601 et seq.);

(D) the dairy export incentive program administered under section 153 of the Food Security Act of 1985 (15 U.S.C. 713a-14);

(E) any commercial export sale of agricultural commodities; or

(F) any export financing (including credits or credit guarantees) provided by the United States Government for agricultural commodities.

(3) JOINT RESOLUTION.—The term "joint resolution" means—



(A) in the case of section 4003(a)(1), only a joint resolution introduced within 10 session days of Congress after the date on which the report of the President under section 4003(a)(1) is received by Congress, the matter after the resolving clause of which is as follows: "That Congress approves the report of the President pursuant to section 4003(a)(1) of the Food and Medicine for the World Act, transmitted on \_\_\_\_\_.", with the blank completed with the appropriate date; and

(B) in the case of section 4006(1), only a joint resolution introduced within 10 session days of Congress after the date on which the report of the President under section 4006(2) is received by Congress, the matter after the resolving clause of which is as follows: "That Congress approves the report of the President pursuant to section 4006(1) of the Food and Medicine for the World Act, transmitted on \_\_\_\_\_.", with the blank completed with the appropriate date.

(4) **MEDICAL DEVICE.**—The term "medical device" has the meaning given the term "device" in section 201 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321).

(5) **MEDICINE.**—The term "medicine" has the meaning given the term "drug" in section 201 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321).

(6) **UNILATERAL AGRICULTURAL SANCTION.**—The term "unilateral agricultural sanction" means any prohibition, restriction, or condition on carrying out an agricultural program with respect to a foreign country or foreign entity that is imposed by the United States for reasons of foreign policy or national security, except in a case in which the United States imposes the measure pursuant to a multilateral regime and the other member countries of that regime have agreed to impose substantially equivalent measures.

(7) **UNILATERAL MEDICAL SANCTION.**—The term "unilateral medical sanction" means any prohibition, restriction, or condition on exports of, or the provision of assistance consisting of, medicine or a medical device with respect to a foreign country or foreign entity that is imposed by the United States for reasons of foreign policy or national security, except in a case in which the United States imposes the measure pursuant to a multilateral regime and the other member countries of that regime have agreed to impose substantially equivalent measures.

#### **SEC. 4003. RESTRICTION.**

(a) **NEW SANCTIONS.**—Except as provided in sections 4004 and 4005 and notwithstanding any other provision of law, the President may not impose a unilateral agricultural sanction or unilateral medical sanction against a foreign country or foreign entity, unless—

(1) not later than 60 days before the sanction is proposed to be imposed, the President submits a report to Congress that—

(A) describes the activity proposed to be prohibited, restricted, or conditioned; and

(B) describes the actions by the foreign country or foreign entity that justify the sanction; and

(2) there is enacted into law a joint resolution stating the approval of Congress for the report submitted under paragraph (1).

(b) **EXISTING SANCTIONS.**—

(1) **IN GENERAL.**—Except as provided in paragraph (2), the President shall terminate any unilateral agricultural sanction or unilateral medical sanction that is in effect as of the date of enactment of this Act.

(2) **EXEMPTIONS.**—Paragraph (1) shall not apply to a unilateral agricultural sanction or unilateral medical sanction imposed—

(A) with respect to any program administered under section 416 of the Agricultural Act of 1949 (7 U.S.C. 1431);

(B) with respect to the Export Credit Guarantee Program (GSM-102) or the Intermediate Export Credit Guarantee Program (GSM-103) es-

tablished under section 202 of the Agricultural Trade Act of 1978 (7 U.S.C. 5622); or

(C) with respect to the dairy export incentive program administered under section 153 of the Food Security Act of 1985 (15 U.S.C. 713a-14).

#### **SEC. 4004. EXCEPTIONS.**

Section 4003 shall not affect any authority or requirement to impose (or continue to impose) a sanction referred to in section 4003—

(1) against a foreign country or foreign entity—

(A) pursuant to a declaration of war against the country or entity;

(B) pursuant to specific statutory authorization for the use of the Armed Forces of the United States against the country or entity;

(C) against which the Armed Forces of the United States are involved in hostilities; or

(D) where imminent involvement by the Armed Forces of the United States in hostilities against the country or entity is clearly indicated by the circumstances; or

(2) to the extent that the sanction would prohibit, restrict, or condition the provision or use of any agricultural commodity, medicine, or medical device that is—

(A) controlled on the United States Munitions List established under section 38 of the Arms Export Control Act (22 U.S.C. 2778);

(B) controlled on any control list established under the Export Administration Act of 1979 or any successor statute (50 U.S.C. App. 2401 et seq.); or

(C) used to facilitate the development or production of a chemical or biological weapon or weapon of mass destruction.

#### **SEC. 4005. COUNTRIES SUPPORTING INTERNATIONAL TERRORISM.**

Notwithstanding section 4003 and except as provided in section 4007, the prohibitions in effect on or after the date of the enactment of this Act under section 620A of the Foreign Assistance Act of 1961 (22 U.S.C. 2371) on providing, to the government of any country supporting international terrorism, United States Government assistance, including United States foreign assistance, United States export assistance, or any United States credits or credit guarantees, shall remain in effect for such period as the Secretary of State determines under such section 620A that the government of the country has repeatedly provided support for acts of international terrorism.

#### **SEC. 4006. TERMINATION OF SANCTIONS.**

Any unilateral agricultural sanction or unilateral medical sanction that is imposed pursuant to the procedures described in section 4003(a) shall terminate not later than 2 years after the date on which the sanction became effective unless—

(1) not later than 60 days before the date of termination of the sanction, the President submits to Congress a report containing—

(A) the recommendation of the President for the continuation of the sanction for an additional period of not to exceed 2 years; and

(B) the request of the President for approval by Congress of the recommendation; and

(2) there is enacted into law a joint resolution stating the approval of Congress for the report submitted under paragraph (1).

#### **SEC. 4007. STATE SPONSORS OF INTERNATIONAL TERRORISM.**

(a) **IN GENERAL.**—Notwithstanding any other provision of this title, the export of agricultural commodities, medicine, or medical devices to the government of a country that has been determined by the Secretary of State to have repeatedly provided support for acts of international terrorism under section 620A of the Foreign Assistance Act of 1961 (22 U.S.C. 2371) shall only be made—

(1) pursuant to one-year licenses issued by the United States Government for contracts entered into during the one-year period and completed with the 12-month period beginning on the date of the signing of the contract, except that, in

the case of the export of items used for food and for food production, such one-year licenses shall otherwise be no more restrictive than general licenses; and

(2) without benefit of Federal financing, direct export subsidies, Federal credit guarantees, or other Federal promotion assistance programs.

(b) **QUARTERLY REPORTS.**—The applicable department or agency of the Federal Government shall submit to the appropriate congressional committees on a quarterly basis a report on any activities undertaken under subsection (a)(1) during the preceding calendar quarter.

(c) **BIENNIAL REPORTS.**—Not later than two years after the date of enactment of this Act, and every two years thereafter, the applicable department or agency of the Federal Government shall submit a report to the appropriate congressional committees on the operation of the licensing system under this section for the preceding two-year period, including—

(1) the number and types of licenses applied for;

(2) the number and types of licenses approved;

(3) the average amount of time elapsed from the date of filing of a license application until the date of its approval;

(4) the extent to which the licensing procedures were effectively implemented; and

(5) a description of comments received from interested parties about the extent to which the licensing procedures were effective, after the applicable department or agency holds a public 30-day comment period.

#### **SEC. 4008. CONGRESSIONAL EXPEDITED PROCEDURES.**

Consideration of a joint resolution relating to a report described in section 4003(a)(1) or 4006(1) shall be subject to expedited procedures as determined by the House of Representatives and as determined by the Senate.

#### **SEC. 4009. EFFECTIVE DATE.**

(a) **IN GENERAL.**—Except as provided in subsection (b), this title takes effect on the date of enactment of this Act.

(b) **EXISTING SANCTIONS.**—In the case of any unilateral agricultural sanction or unilateral medical sanction that is in effect as of the date of enactment of this Act, this title takes effect 180 days after the date of enactment of this Act.

This Division may be cited as the "Fiscal Year 2000 Emergency Supplemental Appropriations Act for Natural Disasters Assistance".

This Act may be cited as the "Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001".

#### **APPOINTMENT BY THE DEMOCRATIC LEADER**

The PRESIDING OFFICER. The Chair, on behalf of the Democratic leader, and in consultation with the ranking member of the Senate Committee on Armed Services, pursuant to Public Law 106-65, announces the appointment of Alan L. Hansen, AIA, of Virginia, to serve as a member of the Commission on the National Military Museum.

#### **REMOVAL OF INJUNCTION OF SECRECY—TREATY DOCUMENT NO. 106-37**

Mr. NICKLES. Mr. President, as in executive session, I ask unanimous consent that the Injunction of Secrecy be removed from the following protocols transmitted to the Senate on July 25, 2000, by the President of the United States: Protocols to the Convention on the Rights of the Child (Treaty Document No. 106-37).

Further, I ask unanimous consent that the protocols be considered as having been read for the first time, that they be referred with accompanying papers to the Committee on Foreign Relations and ordered to be printed, and that the President's message be printed in the RECORD.

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

The message of the President is as follows:

*To the Senate of the United States:*

With a view to receiving advice and consent of the Senate to ratification, I transmit herewith two optional protocols to the Convention on the Rights of the Child, both of which were adopted at New York, May 25, 2000: (1) The Optional Protocol to the Convention on the Rights of the Child on Involvement of Children in Armed Conflict; and (2) The Optional Protocol to the Convention on the Rights of the Child on the Sale of Children, Child Prostitution and Child Pornography. I signed both Protocols on July 5, 2000.

In addition, I transmit for the information of the Senate, the report of the Department of State with respect to both Protocols, including article-by-article analyses of each Protocol. As detailed in the Department of State report, a number of understandings and declarations are recommended.

These Protocols represent a true breakthrough for the children of the world. Ratification of these Protocols will enhance the ability of the United States to provide global leadership in the effort to eliminate abuses against children with respect to armed conflict and sexual exploitation.

I recommend that the Senate give early and favorable consideration to both Protocols and give its advice and consent to the ratification of both Protocols, subject to the understandings and declarations recommended in the Department of State Report.

WILLIAM J. CLINTON.  
THE WHITE HOUSE, July 25, 2000.

#### CERTIFIED DEVELOPMENT COMPANY PROGRAM IMPROVEMENTS ACT OF 2000

Mr. NICKLES. Mr. President, I ask unanimous consent that the Chair lay before the Senate a message from the House to accompany H.R. 2614.

There being no objection, the Presiding Officer laid before the Senate the following message from the House of Representatives:

*Resolved*, That the House agree to the amendment of the Senate to the bill (H.R. 2614) entitled "An Act to amend the Small Business Investment Act to make improvements to the certified development company program, and for other purposes", with the following amendment:

In lieu of the matter proposed to be inserted by the amendment of the Senate, insert the following:

##### SECTION 1. SHORT TITLE.

This Act may be cited as the "Certified Development Company Program Improvements Act of 2000".

##### SEC. 2. WOMEN-OWNED BUSINESSES.

Section 501(d)(3)(C) of the Small Business Investment Act of 1958 (15 U.S.C. 695(d)(3)(C)) is amended by inserting before the comma "or women-owned business development".

##### SEC. 3. MAXIMUM DEBENTURE SIZE.

Section 502(2) of the Small Business Investment Act of 1958 (15 U.S.C. 696(2)) is amended to read as follows:

"(2) LOAN LIMITS.—Loans made by the Administration under this section shall be limited to \$1,000,000 for each such identifiable small business concern, other than loans meeting the criteria specified in section 501(d)(3), which shall be limited to \$1,300,000 for each such identifiable small business concern."

##### SEC. 4. FEES.

Section 503(f) of the Small Business Investment Act of 1958 (15 U.S.C. 697(f)) is amended to read as follows:

"(f) EFFECTIVE DATE.—The fees authorized by subsections (b) and (d) shall apply to any financing approved by the Administration during the period beginning on October 1, 1996 and ending on September 30, 2003."

##### SEC. 5. PREMIER CERTIFIED LENDERS PROGRAM.

Section 217(b) of the Small Business Administration Reauthorization and Amendments Act of 1994 (15 U.S.C. 697e note) is repealed.

##### SEC. 6. SALE OF CERTAIN DEFAULTED LOANS.

Section 508 of the Small Business Investment Act of 1958 (15 U.S.C. 697e) is amended—

(1) in subsection (a), by striking "On a pilot program basis, the" and inserting "The";

(2) by redesignating subsections (d) through (i) as subsections (e) through (j), respectively;

(3) in subsection (f) (as redesignated by paragraph (2)), by striking "subsection (f)" and inserting "subsection (g)";

(4) in subsection (h) (as redesignated by paragraph (2)), by striking "subsection (f)" and inserting "subsection (g)"; and

(5) by inserting after subsection (c) the following:

"(d) SALE OF CERTAIN DEFAULTED LOANS.—

"(1) NOTICE.—

"(A) IN GENERAL.—If, upon default in repayment, the Administration acquires a loan guaranteed under this section and identifies such loan for inclusion in a bulk asset sale of defaulted or repurchased loans or other financings, the Administration shall give prior notice thereof to any certified development company that has a contingent liability under this section.

"(B) TIMING.—The notice required by subparagraph (A) shall be given to the certified development company as soon as possible after the financing is identified, but not later than 90 days before the date on which the Administration first makes any record on such financing available for examination by prospective purchasers prior to its offering in a package of loans for bulk sale.

"(2) LIMITATIONS.—The Administration may not offer any loan described in paragraph (1)(A) as part of a bulk sale, unless the Administration—

"(A) provides prospective purchasers with the opportunity to examine the records of the Administration with respect to such loan; and

"(B) provides the notice required by paragraph (1)."

##### SEC. 7. LOAN LIQUIDATION.

(a) LIQUIDATION AND FORECLOSURE.—Title V of the Small Business Investment Act of 1958 (15 U.S.C. 695 et seq.) is amended by adding at the end the following:

"SEC. 510. FORECLOSURE AND LIQUIDATION OF LOANS.

"(a) DELEGATION OF AUTHORITY.—In accordance with this section, the Administration shall delegate to any qualified State or local development company (as defined in section 503(e)) that meets the eligibility requirements of subsection (b)(1) of this section the authority to foreclose

and liquidate, or to otherwise treat in accordance with this section, defaulted loans in its portfolio that are funded with the proceeds of debentures guaranteed by the Administration under section 503.

"(b) ELIGIBILITY FOR DELEGATION.—

"(1) REQUIREMENTS.—A qualified State or local development company shall be eligible for a delegation of authority under subsection (a) if—

"(A) the company—

"(i) has participated in the loan liquidation pilot program established by the Small Business Programs Improvement Act of 1996 (15 U.S.C. 695 note), as in effect on the day before the date of issuance of final regulations by the Administration implementing this section;

"(ii) is participating in the Premier Certified Lenders Program under section 508; or

"(iii) during the 3 fiscal years immediately prior to seeking such a delegation, has made an average of not fewer than 10 loans per year that are funded with the proceeds of debentures guaranteed under section 503; and

"(B) the company—

"(i) has one or more employees—

"(I) with not less than 2 years of substantive, decision-making experience in administering the liquidation and workout of problem loans secured in a manner substantially similar to loans funded with the proceeds of debentures guaranteed under section 503; and

"(II) who have completed a training program on loan liquidation developed by the Administration in conjunction with qualified State and local development companies that meet the requirements of this paragraph; or

"(ii) submits to the Administration documentation demonstrating that the company has contracted with a qualified third-party to perform any liquidation activities and secures the approval of the contract by the Administration with respect to the qualifications of the contractor and the terms and conditions of liquidation activities.

"(2) CONFIRMATION.—On request, the Administration shall examine the qualifications of any company described in subsection (a) to determine if such company is eligible for the delegation of authority under this section. If the Administration determines that a company is not eligible, the Administration shall provide the company with the reasons for such ineligibility.

"(c) SCOPE OF DELEGATED AUTHORITY.—

"(1) IN GENERAL.—Each qualified State or local development company to which the Administration delegates authority under subsection (a) may, with respect to any loan described in subsection (a)—

"(A) perform all liquidation and foreclosure functions, including the purchase in accordance with this subsection of any other indebtedness secured by the property securing the loan, in a reasonable and sound manner, according to commercially accepted practices, pursuant to a liquidation plan approved in advance by the Administration under paragraph (2)(A);

"(B) litigate any matter relating to the performance of the functions described in subparagraph (A), except that the Administration may—

"(i) defend or bring any claim if—

"(I) the outcome of the litigation may adversely affect management by the Administration of the loan program established under section 502; or

"(II) the Administration is entitled to legal remedies not available to a qualified State or local development company, and such remedies will benefit either the Administration or the qualified State or local development company; or

"(ii) oversee the conduct of any such litigation; and

"(C) take other appropriate actions to mitigate loan losses in lieu of total liquidation or foreclosure, including the restructuring of a loan in accordance with prudent loan servicing practices and pursuant to a workout plan approved in advance by the Administration under paragraph (2)(C).

**“(2) ADMINISTRATION APPROVAL.—****“(A) LIQUIDATION PLAN.—**

“(i) **IN GENERAL.**—Before carrying out functions described in paragraph (1)(A), a qualified State or local development company shall submit to the Administration a proposed liquidation plan.

**“(ii) ADMINISTRATION ACTION ON PLAN.—**

“(I) **TIMING.**—Not later than 15 business days after a liquidation plan is received by the Administration under clause (i), the Administration shall approve or reject the plan.

“(II) **NOTICE OF NO DECISION.**—With respect to any liquidation plan that cannot be approved or denied within the 15-day period required by subclause (I), the Administration shall, during such period, provide notice in accordance with subparagraph (E) to the company that submitted the plan.

“(iii) **ROUTINE ACTIONS.**—In carrying out functions described in paragraph (1)(A), a qualified State or local development company may undertake any routine action not addressed in a liquidation plan without obtaining additional approval from the Administration.

**“(B) PURCHASE OF INDEBTEDNESS.—**

“(i) **IN GENERAL.**—In carrying out functions described in paragraph (1)(A), a qualified State or local development company shall submit to the Administration a request for written approval before committing the Administration to the purchase of any other indebtedness secured by the property securing a defaulted loan.

**“(ii) ADMINISTRATION ACTION ON REQUEST.—**

“(I) **TIMING.**—Not later than 15 business days after receiving a request under clause (i), the Administration shall approve or deny the request.

“(II) **NOTICE OF NO DECISION.**—With respect to any request that cannot be approved or denied within the 15-day period required by subclause (I), the Administration shall, during such period, provide notice in accordance with subparagraph (E) to the company that submitted the request.

**“(C) WORKOUT PLAN.—**

“(i) **IN GENERAL.**—In carrying out functions described in paragraph (1)(C), a qualified State or local development company shall submit to the Administration a proposed workout plan.

**“(ii) ADMINISTRATION ACTION ON PLAN.—**

“(I) **TIMING.**—Not later than 15 business days after a workout plan is received by the Administration under clause (i), the Administration shall approve or reject the plan.

“(II) **NOTICE OF NO DECISION.**—With respect to any workout plan that cannot be approved or denied within the 15-day period required by subclause (I), the Administration shall, during such period, provide notice in accordance with subparagraph (E) to the company that submitted the plan.

“(D) **COMPROMISE OF INDEBTEDNESS.**—In carrying out functions described in paragraph (1)(A), a qualified State or local development company may—

“(i) consider an offer made by an obligor to compromise the debt for less than the full amount owing; and

“(ii) pursuant to such an offer, release any obligor or other party contingently liable, if the company secures the written approval of the Administration.

“(E) **CONTENTS OF NOTICE OF NO DECISION.**—Any notice provided by the Administration under subparagraph (A)(ii)(II), (B)(ii)(II), or (C)(ii)(II)—

“(i) shall be in writing;

“(ii) shall state the specific reason for the inability of the Administration to act on the subject plan or request;

“(iii) shall include an estimate of the additional time required by the Administration to act on the plan or request; and

“(iv) if the Administration cannot act because insufficient information or documentation was provided by the company submitting the plan or request, shall specify the nature of such additional information or documentation.

“(3) **CONFLICT OF INTEREST.**—In carrying out functions described in paragraph (1), a qualified State or local development company shall take no action that would result in an actual or apparent conflict of interest between the company (or any employee of the company) and any third party lender (or any associate of a third party lender) or any other person participating in a liquidation, foreclosure, or loss mitigation action.

“(d) **SUSPENSION OR REVOCATION OF AUTHORITY.**—The Administration may revoke or suspend a delegation of authority under this section to any qualified State or local development company, if the Administration determines that the company—

“(1) does not meet the requirements of subsection (b)(1);

“(2) has violated any applicable rule or regulation of the Administration or any other applicable provision of law; or

“(3) has failed to comply with any reporting requirement that may be established by the Administration relating to carrying out functions described in subsection (c)(1).

**“(e) REPORT.—**

“(1) **IN GENERAL.**—Based on information provided by qualified State and local development companies and the Administration, the Administration shall annually submit to the Committees on Small Business of the House of Representatives and the Senate a report on the results of delegation of authority under this section.

“(2) **CONTENTS.**—Each report submitted under paragraph (1) shall include—

“(A) with respect to each loan foreclosed or liquidated by a qualified State or local development company under this section, or for which losses were otherwise mitigated by the company pursuant to a workout plan under this section—

“(i) the total cost of the project financed with the loan;

“(ii) the total original dollar amount guaranteed by the Administration;

“(iii) the total dollar amount of the loan at the time of liquidation, foreclosure, or mitigation of loss;

“(iv) the total dollar losses resulting from the liquidation, foreclosure, or mitigation of loss; and

“(v) the total recoveries resulting from the liquidation, foreclosure, or mitigation of loss, both as a percentage of the amount guaranteed and the total cost of the project financed;

“(B) with respect to each qualified State or local development company to which authority is delegated under this section, the totals of each of the amounts described in clauses (i) through (v) of subparagraph (A);

“(C) with respect to all loans subject to foreclosure, liquidation, or mitigation under this section, the totals of each of the amounts described in clauses (i) through (v) of subparagraph (A);

“(D) a comparison between—

“(i) the information provided under subparagraph (C) with respect to the 12-month period preceding the date on which the report is submitted; and

“(ii) the same information with respect to loans foreclosed and liquidated, or otherwise treated, by the Administration during the same period; and

“(E) the number of times that the Administration has failed to approve or reject a liquidation plan in accordance with subsection (c)(2)(A) or a workout plan in accordance with subsection (c)(2)(C), or to approve or deny a request for purchase of indebtedness under subsection (c)(2)(B), including specific information regarding the reasons for the failure of the Administration and any delay that resulted.”

**(b) REGULATIONS.—**

(1) **IN GENERAL.**—Not later than 150 days after the date of enactment of this Act, the Administrator shall issue such regulations as may be necessary to carry out section 510 of the Small Business Investment Act of 1958, as added by subsection (a) of this section.

(2) **TERMINATION OF PILOT PROGRAM.**—Effective on the date on which final regulations are issued under paragraph (1), section 204 of the Small Business Programs Improvement Act of 1996 (15 U.S.C. 695 note) shall cease to have legal effect.

**SEC. 8. FUNDING LEVELS FOR CERTAIN FINANCINGS UNDER THE SMALL BUSINESS INVESTMENT ACT OF 1958.**

Section 20 of the Small Business Act (15 U.S.C. 631 note) is amended by adding at the end the following:

“(g) **PROGRAM LEVELS FOR CERTAIN SMALL BUSINESS INVESTMENT ACT OF 1958 FINANCINGS.**—The following program levels are authorized for financings under section 504 of the Small Business Investment Act of 1958:

“(1) \$4,000,000,000 for fiscal year 2001.

“(2) \$5,000,000,000 for fiscal year 2002.

“(3) \$6,000,000,000 for fiscal year 2003.”

Mr. NICKLES. Mr. President, I ask unanimous consent that the Senate disagree with the amendment of the House, the Senate request a conference with the House, and the Chair be authorized to appoint conferees on the part of the Senate.

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

The Presiding Officer (Mr. INHOFE) appointed Mr. BOND, Mr. BURNS, and Mr. KERRY conferees on the part of the Senate.

**LONG-TERM CARE SECURITY ACT**

Mr. NICKLES. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of Calendar No. 685, S. 2420.

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

The legislative clerk read as follows:

A bill (S. 2420) to amend title 5, United States Code, to provide for the establishment of a program under which long-term care insurance is made available to Federal employees, members of the uniformed services, and civilian and military retirees, and for other purposes.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Governmental Affairs, with an amendment and an amendment to the title, as follows:

(Strike out all after the enacting clause and insert the part printed in italic.)

**TITLE I—FEDERAL LONG-TERM CARE INSURANCE****SEC. 1001. SHORT TITLE.**

This title may be cited as the “Long-Term Care Security Act”.

**SEC. 1002. LONG-TERM CARE INSURANCE.**

(a) **IN GENERAL.**—Subpart G of part III of title 5, United States Code, is amended by adding at the end the following:

**“CHAPTER 90—LONG-TERM CARE INSURANCE**

“Sec.

“9001. Definitions.

“9002. Availability of insurance.

“9003. Contracting authority.

“9004. Financing.

“9005. Preemption.

“9006. Studies, reports, and audits.

“9007. Jurisdiction of courts.

“9008. Administrative functions.

“9009. Cost accounting standards.

**“§9001. Definitions**

For purposes of this chapter:

“(1) **EMPLOYEE.**—The term ‘employee’ means—

“(A) an employee as defined by section 8901(1); and

“(B) an individual described in section 2105(e),

but does not include an individual employed by the government of the District of Columbia.

“(2) **ANNUITANT.**—The term ‘annuitant’ has the meaning such term would have under paragraph (3) of section 8901 if, for purposes of such paragraph, the term ‘employee’ were considered to have the meaning given to it under paragraph (1) of this subsection.

“(3) **MEMBER OF THE UNIFORMED SERVICES.**—The term ‘member of the uniformed services’ means a member of the uniformed services, other than a retired member of the uniformed services, who is—

“(A) on active duty or full-time National Guard duty for a period of more than 30 days; and

“(B) a member of the Selected Reserve.

“(4) **RETIRED MEMBER OF THE UNIFORMED SERVICES.**—The term ‘retired member of the uniformed services’ means a member or former member of the uniformed services entitled to retired or retainer pay, including a member or former member retired under chapter 1223 of title 10 who has attained the age of 60 and who satisfies such eligibility requirements as the Office of Personnel Management prescribes under section 9008.

“(5) **QUALIFIED RELATIVE.**—The term ‘qualified relative’ means each of the following:

“(A) The spouse of an individual described in paragraph (1), (2), (3), or (4).

“(B) A parent, stepparent, or parent-in-law of an individual described in paragraph (1) or (3).

“(C) A child (including an adopted child, a stepchild, or, to the extent the Office of Personnel Management by regulation provides, a foster child) of an individual described in paragraph (1), (2), (3), or (4), if such child is at least 18 years of age.

“(D) An individual having such other relationship to an individual described in paragraph (1), (2), (3), or (4) as the Office may by regulation prescribe.

“(6) **ELIGIBLE INDIVIDUAL.**—The term ‘eligible individual’ refers to an individual described in paragraph (1), (2), (3), (4), or (5).

“(7) **QUALIFIED CARRIER.**—The term ‘qualified carrier’ means an insurance company (or consortium of insurance companies) that is licensed to issue long-term care insurance in all States, taking any subsidiaries of such a company into account (and, in the case of a consortium, considering the member companies and any subsidiaries thereof, collectively).

“(8) **STATE.**—The term ‘State’ includes the District of Columbia.

“(9) **QUALIFIED LONG-TERM CARE INSURANCE CONTRACT.**—The term ‘qualified long-term care insurance contract’ has the meaning given such term by section 7702B of the Internal Revenue Code of 1986.

“(10) **APPROPRIATE SECRETARY.**—The term ‘appropriate Secretary’ means—

“(A) except as otherwise provided in this paragraph, the Secretary of Defense;

“(B) with respect to the Coast Guard when it is not operating as a service of the Navy, the Secretary of Transportation;

“(C) with respect to the commissioned corps of the National Oceanic and Atmospheric Administration, the Secretary of Commerce; and

“(D) with respect to the commissioned corps of the Public Health Service, the Secretary of Health and Human Services.

#### “§ 9002. Availability of insurance

“(a) **IN GENERAL.**—The Office of Personnel Management shall establish and, in consultation with the appropriate Secretaries, administer a program through which an individual described in paragraph (1), (2), (3), (4), or (5) of section 9001 may obtain long-term care insur-

ance coverage under this chapter for such individual.

“(b) **GENERAL REQUIREMENTS.**—Long-term care insurance may not be offered under this chapter unless—

“(1) the only coverage provided is under qualified long-term care insurance contracts; and

“(2) each insurance contract under which any such coverage is provided is issued by a qualified carrier.

“(c) **DOCUMENTATION REQUIREMENT.**—As a condition for obtaining long-term care insurance coverage under this chapter based on one’s status as a qualified relative, an applicant shall provide documentation to demonstrate the relationship, as prescribed by the Office.

“(d) **UNDERWRITING STANDARDS.**—

“(1) **DISQUALIFYING CONDITION.**—Nothing in this chapter shall be considered to require that long-term care insurance coverage be made available in the case of any individual who would be eligible for benefits immediately.

“(2) **SPOUSAL PARITY.**—For the purpose of underwriting standards, a spouse of an individual described in paragraph (1), (2), (3), or (4) of section 9001 shall, as nearly as practicable, be treated like that individual.

“(3) **GUARANTEED ISSUE.**—Nothing in this chapter shall be considered to require that long-term care insurance coverage be guaranteed to an eligible individual.

“(4) **REQUIREMENT THAT CONTRACT BE FULLY INSURED.**—In addition to the requirements otherwise applicable under section 9001(9), in order to be considered a qualified long-term care insurance contract for purposes of this chapter, a contract must be fully insured, whether through reinsurance with other companies or otherwise.

“(5) **HIGHER STANDARDS ALLOWABLE.**—Nothing in this chapter shall, in the case of an individual applying for long-term care insurance coverage under this chapter after the expiration of such individual’s first opportunity to enroll, preclude the application of underwriting standards more stringent than those that would have applied if that opportunity had not yet expired.

“(e) **GUARANTEED RENEWABILITY.**—The benefits and coverage made available to eligible individuals under any insurance contract under this chapter shall be guaranteed renewable (as defined by section 7A(2) of the model regulations described in section 7702B(g)(2) of the Internal Revenue Code of 1986), including the right to have insurance remain in effect so long as premiums continue to be timely made. However, the authority to revise premiums under this chapter shall be available only on a class basis and only to the extent otherwise allowable under section 9003(b).

#### “§ 9003. Contracting authority

“(a) **IN GENERAL.**—The Office of Personnel Management shall, without regard to section 5 of title 41 or any other statute requiring competitive bidding, contract with one or more qualified carriers for a policy or policies of long-term care insurance. The Office shall ensure that each resulting contract (hereafter in this chapter referred to as a ‘master contract’) is awarded on the basis of contractor qualifications, price, and reasonable competition.

“(b) **TERMS AND CONDITIONS.**—

“(1) **IN GENERAL.**—Each master contract under this chapter shall contain—

“(A) a detailed statement of the benefits offered (including any maximums, limitations, exclusions, and other definitions of benefits);

“(B) the premiums charged (including any limitations or other conditions on their subsequent adjustment);

“(C) the terms of the enrollment period; and

“(D) such other terms and conditions as may be mutually agreed to by the Office and the carrier involved, consistent with the requirements of this chapter.

“(2) **PREMIUMS.**—Premiums charged under each master contract entered into under this

section shall reasonably and equitably reflect the cost of the benefits provided, as determined by the Office. The premiums shall not be adjusted during the term of the contract unless mutually agreed to by the Office and the carrier.

“(3) **NONRENEWABILITY.**—Master contracts under this chapter may not be made automatically renewable.

“(c) **PAYMENT OF REQUIRED BENEFITS; DISPUTE RESOLUTION.**—

“(1) **IN GENERAL.**—Each master contract under this chapter shall require the carrier to agree—

“(A) to provide payments or benefits to an eligible individual if such individual is entitled thereto under the terms of the contract; and

“(B) with respect to disputes regarding claims for payments or benefits under the terms of the contract—

“(i) to establish internal procedures designed to expeditiously resolve such disputes; and

“(ii) to establish, for disputes not resolved through procedures under clause (i), procedures for one or more alternative means of dispute resolution involving independent third-party review under appropriate circumstances by entities mutually acceptable to the Office and the carrier.

“(2) **ELIGIBILITY.**—A carrier’s determination as to whether or not a particular individual is eligible to obtain long-term care insurance coverage under this chapter shall be subject to review only to the extent and in the manner provided in the applicable master contract.

“(3) **OTHER CLAIMS.**—For purposes of applying the Contract Disputes Act of 1978 to disputes arising under this chapter between a carrier and the Office—

“(A) the agency board having jurisdiction to decide an appeal relative to such a dispute shall be such board of contract appeals as the Director of the Office of Personnel Management shall specify in writing (after appropriate arrangements, as described in section 8(c) of such Act); and

“(B) the district courts of the United States shall have original jurisdiction, concurrent with the United States Court of Federal Claims, of any action described in section 10(a)(1) of such Act relative to such a dispute.

“(4) **RULE OF CONSTRUCTION.**—Nothing in this chapter shall be considered to grant authority for the Office or a third-party reviewer to change the terms of any contract under this chapter.

“(d) **DURATION.**—

“(1) **IN GENERAL.**—Each master contract under this chapter shall be for a term of 7 years, unless terminated earlier by the Office in accordance with the terms of such contract. However, the rights and responsibilities of the enrolled individual, the insurer, and the Office (or duly designated third-party administrator) under such contract shall continue with respect to such individual until the termination of coverage of the enrolled individual or the effective date of a successor contract thereto.

“(2) **EXCEPTION.**—

“(A) **SHORTER DURATION.**—In the case of a master contract entered into before the end of the period described in subparagraph (B), paragraph (1) shall be applied by substituting ‘ending on the last day of the 7-year period described in paragraph (2)(B)’ for ‘of 7 years’.

“(B) **DEFINITION.**—The period described in this subparagraph is the 7-year period beginning on the earliest date as of which any long-term care insurance coverage under this chapter becomes effective.

“(3) **CONGRESSIONAL NOTIFICATION.**—No later than 180 days after receiving the second report required under section 9006(c), the President (or his designee) shall submit to the Committees on Government Reform and on Armed Services of the House of Representatives and the Committees on Governmental Affairs and on Armed Services of the Senate, a written recommendation as to whether the program under this chapter should be continued without modification,

terminated, or restructured. During the 180-day period following the date on which the President (or his designee) submits the recommendation required under the preceding sentence, the Office of Personnel Management may not take any steps to rebid or otherwise contract for any coverage to be available at any time following the expiration of the 7-year period described in paragraph (2)(B).

“(4) FULL PORTABILITY.—Each master contract under this chapter shall include such provisions as may be necessary to ensure that, once an individual becomes duly enrolled, long-term care insurance coverage obtained by such individual pursuant to that enrollment shall not be terminated due to any change in status (such as separation from Government service or the uniformed services) or ceasing to meet the requirements for being considered a qualified relative (whether as a result of dissolution of marriage or otherwise).

#### “§9004. Financing

“(a) IN GENERAL.—Each eligible individual obtaining long-term care insurance coverage under this chapter shall be responsible for 100 percent of the premiums for such coverage.

“(b) WITHHOLDINGS.—

“(1) IN GENERAL.—The amount necessary to pay the premiums for enrollment may—

“(A) in the case of an employee, be withheld from the pay of such employee;

“(B) in the case of an annuitant, be withheld from the annuity of such annuitant;

“(C) in the case of a member of the uniformed services described in section 9001(3), be withheld from the pay of such member; and

“(D) in the case of a retired member of the uniformed services described in section 9001(4), be withheld from the retired pay or retainer pay payable to such member.

“(2) VOLUNTARY WITHHOLDINGS FOR QUALIFIED RELATIVES.—Withholdings to pay the premiums for enrollment of a qualified relative may, upon election of the appropriate eligible individual (described in section 9001(1)–(4)), be withheld under paragraph (1) to the same extent and in the same manner as if enrollment were for such individual.

“(c) DIRECT PAYMENTS.—All amounts withheld under this section shall be paid directly to the carrier.

“(d) OTHER FORMS OF PAYMENT.—Any enrollee who does not elect to have premiums withheld under subsection (b) or whose pay, annuity, or retired or retainer pay (as referred to in subsection (b)(1)) is insufficient to cover the withholding required for enrollment (or who is not receiving any regular amounts from the Government, as referred to in subsection (b)(1), from which any such withholdings may be made, and whose premiums are not otherwise being provided for under subsection (b)(2)) shall pay an amount equal to the full amount of those charges directly to the carrier.

“(e) SEPARATE ACCOUNTING REQUIREMENT.—Each carrier participating under this chapter shall maintain records that permit it to account for all amounts received under this chapter (including investment earnings on those amounts) separate and apart from all other funds.

“(f) REIMBURSEMENTS.—

“(1) REASONABLE INITIAL COSTS.—

“(A) IN GENERAL.—The Employees' Life Insurance Fund is available, without fiscal year limitation, for reasonable expenses incurred by the Office of Personnel Management in administering this chapter before the start of the 7-year period described in section 9003(d)(2)(B), including reasonable implementation costs.

“(B) REIMBURSEMENT REQUIREMENT.—Such Fund shall be reimbursed, before the end of the first year of that 7-year period, for all amounts obligated or expended under subparagraph (A) (including lost investment income). Such reimbursement shall be made by carriers, on a pro rata basis, in accordance with appropriate provisions which shall be included in master contracts under this chapter.

“(2) SUBSEQUENT COSTS.—

“(A) IN GENERAL.—There is hereby established in the Employees' Life Insurance Fund a Long-Term Care Administrative Account, which shall be available to the Office, without fiscal year limitation, to defray reasonable expenses incurred by the Office in administering this chapter after the start of the 7-year period described in section 9003(d)(2)(B).

“(B) REIMBURSEMENT REQUIREMENT.—Each master contract under this chapter shall include appropriate provisions under which the carrier involved shall, during each year, make such periodic contributions to the Long-Term Care Administrative Account as necessary to ensure that the reasonable anticipated expenses of the Office in administering this chapter during such year (adjusted to reconcile for any earlier overestimates or underestimates under this subparagraph) are defrayed.

#### “§9005. Preemption

“The terms of any contract under this chapter which relate to the nature, provision, or extent of coverage or benefits (including payments with respect to benefits) shall supersede and preempt any State or local law, or any regulation issued thereunder, which relates to long-term care insurance or contracts.

#### “§9006. Studies, reports, and audits

“(a) PROVISIONS RELATING TO CARRIERS.—Each master contract under this chapter shall contain provisions requiring the carrier—

“(1) to furnish such reasonable reports as the Office of Personnel Management determines to be necessary to enable it to carry out its functions under this chapter; and

“(2) to permit the Office and representatives of the General Accounting Office to examine such records of the carrier as may be necessary to carry out the purposes of this chapter.

“(b) PROVISIONS RELATING TO FEDERAL AGENCIES.—Each Federal agency shall keep such records, make such certifications, and furnish the Office, the carrier, or both, with such information and reports as the Office may require.

“(c) REPORTS BY THE GENERAL ACCOUNTING OFFICE.—The General Accounting Office shall prepare and submit to the President, the Office of Personnel Management, and each House of Congress, before the end of the third and fifth years during which the program under this chapter is in effect, a written report evaluating such program. Each such report shall include an analysis of the competitiveness of the program, as compared to both group and individual coverage generally available to individuals in the private insurance market. The Office shall cooperate with the General Accounting Office to provide periodic evaluations of the program.

#### “§9007. Jurisdiction of courts

“The district courts of the United States have original jurisdiction of a civil action or claim described in paragraph (1) or (2) of section 9003(c), after such administrative remedies as required under such paragraph (1) or (2) (as applicable) have been exhausted, but only to the extent judicial review is not precluded by any dispute resolution or other remedy under this chapter.

#### “§9008. Administrative functions

“(a) IN GENERAL.—The Office of Personnel Management shall prescribe regulations necessary to carry out this chapter.

“(b) ENROLLMENT PERIODS.—The Office shall provide for periodic coordinated enrollment, promotion, and education efforts in consultation with the carriers.

“(c) CONSULTATION.—Any regulations necessary to effect the application and operation of this chapter with respect to an eligible individual described in paragraph (3) or (4) of section 9001, or a qualified relative thereof, shall be prescribed by the Office in consultation with the appropriate Secretary.

“(d) INFORMED DECISIONMAKING.—The Office shall ensure that each eligible individual applying for long-term care insurance under this

chapter is furnished the information necessary to enable that individual to evaluate the advantages and disadvantages of obtaining long-term care insurance under this chapter, including the following:

“(1) The principal long-term care benefits and coverage available under this chapter, and how those benefits and coverage compare to the range of long-term care benefits and coverage otherwise generally available.

“(2) Representative examples of the cost of long-term care, and the sufficiency of the benefits available under this chapter relative to those costs. The information under this paragraph shall also include—

“(A) the projected effect of inflation on the value of those benefits; and

“(B) a comparison of the inflation-adjusted value of those benefits to the projected future costs of long-term care.

“(3) Any rights individuals under this chapter may have to cancel coverage, and to receive a total or partial refund of premiums. The information under this paragraph shall also include—

“(A) the projected number or percentage of individuals likely to fail to maintain their coverage (determined based on lapse rates experienced under similar group long-term care insurance programs and, when available, this chapter); and

“(B)(i) a summary description of how and when premiums for long-term care insurance under this chapter may be raised;

“(ii) the premium history during the last 10 years for each qualified carrier offering long-term care insurance under this chapter; and

“(iii) if cost increases are anticipated, the projected premiums for a typical insured individual at various ages.

“(4) The advantages and disadvantages of long-term care insurance generally, relative to other means of accumulating or otherwise acquiring the assets that may be needed to meet the costs of long-term care, such as through tax-qualified retirement programs or other investment vehicles.

#### “§9009. Cost accounting standards

“The cost accounting standards issued pursuant to section 26(f) of the Office of Federal Procurement Policy Act (41 U.S.C. 422(f)) shall not apply with respect to a long-term care insurance contract under this chapter.”

(b) CONFORMING AMENDMENT.—The analysis for part III of title 5, United States Code, is amended by adding at the end of subpart G the following:

“90. Long-Term Care Insurance ..... 9001.”

#### SEC. 1003. EFFECTIVE DATE.

The Office of Personnel Management shall take such measures as may be necessary to ensure that long-term care insurance coverage under title 5, United States Code, as amended by this title, may be obtained in time to take effect not later than the first day of the first applicable pay period of the first fiscal year which begins after the end of the 18-month period beginning on the date of the enactment of this Act.

#### TITLE II—FEDERAL RETIREMENT COVERAGE ERRORS CORRECTION

##### SEC. 2001. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This title may be cited as the “Federal Erroneous Retirement Coverage Corrections Act”.

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

#### TITLE II—FEDERAL RETIREMENT COVERAGE ERRORS CORRECTION

Sec. 2001. Short title; table of contents.

Sec. 2002. Definitions.

Sec. 2003. Applicability.

Sec. 2004. Irrevocability of elections.

Subtitle A—Description of Retirement Coverage Errors to Which This Title Applies and Measures for Their Rectification

CHAPTER 1—EMPLOYEES AND ANNUITANTS WHO SHOULD HAVE BEEN FERS COVERED, BUT WHO WERE ERRONEOUSLY CSRS COVERED OR CSRS-OFFSET COVERED INSTEAD, AND SURVIVORS OF SUCH EMPLOYEES AND ANNUITANTS

Sec. 2101. Employees.

Sec. 2102. Annuitants and survivors.

CHAPTER 2—EMPLOYEE WHO SHOULD HAVE BEEN FERS COVERED, CSRS-OFFSET COVERED, OR CSRS COVERED, BUT WHO WAS ERRONEOUSLY SOCIAL SECURITY-ONLY COVERED INSTEAD

Sec. 2111. Applicability.

Sec. 2112. Correction mandatory.

CHAPTER 3—EMPLOYEE WHO SHOULD OR COULD HAVE BEEN SOCIAL SECURITY-ONLY COVERED BUT WHO WAS ERRONEOUSLY CSRS-OFFSET COVERED OR CSRS COVERED INSTEAD

Sec. 2121. Employee who should be Social Security-Only covered, but who is erroneously CSRS or CSRS-Offset covered instead.

CHAPTER 4—EMPLOYEE WHO WAS ERRONEOUSLY FERS COVERED

Sec. 2131. Employee who should be Social Security-Only covered, CSRS covered, or CSRS-Offset covered and is not FERS-Eligible, but who is erroneously FERS covered instead.

Sec. 2132. FERS-Eligible employee who should have been CSRS covered, CSRS-Offset covered, or Social Security-Only covered, but who was erroneously FERS covered instead without an election.

Sec. 2133. Retroactive effect.

CHAPTER 5—EMPLOYEE WHO SHOULD HAVE BEEN CSRS-OFFSET COVERED, BUT WHO WAS ERRONEOUSLY CSRS COVERED INSTEAD

Sec. 2141. Applicability.

Sec. 2142. Correction mandatory.

CHAPTER 6—EMPLOYEE WHO SHOULD HAVE BEEN CSRS COVERED, BUT WHO WAS ERRONEOUSLY CSRS-OFFSET COVERED INSTEAD

Sec. 2151. Applicability.

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#### Subtitle B—General Provisions

Sec. 2201. Identification and notification requirements.

Sec. 2202. Information to be furnished to and by authorities administering this title.

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Sec. 2206. Certain agency amounts to be paid into or remain in the CSRDF.

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Sec. 2209. Regulations.

#### Subtitle C—Other Provisions

Sec. 2301. Provisions to authorize continued conformity of other Federal retirement systems.

Sec. 2302. Authorization of payments.

Sec. 2303. Individual right of action preserved for amounts not otherwise provided for under this title.

#### Subtitle D—Effective Date

Sec. 2401. Effective date.

### SEC. 2002. DEFINITIONS.

For purposes of this title:

(1) ANNUITANT.—The term “annuitant” has the meaning given such term under section 8331(9) or 8401(2) of title 5, United States Code.

(2) CSRS.—The term “CSRS” means the Civil Service Retirement System.

(3) CSRDF.—The term “CSRDF” means the Civil Service Retirement and Disability Fund.

(4) CSRS COVERED.—The term “CSRS covered”, with respect to any service, means service that is subject to the provisions of subchapter III of chapter 83 of title 5, United States Code, other than service subject to section 8334(k) of such title.

(5) CSRS-OFFSET COVERED.—The term “CSRS-Offset covered”, with respect to any service, means service that is subject to the provisions of subchapter III of chapter 83 of title 5, United States Code, and to section 8334(k) of such title.

(6) EMPLOYEE.—The term “employee” has the meaning given such term under section 8331(1) or 8401(11) of title 5, United States Code.

(7) EXECUTIVE DIRECTOR.—The term “Executive Director of the Federal Retirement Thrift Investment Board” or “Executive Director” means the Executive Director appointed under section 8474 of title 5, United States Code.

(8) FERS.—The term “FERS” means the Federal Employees’ Retirement System.

(9) FERS COVERED.—The term “FERS covered”, with respect to any service, means service that is subject to chapter 84 of title 5, United States Code.

(10) FORMER EMPLOYEE.—The term “former employee” means an individual who was an employee, but who is not an annuitant.

(11) OASDI TAXES.—The term “OASDI taxes” means the OASDI employee tax and the OASDI employer tax.

(12) OASDI EMPLOYEE TAX.—The term “OASDI employee tax” means the tax imposed under section 3101(a) of the Internal Revenue Code of 1986 (relating to Old-Age, Survivors and Disability Insurance).

(13) OASDI EMPLOYER TAX.—The term “OASDI employer tax” means the tax imposed under section 3111(a) of the Internal Revenue Code of 1986 (relating to Old-Age, Survivors and Disability Insurance).

(14) OASDI TRUST FUNDS.—The term “OASDI trust funds” means the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.

(15) OFFICE.—The term “Office” means the Office of Personnel Management.

(16) RETIREMENT COVERAGE DETERMINATION.—The term “retirement coverage determination” means a determination by an employee or agent of the Government as to whether a particular type of Government service is CSRS covered, CSRS-Offset covered, FERS covered, or Social Security-Only covered.

(17) RETIREMENT COVERAGE ERROR.—The term “retirement coverage error” means an erroneous retirement coverage determination that was in effect for a minimum period of 3 years of service after December 31, 1986.

(18) SOCIAL SECURITY-ONLY COVERED.—The term “Social Security-Only covered”, with respect to any service, means Government service that—

(A) constitutes employment under section 210 of the Social Security Act (42 U.S.C. 410); and

(B)(i) is subject to OASDI taxes; but

(ii) is not subject to CSRS or FERS.

(19) SURVIVOR.—The term “survivor” has the meaning given such term under section 8331(10) or 8401(28) of title 5, United States Code.

(20) THRIFT SAVINGS FUND.—The term “Thrift Savings Fund” means the Thrift Savings Fund established under section 8437 of title 5, United States Code.

### SEC. 2003. APPLICABILITY.

(a) IN GENERAL.—This title shall apply with respect to retirement coverage errors that occur before, on, or after the date of enactment of this Act.

(b) LIMITATION.—Except as otherwise provided in this title, this title shall not apply to any erroneous retirement coverage determination that was in effect for a period of less than 3 years of service after December 31, 1986.

### SEC. 2004. IRREVOCABILITY OF ELECTIONS.

Any election made (or deemed to have been made) by an employee or any other individual under this title shall be irrevocable.

Subtitle A—Description of Retirement Coverage Errors to Which This Title Applies and Measures for Their Rectification

CHAPTER 1—EMPLOYEES AND ANNUITANTS WHO SHOULD HAVE BEEN FERS COVERED, BUT WHO WERE ERRONEOUSLY CSRS COVERED OR CSRS-OFFSET COVERED INSTEAD, AND SURVIVORS OF SUCH EMPLOYEES AND ANNUITANTS

### SEC. 2101. EMPLOYEES.

(a) APPLICABILITY.—This section shall apply in the case of any employee or former employee who should be (or should have been) FERS covered but, as a result of a retirement coverage error, is (or was) CSRS covered or CSRS-Offset covered instead.

(b) UNCORRECTED ERROR.—

(1) APPLICABILITY.—This subsection applies if the retirement coverage error has not been corrected before the effective date of the regulations described under paragraph (3). As soon as practicable after discovery of the error, and subject to the right of an election under paragraph (2), if CSRS covered or CSRS-Offset covered, such individual shall be treated as CSRS-Offset covered, retroactive to the date of the retirement coverage error.

(2) COVERAGE.—

(A) ELECTION.—Upon written notice of a retirement coverage error, an individual may elect to be CSRS-Offset covered or FERS covered, effective as of the date of the retirement coverage error. Such election shall be made not later than 180 days after the date of receipt of such notice.

(B) NONELECTION.—If the individual does not make an election by the date provided under subparagraph (A), a CSRS-Offset covered individual shall remain CSRS-Offset covered and a CSRS covered individual shall be treated as CSRS-Offset covered.

(3) REGULATIONS.—The Office shall prescribe regulations to carry out this subsection.

(c) CORRECTED ERROR.—

(1) APPLICABILITY.—This subsection applies if the retirement coverage error was corrected before the effective date of the regulations described under subsection (b).

(2) COVERAGE.—

(A) ELECTION.—

(i) CSRS-OFFSET COVERED.—Not later than 180 days after the date of enactment of this Act, the Office shall prescribe regulations authorizing individuals to elect, during the 18-month period immediately following the effective date of such regulations, to be CSRS-Offset covered, effective as of the date of the retirement coverage error.

(ii) THRIFT SAVINGS FUND CONTRIBUTIONS.—If under this section an individual elects to be CSRS-Offset covered, all employee contributions to the Thrift Savings Fund made during the period of FERS coverage (and earnings on such contributions) may remain in the Thrift Savings Fund in accordance with regulations prescribed by the Executive Director, notwithstanding any limit that would otherwise be applicable.

(B) PREVIOUS SETTLEMENT PAYMENT.—An individual who previously received a payment ordered by a court or provided as a settlement of claim for losses resulting from a retirement coverage error shall not be entitled to make an election under this subsection unless that amount is waived in whole or in part under section 2208, and any amount not waived is repaid.

(C) INELIGIBILITY FOR ELECTION.—An individual who, subsequent to correction of the retirement coverage error, received a refund of retirement deductions under section 8424 of title 5, United States Code, or a distribution under section 8433 (b), (c), or (h)(1)(A) of title 5, United States Code, may not make an election under this subsection.

(3) CORRECTIVE ACTION TO REMAIN IN EFFECT.—If an individual is ineligible to make an election or does not make an election under paragraph (2) before the end of any time limitation under this subsection, the corrective action

taken before such time limitation shall remain in effect.

**SEC. 2102. ANNUITANTS AND SURVIVORS.**

(a) *IN GENERAL.*—This section shall apply in the case of an individual who is—

(1) an annuitant who should have been *FERS* covered but, as a result of a retirement coverage error, was *CSRS* covered or *CSRS-Offset* covered instead; or

(2) a survivor of an employee who should have been *FERS* covered but, as a result of a retirement coverage error, was *CSRS* covered or *CSRS-Offset* covered instead.

(b) *COVERAGE.*—

(1) *ELECTION.*—Not later than 180 days after the date of enactment of this Act, the Office shall prescribe regulations authorizing an individual described under subsection (a) to elect *CSRS-Offset* coverage or *FERS* coverage, effective as of the date of the retirement coverage error.

(2) *TIME LIMITATION.*—An election under this subsection shall be made not later than 18 months after the effective date of the regulations prescribed under paragraph (1).

(3) *REDUCED ANNUITY.*—

(A) *AMOUNT IN ACCOUNT.*—If the individual elects *CSRS-Offset* coverage, the amount in the employee's Thrift Savings Fund account under subchapter III of chapter 84 of title 5, United States Code, on the date of retirement that represents the Government's contributions and earnings on those contributions (whether or not such amount was subsequently distributed from the Thrift Savings Fund) will form the basis for a reduction in the individual's annuity, under regulations prescribed by the Office.

(B) *REDUCTION.*—The reduced annuity to which the individual is entitled shall be equal to an amount which, when taken together with the amount referred to in subparagraph (A), would result in the present value of the total being actuarially equivalent to the present value of an unreduced *CSRS-Offset* annuity that would have been provided the individual.

(4) *REDUCED BENEFIT.*—If—

(A) a surviving spouse elects *CSRS-Offset* benefits; and

(B) a *FERS* basic employee death benefit under section 8442(b) of title 5, United States Code, was previously paid;

then the survivor's *CSRS-Offset* benefit shall be subject to a reduction, under regulations prescribed by the Office. The reduced annuity to which the individual is entitled shall be equal to an amount which, when taken together with the amount of the payment referred to under subparagraph (B) would result in the present value of the total being actuarially equivalent to the present value of an unreduced *CSRS-Offset* annuity that would have been provided the individual.

(5) *PREVIOUS SETTLEMENT PAYMENT.*—An individual who previously received a payment ordered by a court or provided as a settlement of claim for losses resulting from a retirement coverage error may not make an election under this subsection unless repayment of that amount is waived in whole or in part under section 2208, and any amount not waived is repaid.

(c) *NONELECTION.*—If the individual does not make an election under subsection (b) before any time limitation under this section, the retirement coverage shall be subject to the following rules:

(1) *CORRECTIVE ACTION PREVIOUSLY TAKEN.*—If corrective action was taken before the end of any time limitation under this section, that corrective action shall remain in effect.

(2) *CORRECTIVE ACTION NOT PREVIOUSLY TAKEN.*—If corrective action was not taken before such time limitation, the employee shall be *CSRS-Offset* covered, retroactive to the date of the retirement coverage error.

**CHAPTER 2—EMPLOYEE WHO SHOULD HAVE BEEN FERS COVERED, CSRS-OFFSET COVERED, OR CSRS COVERED, BUT WHO WAS ERRONEOUSLY SOCIAL SECURITY-ONLY COVERED INSTEAD**

**SEC. 2111. APPLICABILITY.**

This chapter shall apply in the case of any employee who—

(1) should be (or should have been) *FERS* covered but, as a result of a retirement coverage error, is (or was) *Social Security-Only* covered instead;

(2) should be (or should have been) *CSRS-Offset* covered but, as a result of a retirement coverage error, is (or was) *Social Security-Only* covered instead; or

(3) should be (or should have been) *CSRS* covered but, as a result of a retirement coverage error, is (or was) *Social Security-Only* covered instead.

**SEC. 2112. CORRECTION MANDATORY.**

(a) *UNCORRECTED ERROR.*—If the retirement coverage error has not been corrected, as soon as practicable after discovery of the error, such individual shall be covered under the correct retirement coverage, effective as of the date of the retirement coverage error.

(b) *CORRECTED ERROR.*—If the retirement coverage error has been corrected, the corrective action previously taken shall remain in effect.

**CHAPTER 3—EMPLOYEE WHO SHOULD OR COULD HAVE BEEN SOCIAL SECURITY-ONLY COVERED BUT WHO WAS ERRONEOUSLY CSRS-OFFSET COVERED OR CSRS COVERED INSTEAD**

**SEC. 2121. EMPLOYEE WHO SHOULD BE SOCIAL SECURITY-ONLY COVERED, BUT WHO IS ERRONEOUSLY CSRS OR CSRS-OFFSET COVERED INSTEAD.**

(a) *APPLICABILITY.*—This section applies in the case of a retirement coverage error in which a *Social Security-Only* covered employee was erroneously *CSRS* covered or *CSRS-Offset* covered.

(b) *UNCORRECTED ERROR.*—

(1) *APPLICABILITY.*—This subsection applies if the retirement coverage error has not been corrected before the effective date of the regulations described in paragraph (3).

(2) *COVERAGE.*—In the case of an individual who is erroneously *CSRS* covered, as soon as practicable after discovery of the error, and subject to the right of an election under paragraph (3), such individual shall be *CSRS-Offset* covered, effective as of the date of the retirement coverage error.

(3) *ELECTION.*—

(A) *IN GENERAL.*—Upon written notice of a retirement coverage error, an individual may elect to be *CSRS-Offset* covered or *Social Security-Only* covered, effective as of the date of the retirement coverage error. Such election shall be made not later than 180 days after the date of receipt of such notice.

(B) *NONELECTION.*—If the individual does not make an election before the date provided under subparagraph (A), the individual shall remain *CSRS-Offset* covered.

(C) *REGULATIONS.*—The Office shall prescribe regulations to carry out this paragraph.

(c) *CORRECTED ERROR.*—

(1) *APPLICABILITY.*—This subsection applies if the retirement coverage error was corrected before the effective date of the regulations described under subsection (b)(3).

(2) *ELECTION.*—Not later than 180 days after the date of enactment of this Act, the Office shall prescribe regulations authorizing individuals to elect, during the 18-month period immediately following the effective date of such regulations, to be *CSRS-Offset* covered or *Social Security-Only* covered, effective as of the date of the retirement coverage error.

(3) *NONELECTION.*—If an eligible individual does not make an election under paragraph (2) before the end of any time limitation under this subsection, the corrective action taken before such time limitation shall remain in effect.

**CHAPTER 4—EMPLOYEE WHO WAS ERRONEOUSLY FERS COVERED**

**SEC. 2131. EMPLOYEE WHO SHOULD BE SOCIAL SECURITY-ONLY COVERED, CSRS COVERED, OR CSRS-OFFSET COVERED AND IS NOT FERS-ELIGIBLE, BUT WHO IS ERRONEOUSLY FERS COVERED INSTEAD.**

(a) *APPLICABILITY.*—This section applies in the case of a retirement coverage error in which a *Social Security-Only* covered, *CSRS* covered, or *CSRS-Offset* covered employee not eligible to elect *FERS* coverage under authority of section 8402(c) of title 5, United States Code, was erroneously *FERS* covered.

(b) *UNCORRECTED ERROR.*—

(1) *APPLICABILITY.*—This subsection applies if the retirement coverage error has not been corrected before the effective date of the regulations described in paragraph (2).

(2) *COVERAGE.*—

(A) *ELECTION.*—

(i) *IN GENERAL.*—Upon written notice of a retirement coverage error, an individual may elect to remain *FERS* covered or to be *Social Security-Only* covered, *CSRS* covered, or *CSRS-Offset* covered, as would have applied in the absence of the erroneous retirement coverage determination, effective as of the date of the retirement coverage error. Such election shall be made not later than 180 days after the date of receipt of such notice.

(ii) *TREATMENT OF FERS ELECTION.*—An election of *FERS* coverage under this subsection is deemed to be an election under section 301 of the Federal Employees Retirement System Act of 1986 (5 U.S.C. 8331 note; Public Law 99-335; 100 Stat. 599).

(B) *NONELECTION.*—If the individual does not make an election before the date provided under subparagraph (A), the individual shall remain *FERS* covered, effective as of the date of the retirement coverage error.

(3) *EMPLOYEE CONTRIBUTIONS IN THRIFT SAVINGS FUND.*—If under this section, an individual elects to be *Social Security-Only* covered, *CSRS* covered, or *CSRS-Offset* covered, all employee contributions to the Thrift Savings Fund made during the period of erroneous *FERS* coverage (and all earnings on such contributions) may remain in the Thrift Savings Fund in accordance with regulations prescribed by the Executive Director, notwithstanding any limit under section 8351 or 8432 of title 5, United States Code.

(4) *REGULATIONS.*—Except as provided under paragraph (3), the Office shall prescribe regulations to carry out this subsection.

(c) *CORRECTED ERROR.*—

(1) *APPLICABILITY.*—This subsection applies if the retirement coverage error was corrected before the effective date of the regulations described under paragraph (2).

(2) *ELECTION.*—Not later than 180 days after the date of enactment of this Act, the Office shall prescribe regulations authorizing individuals to elect, during the 18-month period immediately following the effective date of such regulations to remain *Social Security-Only* covered, *CSRS* covered, or *CSRS-Offset* covered, or to be *FERS* covered, effective as of the date of the retirement coverage error.

(3) *NONELECTION.*—If an eligible individual does not make an election under paragraph (2), the corrective action taken before the end of any time limitation under this subsection shall remain in effect.

(4) *TREATMENT OF FERS ELECTION.*—An election of *FERS* coverage under this subsection is deemed to be an election under section 301 of the Federal Employees Retirement System Act of 1986 (5 U.S.C. 8331 note; Public Law 99-335; 100 Stat. 599).

**SEC. 2132. FERS-ELIGIBLE EMPLOYEE WHO SHOULD HAVE BEEN CSRS COVERED, CSRS-OFFSET COVERED, OR SOCIAL SECURITY-ONLY COVERED, BUT WHO WAS ERRONEOUSLY FERS COVERED INSTEAD WITHOUT AN ELECTION.**

(a) *IN GENERAL.*—

(1) **FERS ELECTION PREVENTED.**—If an individual was prevented from electing FERS coverage because the individual was erroneously FERS covered during the period when the individual was eligible to elect FERS under title III of the Federal Employees Retirement System Act or the Federal Employees' Retirement System Open Enrollment Act of 1997 (Public Law 105-61; 111 Stat. 1318 et seq.), the individual—

(A) is deemed to have elected FERS coverage; and

(B) shall remain covered by FERS, unless the individual declines, under regulations prescribed by the Office, to be FERS covered.

(2) **DECLINING FERS COVERAGE.**—If an individual described under paragraph (1)(B) declines to be FERS covered, such individual shall be CSRS covered, CSRS-Offset covered, or Social Security-Only covered, as would apply in the absence of a FERS election, effective as of the date of the erroneous retirement coverage determination.

(b) **EMPLOYEE CONTRIBUTIONS IN THRIFT SAVINGS FUND.**—If under this section, an individual declines to be FERS covered and instead is Social Security-Only covered, CSRS covered, or CSRS-Offset covered, as would apply in the absence of a FERS election, all employee contributions to the Thrift Savings Fund made during the period of erroneous FERS coverage (and all earnings on such contributions) may remain in the Thrift Savings Fund in accordance with regulations prescribed by the Executive Director, notwithstanding any limit that would otherwise be applicable.

(c) **INAPPLICABILITY OF DURATION OF ERRONEOUS COVERAGE.**—This section shall apply regardless of the length of time the erroneous coverage determination remained in effect.

**SEC. 2133. RETROACTIVE EFFECT.**

This chapter shall be effective as of January 1, 1987, except that section 2132 shall not apply to individuals who made or were deemed to have made elections similar to those provided in this section under regulations prescribed by the Office before the effective date of this title.

**CHAPTER 5—EMPLOYEE WHO SHOULD HAVE BEEN CSRS-OFFSET COVERED, BUT WHO WAS ERRONEOUSLY CSRS COVERED INSTEAD**

**SEC. 2141. APPLICABILITY.**

This chapter shall apply in the case of any employee who should be (or should have been) CSRS-Offset covered but, as a result of a retirement coverage error, is (or was) CSRS covered instead.

**SEC. 2142. CORRECTION MANDATORY.**

(a) **UNCORRECTED ERROR.**—If the retirement coverage error has not been corrected, as soon as practicable after discovery of the error, such individual shall be covered under the correct retirement coverage, effective as of the date of the retirement coverage error.

(b) **CORRECTED ERROR.**—If the retirement coverage error has been corrected before the effective date of this title, the corrective action taken before such date shall remain in effect.

**CHAPTER 6—EMPLOYEE WHO SHOULD HAVE BEEN CSRS COVERED, BUT WHO WAS ERRONEOUSLY CSRS-OFFSET COVERED INSTEAD**

**SEC. 2151. APPLICABILITY.**

This chapter shall apply in the case of any employee who should be (or should have been) CSRS covered but, as a result of a retirement coverage error, is (or was) CSRS-Offset covered instead.

**SEC. 2152. CORRECTION MANDATORY.**

(a) **UNCORRECTED ERROR.**—If the retirement coverage error has not been corrected, as soon as practicable after discovery of the error, such individual shall be covered under the correct retirement coverage, effective as of the date of the retirement coverage error.

(b) **CORRECTED ERROR.**—If the retirement coverage error has been corrected before the effective

date of this title, the corrective action taken before such date shall remain in effect.

**Subtitle B—General Provisions**

**SEC. 2201. IDENTIFICATION AND NOTIFICATION REQUIREMENTS.**

Government agencies shall take all such measures as may be reasonable and appropriate to promptly identify and notify individuals who are (or have been) affected by a retirement coverage error of their rights under this title.

**SEC. 2202. INFORMATION TO BE FURNISHED TO AND BY AUTHORITIES ADMINISTERING THIS TITLE.**

(a) **APPLICABILITY.**—The authorities identified in this subsection are—

(1) the Director of the Office of Personnel Management;

(2) the Commissioner of Social Security; and

(3) the Executive Director of the Federal Retirement Thrift Investment Board.

(b) **AUTHORITY TO OBTAIN INFORMATION.**—Each authority identified in subsection (a) may secure directly from any department or agency of the United States information necessary to enable such authority to carry out its responsibilities under this title. Upon request of the authority involved, the head of the department or agency involved shall furnish that information to the requesting authority.

(c) **AUTHORITY TO PROVIDE INFORMATION.**—Each authority identified in subsection (a) may provide directly to any department or agency of the United States all information such authority believes necessary to enable the department or agency to carry out its responsibilities under this title.

(d) **LIMITATION; SAFEGUARDS.**—Each of the respective authorities under subsection (a) shall—

(1) request or provide only such information as that authority considers necessary; and

(2) establish, by regulation or otherwise, appropriate safeguards to ensure that any information obtained under this section shall be used only for the purpose authorized.

**SEC. 2203. SERVICE CREDIT DEPOSITS.**

(a) **CSRS DEPOSIT.**—In the case of a retirement coverage error in which—

(1) a FERS covered employee was erroneously CSRS covered or CSRS-Offset covered;

(2) the employee made a service credit deposit under the CSRS rules; and

(3) there is a subsequent retroactive change to FERS coverage;

the excess of the amount of the CSRS civilian or military service credit deposit over the FERS civilian or military service credit deposit, together with interest computed in accordance with paragraphs (2) and (3) of section 8334(e) of title 5, United States Code, and regulations prescribed by the Office, shall be paid to the employee, the annuitant or, in the case of a deceased employee, to the individual entitled to lump-sum benefits under section 8424(d) of title 5, United States Code.

(b) **FERS DEPOSIT.**—

(1) **APPLICABILITY.**—This subsection applies in the case of an erroneous retirement coverage determination in which—

(A) the employee owed a service credit deposit under section 8411(f) of title 5, United States Code; and

(B)(i) there is a subsequent retroactive change to CSRS or CSRS-Offset coverage; or  
(ii) the service becomes creditable under chapter 83 of title 5, United States Code.

(2) **REDUCED ANNUITY.**—

(A) **IN GENERAL.**—If at the time of commencement of an annuity there is remaining unpaid CSRS civilian or military service credit deposit for service described under paragraph (1), the annuity shall be reduced based upon the amount unpaid together with interest computed in accordance with section 8334(e) (2) and (3) of title 5, United States Code, and regulations prescribed by the Office.

(B) **AMOUNT.**—The reduced annuity to which the individual is entitled shall be equal to an

amount that, when taken together with the amount referred to under subparagraph (A), would result in the present value of the total being actuarially equivalent to the present value of the unreduced annuity benefit that would have been provided the individual.

(3) **SURVIVOR ANNUITY.**—

(A) **IN GENERAL.**—If at the time of commencement of a survivor annuity, there is remaining unpaid any CSRS service credit deposit described under paragraph (1), and there has been no actuarial reduction in an annuity under paragraph (2), the survivor annuity shall be reduced based upon the amount unpaid together with interest computed in accordance with section 8334(e) (2) and (3) of title 5, United States Code, and regulations prescribed by the Office.

(B) **AMOUNT.**—The reduced survivor annuity to which the individual is entitled shall be equal to an amount that, when taken together with the amount referred to under subparagraph (A), would result in the present value of the total being actuarially equivalent to the present value of an unreduced survivor annuity benefit that would have been provided the individual.

**SEC. 2204. PROVISIONS RELATED TO SOCIAL SECURITY COVERAGE OF MISCLASSIFIED EMPLOYEES.**

(a) **DEFINITIONS.**—In this section, the term—

(1) "covered individual" means any employee, former employee, or annuitant who—

(A) is or was employed erroneously subject to CSRS coverage as a result of a retirement coverage error; and

(B) is or was retroactively converted to CSRS-offset coverage, FERS coverage, or Social Security-only coverage; and

(2) "excess CSRS deduction amount" means an amount equal to the difference between the CSRS deductions withheld and the CSRS-Offset or FERS deductions, if any, due with respect to a covered individual during the entire period the individual was erroneously subject to CSRS coverage as a result of a retirement coverage error.

(b) **REPORTS TO COMMISSIONER OF SOCIAL SECURITY.**—

(1) **IN GENERAL.**—In order to carry out the Commissioner of Social Security's responsibilities under title II of the Social Security Act, the Commissioner may request the head of each agency that employs or employed a covered individual to report (in coordination with the Office of Personnel Management) in such form and within such timeframe as the Commissioner may specify, any or all of—

(A) the total wages (as defined in section 3121(a) of the Internal Revenue Code of 1986) paid to such individual during each year of the entire period of the erroneous CSRS coverage; and

(B) such additional information as the Commissioner may require for the purpose of carrying out the Commissioner's responsibilities under title II of the Social Security Act (42 U.S.C. 401 et seq.).

(2) **COMPLIANCE.**—The head of an agency or the Office shall comply with a request from the Commissioner under paragraph (1).

(3) **WAGES.**—For purposes of section 201 of the Social Security Act (42 U.S.C. 401), wages reported under this subsection shall be deemed to be wages reported to the Secretary of the Treasury or the Secretary's delegates pursuant to subtitle F of the Internal Revenue Code of 1986.

(c) **PAYMENT RELATING TO OASDI EMPLOYEE TAXES.**—

(1) **IN GENERAL.**—The Office shall transfer from the Civil Service Retirement and Disability Fund to the General Fund of the Treasury an amount equal to the lesser of the excess CSRS deduction amount or the OASDI taxes due for covered individuals (as adjusted by amounts transferred relating to applicable OASDI employee taxes as a result of corrections made, including corrections made before the date of enactment of this Act). If the excess CSRS deductions exceed the OASDI taxes, any difference



shall be paid to the covered individual or survivors, as appropriate.

(2) **TRANSFER.**—Amounts transferred under this subsection shall be determined notwithstanding any limitation under section 6501 of the Internal Revenue Code of 1986.

(d) **PAYMENT OF OASDI EMPLOYER TAXES.**—

(1) **IN GENERAL.**—Each employing agency shall pay an amount equal to the OASDI employer taxes owed with respect to covered individuals during the applicable period of erroneous coverage (as adjusted by amounts transferred for the payment of such taxes as a result of corrections made, including corrections made before the date of enactment of this Act).

(2) **PAYMENT.**—Amounts paid under this subsection shall be determined subject to any limitation under section 6501 of the Internal Revenue Code of 1986.

(e) **APPLICATION OF OASDI TAX PROVISIONS OF THE INTERNAL REVENUE CODE OF 1986 TO AFFECTED INDIVIDUALS AND EMPLOYING AGENCIES.**—A covered individual and the individual's employing agency shall be deemed to have fully satisfied in a timely manner their responsibilities with respect to the taxes imposed by sections 3101(a), 3102(a), and 3111(a) of the Internal Revenue Code of 1986 on the wages paid by the employing agency to such individual during the entire period such individual was erroneously subject to CSRS coverage as a result of a retirement coverage error based on the payments and transfers made under subsections (c) and (d). No credit or refund of taxes on such wages shall be allowed as a result of this subsection.

**SEC. 2205. THRIFT SAVINGS PLAN TREATMENT FOR CERTAIN INDIVIDUALS.**

(a) **APPLICABILITY.**—This section applies to an individual who—

(1) is eligible to make an election of coverage under section 2101 or 2102, and only if FERS coverage is elected (or remains in effect) for the employee involved; or

(2) is described in section 2111, and makes or has made retroactive employee contributions to the Thrift Savings Fund under regulations prescribed by the Executive Director.

(b) **PAYMENT INTO THRIFT SAVINGS FUND.**—

(1) **IN GENERAL.**—

(A) **PAYMENT.**—With respect to an individual to whom this section applies, the employing agency shall pay to the Thrift Savings Fund under subchapter III of chapter 84 of title 5, United States Code, for credit to the account of the employee involved, an amount equal to the earnings which are disallowed under section 8432a(a)(2) of such title on the employee's retroactive contributions to such Fund.

(B) **AMOUNT.**—Earnings under subparagraph (A) shall be computed in accordance with the procedures for computing lost earnings under section 8432a of title 5, United States Code. The amount paid by the employing agency shall be treated for all purposes as if that amount had actually been earned on the basis of the employee's contributions.

(C) **EXCEPTIONS.**—If an individual made retroactive contributions before the effective date of the regulations under section 2101(c), the Director may provide for an alternative calculation of lost earnings to the extent that a calculation under subparagraph (B) is not administratively feasible. The alternative calculation shall yield an amount that is as close as practicable to the amount computed under subparagraph (B), taking into account earnings previously paid.

(2) **ADDITIONAL EMPLOYEE CONTRIBUTION.**—In cases in which the retirement coverage error was corrected before the effective date of the regulations under section 2101(c), the employee involved shall have an additional opportunity to make retroactive contributions for the period of the retirement coverage error (subject to applicable limits), and such contributions (including any contributions made after the date of the correction) shall be treated in accordance with paragraph (1).

(c) **REGULATIONS.**—

(1) **EXECUTIVE DIRECTOR.**—The Executive Director shall prescribe regulations appropriate to carry out this section relating to retroactive employee contributions and payments made on or after the effective date of the regulations under section 2101(c).

(2) **OFFICE.**—The Office, in consultation with the Federal Retirement Thrift Investment Board, shall prescribe regulations appropriate to carry out this section relating to the calculation of lost earnings on retroactive employee contributions made before the effective date of the regulations under section 2101(c).

**SEC. 2206. CERTAIN AGENCY AMOUNTS TO BE PAID INTO OR REMAIN IN THE CSRDF.**

(a) **CERTAIN EXCESS AGENCY CONTRIBUTIONS TO REMAIN IN THE CSRDF.**—

(1) **IN GENERAL.**—Any amount described under paragraph (2) shall—

(A) remain in the CSRDF; and

(B) may not be paid or credited to an agency.

(2) **AMOUNTS.**—Paragraph (1) refers to any amount of contributions made by an agency under section 8423 of title 5, United States Code, on behalf of any employee, former employee, or annuitant (or survivor of such employee, former employee, or annuitant) who makes an election to correct a retirement coverage error under this title, that the Office determines to be excess as a result of such election.

(b) **ADDITIONAL EMPLOYEE RETIREMENT DEDUCTIONS TO BE PAID BY AGENCY.**—If a correction in a retirement coverage error results in an increase in employee deductions under section 8334 or 8422 of title 5, United States Code, that cannot be fully paid by a reallocation of otherwise available amounts previously deducted from the employee's pay as employment taxes or retirement deductions, the employing agency—

(1) shall pay the required additional amount into the CSRDF; and

(2) shall not seek repayment of that amount from the employee, former employee, annuitant, or survivor.

**SEC. 2207. CSRS COVERAGE DETERMINATIONS TO BE APPROVED BY OPM.**

No agency shall place an individual under CSRS coverage unless—

(1) the individual has been employed with CSRS coverage within the preceding 365 days; or

(2) the Office has agreed in writing that the agency's coverage determination is correct.

**SEC. 2208. DISCRETIONARY ACTIONS BY DIRECTOR.**

(a) **IN GENERAL.**—The Director of the Office of Personnel Management may—

(1) extend the deadlines for making elections under this title in circumstances involving an individual's inability to make a timely election due to a cause beyond the individual's control;

(2) provide for the reimbursement of necessary and reasonable expenses incurred by an individual with respect to settlement of a claim for losses resulting from a retirement coverage error, including attorney's fees, court costs, and other actual expenses;

(3) compensate an individual for monetary losses that are a direct and proximate result of a retirement coverage error, excluding claimed losses relating to forgone contributions and earnings under the Thrift Savings Plan under subchapter III of chapter 84 of title 5, United States Code, and all other investment opportunities; and

(4) waive payments required due to correction of a retirement coverage error under this title.

(b) **SIMILAR ACTIONS.**—In exercising the authority under this section, the Director shall, to the extent practicable, provide for similar actions in situations involving similar circumstances.

(c) **JUDICIAL REVIEW.**—Actions taken under this section are final and conclusive, and are not subject to administrative or judicial review.

(d) **REGULATIONS.**—The Office of Personnel Management shall prescribe regulations regard-

ing the process and criteria used in exercising the authority under this section.

(e) **REPORT.**—The Office of Personnel Management shall, not later than 180 days after the date of enactment of this Act, and annually thereafter for each year in which the authority provided in this section is used, submit a report to each House of Congress on the operation of this section.

**SEC. 2209. REGULATIONS.**

(a) **IN GENERAL.**—In addition to the regulations specifically authorized in this title, the Office may prescribe such other regulations as are necessary for the administration of this title.

(b) **FORMER SPOUSE.**—The regulations prescribed under this title shall provide for protection of the rights of a former spouse with entitlement to an apportionment of benefits or to survivor benefits based on the service of the employee.

**Subtitle C—Other Provisions**

**SEC. 2301. PROVISIONS TO AUTHORITY CONTINUED CONFORMITY OF OTHER FEDERAL RETIREMENT SYSTEMS.**

(a) **FOREIGN SERVICE.**—Sections 827 and 851 of the Foreign Service Act of 1980 (22 U.S.C. 4067 and 4071) shall apply with respect to this title in the same manner as if this title were part of—

(1) the Civil Service Retirement System, to the extent this title relates to the Civil Service Retirement System; and

(2) the Federal Employees' Retirement System, to the extent this title relates to the Federal Employees' Retirement System.

(b) **CENTRAL INTELLIGENCE AGENCY.**—Sections 292 and 301 of the Central Intelligence Agency Retirement Act (50 U.S.C. 2141 and 2151) shall apply with respect to this title in the same manner as if this title were part of—

(1) the Civil Service Retirement System, to the extent this title relates to the Civil Service Retirement System; and

(2) the Federal Employees' Retirement System, to the extent this title relates to the Federal Employees' Retirement System.

**SEC. 2302. AUTHORIZATION OF PAYMENTS.**

All payments authorized or required by this title to be paid from the Civil Service Retirement and Disability Fund, together with administrative expenses incurred by the Office in administering this title, shall be deemed to have been authorized to be paid from that Fund, which is appropriated for the payment thereof.

**SEC. 2303. INDIVIDUAL RIGHT OF ACTION PRESERVED FOR AMOUNTS NOT OTHERWISE PROVIDED FOR UNDER THIS TITLE.**

Nothing in this title shall preclude an individual from bringing a claim against the Government of the United States which such individual may have under section 1346(b) or chapter 171 of title 28, United States Code, or any other provision of law (except to the extent the claim is for any amounts otherwise provided for under this title).

**Subtitle D—Effective Date**

**SEC. 2401. EFFECTIVE DATE.**

Except as otherwise provided in this title, this title shall take effect on the date of enactment of this Act.

Ms. MIKULSKI. Mr. President, I rise today in strong support of final passage of H.R. 4040, The Long-Term Care Security Act. As the lead Democratic sponsor of the Senate companion to this bill, S. 2420, I believe this is an important part of our down-payment on finding solutions to the exploding problem of long-term care.

Without long-term care coverage, no family has real security against the costs of chronic illness or disability. The Long-Term Care Security Act H.R. 4040 (S. 2420), does 4 things:

1. Enables federal and military workers, retirees and their families to purchase long-term care insurance at group rates—projected to be 15 percent to 20 percent below the private market.

2. Creates a model that private employers can use to establish their own long-term care insurance program.

3. Provides help to those who practice self-help by offering employees the option to better prepare for their retirement.

4. Reduces the reliance on federal programs, like Medicaid, so the American taxpayer benefits. Federal workers also benefit because they are paying lower premiums than they would get in the private market.

I am a strong supporter of The Long-Term Care Security Act because it gives people choices, flexibility and security. Faced with a sick parent or spouse, most Americans currently do not have a lot of choices. They may choose, or be forced, to spend down their assets in order to qualify for Medicaid. They, or a spouse, may quit their job to do some of the caregiving themselves. Or, families may be forced to make the difficult choice of putting a child through college, or paying for long-term care for a parent. This legislation gives people better, more informed choices.

It also provides people with flexibility because beneficiaries will have different types of settings where they can receive care. They may choose to be cared for in the home by a family caregiver—or they may need a higher level of care than nursing homes and home health care services provide. Different plan reimbursement options will ensure maximum flexibility that meet the unique health care needs of the beneficiary.

Long-term care insurance also provides families with some security. Family members will not be burdened by trying to figure out how to finance health care needs—and beneficiaries will be able to make informed decisions about their future.

Some of us have faced the challenge of having a family member who needed long-term care. It is emotionally and financially difficult. But, imagine if you are a secretary working at the Social Security Administration, or a custodial worker here in the Senate. And a family member gets Alzheimers, or Parkinsons, or has some other illness that requires long-term health care. Your paycheck probably isn't big enough to cover the cost of home health visits, or a nursing home stay. So where do you go? Medicare doesn't cover long-term care so that is not an option. Should you quit your job so you can take care of your parent? But then what if you have a family of your own that you need to support? Or, what if you are trying to put a child through college?

Consider if you are a 61 year old employee at NASA and you are diagnosed with cancer. You might be able to retire, but the federal employees health

benefits program does not cover long-term care—even for retirees. You may not have family to provide care and your pension probably isn't large enough to finance the high costs of long-term care. Where do you go?

Many Americans are currently facing these difficult decisions. Consider that:

At least 5.8 million Americans aged 65 or older currently need long-term care.

As many as six out of 10 Americans have experienced a long-term care need.

41 percent of women in caregiver roles quit their jobs or take family medical leave to care for a frail older parent or parent-in-law.

80 percent of all long-term care services are provided by family and friends.

These statistics represent the enormous financial and emotional costs associated with long-term care. This legislation is an essential step in providing opportunities for federal workers to plan ahead for retirement so they can take responsibility for their future long-term care needs.

Since my first days in Congress, I have been fighting to help people afford the burdens of long-term care. Eleven years ago, I introduced legislation now known as Spousal Anti-Imperishment. My bill changed the cruel rules of government that forced elderly couples to go bankrupt before they could get any help in paying for nursing home care.

Through the Older Americans Act, seniors have easier access to information and referrals they need to make good choices about long-term care. I am also working hard to create a National Family Caregivers Program so that families can access comprehensive information when faced with the dizzying array of choices in addressing the long-term care needs of a family member.

It is clear that we have a long-term care problem. The Office of Personnel Management estimates that 96,000 federal employees will be retiring in the year 2001. Providing federal employees with a long-term care insurance benefit is a down payment on a solution.

I am starting with federal employees for two reasons. As our nation's largest employer, the federal government can be a model for employers around the country whose workforce will be facing the same long-term care needs. Starting with the nation's largest employer also raises awareness and education about long-term care options.

I am a strong supporter of our federal employees. I am proud that so many of them live, work, and retire in Maryland. They work hard in the service of our country. And I work hard for them. Whether it's fighting for fair COLAs, lower health care premiums, or to prevent unwise schemes to privatize important services our federal workforce provide, they can count on me.

One of my principles is "promises made should be promises kept." Federal employees and retirees have made

a commitment to devote their careers to public service. In return, our government made certain promises to them. One important promise made was the promise of health insurance. The lack of long-term care for federal workers has been a big gap in this important promise to our federal workers. This legislation will close that gap and provide our federal workers and retirees with comprehensive health insurance.

I reiterate my commitment to finding long-term solutions to the long-term care problem. I am proud that this bipartisan bill takes an important step forward in helping all Americans to prepare for the challenges facing our aging population.

I would like to thank Senator CLELAND, Senator GRASSLEY, Senator AKAKA, Senator COCHRAN, Senator LIEBERMAN and Senator THOMPSON for all of their hard work in coming to a bipartisan consensus on how best to provide federal and military employees, retirees, and their families with the opportunity to purchase long-term care insurance. Additionally, many Senate staff worked very hard in developing this compromise: Nanci Langley, Hope Hegstrom, Michael Loesch, Tamara Jones, Judy White, Larry Novey, and Dan Blair. And I would like to thank Cynthia Brock-Smith and Frank Titus at the Office of Personnel Management.

Mr. NICKLES. Mr. President, I ask unanimous consent that the committee substitute be agreed to, and the bill be considered read the third time.

I further ask that H.R. 4040 be discharged from the Governmental Affairs Committee and the Senate proceed to its consideration. I further ask consent that all after the enacting clause be stricken and the text of S. 2420, as amended, be inserted in lieu thereof. I further ask consent that the bill be read the third time and passed, the motion to reconsider be laid upon the table, the amendment to the title be agreed to, and that any statements relating to the bill be printed in the RECORD. I finally ask consent that S. 2420 be placed back on the calendar.

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

The bill (H.R. 4040), as amended, was read the third time and passed.

The title was amended so as to read:

A bill to amend title 5, United States Code, to provide for the establishment of a program under which long-term care insurance is made available to Federal employees, members of the uniformed services, and civilian and military retirees, provide for the correction of retirement coverage errors under chapters 83 and 84 of such title, and for other purposes.

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#### ORDERS FOR WEDNESDAY, JULY 26, 2000

Mr. NICKLES. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 9:30 a.m. on Wednesday, July 26. I further ask consent that on Wednesday, immediately

following the prayer, the Journal of the proceedings be approved to date, the morning hour be deemed to have expired, the time for the two leaders be reserved for their use later in the day, and that the Senate then begin a period of morning business for debate only until 10:15 a.m., with Senators permitted to speak for up to 10 minutes each, with the following exceptions: Senator DURBIN, or his designee, in control of the first 20 minutes; Senator COLLINS, or her designee, in control of the second 20 minutes.

Mr. REID. Reserving the right to object, Mr. President, I want to make a parliamentary inquiry. Earlier today, I asked if 1 hour prior to the cloture vote it would be permissible to file a cloture motion on PNTR, and the Chair responded that would be OK, the answer would be yes. I say to the Chair today, with the 45 minutes just outlined, would that answer still be, yes, it could be filed under that 45-minute period in the morning?

The PRESIDING OFFICER. This agreement provides for debate only. That precludes a motion to proceed.

Mr. REID. 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. NICKLES. 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. NICKLES. Mr. President, I will modify the unanimous consent request to state that morning business be for debate only, with the exception of the majority leader, or his designee, to make a motion dealing with cloture until 10:15 a.m., with Senators permitted to speak up to 10 minutes each.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. NICKLES. I ask unanimous consent that the vote on invoking cloture on the motion to proceed to the Treasury-Postal appropriations bill be at 10:15 a.m.

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

#### PROGRAM

Mr. NICKLES. Mr. President, when the Senate convenes at 9:30 a.m., it will be in a period for morning business until 10:15 a.m. Following morning business, the Senate will proceed to a cloture vote on the motion to proceed to the Treasury-general government appropriations bill. Assuming cloture is invoked on the motion, the Senate will begin the 30 hours of postcloture debate. If cloture is not invoked, there will be a second cloture vote on the motion to proceed to the intelligence authorization bill.

As a reminder, cloture was filed on the motion to proceed to the energy and water appropriations bill during

today's session. Under the rule, that vote will be on Thursday, 1 hour after the Senate convenes.

#### ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. NICKLES. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 6:36 p.m., adjourned until Wednesday, July 26, 2000, at 9:30 a.m.

#### NOMINATIONS

Executive nominations received by the Senate July 25, 2000:

##### DEPARTMENT OF THE TREASURY

JONATHAN TALISMAN, OF MARYLAND, TO BE AN ASSISTANT SECRETARY OF THE TREASURY, VICE DONALD C. LUBICK, RESIGNED.

##### INTERNATIONAL MONETARY FUND

MARGRETHE LUNDSAGER, OF VIRGINIA, TO BE UNITED STATES ALTERNATE EXECUTIVE DIRECTOR OF THE INTERNATIONAL MONETARY FUND FOR A TERM OF TWO YEARS, VICE BARRY S. NEWMAN, TERM EXPIRED.

##### IN THE ARMY

THE FOLLOWING ARMY NATIONAL GUARD OF THE UNITED STATES OFFICER FOR APPOINTMENT IN THE RESERVE OF THE ARMY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

##### To be brigadier general

COL. WILLIAM T. NESBITT, 0000

THE FOLLOWING ARMY NATIONAL GUARD OF THE UNITED STATES OFFICERS FOR APPOINTMENT IN THE RESERVE OF THE ARMY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

##### To be major general

BRIG. GEN. DAVID P. RATA CZAK, 0000

##### To be brigadier general

COL. GEORGE J. ROBINSON, 0000

##### IN THE NAVY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

##### To be vice admiral

REAR ADM. RICHARD W. MAYO, 0000

##### IN THE AIR FORCE

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADES INDICATED IN THE UNITED STATES AIR FORCE AND FOR REGULAR APPOINTMENT (IDENTIFIED BY AN ASTERISK (\*)) UNDER TITLE 10, U.S.C., SECTIONS 624 AND 531:

##### To be lieutenant colonel

DONNA L. KENNEDY, 0000  
EUSTOLIO E. MEDINA, 0000  
REGINA E. QUINN, 0000  
MURRAY C. ROBERTS, 0000  
EMILY C. TATE, 0000  
RICHARD P. WRIGHT, 0000

##### To be major

\* MARGARETE P. ASHMORE, 0000  
THOMAS F. MEEHAN III, 0000  
MICHAEL D. PRAZAK, 0000

THE FOLLOWING NAMED AIR NATIONAL GUARD OF THE UNITED STATES OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE RESERVE OF THE AIR FORCE UNDER TITLE 10, U.S.C., SECTIONS 12203 AND 12212:

##### To be colonel

FRANKLIN C. ALBRIGHT, 0000  
RUSSELL E. ALTIZER, 0000  
NANCY W. AUGUST, 0000  
FRANK W. BARNETT, JR., 0000  
CHARLES O. BARRY III, 0000  
KENNETH E. BERGGREN, JR., 0000  
DONALD L. BOATRIGHT, 0000  
MICHAEL R. BOULANGER, 0000  
RICHARD L. BRAZEAU, 0000  
DOUGLAS S. BROADHURST, 0000  
MARSHALL A. BRONSTON, 0000  
ROBERT B. BUEHLER, 0000  
JOSEPH J. BULMER, JR., 0000  
WILLIAM R. BURKS, 0000  
TERRY L. BUTLER, 0000  
ANDREW R. BUZZELLI, 0000

JOHN A. CAPUTO, 0000  
SANDRA L. CARLSON, 0000  
PERRY M. COLLINS, 0000  
RONALD R. COLUNGA, 0000  
MICHAEL R. CONNERS, 0000  
VIRGIL D. COOPER, 0000  
GARY M. COSTELLO, 0000  
JAMES J. DAGOSTINO, 0000  
MICHAEL C. DANIEL, 0000  
GARRY C. DEAN, 0000  
STEPHEN W. DEE, 0000  
EUGENE J. DELGADO, 0000  
THOMAS F. DOLNICEK, 0000  
MICHAEL D. DUBIE, 0000  
RUSSELL G. ERLER, 0000  
DAVID L. FERRE, 0000  
DONALD P. FLINN, 0000  
HERBERT J. FOARD, 0000  
DOUGLAS G. FOSTER, 0000  
STEVEN E. FOSTER, 0000  
WILLIAM R. GAIN, 0000  
JAY C. GATES, 0000  
MICHAEL D. GULLIHUR, 0000  
WILLIAM S. HADAWAY III, 0000  
JOHNNY O. HAIKEY, 0000  
JAMES L. HALVERSON, 0000  
GHEHL L. HAMMOND, 0000  
JOSEPH W. HIDY, 0000  
MICHAEL W. HORNE, 0000  
WILLIAM E. IGNATOW, 0000  
DON S. JACKSON, JR., 0000  
ROBERT A. KARP, 0000  
MARCEL E. KERDAVID, JR., 0000  
RICHARD D. KING, 0000  
DENNIS W. KOTKOSKI, 0000  
THOMAS E. LARSON, 0000  
ROBERT L. LEEKER, 0000  
KNOX D. LEWIS, 0000  
JAMES M. LILLIS, 0000  
RICHARD L. LOHNES, 0000  
LYLE F. LONGOSTY, 0000  
RAYMOND R. MAHALICK, 0000  
ALAN L. MALONE, 0000  
HAROLD C. MANSON, 0000  
JAMES D. MARQUES, 0000  
RICHARD P. MARTELL, 0000  
JAMES R. MASON, 0000  
JOHN P. MATANOCK, 0000  
LAURENCE D. MATLOCK, 0000  
ELWOOD J. MAYBERRY, JR., 0000  
PATRICIA U. MEHMKEN, 0000  
JOHN E. MOONEY, JR., 0000  
JOHN D. MOORE, 0000  
WAYNE R. MROZINSKI, 0000  
DAVID W. NEWMAN, 0000  
MICHAEL J. O'TOOLE, 0000  
PETER W. PALFREYMAN III, 0000  
DARRELL G. PIATT, 0000  
GEORGE E. PIGEON, 0000  
CAROLYN J. PROTZMANN, 0000  
JAMES K. ROBINSON, 0000  
JOHN G. ROBINSON, 0000  
RANDY A. ROEBUCK, 0000  
DENNIS S. SARKISIAN, 0000  
GREGORY J. SCHWAB, 0000  
RANDOLPH M. SCOTT, 0000  
CHESTER G. SEAMAN, JR., 0000  
PETER M. SHANAHAN, 0000  
FRANK H. SHAW, JR., 0000  
STEVEN H. SLUSHER, 0000  
HAROLD S. SMITH, 0000  
JEFFREY A. SOLDNER, 0000  
CLARK F. SPEICHER, 0000  
CAROL A. SPILLERS, 0000  
PAUL C. STCIN, 0000  
JERRY D. STEVENS, 0000  
ROY T. STEWART, 0000  
WENDYL B. STEWART, 0000  
HENRY L. STRAUB, 0000  
JANICE M. STRITZINGER, 0000  
FREDERICK J. SUJAT, JR., 0000  
LAWRENCE S. THOMAS III, 0000  
FRANK J. TISCIONE, 0000  
JOHN S. TUOHY, 0000  
JAMES M. TURNER, 0000  
KENT R. WAGGONER, 0000  
ALBERT S. WICKEL, 0000  
THOMAS O. WILDES, 0000  
KAREN L. WINGARD, 0000  
LEWIS F. WOLF, 0000

##### IN THE ARMY

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY AND FOR REGULAR APPOINTMENT IN THE MEDICAL CORPS (MC) AND DENTAL CORPS (DE) (IDENTIFIED BY AN ASTERISK(\*)) UNDER TITLE 10, U.S.C., SECTIONS 624, 531, AND 3064:

##### To be lieutenant colonel

BRUCE D. ADAMS, 0000 MC  
STEPHEN D. ADAMS, 0000 MC  
DARRYL J. ANBINDER, 0000 MC  
LARRY K. ANDREO, 0000 MC  
MICHAEL D. BAGG, 0000 MC  
WILLIAM P. \* BAKER III, 0000 DE  
WANDA D. BARFIELD, 0000 MC  
DONALD S. BATTY, JR., 0000 MC  
TERRY D. BAUCH, 0000 MC  
VICTOR J. BERNET, 0000 MC  
SEAN M. BLAYDON, 0000 MC  
MARK W. BONNER, 0000 MC  
CRAIG R. BOTTONI, 0000 MC  
MICHAEL R. BOWEN, 0000 MC  
JAMES P. BRADLEY, 0000 MC  
JOHN C. BRADLEY, 0000 MC

WALLACE B. BRUCKER, 0000 MC  
 ALAN D. BRUNS, 0000 MC  
 DAVID A. CANCELADA, 0000 MC  
 MARK E. CLYDE, 0000 MC  
 STEVEN P. COHEN, 0000 MC  
 PAUL L. \* COREN, 0000 DE  
 WILLIAM P. CORR III, 0000 MC  
 TRINKA S. COSTER, 0000 MC  
 KEVIN M. CREAMER, 0000 MC  
 CHRISTINE A. CULLEN, 0000 MC  
 ROBERT C. DEAN, 0000 MC  
 THOMAS M. DEBERARDINO, 0000 MC  
 EVERETT S. DEJONG, 0000 MC  
 ROBERT A. DELORENZO, 0000 MC  
 PAUL DUCH, 0000 MC  
 WAYNE H. DUKE, 0000 MC  
 JAN R. DUNN, 0000 MC  
 ERIN P. EDGAR, 0000 MC  
 ANDREW S. EISEMAN, 0000 MC  
 MARLEIGH E. ERICKSON, 0000 MC  
 CARLOS R. ESQUIVEL, 0000 MC  
 PATRICK J. FERNICOLA, 0000 MC  
 DAVID R. FINGER, 0000 MC  
 STEVEN M. \* FLORENCE, 0000 DE  
 GRANT A. FOSTER, 0000 MC  
 STEVEN P. FRIEDEL, 0000 MC  
 JOSEPH B. FURLONG, 0000 MC  
 BRIAN J. GERONDALE, 0000 MC  
 GEORGE M. \* GIBSON, 0000 DE  
 KEVIN L. GLASS, 0000 MC  
 JAMES M. GOFF, 0000 MC  
 VINCENT X. GRBACH, 0000 MC  
 JOHN B. HALLIGAN, 0000 MC  
 ROBERT W. HANDY, 0000 MC  
 BRIAN C. HARRINGTON, 0000 MC  
 MARK J. HARRISON, 0000 MC  
 ELEANOR R. HASTINGS, 0000 MC  
 KEITH L. HIATT, 0000 MC  
 JAMES B. HILL, 0000 MC  
 RICHARD B. HILLBURN, 0000 MC  
 NATHAN J. HOELDTKE, 0000 MC  
 JAMES R. \* HONEY, 0000 DE  
 CURTIS J. HUNTER, 0000 MC  
 MICHAEL A. HUOTT, 0000 MC  
 LONNIE L. IMLAY, 0000 MC  
 RICHARD B. JACKSON, 0000 MC  
 PERRY E. JONES, 0000 MC  
 JOSEPH J. KAPLAN, 0000 MC  
 JULIE R. KENNER, 0000 MC  
 DAVID H. KIM, 0000 MC  
 SUN Y. KIM, 0000 MC  
 JEFFREY L. KINGSBURY, 0000 MC  
 BLAINE L. \* KNOX, 0000 DE  
 DEBRA A. KONTRY, 0000 MC  
 DAVID J. \* KRYSZAK, 0000 DE  
 ARNOLDAS S. KUNGYS, 0000 MC  
 BEVERLY C. LAND, 0000 MC  
 JON D. LARSON, 0000 MC  
 HEE C. LEE, 0000 MC  
 EMIL P. LESHO, 0000 MC  
 KEVIN L. LEWIS, 0000 MC  
 J. D. LITTLETON, 0000 MC  
 DAVID B. LONGENECKER, 0000 MC  
 THOMAS M. LOUGHNEY, 0000 MC  
 GLYNDA W. LUCAS, 0000 MC  
 WILLIAM F. MAGDYCZ, JR., 0000 MC  
 DAVID J. MALIS, 0000 MC  
 GREGG A. MALMQUIST, 0000 MC  
 DAVID G. MALPASS, 0000 MC  
 HENRY W. \* MARCANTONI, 0000 DE  
 GREGORY A. MARINKOVICH, 0000 MC  
 ALBERT J. MARTINS, 0000 MC  
 JEFFREY P. MAWHINEY, 0000 MC  
 ROBERT A. MAZUR, 0000 MC  
 SHERMAN A. MCCALL, 0000 MC  
 JOHN M. MCGRATH, 0000 MC  
 JEFFREY J. METTER, 0000 MC  
 ANNA MILLER, 0000 MC  
 JOSEPH S. MILLER, 0000 MC  
 ROBERT S. MILLER, 0000 MC  
 LISA K. MOORES, 0000 MC  
 SUSAN K. MORGAN, 0000 MC  
 THOMAS G. MURNANE, 0000 MC  
 LARRY P. \* MYERS, 0000 DE  
 PETER G. NAPOLITANO, 0000 MC  
 ROBERT B. \* NEESE, 0000 DE  
 HOWARD G. OAKS, 0000 MC  
 JOHN J. O'BRIEN, 0000 MC  
 LARRY K. O'BRYANT, 0000 MC  
 CHARLES E. PAYNE, 0000 MC  
 KAREN S. PHELPS, 0000 MC  
 KAREN M. \* PHILIPS, 0000 DE  
 THOMAS R. PLACE, 0000 MC  
 RONALD R. PLAUNER, 0000 MC  
 SANDFORD W. \* PRINCE, 0000 DE  
 BERTRAM C. PROVIDENCE, 0000 MC  
 ROBERT A. FUNTEL, 0000 MC  
 MICHAEL A. RAVE, 0000 MC  
 VICKY L. REILL, 0000 MC  
 WILLIAM A. RICE, 0000 MC  
 PATRICIO ROSA, JR., 0000 MC  
 GAYLORD S. ROSE, 0000 MC  
 HENRY E. RUIZ, 0000 MC  
 GREGORY D. SAFFEL, 0000 MC  
 KEITH L. SALZMAN, 0000 MC  
 JAMES R. SANTANGELO, 0000 MC  
 JOHN M. SAYLES, 0000 MC  
 DANIEL A. SCHAFFER, 0000 MC  
 JOHN P. SCHRIVER, 0000 MC  
 GREGORY J. SEMANCIK, 0000 MC  
 STUART D. SHELTON, 0000 MC  
 CYNTHIA H. SHIELDS, 0000 MC  
 COLLEEN C. \* SHULL, 0000 DE  
 STEPHANIE J. \* SIDON, 0000 DE  
 TIMOTHY S. SIEGEL, 0000 MC  
 JOHN J. SIMMER, 0000 MC  
 ERIC P. SIPOS, 0000 MC

BRICE T. SMITH, 0000 MC  
 CRAIG D. SMITH, 0000 MC  
 MARK H. SMITH, 0000 MC  
 LARRY A. SONNA, 0000 MC  
 SETH J. STANKUS, 0000 MC  
 RONALD T. STEPHENS, 0000 MC  
 JAMES E. STUART, 0000 MC  
 PAUL J. TEIKEN, 0000 MC  
 MARK W. THOMPSON, 0000 MC  
 CAROLYN A. TIFFANY, 0000 MC  
 THOMAS W. \* TYLKA, 0000 DE  
 JOHN T. WATABE, 0000 MC  
 KNUTSON S. WEIDNER, 0000 MC  
 MALCOLM A. WHITAKER, 0000 MC  
 DAVID C. WHITE, 0000 MC  
 MORGAN P. WILLIAMSON, 0000 MC  
 ROBERT W. \* WINDOM, 0000 DE  
 HENRY K. WONG, 0000 MC  
 MICHAEL L. YANDEL, 0000 MC  
 LYNNE P. YAO, 0000 MC  
 STEPHEN M. YOEST, 0000 MC  
 NICHOLAS J. YOKAN, 0000 MC  
 DARIUS S. YORICHI, 0000 MC  
 LISA L. ZACHER, 0000 MC  
 VIKRAM P. ZADOO, 0000 MC

#### IN THE NAVY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

#### To be commander

DOUGLAS M. LARRATT, 0000

THE FOLLOWING NAMED OFFICERS FOR REGULAR APPOINTMENT IN THE GRADES INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTIONS 531:

#### To be captain

FELIX R. TORMES, 0000

#### To be commander

ROGER R. BOUCHER, 0000  
 JAMES J. CHUN, 0000  
 BRADLEY H. SMITH, 0000

#### To be lieutenant commander

HANS T. WALSH, 0000  
 MATTHEW G. WESTFALL, 0000

#### To be lieutenant

ANDY E. BUESCHER, 0000  
 CRAIG M. LEAPHART, 0000  
 ANDREA C. PETROVIANE, 0000  
 CHRISTOPHER R. VIA, 0000

#### To be lieutenant junior grade

CHRISTOPHER F. BEAUBIEN, 0000

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

#### To be commander

AVA C. ABNEY, 0000  
 GEORGE E. ADAMS, 0000  
 KAREN M. ALKOSHNAW, 0000  
 ARNE J. ANDERSON, 0000  
 BRUCE M. ANDERSON, 0000  
 CLAUDE D. ANDERSON, 0000  
 JOSEPH A. ANGELI, 0000  
 COLLETTE J. B. ARMSTRONG, 0000  
 TIMOTHY J. ARMSTRONG, 0000  
 LYNNA A. BAILEY, 0000  
 WILLIAM G. BAKER, 0000  
 PAMELA E. C. BALL, 0000  
 BEN J. BALOUGH, 0000  
 CHERIE L. BARE, 0000  
 RICK D. BASTIEN, 0000  
 FAY M. BAYSIC, 0000  
 JAMES P. BECKETT, 0000  
 CLAUDE R. BEEDE, 0000  
 SCOTT R. BELL, 0000  
 LINDA J. BELTRA, 0000  
 HOLLY S. BENNETT, 0000  
 DAVID A. BERHTOLD, 0000  
 MONICA E. BERNINGHAUS, 0000  
 DONNA T. BERRY, 0000  
 WILLIAM C. BEUTEL, 0000  
 ANDREW R. BIENGER, 0000  
 DEBORAH L. BIENEMAN, 0000  
 KAREN K. BIGGS, 0000  
 JEANNE E. BINDER, 0000  
 ROBERT B. BIRMINGHAM, 0000  
 BRIAN D. BJORKLUND, 0000  
 WILLIAM H. BLANCHE, 0000  
 ROBERT B. BLAZEWICK, 0000  
 TIMOTHY L. BLEAU, 0000  
 MICHAEL A. BLUMENBERG, 0000  
 CRAIG L. BONNEMA, 0000  
 DANA G. BORGESON, 0000  
 JEFFREY T. BOROWY, 0000  
 WENDY M. BORUSZEWSKI, 0000  
 JIMMY L. BOSS, JR., 0000  
 THOMAS M. BOUCHER, 0000  
 MICHAEL J. BOWMAN, 0000  
 AGNES D. BRADLEYWRIGHT, 0000  
 ANTHONY P. BRAZAS, 0000  
 KURT J. BREILING, 0000  
 FRANK J. BRENNAN, JR., 0000  
 THOMAS D. BROGDON, 0000  
 EDWARD W. BROWN, 0000  
 STEVEN D. BROWN, 0000  
 DAVID M. BURCH, 0000  
 TED J. CAMAISA, 0000

DUANE C. CANEVA, 0000  
 LOUIS V. CARIELLO, 0000  
 GARY W. CARR, 0000  
 JOHN K. CARTER, JR., 0000  
 MARTHA W. CARTER, 0000  
 VALMORI M. CASTILLO, 0000  
 JAMES T. CASTLE, 0000  
 DAWN M. CAVALLARIO, 0000  
 DONALD R. CHANDLER, 0000  
 SHARON R. CHAPMAN, 0000  
 LESA D. CHEATHEM, 0000  
 DUANE A. CHILDRESS, 0000  
 LARRY R. CIOLORITO, 0000  
 BENJAMIN B. CLANCY, 0000  
 BARBARA F. CLAREY, 0000  
 ROBERT S. CLARKE, 0000  
 JAMES P. COLE, JR., 0000  
 MICHAEL J. COLSTON, 0000  
 STEWART W. COMER, 0000  
 STANTON E. COPE, JR., 0000  
 DENNIS W. COPP, 0000  
 DAVID B. CORTINAS, 0000  
 HAROLD S. COSS, 0000  
 GUIDO E. COSTA, 0000  
 ARTHUR L. COTTON III, 0000  
 RONALD D. CRADDOCK, 0000  
 DARSE E. CRANDALL, 0000  
 VICTORIA T. CRESCENZI, 0000  
 ANTONIO CRUSELLAS, 0000  
 KARINE M. CURETON, 0000  
 KENNETH E. CUYLER, 0000  
 CARL J. CWIKLINSKI, 0000  
 TINA A. DAVIDSON, 0000  
 ALBERT L. DAVIS, 0000  
 CINDY L. DAVIS, 0000  
 JAMES P. DAVIS, 0000  
 VINCENT DEINNOCENTIIS, 0000  
 ASHA S. V. DEVEREAUX, 0000  
 WILLIAM D. DEVINE, 0000  
 RONALD F. DODGE, 0000  
 PATRICIA W. DORN, 0000  
 EDIE H. DOZAS, 0000  
 JEAN T. DUMLAO, 0000  
 DOYLE W. DUNN, 0000  
 JOSEPH F. DUNN, 0000  
 PETER A. DUTTON, 0000  
 DEAN L. DWIGANS, 0000  
 BARBARA EBERT, 0000  
 JOHN H. EDWARDS, 0000  
 STEVEN A. ENEA, 0000  
 COLLEEN M. ESTES, 0000  
 LARRY A. EVANS, 0000  
 CHARLES R. FAHNCKE, 0000  
 WILLIAM K. FAUNTLEROY, 0000  
 BENJAMIN G. M. FERL, 0000  
 ROBERT O. FETTER, 0000  
 BRONWYN R. FILLION, 0000  
 MICHAEL L. FINCH, 0000  
 WILLIAM E. FINN, 0000  
 STEVEN C. FISCHER, 0000  
 KAREN L. FISCHERANDERSON, 0000  
 JAMES B. J. FITZPATRICK, 0000  
 DONALD P. FIX, 0000  
 JAMES D. FLOWERS, 0000  
 ROBERT W. FOSTER, 0000  
 FRAZIER W. FRANTZ, 0000  
 MICHAEL L. FULTON, 0000  
 FRESTON S. GABLE, 0000  
 STEPHEN M. GALLIOTTA, 0000  
 ROLAND C. GARIPAY, 0000  
 ARTHUR T. GEORGE, 0000  
 ATHANASIOS D. GEORGE, 0000  
 KATHRYN M. GIFT, 0000  
 ROGER A. GILMORE, 0000  
 DAVID W. GIRARDIN, 0000  
 LISA A. GLEASON, 0000  
 SUSAN P. GLOBOKAR, 0000  
 THOMAS J. GOALEY, JR., 0000  
 KATHY F. GOLDBERG, 0000  
 RICHARD GONZALES, 0000  
 JOHN S. GONZALEZ, 0000  
 MELODY H. GOODWIN, 0000  
 DENISE M. GRAHAM, 0000  
 MATTHEW J. GRAMKIE, 0000  
 LINDA J. GRANT, 0000  
 RANDALL L. GRU, 0000  
 JOHN S. GRAY, 0000  
 MICHAEL G. GREEN, 0000  
 RICHARD GREEN, 0000  
 LAWRENCE P. GREENSLIT, 0000  
 PETER W. GREGORY, 0000  
 DAVID E. GROGAN, 0000  
 CAROL A. GRUSH, 0000  
 KLAUS D. GUTER, 0000  
 DONALD D. HAGEN, 0000  
 KIMBERLY M. HARLOW, 0000  
 KRISTINA E. HART, 0000  
 JONATHAN L. HART, 0000  
 STEVEN J. HAVERANECK, 0000  
 JOHN W. HECKMANN, JR., 0000  
 MARY J. HELINSKI, 0000  
 MARK C. HENRY, 0000  
 JUDI C. HERRING, 0000  
 MATTHEW L. HERZBERG, 0000  
 JOHN E. HICKS, 0000  
 JOHN M. HOBAN, 0000  
 MARY J. HOBAN, 0000  
 JEFFREY S. HOEL, 0000  
 MICHAEL E. HOFFER, 0000  
 JON L. HOPKINS, 0000  
 DAVID S. HORN, 0000  
 JEFFREY S. HORWITZ, 0000  
 GERMAN E. HOYOS, 0000  
 NANCY A. HUEPPCHEN, 0000  
 MICHAEL D. HUGGINS, 0000  
 JANET E. HUGHEN, 0000  
 DANIEL E. HUHN, 0000

WARREN S. INOUE, 0000  
 MARK W. JACKSON, 0000  
 CARY D. JOHNSON, 0000  
 THOMAS M. JOHNSON, 0000  
 HARRY R. JOHNSTON, 0000  
 CHRISTILYNN JONES, 0000  
 CLAUDIA A. JONES, 0000  
 DAVID G. JONES, 0000  
 STUART S. JONES, 0000  
 EDWARD B. JORGENSEN, 0000  
 PATRICIA A. W. KELLEY, 0000  
 KENNETH J. KELLY, 0000  
 MICHAEL D. KELLY, 0000  
 SCOTT A. KENNEY, 0000  
 LEESA J. B. KENT, 0000  
 MARGARET G. KIBBEN, 0000  
 JOHN C. KING, 0000  
 ROGER T. KISSEL, 0000  
 TREYCE S. KNEE, 0000  
 BRIAN L. KNOTT, 0000  
 JOHN W. KORCA, 0000  
 LYNNE R. KUECK, 0000  
 JEFFREY D. LAMBERSON, 0000  
 PENNY C. LANE, 0000  
 STEPHEN N. LANIER, 0000  
 MARK S. LARSEN, 0000  
 STEVEN L. LARUE, 0000  
 AMY L. LAUER, 0000  
 JOHN H. LEA III, 0000  
 JOANNE R. LEAL, 0000  
 SUSAN J. LECLAIR, 0000  
 YVONNE R. LEE, 0000  
 JEFFREY T. LENERT, 0000  
 LYNN L. LEVENTIS, 0000  
 BENJAMIN D. LIAM, JR., 0000  
 MARK R. LIBONATE, 0000  
 RONALD L. LINFESTY, 0000  
 PHILIP L. LIOTTA, 0000  
 SCOTT R. LISTER, 0000  
 LINDA L. P. LOWREY, 0000  
 MICHAEL K. LUCAS, 0000  
 JEFFREY P. LUSTER, 0000  
 CORNELIOUS T. LYNCH, 0000  
 PETER S. LYNCH, 0000  
 WILLIAM J. LYONS, 0000  
 MICHAEL J. MACINSKI, 0000  
 DAVID J. MAILANDER, 0000  
 MARK A. MALAKOOTI, 0000  
 CRAIG T. MALLAK, 0000  
 VITO V. MANNINO, 0000  
 PETER A. MARCO, 0000  
 MARIA L. MARIONI, 0000  
 JOHN L. MARTIN, JR., 0000  
 STEPHEN C. MARTIN, 0000  
 LOREN K. MASUOKA, 0000  
 DAVID A. MATER, 0000  
 MELINDA L. MATHENY, 0000  
 JOSEPH A. MCBREEN, 0000  
 DEBORAH S. MCCAIN, 0000  
 JAMES A. MCCORMACK, 0000  
 PATRICK L. MCCORMACK, 0000  
 WILLIAM P. MCCORMACK, 0000  
 DEBRA E. MCGUIRE, 0000  
 JEFFREY L. MCKEEBY, 0000  
 ELIZABETH T. MCKINNEY, 0000  
 ROBERT A. MCLEAN III, 0000  
 THOMAS R. MCMURDY, 0000  
 REGINALD B. MCNEIL, 0000  
 MELISSA MEANSMARKWELL, 0000  
 DIANA L. MEHGAN, 0000  
 JOHN G. MEIER III, 0000  
 JANELLE A. MERRITT, 0000  
 DAVID C. MEYERS, 0000  
 THOMAS G. MIHARA, 0000  
 ALAN K. MILLER, 0000  
 ANTHONY C. MILLER, 0000  
 OREN F. MILLER, 0000  
 STUART O. MILLER, 0000  
 DEXTER R. MILLS, 0000  
 STEVEN G. MILLS, 0000  
 KEVIN G. MITTS, 0000  
 GERARD H. MOHAN, 0000  
 KEVIN M. MOORE, 0000  
 ANDREW S. MORGART, 0000  
 DANIEL J. MOTHERWAY, 0000  
 PATRICK J. MUNLEY, 0000  
 MARC A. MYRUM, 0000  
 KATHERINE M. NATOLI, 0000  
 TINA L. NAWROCKI, 0000  
 WILLIAM D. NELSON, 0000  
 JEFFERY S. NORDIN, 0000  
 MARILYN S. NORTON, 0000  
 THOMAS B. ODOWD, 0000  
 RANDAL J. ONDERS, 0000  
 JOSEPH G. ORLOWSKY, 0000  
 ROCHELLE A. OWENS, 0000  
 DANIEL J. PACHECO, 0000  
 GARY R. PAETZKE, 0000  
 MICHAEL T. PALMER, 0000  
 JOEL L. PARKER, 0000  
 JAMES K. PATTON, 0000  
 GRADY J. PENNELL, 0000  
 DEBRA A. PENNINGTON, 0000  
 JOHN F. PERRI, 0000  
 DAVID A. PETERS, 0000  
 DOUGLAS G. PETERSEN, 0000  
 MARTIN A. PETRILLO, 0000  
 BEVERLY J. PETTIT, 0000  
 RAYMOND E. PHILLIPS, 0000  
 DAVID R. PIMPO, 0000  
 BEN D. PINA, 0000  
 LEONARD PLATTANO, 0000  
 STACY A. POE, 0000  
 MARK A. POINDEXTER, 0000  
 GREGORY R. POLSTON, 0000  
 TERESA L. PRIBOTH, 0000  
 NASREEN S. QADER, 0000  
 CHARLES T. RACE, 0000  
 GARY H. RAKES, 0000  
 ABEL RAMIREZ, 0000  
 JOSEPH F. RAPPOLD, 0000  
 SCOTT M. RETZLER, 0000  
 ROBERT D. REUER, 0000  
 JEFFREY E. RHODES, 0000  
 MAGGIE L. RICHARD, 0000  
 MARK A. RICHERRSON, 0000  
 JORGE P. RIOS, 0000  
 ELLEN E. ROBERTS, 0000  
 AMILCAR RODRIGUEZ, 0000  
 ROBERT J. ROOKSTOOL, 0000  
 JOEL A. ROOS, 0000  
 JOHN C. ROSNER, 0000  
 ROBERT D. RUPPRECHT, 0000  
 JEFFREY A. RUTERBUSCH, 0000  
 MARGARET A. RYAN, 0000  
 EFREN S. SAENZ, 0000  
 WILLIAM D. SANDERS, 0000  
 THOMAS A. SATTERLY, 0000  
 MARK L. SAYGER, 0000  
 DUANE J. SCHATZ, 0000  
 KRISTIN E. SCHLIEF, 0000  
 KYLE J. SCHMIDT, 0000  
 KYLE P. SCHROEDER, 0000  
 REBECCA SCHROEDER, 0000  
 STEPHEN T. SCHULTZ, 0000  
 MICHAEL L. SCHUTZ, 0000  
 JOSEPH A. SCORDO, 0000  
 JEFFREY H. SEILER, 0000  
 ROGER L. SELLERS, 0000  
 DAVID B. SERVICE, 0000  
 DEBORAH A. SHERROCK, 0000  
 DANIEL P. SHMORHUN, 0000  
 TIMOTHY R. SHOPE, 0000  
 RICHARD SILVEIRA, 0000  
 CATHERINE A. SIMPSON, 0000  
 DONALD L. SINGLETON, 0000  
 MICHAEL J. SIRCY, 0000  
 KELLY D. SKANCHY, 0000  
 JAMES W. SMART, 0000  
 HUGH C. SMITH, 0000  
 KAREN S. SMITH, 0000  
 TERESA E. SNOW, 0000  
 JOHN M. SOCHA, 0000  
 JOHN T. SOMMER, 0000  
 RONALD S. SONKEN, 0000  
 GLEN T. STAFFFORD, 0000  
 TERRY A. STAMBAUGH, 0000  
 CARLA J. STANG, 0000  
 PATRICK J. STEINER, 0000  
 DANIEL C. STEPHENS, 0000  
 RICHARD W. STEVENS, 0000  
 STEVEN N. STEVENSON, 0000  
 FRANK A. STICH, 0000  
 CHRISTOPHER P. STOLLE, 0000  
 GAIL R. SWEET, 0000  
 STEPHEN B. SYMONDS, 0000  
 KEITH A. SYRING, 0000  
 GARY TABACH, 0000  
 DAVID W. TAYLOR, 0000  
 WILLIAM J. TERRY, 0000  
 THOMAS A. THARP, 0000  
 CLARENCE THOMAS, JR., 0000  
 JAMES A. THRALLS, 0000  
 LAURA S. TILLERY, 0000  
 ELIZABETH E. TIPTON, 0000  
 DAVID W. TOMLINSON, 0000  
 JOHN B. TOURTELOT, 0000  
 ANDREW P. TROTTA, 0000  
 BRADLEY S. TROTTER, 0000  
 LINDA E. TROUP, 0000  
 ROBERT F. TUCKER, 0000  
 MICHAEL A. UHALL, 0000  
 DEBORAH E. UHER, 0000  
 JON T. UMLAUF, 0000  
 SCOTT R. VANDERMAR, 0000  
 TIMOTHY S. VARVEL, 0000  
 THOMAS E. VELLING, 0000  
 PAUL J. VERRASTRO, 0000  
 AMILCAR VILLANUEVA, 0000  
 FRANCIS K. VREDENBURGH, JR., 0000  
 JOHN F. WARD, 0000  
 SHARON V. WARD, 0000  
 KATHY WARNER, 0000  
 JULIUS C. WASHINGTON, 0000  
 ALICE WHITLEY, 0000  
 THOMAS S. WILD, 0000  
 WADE W. WILDE, 0000  
 TIMOTHY H. WILKINS, 0000  
 ROBERT T. WILLIAMS, 0000  
 JAMES M. WINK, 0000  
 RICHARD B. WOLF, 0000  
 KEITH S. WOLGEMUTH, 0000  
 JOSEPH C. K. YANG, 0000  
 MYRON YENCHA, 0000  
 KENNETH S. YEW, 0000  
 LINDA E. YOUNG, 0000  
 KRISTEN C. ZELLER, 0000  
 GREGORY J. ZIELINSKI, 0000  
 MICHAEL E. ZIMMERMAN, 0000